Land Investing and Direct Marketing, with Seth Williams

Invest Four More Episode 20

Mark Ferguson: Hi, everyone. Mark Ferguson with Invest Four More. Welcome to another episode of the Invest Four More real estate podcast. I have a great guest on today, Seth William, who many of you may be familiar with. He's been on a regular on BiggerPockets, has his own blog, REtipster.com, and has kind of a unique story because he is real estate investor, but he still has a full-time job as well. Many of my guests are already full-time investors, either flippers, rental landlords, but Seth is doing this part-time, talks about how that works, how he can do it with a full-time job, and kind of give a different perspective on real estate investing. Seth, great to have you on the show. How are you doing?

Seth Williams: Hey, Mark. I'm doing very good. How about you?

Mark Ferguson: I'm doing great. Thank you for being on the show. I always like to get a perspective on where people came from, how they got started. Tell us, how did you first get interested in real estate investing? Where were you coming from at that point in your life?

Seth Williams: I think like a lot of people, I first got turned on to real estate after reading the famous book, Rich Dad Poor Dad. I was in college at the time and, for a lot of reasons, it just made sense. Robert Kiyosaki had a great way of explaining it and I just knew it was something I had to pursue more. My problem was it was about 2004, 2005 at that point. I started getting on my local MLS listings, "I got to find a rental property now. This is how I've got to do it." I started trying to find deals off there. I was running the numbers and trying to just find a deal that would work. Nothing would work. If I offered way below the typical asking price of some of these houses and duplexes, it was so far off. I didn't see how it was possible.

I eventually realized that I was kind of looking in the wrong places. I was looking where everybody else was looking and I had to sort of find a source of deals that was kind of like the secret area where nobody else was looking. I eventually stumbled across the niche of land investing, which was something that, when I first heard about it, it sounded kind of like, "Really? Land? Like seriously? Why would anybody buy land?" I didn't really get it, but the way the strategy works is you actually buy land from certain demographics of people who are typically highly-motivated to sell their property and you can buy this land for crazy, crazy low prices.

Probably one of the biggest sources that I use to get land deals is the delinquent tax list, which I can get from the county. It's a list that a lot of people don't necessarily know about or don't think about, but it's a list that every county in the country has. Usually it costs money, in most cases, and it just comes in the format of an Excel file that you can get it and really this list just contains everybody in that county who currently is back-due on their taxes. You can put together a mailer, send it out to them, and a lot of these people will respond and just be very highly-motivated for one reason or another. That's kind of one of the reasons they're on that list is because it's a big, red flag for all of them saying, "For one reason or another, I don't want my property. I don't care about it. Somebody get this off my hands."

It's been a really, really good strategy for me and land, in particular, is usually the number one type of property that I'm trying to buy because land is a very, very easy ... it's just a simple type of property. There's no issues that go wrong with it, typically. It's just dirt. There's nobody trashing the property or stealing things. Nothing's breaking down. You can sort of buy it and walk away from it for a decade and come back and it's still going to be there just like when you first bought it. For a lot of those reasons land, and then in combination with this delinquent tax list, has been just a really cool strategy for me to use.

Mark Ferguson: Nice, nice. That's an interesting strategy that we haven't talked about at all and I haven't even written about on my blog because I don't do it myself. I have bought a lot when prices dirt cheap and sold it a couple years later, but that's the extent of my land investing. That was an MLS deal. I'm curious, when you're buying land, what was your first deal? What did that look like and how scary was it and how'd it turn out?

Seth Williams: The first deal I ever did was in a county just to the north of where I lived. I just kind of picked sort of a random county that was nearby and did one of these mailings. I got a callback from a guy who was living in California and he hadn't seen this property in twenty years and he had just been paying these tax bills. He saw a way to get out of it. "That was why I called, man." I made an offer for just over three hundred bucks on his property. It was a half-acre lot. He accepted the offer and sent the assigned agreement back to me. We literally just closed the deal by mail. He sent me the stuff I needed and I sent him the stuff he needed and it was all good.

I sold the property about two weeks later for nineteen-hundred bucks. It wasn't huge, quit-your-job type dollars or anything like that, but when I compared that to a lot of the other investing strategies out there like house flipping and buying rental properties, it was like, "Here is a property that I can buy with just the cash I have in my pocket. There's really almost no risk here". Even if everything went horribly wrong, it's like, "I can afford to lose three hundred bucks and it's not going to ruin my life". That gave me a lot of comfort.

The first deal or two was a very slow-moving process just in terms of trying to figure out how the mechanics and everything worked and just how this all works, but it was fine. It wasn't a difficult process. When I saw how the deal worked and how quickly it happened and how low-risk it was, I kind of realized, "Man, I could do this a lot more and I could just find bigger versions of this and just sort of replicate it and scale it up," and that's kind of what I've been able to do over the years.

Mark Ferguson: Very cool. It's an interesting strategy. I know a lot of people who want to get started investing in real estate, like you said, but they don't have a lot of money. They don't have a lot of capital to start out with. If you try to flip a house, it's really difficult to do it without money, even with hard money lenders, even with private money. You still need your own money. You need to be able to find the deal. Rental properties, the same thing. You need quite a bit of money to get started, usually.

A lot of people turn to wholesaling, but you still need money for wholesaling. You've got to send out your marketing. This is kind of a new twist on a way to get started without a whole lot of money, if you can find that cheap land. That's very interesting. I'm curious now, are you seeing prices that low on land or have things really changed as far as being able to find deals like that?

Seth Williams: The interesting things about this strategy is that the properties you buy are never, ever, well, maybe not never, but ninety-nine percent of the time, they are going to be properties that are not listed with the realtor because we're buying from people who are ... they frankly just don't care. If I'm buying a property for a hundred bucks, it would obviously be very easy for that person to just stick a For Sale sign in their yard and somebody would probably buy it for five times more than that or a lot more than that. These people, that's kind of just where they're coming from. They don't think like you and I do in terms of like, "Okay, I want to get as much as I can out of this property". That's not really what they're concerned about. They're more just, "This thing is a nuisance in my life. I want it gone. Somebody just help me out and take this away".

Given that, in terms of prices going up, I think there might be maybe a little bit just in terms of people who kind of see what's going on around them, but by-and-large, if somebody is concerned about price at all, they're not working with me because I'm not making an offer that's more than twenty, twenty-five percent of a property's market value. I don't go there. It's a very specific demographic of people that I work with and it's people who just kind of don't care. There's not a lot of those people out there, but the trick is understanding how to find them. Once you know where those sources are, the process gets a lot easier.

Mark Ferguson: Very cool. Now are you finding when you are looking certain people, are you going to certain areas, maybe with lower prices, lower-priced land, or are you looking all over the place and just base your deals on that percentage or is there a specific place you kind of look for those?

Seth Williams: Yeah, well, when you're dealing with land specifically, I try to focus in like, for example, looking at the market of Chicago. Cook County is not a county that I would ever look in for vacant land. First of all, because there probably isn't much vacant land. It's a densely-populated area, but even if there is vacant land in a county like that, it's probably going to be in the rattiest, junkiest part of town where you don't want to own anything. Period.

Usually where I'm looking is in the radius around those counties. Basically in a place that's about a one-to-two-hour drive from the nearest major metropolitan area because those kind of places are sort of seen as a home away from home, like a retreat, where these people from the city can go and visit their land and then come back type thing. Those are the sort of areas where there's more of like a beauty, sort of seclusion factor to it. People are more willing to buy those properties and build a new home on it. That kind of thing.

Mark Ferguson: Very cool. Okay. That makes sense. Most likely, the most valuable land, people aren't just going to let go very cheap and there's going to be more people going after those deals, too, or looking for that land. I'm curious, when you buy this and when you try and sell it, are you using an agent to sell it yourself or using your own marketing? How do you sell the land?

Seth Williams: Yeah, probably a good question. There've been a couple of cases where I've tried to use agents just because I wanted more feet on the street trying to get properties sold, but I found even when I was doing that, I ended up finding the buyer, which kind of surprised me, honestly. I figured this is what they do. They're going to totally do this way faster than I can. That's never been the case. I don't know if it's ... I don't know. I'm not really sure.

I know that when I get my properties, I'm very motivated to get that thing sold ASAP. I'm working hard at it. I'm creating really good ads. I'm putting them all over Craigslist. All over every sight I can possibly think of. Usually, if the deal's a good deal, somebody's going to call me pretty quick and the deal's going to happen. Remember, I'm buying these properties for like almost nothing, which means I can list them for half of market value or somewhere in that range. It's a really good deal on the open market. A lot of people are going to jump at that opportunity unless there's just some fundamental issue with the property. In a lot of these cases, the properties sort of sell themselves if you just get the word out and just get it in front of as many eyeballs as you can. For that reason, I haven't really needed realtors a lot in my business. I've kind of done a lot of it myself.

Mark Ferguson: No, that makes sense. I imagine, too, with those low prices, it's tough to find agents who are very motivated. How would you even structure the commission when you are selling a two-thousand or three-thousand dollar lot?

Seth Williams: Yeah. That's another thing. That's correct. Usually, when I've tried to use agents, it's more when the property's worth more like fifty-thousand, a much higher dollar amount. I think for those types of deals, it probably makes more sense for them to get involved. When they're the rinky-dink properties, which I honestly don't do a lot of those anymore, just because I've learned that my time is better spent pursuing fewer deals that are larger, but yeah. You're correct with that.

Mark Ferguson: That makes total sense. You've done this land-investing strategy. Very cool. I haven't heard of that before, but I do like it. You also have a full-time job still. You're actually a commercial banker.

Seth Williams: Yep, that's right.

Mark Ferguson: Tell me about your job. How is it being a commercial banker? What's your day-to-day life look like and what kind of deals do you do in your job?

Seth Williams: Yeah, my job. I actually work for a small-business financing company. It's another sort of niche thing in the commercial banking. We do SBA, which is like a government-guaranteed loan program. It's pretty interesting. It's specifically called the SBA 504 loan and the way those loans work is a bank will come in and finance fifty percent of a deal and SBA will come in and finance, usually, forty percent of that deal, which means the borrower only has to put in ten percent, which is a pretty low down payment for a commercial mortgage.

Really, it's a benefit for the borrower because they don't have to put a whole lot down. It's also a benefit for the bank because they've got fifty percent loan-to-value because we're in second position behind them. Really, it doesn't always make sense for everybody and there's a lot of eligibility factors to think about just to even qualify for the loan, but in the situations where it works, it really makes a lot of sense and can be a huge benefit for all parties involved.

Mark Ferguson: Cool. I've heard of those loans before, but I've definitely not an expert. What types of properties do those loans work for?

Seth Williams: It's intended for real estate and equipment, particularly for small businesses who are going to occupy that real estate. Typically, the types of properties we would do, in our area anyway, we do a lot of manufacturing facilities, restaurants, really anything you can think of that qualifies as commercial real estate that is actually occupied by the owner.

Mark Ferguson: Okay, cool. You can actually get a lower down payment on large, commercial projects than you can as a rental property as your owner.

Seth Williams: Yeah, that's part of the intent with the government's program. Part of the reason it exists is to encourage businesses to create jobs. They're not really interested in investors. They're more interested in companies who are going to grow the economy through what they're doing in that actual building. That's kind of to help them grow and all that.

Mark Ferguson: No, it makes sense. That's one reason why the tax advantages are so great on rental properties because the government tries to encourage people to invest in real estate which helps the economy. Same thing. The more small businesses there are, the better the economy is, so the government tries to push that. Makes sense. How has being a commercial banker helped you with your real estate investing? I imagine there's definitely some synergy there.

Seth Williams: Absolutely. I really didn't plan it that way. It's just sort of how it worked out. What I do specifically is I do a lot of loan closings and a lot of underwriting just in terms of getting deals approved on the front end. It's helped me in really both of those ways in terms of understanding what a good deal looks like and then also on the closing end, just understanding the mechanics of how to close a deal. It took me awhile to figure it all out.

It's helped me a lot in my land business just because closing a deal, it's something that seems just very confusing to a lot of people and that's why title companies are brought into the mix, closing attorneys, to handle all this stuff. In many cases, that's appropriate. It's good to have people who know what they're doing, handling those really important documents and transactions, but when you're doing cash deals for land, it's a fairly straightforward, fairly simple thing if you understand the paperwork.

A lot of the deals that I've bought and sold I've closed myself simply because there's not a lot of paperwork required. It's like a deed, a purchase agreement, and maybe a property-transfer affidavit. Those are sort of the basics and a few others if you want to cover various liability things. It's really not hard and I've been able to kind of demystify that for some people who have wondered about how to do that sort of thing themselves, particularly with a lot of these ultra-cheap deals that buy and sell for a few thousand bucks. When you're only talking about those dollar numbers, it doesn't always make sense to pay another five hundred to a thousand bucks to bring a professional in to handle all this stuff when you can do it yourself. It's kind of through necessity I learned to do a lot of that myself through my deals.

Mark Ferguson: Yeah, no that makes sense. You pretty much eat up your profit if you bring in an agent, you bring in a title company, you bring in a closer, then it doesn't make much sense. When you did these deals, do you get title insurance from the title company or do you just kind of do your own due diligence? How do you figure out if there's any other liens against the properties?

Seth Williams: The way that I handle it, and I'm not saying everybody necessarily should do this because it kind of takes some know-how to do this, but I've done a lot of my own title searches where I just get an abstract of title and I look through all of the documents on record and then kind of trace one document to the next to the next and I can just pinpoint whether there's any clause on the title and if there's not, then I'm comfortable closing that.

I typically do that if the total market value of a property is less than ten-thousand bucks just because we're talking small numbers. When it gets over that and there's the possibility that I could mess something up, I don't really want to mess around with those kinds of huge dollar amounts so I'll typically get a title insurance policy, and maybe just even have a title company do the whole thing if it's a bigger deal like that, just because I don't want to gamble with that kind of thing. Just on those smaller deals, I just handle a lot of that research myself.

Mark Ferguson: That makes sense. I imagine, yeah, the more money involved, obviously the more risk there is and the more sure you want to be of what you're actually buying. Getting back to the commercial side of the banking, I know you don't exactly work with residential loans and different things like that, but you are on the banking side and know what's required and what impresses bankers. Do you have any tips for people who are looking to find local banks or smaller banks to work with for impressing them or showing them that they're a real investor or somebody worth investing in?

Seth Williams: Yeah. It helps to have cash coming out your ears that you don't even know what to do with. That's always encouraging to bankers. A lot of the deals that I'm underwriting, I'm really more looking at what does this business do and how viable is this business? Not necessarily on the individual level, like you said, but the 5C's of credit. If you can have a good credit score, have good character, have cash on hand, lot of things that just sort of make you less of a risk to a bank is very helpful.

A lot of banks out there kind of have this cookie-cutter mentality when they're looking at residential stuff. I was listening to your podcast. I think it was with Danny Johnson awhile back when you were talking about finding a good portfolio lender versus one that will only allow four mortgages and then you're done kind of thing. That's a kind of thing a smart lender will actually use their head and think about actual variables that could affect it rather than just saying, "Nope. You're done at four. See you". I think a lot of importance is finding the right lender, too. Just someone who is willing to be flexible and think outside the box a little bit.

At the same time, you also have to think about yourself and be honest about it. There are always going to be opportunities that, honestly, are great opportunities, but they're just out of your reach. It brings your risk level to a point that shouldn't be acceptable to you and I think it's really hard as an individual who's trying to grow and find these opportunities, it's hard to stop yourself and to just be wise about when you shouldn't keep going and when you should just kind of hold off for a bit. Build up your reserves and hit it again later. It's very difficult to balance that perfectly. Usually you're going to be either too ambitious or not ambitious enough. The closer you can get to that line through your own honest thought process, the better.

Mark Ferguson: No, it makes a lot of sense. I think what I'm hearing you say, too, is it's not just the borrower who has to impress the bank, but it has to be the right deal. You're looking at the business, too. You could have the perfect borrower in the world, but if you look at their business model and there's no possible way you could ever make money with this, you're not going to lend on that business. It's kind of a combination. It's got to be the right borrower and, if they're buying properties, it's got to be the right property, too. Show you can make money on it.

Seth Williams: Yeah, absolutely. Honestly, it can be a very, very, very complex equation in the end. Especially with businesses and that kind of thing. There's a lot of things, lot of variables, that can make or break a deal, and sometimes, if you've got Bill Gates looking to buy a rental property, there's not very much thought required in that. It's just an, "Okay, approved," but most people and most loan applicants just have a lot more stuff to consider. There's always going to be some risk at the end of the day. It's just a matter of getting to the minimal level or as small as possible.

Mark Ferguson: No, makes a lot of sense. Like you said, if the banks are super-concerned about you buying more properties, maybe your debt-to-income ratio is too high, maybe that's a sign that you should slow down or you should reduce your debt or find a way to fix that because that's kind of a warning sign to the bank that in their past history, that's a big risk. Maybe instead of looking to get around that, maybe you should look at ways to improve that figure so you are at less risk.

Seth Williams: I can think of just a couple deals off the top of my head where we ended up doing them and they just went south almost from day one. We never should have done them, but it's kind of funny. I think the reason we ended up doing it was because we had these borrowers who were just pushing us so hard and they were so good at selling themselves, they just had the passion.

It's kind of funny, just the whole human elements. We all have emotions we have to struggle with and deal with and kind of keep under control. These people, they just, in their minds, they were unstoppable, but when it came down to it, it was just a bad deal and they never should have done it. We never should have done it. It's just a kind of thing where a lot of times you're not going to hear the voice of reason coming from the borrower, necessarily, because they're not necessarily thinking about, "How is this going to be a disaster?" They just kind of want to get it done and move on to the next thing. A lot of the questions that we have to go through are very reasonable and are important questions to ask.

Mark Ferguson: Great advice. I think a lot of people can learn from that, that if every bank you're talking to is turning you down, maybe it's not that you need another bank, but you need to work on why they're turning you down and fix that.

Seth Williams: Absolutely.

Mark Ferguson: You've got your land investing, your full-time commercial banking job. You also started a blog. Tell me about your blog, why you started it, and how that experience has been.

Seth Williams: Yeah, my blog, REtipster.com, started that back in late 2012. It was really kind of ... I don't know about you. How long has your blog been going, by-the-way?

Mark Ferguson: March 2013. Probably real similar to when yours started. Maybe a little later.

Seth Williams: I'm not sure how you got into blogging or why you got into blogging, but I never really understood the point of blogs. I just didn't get it and I didn't get why anybody cared about them. It wasn't until late 2012 when a friend that told me about Pat Flynn's blog, Smart Passive Income, you've probably heard of that. It won the blogosphere. It's just a household name now. He's a very well-known guy. When I saw what he was doing, I was just like, "Man, this is awesome. This guy. It's just amazing." Just putting out a lot of extremely helpful stuff that people should gladly pay money for because it's very valuable, but he was just giving it all away for free and I couldn't believe it.

His blog is all about online business and that kind of thing which doesn't really correlate to real estate, but I saw that, and I'm like, "Man, I want to be that guy in the real estate world". Most of my experience was in kind of a nichey thing with land investing. It wasn't what most people were talking about in terms of rental properties and house flipping, but I just sort of wanted to be that guy in my particular space and put as much helpful information out there as I could.

I didn't realize this when I started doing it, but it is a lot of fun. I really, really enjoy it. It takes a lot of time to put some of these blog posts together, but once the final product is out there and it's very well-done and it really helps a lot of people and a lot of people give good feedback, I just find that really, really rewarding to know that like, "Yes, I nailed that problem and really found a solution for people". It's been really fun. I've gotten a lot of good feedback and something I hope to do a lot more of in the future.

Mark Ferguson: Yeah, I know. That's really cool. When I first started, I had no idea what I was doing. I hadn't written an article since college. I kind of had my, not really a niche, but I had my rental properties and I knew how to get more mortgages and I'm like, "Okay, I'll just start writing a blog". I had to have my friend help me because I had no idea how to set it up and I just started writing articles. Like you said, people started responding, "Hey, thanks for your help. This really helped me out". I'm like, "Wow, someone cares what I wrote about. This is cool".

Seth Williams: Yeah, I know. It's very cool.

Mark Ferguson: Yeah, and it just kind of ballooned from there. It's been a ton of fun for me, too.

Seth Williams: Yeah, it's awesome.

Mark Ferguson: Not only do you have your blog, but you've got some ways to help people get started with land investing as well, correct?

Seth Williams: Yeah, yeah, absolutely. We actually just a couple of months ago now, I've written a lot of articles and random tidbits of information about how to do the land investing business, how to do other things that I've got my hands into. I own a couple duplexes and explaining how to analyze that kind of thing. Stuff I'm sure you've probably written about as well. I had a lot of people saying, "Do you have a more organized system or something to follow to actually start this kind of land business?" I had just kind of a string of blog posts, but nothing that well-formulated from start to finish.

We recently just put together, it's like a membership website, where as part of the membership you get a twelve-week course on start-to-finish process on land investing. I've been trying to create a better, more organized system for people to follow that. There's also a form as part of that membership website. Yeah, it's been pretty good so far. I've had a lot of sign-ups and good conversations happening in our forum. Yeah, it's been a lot of fun.

Mark Ferguson: Very cool. Very cool. Yeah, we'll definitely have a link to your website and to that membership as well so people can reach you there. You mentioned duplexes. Is that what you see as your future, kind of investment vehicle, is real estate, or are you doing different things, kind of diversifying? What's your current investing strategy?

Seth Williams: Good question. I think my ultimate goal is to probably do more duplexes and residential rental properties. I'm also looking at trying to get into actual farmland because it's land. It's an area I kind of know a little bit, but it's also, it's kind of like a rental property, just without the tenant aspect of it. Without the building aspect. It's just sort of dirt and you get paid to lease that dirt out to people. I'm looking at trying to do farmland at some point as well.

My strategy with the land flipping is to sort of, for awhile there, I was trying to do seller-finance land and I think that's absolutely a great way to build up passive income through selling land. I still have a couple like that out there as well, but recently, in the past couple of years, I've been trying to sell properties for all cash when I can because I'm trying to take that cash and plug into other things that are going to be more permanent sources of passive income. That's kind of what I've been trying to do with the duplexes and all that. That's my current strategy.

Mark Ferguson: Nice. I'm curious, you mentioned farmland, but I imagine most of the land you're buying lots and different things like that, they don't really have any source of income if you're owning them. Like you said, it's just dirt. Do you ever hold any of these for maybe, if they're close to future development, are you kind of looking at long-term goals with any of them or are you just trying to get out of them quick and get your money and put it into something else?

Seth Williams: Yeah, I've got a couple that I'm basically just kind of in a holding patter on, but by and large, I would say that the intent, the reason I'm buying these, is to resell them ASAP. It's not because I'm hoping that someday, thirty years from now, it'll have a booming population there. That's just too long to wait for me. I just kind of of get in, get out, and make my money when I can. That's kind of been my strategy.

As far as the income thing goes, I'm not saying you can't do this, but I've never rented the land out. It's been more of when I sell it, I'm selling it to people with seller-financing and they can, usually with their first payment or two, I'm getting made whole with all the money that I put into it. Then for the next five years, these monthly payments are like pure profit because I bought them for so cheap in the first place.

A lot of times when you're selling these with seller-financing, you can justify a much higher asking price, because these buyers are mostly concerned with, "Can I afford this monthly payment?" That's kind of the number one thing they're looking at, so really, it adds a lot of cool benefits to your ability to sell properties and make more money on them, if that's the kind of approach you're trying to take.

Mark Ferguson: Right. No, it makes perfect sense. Very cool. I'm curious, with the farmland, I have no idea how that works. I imagine it's basically like rental properties, but you're just renting the land out to farmers. Do you they have longer-term leases? Are they looking at different things when they're trying to rent land?

Seth Williams: Yeah, I'm actually kind of still in the learning process, too. I think my struggle with farmland that I'm sure there's an answer, I just haven't figured it out yet, is that it's not the same approach where I'm buying these from people who don't care about it. The sellers would be more reasonable, normal people who are expecting a market-value asking price. It's not quite as much as the buying it for pennies on the dollar thing.

I've actually got a cousin-in-law who lives in Iowa and he's a farmer. He's kind of the one that sort of got me thinking about this. Farmland prices in places like Iowa and Illinois, we're talking about some of the best farmland in the world. It can get very expensive there, but on the same coin, you can also ask for a lot more in your annual lease. Usually the way it works is, you'll get either one lease payment for the year and then that farmer will farm it for the entire year-round or you can get it at different segments throughout the year. It's a very hands-off thing. I don't have to really ever check in on it. They make the payment and it's their land to do what they will with.

Mark Ferguson: Very cool. It's interesting to see these different strategies that I haven't thought about, but yeah, I imagine there's so many different ways to make money in real estate. You're always going to find something new. It's very cool.

Seth Williams: For sure.

Mark Ferguson: Very cool. I think that's all I wanted to cover with you. Before we end this, though, any advice you can give out there for people looking to get into real estate, looking to start building some kind of investing portfolio? What's some advice you can give to people who haven't been exposed to real estate yet, but really want to get involved and get into the business?

Seth Williams: Yeah. Good question. A lot of different directions I can go with that. It would kind of just depend on what specific strategy or niche that they are interested in pursuing, but just as it pertains to mine, the land investing business, I would say before you jump in, make sure you have a plan and you're not just sort of wildly throwing money all over the place expecting things to happen. Make sure you understand to some extent what you're doing. You don't have to be an expert at it. A lot of it is kind of figuring it out as you go.

For example, I got started with direct-mail campaigns. They were extremely effective, but the only reason they were effective is because there was very specific steps I was taking. I wasn't just getting any lists. I did a lot of sorting to it. Did a lot of work on the specific message I was sending out to them. It's important to take action, but it's more important to take intelligent action and make sure that you're following a very well laid-out plan that makes sense for what you're trying to pursue.

Also, I would just say, make sure you have decent funds to work with, whether it's your money or somebody else's, just make sure you have what you need to actually do the job. I only had about three-thousand bucks to start with when I got started, but that was really all I needed and that was one of the benefits of the land is that it didn't require a lot. If I only had two-hundred bucks, I wouldn't have gotten very far before everything would just stop, so just make sure that your guns are fully loaded before you just start charging out into the field.

Mark Ferguson: Great advice. Yeah, in anything you do, any kind of investing, so many people try to get into the no-money-required, invest with absolutely none of your own money, but in the long run, the more money you can save, the more of your own money you have, the easier it's going to be and the better off you're going to be. The shortcuts usually don't work out well in the long run.

Seth Williams: Yeah, totally.

Mark Ferguson: Awesome. Great, well, Seth, I really appreciate you being on the show. Before we leave, if people want to contact you, what's the best way to get in touch with you? Is it through your website? How can people get ahold of you?

Seth Williams: Yeah, I would say go check out the website, REtipster.com and there's a contact page there. You can also hit me up on Twitter or Facebook or Google+ or any of those things. I'm everywhere. Just reach up if you've got any questions.

Mark Ferguson: Very cool. Yeah, and we'll have links to get in touch with you as well on the blog. Great. I really appreciate it. Thank you so much for doing the show. I'm sure we'll be in touch here. I hope you have a great weekend coming up here.

Seth Williams: Absolutely. Thanks a lot, Mark. Appreciate it.