

Strategic Real Estate Coach Radio

Intro: Welcome to Strategic Real Estate Coach Radio, hosted by Josh Cantwell and Kyle Garifo. Strategic Real Estate Coaches, where the nation's leading real estate investors, brokers and agents turn to transform the way the real estate business is being done in neighborhoods across the nation. If you desire to make more money, do more deals, grow your passive income and build the lifestyle you've always wanted, you need Strategic Real Estate Coach. This powerhouse team is led by Josh Cantwell, a seasoned investor with nearly a decade of experience, over 700 transactions and over \$5.5 million in fundraising generated for himself and his partners. Now, sit back, listen, learn and accelerate your business with Strategic Real Estate Coach Radio.

Josh Cantrell: Hey there, everybody, this Josh Cantwell, CEO of Strategic Real Estate Coach and freelance ventures. And welcome back to another interview series, part of our podcasting series Strategic Real Estate Coach Radio. If you're watching this on YouTube, welcome to YouTube or any of the other social media platforms. I want to welcome you. And today, our goal is to give you some amazing ideas and strategies to help you level up your game in real estate investing. So, I appreciate everybody being here. My guest for today is my good friend, Jim Thomas from the New Jersey market. Jim is one of our students and actually coming up at our Flip and Fund Summit, one of our live events that we do once or twice a year, Jim is going to be, they're actually hanging out, sharing the stage a little bit, sharing some information with our crowd. So, we're excited to have him there. And I've actually caught Jim on his way from New Jersey driving down to southern Ohio, to go hunting. So, we're recording this on a Tuesday afternoon and Jim saw making the, making the trek down to southern Ohio. So, Jim, thanks for joining us today. And why don't we jump in, buddy, just tell us what you're doing. Tell us where you're going from New Jersey to southern Ohio and you're off having fun. So, what do you have to?

Jim Thomas: Yeah, I'm, I'm in my second office here.

Josh Cantrell: Yeah, right.

Jim Thomas: I uh, uh, my little home away from home. I got back last night. I hopped in my truck early this morning. I'm headed to a southern Illinois down by a lower Salem Marietta area for my annual hunting trip. Um, so, uh, I'm excited about that. Get back with my buddy out there and meet him out in the trees.

Josh Cantrell: Nice. Nice. How long have you been, how long have you been hunting?

Jim Thomas: I've been hunting my whole life. So, a really active, a bowhunting for about the last 15 years. I absolutely love it.

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- Josh Cantrell: So, doing something you love driving during the week on a Tuesday. That's great. When we were getting ready for this I said, man Jim you look like a hunter. Got a beard going nicely trimmed, right.
- Jim Thomas: Got to look good for the deer, Josh.
- Josh Cantrell: That's right. Yeah. Yeah. They don't know what's coming. Don't know what's coming. That's great man. So, Jim, tell us you're an active real estate investor full time. I know you've got a couple different things you do sort of multiple streams of income, but real estate wise you're essentially retired from your former job. On the railroad after 26 years, I think it was on the railroad to, uh, to be a full-time real estate investor and some other things that you kind of toy around with on the side. Now enjoying that. So, uh, why don't you just kind of help our audience understand, where you're at, in your real estate investing today? Give us an idea of what you focus on, whether it's wholesaling, rehabbing a passive cashflow, private money, tell us a little bit about your investing strategy.
- Jim Thomas: Been into a little bit of everything here lately, and great news for those that don't know it, I haven't chance to put it up in our Mastermind Elite and that on Facebook a crowd yet, but we just closed the house when. Just got the wire this morning. Autobahn. Bye Bye.
- Josh Cantrell: Autobahn, you sold it?
- Jim Thomas: Yeah. Autobahns history.
- Josh Cantrell: Oh right. That's good stuff. I didn't talk to my team yet. For those of you guys that don't know, as far as being a private lender and running our private equity fund, we fund deals for our students that are members that are friends. We funded that deal for Jim, so he was able to buy the property with no money out of pocket. I think the only thing Jim paid for it was like his appraisal inspection, stuff like that, but he's able to get to the closing table, no money down. And we funded a forum and made a profitable deal and got the wire this morning. Killer. That's what the sixth or eighth deal we funded for you?
- Jim Thomas: Yeah, somewhere between six and eight. And another one that you funded, also Albertine that's going out the door. Uh, not this week, but the following week on the 16th. We'll close that one out as well.
- Josh Cantrell: Nice. So, it's going to be a good month. November.
- Jim Thomas: Yeah. I love November man. Babies need new shoes. You know what I mean?
- Josh Cantrell: Babies need new shoes. And you gotta get some new hunting equipment to, you know.

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- Jim Thomas: I'm headed to Cabela's on my way to lower area of Ohio here.
- Josh Cantrell: Well, don't spend, don't spend the whole wire that you just got wife might be upset.
- Jim Thomas: No, I won't do that. But I've been doing a lot of fix and flip properties. You guys had funded quite a handful of those that we've done. I'd say about six or eight. We've got two more in the works that we used a lender on a that we're rehabbing big projects. We've got another one on market right now for sale. We've got another one coming up here shortly that's gonna hit the market. We've got one that we just put under contract that we close on the 26th, that one right now we're going to start that as a rehab with the idea of flipping it and selling it, but the numbers on it are real, real good. I'm excited to actually talking with Chris here the other day. For those that don't know, he's with free land that does a lot of the underwriting and that stuff. We spoke about the new long-term funding that you guys have.
- Jim Thomas: So, as we work through that project, depending on kind of where we land, we may, instead of put granite nice backsplash, we may put Formica countertops and transition that into long-term rental. That way we've got that monthly cash flow that has been part of my big focus here lately is creating that monthly cash flow. We, we landed a deal up in upstate New York, very, very similar to the one that I did a couple of years ago that I told you, the HUD that I got for like 18,000 up there. Same realtor that we worked with, we went on vacation this year and when we came back two days after I came back, we looked at a few houses she had called me and she says, I got another deal for you, you got to get back up here. Um, so we, we landed that deal.
- Jim Thomas: It was a gentleman and his ad had moved in with him. He was trying to unload the house. I love the, some of the things that I've heard from you and the other coaches have, you know, the negotiations and stuff and they wanted \$45,000 for the house went up. I took a look at it and I was like, man, 45 grand is a steal on that house, but I don't want to pay 45 grand. So, I called him up. So, I called him up and I, you know, in short, just kind of, you know, for what we're going to have to do in rehab. I fed off from him because before I even went in his words to me on the phone where man, it's a wreck, it needs a lot, a lot of work and blah blah blah. So, when I got on the phone with him, the words out of my mouth were, hey man, you were right, the places are rec and these a lot, a lot of work, you know, I couldn't hardly begin to give you what you're looking for the house. And he says, well what are you thinking? And I said, I really couldn't go much more than 15, \$20,000 on that house. And he was like, oh man, I was really hoping to get a little bit more, you know, would you be able to come up to like \$35,000? I said, man, gave it that awkward moment of silence. And I was like, man, it's a lot of work when you look at the ARV and that. I said 20, like 15 to 20, that's my max. But and he was like, well, I really got to get rid of it. Would you be willing to meet me halfway? And I went hmm, I'm sitting right where I'm sitting right now in my truck with the phone in my ear, not saying a word, just awkward silence.

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Jim Thomas: But in the meantime, I'm fist pumping going, oh yeah, baby cashflow, cashflow, you know. And I was like, well, so you're talking to like 25 grand? He goes, yeah. I says, all right, 25 grand, man, I hate to do it. It's a lot. I said, I could do that, but you're going to have to handle all the closing costs and all that type stuff. He's like, all right, done deal. I literally hung up with him, called the attorney. I said draw this thing up now. I said and get it out to me, get it to him. So, we locked it in under contract for 25,000, it needs about, probably about 20, 25 to get it rent ready and it'll be a seasonal rental. Rent out about four months a year and it'll do me somewhere between 12 to 1,600 a week in rental. I'm excited about that. Not to mention there's a nice garage in the back that we can convert to another rental which will double that, turning it into about 24, \$2,800, somewhere around there, a week in rental income.

Josh Cantrell: I mean you can literally have that thing if you took all the cash flow and put it right towards, you know, your principal if you had a loan on it, paid off in like five, five to seven years or less. Exactly. Wow, that's great. Jim. So, a lot of rehab stuff, obviously we funded a lot of your deals, which is great. For those of you that, you know, are looking for a lender or looking for more information about funding, you can look out our website, it's freelandlending.com, you know, ping us, contact us, let us know if we can help you. And you know, we have, we have a process like working through with Jim where we can provide the purchase funding, the rehab funding, there is you know interest payments that you have to make and stuff like that. So, it's not totally like no cash at all, but we do fund the deal 100 percent at the closing table but purchase and rehab.

Josh Cantrell: And then we have a takeout lender, permanent finance lenders that will fund deals for 30 years based off of a 30-year amortization schedule. I just did that. I one of my own properties, bought it, a rehab that rented it, refinanced it, and only put in that case I wanted a lower loan to value on the long-term rentals. I put like 5,600 bucks into it on a \$150,000 deal. That's what I put in at closing to pay off my acquisition funding and my rehab funding so I could, you know, keep it long term, so five grand out of pocket, and I'll make that up within a few months of positive rental income. So, Jim, is that part of your strategy now is kind of fix and flip or big profit, but then fix rehab, rent and refi for long-term cash flow?

Josh Cantrell: Yeah, absolutely. Because, you know, one of the things that I wish I could've told myself here a few years ago was, you know, you're moving these flips, you're moving these flips, leverage that money that you're making back into more rental, you know, rental portfolio. Leverage some of that kind of split it up between, you know, putting some money back to keep the, the rehabs going, but leverage some back and take mortgages long-term whatever, right, to get that cashflow coming because it helps with obviously those monthly holding costs with different lenders and different things like that. And just the inability of the family.

Jim Thomas: Cash is king. That's great Jim. So, Jim let me, let me take a step back and let's go back in history a little bit, couple years ago. Just tell us again a little bit about

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your background. You worked on the railroad for over 25 years. What was that like? And you know, when that was coming to an end? When did you kind of catch the real estate bug and how did you kind of figure out your exit from, you know, kind of retiring getting out of the railroad into real estate? So, I guess the question is, is when did you catch the real estate bug and when you did, what were you doing at that time?

Jim Thomas:

Yeah, it's funny because I've actually had the real estate bug very, very, very long time. Yeah. Before I even went into the Marine Corps, you know, because I had an aunt who was very successful with real estate, but I didn't want to be that nag, that kind of hounded her, like, you know, Aunt Linda how'd you do this? And so on and so on. And you know, I'm running the grind on the railroad every, every single day up at 5:30 out in my truck at six and down at the yard by seven and, and work and supposed to be until 3:30. But who knows, I might be lucky if I'm home by nine, you know, I had my kids, I'd leave before my kids got up getting home after they, they went to bed. I was supposed to see him on Saturday. That's not happening because I'm stuck working Saturday to half a day Sunday. So, I'm literally getting like four hours a week with my girls and that's no good, you know.

Jim Thomas:

And I decided I needed to make a change and I actually had flown to Tennessee for a job interview because that's no secret. Everybody knows that me and my wife want to head out to Tennessee. And for the first time. Now right before I had left, you know, I, I had gone to a few seminars, went to through a few different things and I get this email from Josh Cantwell and I said to myself, oh great, another one of these gurus, right? And I kind of put it to the side. And I went to Tennessee and I sat through that interview and for the first time in my life ever, I was told no, that I wasn't made for that position. It wasn't for me. And I thought, you son of a bitch, who are you to tell me what I can and can't do?

Jim Thomas:

So, I was headed back to the airport. I remember I'm flying down the highway. I am po'd and every word in the book coming out of my mouth. I'm on the phone with my wife talking about what a no good, you know what that guy to tell me. And she's like, well, what are you going to do? I say, I'm going to get back into my email. I said, I'm going to find that Josh Cantwell and I'm going to get into his course on some level somewhere and see what I can get going because I need to do something different. And I remember sitting down on the airplane, I'm walking in and I'm on my phone trying to get set up with, back then it was the 40K Flips, right. And I hit it the first time. I wasn't sure if everything cycled went through. So, I did it again. So, I ended up signing up for you like three times that day.

Jim Thomas:

And I kept getting these emails. Finally, I talked to the girls at the office. They got it all squared away. And so, then I, then I found out that, that, I think Vegas was the first event. You were having an event there and I got signed up and I went down and you know, I'm there with my wife and everything and I was all in at that point. I was ready to go. Problem was, is we didn't really have the money

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at that point to do it. We were struggling, you know, and I remember watching some of the people sign up and get moving with you there at that event and, and I thought alright, Chrissy Morrison and she's in my area, Teddy Slack, he's in my area, you know, Mark Kimono, he's down in Texas. I need to follow these guys and kind of see what they're doing over the next six months. And Krissy man. I watched her, her drop her deals in, you know, got this one under contract, this one under contract, this going on and that. And I just sat stall for six months with like, you know, I mean I was looking at properties doing offers, listening to you all week. I remember hiding under the bridges, listened to the Tuesday calls, right. Because we're not allowed to have our phone on the railroad and hoping the supervisor wouldn't drive up while I was getting educated.

Jim Thomas: Yeah. But uh, you know, I just, I watched this success that we're having. And I said to my wife, I said they have another event coming up in Dallas. I said, come hell or high water. I am going to Dallas and I am, I'm getting in with these guys the way I should be. And the thing was my, my only regret of it was not, there wasn't deals lost, there wasn't opportunity passed up if you will, it just went to somebody else, right. That, that knew how to get them and do those things. What I lost was six full months of earning potential that Chrissy Morrison and then Teddy Slack and Mark and they all had that and I was watching them crush it and, and when I got back out to Dallas, I found Chrissy and I said, hey, I said I'm in. I said, I'm not waiting anymore any longer. And I remember walking up to Brian and, and looking at him and he's a, he kind of recognized me. I said hello? And I said, hey. I said, uh, I'm, I'm here. I'm ready to go. I said, I don't know anything. I said, just tell me what I've got to do. And I remember watching his jaw dropped like I said, are you the guy to talk to here? Is there somebody else?

Jim Thomas: Yeah, there was no way I was walking out of that event not being part of that Mastermind Master Elite group because I already saw what it had done for the other people. So, my, my only regret through this entire process is that I didn't, I didn't do it six months prior because I lost a lot of earning potential.

Josh Cantrell: Gotcha, Gotcha. And that's awesome, Jim. Well help me understand like, so you went through that interview in Tennessee, there was obviously something eating at you to say like the railroads not for me anymore. I put in my time, I'm sick of missing all this time with my girls. You know, Tennessee is a place we want to go and real estate is an opportunity I have. What was it about making that next step? What was it? Was it, were you just unsatisfied? Was it the time with your kids, was it you weren't earning enough money, but what was it that was really kind of bite at you and eating at you that you that thought, man, this is, this is not the life I want, like I can be so much bigger, so much better. There's another version of me that's a bigger, better version and the railroads not going to cut it. I gotta find something else, like give me an idea of what was going on in your mind at that. At that moment.

Jim Thomas: Yeah. I would say check, check and check. All of the above that you just mentioned. A big part of me that was killing me was not being with my kids.

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Right. I mean, as a parent. I mean, one of the biggest things that we want is one when they're little is having that time, having the freedom to enjoy the little parts in their life that my parents missed with me because they were at the grind that we're working daily, you know some of you may have seen here recently, I here back on the 31st. I'm like beside myself and excited as all get out that I'm one now that field that I stood on with my kids for their Halloween parade. Alright. There's, there's a 300 or so kids in that, in that school, which means there should be 600 people minimum standing on that field.

Jim Thomas:

I was one of 10 dad's that got to stand on that field, watch my girls go around and around in a circle and you guys watch the video, you'll see their faces light up when they realize daddy's here. He's video and he's right there, you know. So, for me that, that was a huge thing. The next part of it was trying to figure out how are we going to provide for them girls when they, as they get older, you know, how are we going to get them to college, how are we, how are we going to take care of them and support them and not something that I share with a lot of people. But obviously anybody watching this is going to find out, you know, a few years ago, we were in a lot of trouble financially. You know, we were trying to keep the house out of foreclosure and it was a bad, bad time for us and I've never been one to lay down, just lay down, put my hands up and say, all right, you got me, uh, you know, take it. It's over. I've always been a fighter.

Jim Thomas:

And that day when he told me no, that I couldn't have that job, I was like, you son of a bitch, don't you ever worry about it because I'm never going to need a job again, and I raced back to get into your program. I had to obviously stay with the railroad for a little bit because I had to keep that, that money coming in and stuff. And when I finally made that decision, when I said to my wife, I says, you know, because it was. It was right before we hit the Dallas event. I said, baby, I said, I can't do this working on the railroad. I says, I don't have the time to be making calls in the middle of the day trying to look at properties, go through contract. I don't have the time for that. The only way I'm really going to be able to take this business off the ground is to free up that time to have to do that.

Jim Thomas:

And she's like, well, what are we talking about? I said, I need to. I need to walk away from the railroad. I said, as much as I hate to do it, I said, I got my time in. I said, I literally can walk out of there right now. I said if I leave, that frees me up to get access to my 401k so I can utilize that role and in the self-directed IRA's, things like that that I've been here and I said, and that'll free me to be able to look for the deals and find the deals. And she says, well, you know, how much time are we talking about? I said, well, I'm not worried about it actually because I know that I can walk back in that office in a minute and they'll hire me back just like that. I said, I need three weeks, and she looked at me like, what?

Jim Thomas:

I said, three weeks. I said, you'd given me three weeks. I said, if I can't find a deal inside three weeks, then I shouldn't be doing this anyway, and I'll go back to the railroad and we'll just stay where we're at. Okay, you're on I'm behind you, I support you. And when I walked into Dallas, not only was I ready and prepared to get going with, with you know, the full master in that I walked in

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there with three deals in my pocket, right because I had been just dealing. Yeah, yeah. It was. All three of them were HUD deals. I had, I had three HUD deals because I had been really watching and listening to DK's, you know, working his way through that. Now I'm a little not as computer savvy as DK and that. So, one of the great things that we did actually with you here, about a year ago was that Colby Challenge that made me recognize my strength, my weakness, and I need to employ other people to handle some of those other things. So, I'm still about as tech savvy as I was when I first started. But on the other side, I've got people around me who are tech savvy. They can handle doing the things that the DK has showed me. So, in a man, it's just been lightning ever sense.

Josh Cantrell:

Yeah. I call it the. I spoke about this on other podcasts, blog posts, I speak about this at our live events, and I call it the pressure cooker. The pressure cooker is where you're kind of doing something, doing it, doing it. It's, and it's not necessarily fulfilling, but it's you. Either people fall into an area where they feel comfortable or they fall into an area where they feel trapped. It's either comfort or being trapped where they're in one thing. It could be the railroad, it can be. For me, it was financial planning for a lot of other people. It might be medical sales or they're a doctor or a teacher, or you know, whatever it might be, and their, the. Their income's going up, but their lifestyle is going up with it and they feel like they're kind of stuck with the job because the lifestyle is right behind that. And they're kind of doing it, doing it, doing it for awhile, and then the pain of doing that is continuing to grow and grow and they're not feeling, you know, they starting to get to be physically sick or physically not fit any more mentally.

Josh Cantrell:

They're frustrated or fighting with their spouse, but their income might be really good, but all these negative things are happening because they're just not feeling that sense of fulfillment anymore. They're not feeling the sense of feeling like there's a future, like they're making progress and if you take away somebody's feeling of progress, it becomes depressing. Talked a lot about this actually during World War Two were because the Nazis were taking over Europe that when you take away somebody's feeling of progress, people tend to give up. Other people, in your case, Jim, you know, you probably felt like the railroad wasn't giving you any more sense of fulfillment or a sense of progress and you kind of feel like there's the world's kind of caving in. You feel this pressure cooker. You can either you feel so much pain that you totally give up, which you obviously weren't going to do, or you feel so much pain that you fight back and all of a sudden, it's like, okay, I've got to do something different. I'm going to fight back. I'm going to do something else and that's when you thought, okay, I'm going to go do this job in Tennessee.

Josh Cantrell:

Then the guy told you no, and then that feeling of like progress was even kind of smashed a little bit more and then you're like, you know what? Forget it. I'm going to go do this thing on my own, and all of a sudden, it's like now it's about momentum. Progress. I feel the sense of accomplishment, the sense of I'm achieving something. I'm doing this on my own, and the only way to continue to have that growth is to continue to set bigger and bigger and bigger goals. Because if you don't set bigger and bigger, what happens is you actually

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achieved your goals and when you achieve your goals, it takes actually a good thing, but it's a bad thing in some ways because if you don't have bigger goals to chase after and you start to feel again that sense of comfort like you had at the railroad.

Josh Cantrell: It's just a higher level, but the same sense of comfort where you're like, okay, if I have this comfort now and I don't have that pain that I had when I wanted to leave the railroad, now if I don't have that sense of pain, kind of pushing me from behind, pushing me with that momentum. Right, and I have this sense of comfort. Eventually, if I have that sense of comfort too long, I'm going to fall back to my old ways. I going to fall back to my old problems, I'm going to fall back to my old financial issues. So, you really don't want to keep that sense of comfort too long. And that's the one thing I tell people, look, you've got to get comfortable being uncomfortable. The most successful people that I know are always uncomfortable. They're always trying to achieve something else. Matter of fact, Kevin Harrington, the original shark from Shark Tank and the founder of As Seen On TV, he told me that in a private session, he and I were talking.

Josh Cantrell: He's like Josh look, I'm 60 something years old now and I've never been comfortable. He's worth tens of millions, hundreds of millions of dollars. I've never been comfortable. I've always had bigger, bigger goals. I've always felt like there's a sense of insecurity and that's why I've had so much a financial impact and so much financial security is because I never felt secure. I always wanted to achieve something else. So Jim leads me to the next question for you, which is, what the future look like for you then now that you've kinda. We see the past, we know where you're at today, you've done lots of deals, you're creating passive income. What does the future look like for you? So, project yourself out, you know, two years, five years, 10 years, what do you want that to look like both financially but also like day to day, like what do you want to be doing with your time with your kids, with your spouse? What does that look like in the future?

Jim Thomas: I've tried to stay focused with is, what you were just saying is keeping an uncomfortable feeling and those aren't always hard to find. Right? You know, I look in it, it kind of the slow time between the rehabs and stuff like that with not much coming in and recognizing that, hey, this is an uncomfortable position for me. I need to create something more that's going to give me that monthly cashflow that continues to come in, which is why I've been so focused here lately in looking, you know everything I've pretty much bought to this point has been a flip. The next three properties that I have under contract right now or entertaining the contract on them over the next week. Those are rentals, the rental properties because I need that for that monthly cashflow. Another thing, I was actually just talking with another one of our mastermind students here last evening.

Jim Thomas: Because it's a big family, right? When one of us gets down. We reach out, we have a conversation, we pick each other up and we keep on, keep on trucking. And he brought kind of light to me of even though I'm having the successes with

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the flips and stuff like that. One of the things I'm lacking is the wholesale side. You know, and, and we talked about this in our round circle down in Puntacana, but I kind of forgot it or kind of set it aside, right? Because I was moving with the flips so much, but it's doing the wholesale side, moving some properties in between, give me 15, 20 k in cash quick and roll that into, you know, rentals or rehabs or whatever it is I'm doing, but trying to keep a constant cash flow. One of the things that I've probably been most fear of is the private money site.

Jim Thomas: It's finding partners, it's doing those things and DK, you know, every week or every two weeks when we have our coaching session, one of the things that we always talk about is private money, sometimes in more depth than others, right. But just on a constant search for that private money, bringing it in. And I have found it in a lot of little ways. Many people know my partner Wesley. We've done a lot of deals together. Wesley Harris out in California. I just actually got together with another couple here in New Jersey. That I can't wait to get them to one of the, the events, I don't know if they can make Vegas or not. Um, but bringing them into the group as well. We're starting to do a little bit of work together. They've been doing a lot of rental portfolio, which is kind of why I latched onto them a little bit to help me here in this area with the rental side, but they want to learn the flip side.

Jim Thomas: So, we're going to do a couple of deals together. They've got some private money behind them and stuff. But I found a lot of, you know, we talk about private money a lot, right? And, and I kind of at first, I was in my mind thinking like, you know, 100,000, \$200,000 type investors. But man, I love the little 20,000, \$30,000 investors that helped me move a rehab, right. Have cash in hand that I can utilize their monies. And in the last three weeks, I have found four of them can put just a little bit in, you know, and, and give them a return on their money over a couple of month period. That's way higher than where it is, where they're getting this. Matter of fact, I just got off the phone, on the other side of the Blue Ridge mountains, uh, with a girl that has a lazy 401k and she's making the call today to move that 401k into a self-directed IRA because she's going to utilize it to invest in the property that we closed on the 26th.

Jim Thomas: So, um, it's, it's a man. If I could, if I could tell myself one thing back, you know, couple of years ago when I started to four or five years ago is private money, private money. Start working on that private money hit that, you know, take, you know, we, we all had the rainy day, right? You got the sunshine days and the rainy days. And if you, if you take a little bit away from the cash that you're making through the flip, put it on the side, put it on the side, it takes care of the rainy day for you, you know, and learning how to leverage what you've got. And leverage, what somebody else has together to get your end goal, what you're after. So, I've become much more cognizant of that and that that's my focus here lately is, is leveraging not just my money but other people's money as well coming together to get my end goal right now, which is the long term. Buy and hold rental portfolios is what I'm trying.

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Josh Cantrell: Yeah. You look at you looking at a lender like us, like Freeland. I mean, you know, when I, when I recruit private money for my own deals, and this is the backbone of what I've taught you and hundreds, thousands of other people is you know funding equals freedom. And I've borrowed millions and millions, tens of millions of dollars and I pay my investors 12 percent interest or 15 percent of my profits, whichever is greater. And there's a lot of people that gravitate to that and I'm like, oh man, at 12 percent my minimum I can get upside if I get 15 percent of the profit could be more. The answer is yeah. And oh, by the way, the 12 percent is actually net. That's a net return. That's there's no fees in there. It's 12 percent net. So, it's the equivalent of getting 14, 15 percent in stock market year after year after year after year.

Josh Cantrell: While I've taught that the Jim, I've taught that to again, hundreds, thousands of other people who've used it. And you know, a lot of them have had massive success. Some of them are a little bit apprehensive like Jim's been right. But what Jim's done, which is really, really smart, is he's put together maybe two or three different types of money to still do these deals where you can essentially do the deal with, with no money down and no money out of his pocket. Where let's say a lender like me. So, when I lend money, I lend money differently than when I borrow it. When I lend it, we lend the purchase price and the rehab, but our borrowers like Jim have to pay for the rehab out of their own pocket and then we reimburse them and they also have a monthly interest only payment.

Josh Cantrell: Well, what Jim's done is taken our money to fund the most of the deal, let's say 80, 90 percent of the total deal. Well, he's used other people's money to maybe make his interest only payment for him or use other people's money to fund his Rehab and then we reimburse them for it. So, he's really not using any of his own cash. He's using somebody else's money to front, the Rehab funds and then we're reimbursing them for once the work is done and then he gets his, his money back out of it. So, using those two types of lenders together, still allows Jim to do essentially do the deal with no money down or no money out of his own pocket. Very, very, very smart. And the beautiful thing about for Jim and for other guys doing the same thing as, as they do more deals, you get more and more credibility and somebody that maybe gives you \$25,000 today refers you to somebody that has 100, 200, \$400,000.

Josh Cantrell: Or when I find a lot to Jim, you've probably seen this as people will test you with little money. They'll say, well how about I start with 25,000 or \$50,000? Then you find out they've got a half a million dollars. They've got \$250,000 in their 401k, they're like, hey, how about I give you a 150,000 this time, right. Then it starts the mushroom and they, you know, they started with this little amount gets bigger and bigger and bigger and then they're referring to other people in this massive spider web starts to happen. Which is what started to happen for you, Jim. So, that's awesome. Jim, listen to, as we, as we wrap up, if you have any other comments around that topic, definitely let us know. Mention that. And then is there any other advice that you, now that you've, you know, you've had a lot of experience, you've done a lot of successful flips, we know where you want to go in the future, but is there anything else you would tell your

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former self going back a couple of years ago now that you've cut your teeth now that you've made a lot of money in this business, now that you're achieving your goals are going hunting on a Tuesday. You're spending time with your kids on a random Thursday afternoon. What are, what's some advice that you'd give your former self that you wish you had known when you first got started?

Jim Thomas: I'll give you the advice first and then a little part that you were just kind of hitting on the spider web. The biggest thing that I would tell myself is the excuses are over. You need to get off your butt. You need to pull the trigger, make the decision, dive in headfirst feet first. Your whole body. Get in there and do it. And, and let it be what it is. If you follow what you teach and the coaches teach, you're going to be fine, right? There's gonna be some stumbling blocks along the way. Yeah. I fired four of my best friends that were contractors.

Jim Thomas: One thing I would tell myself, my, my former self is what I heard on the stage is real. You're going to fire your contractor every three to four jobs because you can't, you really can't hold them for much longer than some of those relationships do last longer. I mean, of all my crews of my original crew that first started, the only person that's still with me is my painter. And he's freaking amazing. I wouldn't let him go for nothing. You know, and, and another thing would be, tell everybody that you come across. Don't be afraid to talk to people, tell them what you do, right? Right. It starts with the first question of, hi, I'm Jim, what's your name? Right. And then, well, what do you do? Yeah. I don't give a shit what they do. I'm trying to get them to ask me what I do, leads me to that pitch, right?

Jim Thomas: You know well, I'm glad you asked. You know, I, you know, I own, you know, real estate companies and I, I don't actually do the flips and things like that. We flip, we buy hold, etc. But I get to do the things that I enjoy which is to come out and meet people out here in the public and bring in private money, private capital into our companies, blah, blah, blah, blah. Right? So, we all know the elevator pitch getting started. But tell everybody what you do. Everybody is intrigued by real estate. No matter where you go with the rest of the sentences. Everybody's intrigued by real estate. You know, I give them my telephone number and I tell them, if I don't care where you're looking for a house, give me a call, let me know. I'm really good at getting them cheap, right?

Jim Thomas: Maybe we can work a deal or you know, I've been listening and I understand that you've got probably some money to work with. Give me your number, let's get together, let's have lunch, let's have a telephone call. Let's have some kind of interface between us and see if there's something that we can do together, you know, but always getting that telephone number from them because I don't care who it is, I don't care if you're talking to them about buying a house, if they're looking to buy a house from you, if they've got a deal that they think it's there, if it's money, no matter what, guaranteed they're not calling you. You have to be able to reach out back to them. And that was a little lesson learned in the first handful of months where I was talking to a lot of people, but I didn't give them my contact information. So, I heard you say it like a webinar one day

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and I was like, damn, that's what I'm doing wrong. I'm not getting any callbacks. I need to be able to call them, you know, just listening. Sometimes it's just those little things, right?

Josh Cantrell:

Anybody who could buy a house from. You heard me say this, I don't know how many dozens of times anybody can buy a house from sell a house to anybody who could be a private lender or anybody can be a cheerleader for us, that's someone we want to kind of bring into our business. Because I've done dozens and dozens and dozens of real estate deals, wholesale deals, short sales rehabs for the referrals. And the vast majority of my private lenders are all through referrals. You know, people that I've met, some of them became private lenders, referred me. Some of them just listened to my presentation and said, well, I don't really have any money or this isn't for me, but I got a friend that's interested in this and it's kind of spider webbed out. And we deliver that private money magnet presentation assuming that the people that we're talking to have no money.

Josh Cantrell:

So, that at the end, if they do have money, they say, what about me? I'm interested in this. I'm interested in real estate. Can we join Venture On A Deal? Can I be a private lender? You know, can I, can I find a property that we can flip? I just got a text message yesterday from one of my buddies from high school going back like over 25 years ago, who says I want to start flipping houses. I need some help. I need some guidance. I want to pay for your mentoring. This is a close friend of mine who wants to pay me and you know, he's also. I also need your funding. So, it's like, I want the mentoring I want the funding, but you've got to help me get going, I've been dying. And he's a very successful mortgage banker. He closes about 15 or 20 loans a month.

Josh Cantrell:

He's got a team he's networked in with a bunch of realtors, but this guy's a private lender to me that now wants to be an active investor. So, again, don't assume that anybody is going to be a buyer, a seller, a private lender, or a cheerleader. Just to assume that everybody, assume that everybody is going to be one of those and everybody can help you. You can help them. Everybody loves real estate. Whether it's doing a flip or rental, whatever, everybody has some interest in real estate one way or another. So, that's, that's fantastic Jim. It's kind of just getting the belief, right. The confidence to know that you can go talk to people, kind of throw it out there and they're going to be interested. You're not going to have egg on your face, right? Really didn't, didn't you learn that you like, just the more I talk about it, really the more people are. There's way more people interested, than not interested.

Jim Thomas:

Right. Two quick stories for you. One specifically to what we're talking about. This deal that we close up here on the 26th. We were having a lot of trouble with the selling agent, right? Not getting back to us. And I hopped on a plane. This is why you, why you got to talk to everybody. Hop on the plane. I'm sitting in first class and I'm between two guys in suits. They're clearly together. I said to the one guy says, hey bud I said, you know, if you want to sit over here by the aisle next to your buddy, I said, I'm happy to switch with you, and he looks at me

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and he goes, seriously? He says, I've been with this guy all week. He said, I don't want to talk to him no more. All Right, cool. You know, and, and so we take off and we get talking.

Jim Thomas:

And I says, I said, well, what do you guys do? And the one guy Says, well, I worked for the banks. I said, really? I said, I said, that's cool. I like what bank? He goes, New York Mellon. I said, really? He said, I've bought like a handful of properties from you guys here lately. And he says, well, what's your name? I said, James Thomas. He goes, James Thomas, he goes, Countrywide Properties. he says, I know that one he says, yeah, he says, you bought about seven houses from us here in the last couple of years. I said, yeah. He said, you got another company too, right? And I said, yeah. He says, Upper Greenwood Lakes. And he says, yeah, you've bought like three with that one or so. I say, yeah. He says, I say, what do you do for New York Mellon? He says, actually, I'm the head of their, um, their assets, their nonperforming assets, properties that we've taken back.

Jim Thomas:

And I was like, awesome. Yeah, I mean, here I am and this guy knows my companies, right? this is why I'm having that, that success with, with the HUDs and stuff. And, and, uh, I said, I'm actually getting ready to buy one of your properties now. And he says, well, what's the address? So, I give it to him. And I said, we've had a little bit of trouble with the agent. I said, they're not getting back to us. They said, well, we put in an offer, you know, quite a while ago, this was on Friday. He says, really? He says, I'll take care of that. Monday, we get a telephone call from the agent that says, hey, you know, we just want to make sure that you understand you're buying the property as is and blah blah, blah now and has become a real estate agent.

Jim Thomas:

So, she's got her on speaker and I said, yeah. I said, that's why the contract says we're buying it as is, etc. And she's like, okay, well you guys offer has been accepted. I just need this information from you guys and we're good to go. Perfect. I mean, what a relationship. Yeah what a relationship to build just sitting on an airplane and you would never think that the guy next to you is controlling all of that. Very cool. Yeah. So, and the spider web, if I can really quick. The very first house we did together, Josh, I Freeland, helped me fund it. It was 18 Shady Side. What a wreck that house was and how beautiful it turned out. The guy next door was also an investor. Where he learned. I don't know, but the house is, is a piece of crap. Okay. The folks that bought Shady Side, they're starting to make friends with the people that have that property under contract that they're going to buy.

Jim Thomas:

Some things go south. They find out some things through inspections that the how, that that 24 Shady Side is not the house that they want and they called these people into their house and said, hey, come in and take a look at this house. All right. The one thing I learned from DK a long time ago was put a sign in the front yard from the time you closed the property to the time you're getting ready to sell it. Coming soon, coming soon. We need to sell, you know, whatever and tell who it's coming from. Right? Because you're kind of building

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that brand a little bit. These guys had drove by Autobahn, saw my sign out front that said another one coming soon from Countrywide Properties. They called these people into their house and said, hey, come look at our house and tell us what you think.

Jim Thomas: So, they do a walk around. They fall in love with the house. The lady says to her, she said, if you liked this house, the same guy that did this house just did another one on Autobahn. you need to go take a look at it. They literally walked out of there, called their agent. The agent scheduled an appointment. I'm in Autobahn, right? I'm tinkering around with a couple of things, keeping things clean because we're doing showings and whatnot and I see it pop into my phone through showtime that these guys are coming in right now. So, I'm starting to walk out as they're like unlock trying to unlock the door. And I was like, I'm sorry. I said, I'm trying to get out of here. I said, I just see you scheduled the showing. So, the long story short, these people came in that day, looked at the house, fell in love with it because a previous buyer sent them to me.

Josh Cantrell: Nice.

Jim Thomas: They liked the work that we did and walked out of there and made not just an offer but a full price over asking offer to us. Well, not by a lot but by, like a thousand or two thousand, lock it up just like that. We just closed that out today. Now while they were moving in there. I went back to have with my plumber to take care of, uh, of their vent was off a little bit so they would fix that, but they're moving in and they have a helper there helping them, but it's also looking for a house they are raving because they also saw Riverside as well as another house that you guys have funded that we have. And said to her, hey, you need to, you like this house, you need to go look at this one that he did because it's even nicer than this one. Right? So, we have a scheduled appointment for her and her dad to go in and look at that house. So, spider webbing, you know, if you're doing good work and people see it, they tell everybody and do the simple things like put that stupid little sign up in the front yard of who it is. Because your buyers, if you're working in that same area, they're driving by it and they're like, hey, he's doing another one here. I got to tell my aunt, uncle, cousin, brother, sister, uncle, you know, whatever about it. So, basically, we've got a potential of three houses that we've done being sold to people that are friendly to each other.

Josh Cantrell: That's fantastic. Well Jim listen, I know you get hit the road just pulled off a I think off the turnpike to do this interview, which is awesome. And you got to get down to, for hunting season and I'm super proud of you man. This is some great storytelling. I appreciate the insight on kind of where you are now and where you were and where you're going and some of the stories about some of your deals. And so again, for our audience, if you're kind of watching this for the first time, I mean, this is your first exposure to me or Strategic Real Estate Coach or Jim, you know, check out, check out some of our websites, check out FlipandFund.com. Flip and fund is our live event page. We do two live, usually two live events, live seminars a year.

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Josh Cantrell: We bring all of our coaching students in and a lot of our successful students come. Jim is one of those is going to be at our event coming up and we'll bring them up on stage. He's going to tell some of the stories, some of the, the good, the bad, and the ugly about, about what's going on in the business and what's fun and exciting about his company. So, check out that FlipandFun.com. And people always ask us about our coaching program. Jim came to one of our live events and decided to jump into what's called Masters Elite, which is really our highest-level coaching and consulting program. It's full year of training and consulting with me and with a coach one on one. But that's only available at our live event. So, if you want any information about coaching, about having a real estate coach, one of my guys that I've personally trained, guys that were students of mine who are now coaches, you can check that out at JoshCantwellCoaching.com. Now Jim, Jim's from New Jersey. So, if anybody's listening to this, from New Jersey, New York of that north eastern market and wants to connect with you, Jim, like what, what's a good way to get in touch with you and you have a website or an email or something out of people want to network with you that can reach out to you.

Jim Thomas: Yeah. Obviously, they can find me in our Master Elite and the 40 the flip sights on Facebook. Email me at jltiv316@gmail.com. And from there I can give them more personal information, telephone numbers, etc. We can connect. I'm more than happy to help anybody in any way that I can do that. rather, it's, you know, going out with them walking through a property to kind of look at numbers and stuff like that to, hey, I'm just down in the dumps and I need an ear. Right. Whatever it is you need. I mean, I just did that with one of our people and he's, you know, he's down in Texas, you know what I mean? So, or I'm sorry, he's out in California. So, it's, I don't really care where you are. If you need a lift, if you need a kick in the pants, whatever it is, give me a shout and I'll help you out.

Josh Cantrell: Yeah. If you're a buyer, seller, private lender, network cheerleader, you know, if you're in our group, obviously you probably know Jim, if you're in our Accelerated Program or inside of the, the Master Elite Program, if you're outside of that group and you're not yet a subscriber or a student, you know, again, check out our websites, FlipandFun.com, JoshCantwellCoaching.com or a catch Jim at his email that he just mentioned. You know, again, he's from the New Jersey market network with him, do some deals together. It's one of our, one of our coaching students, Joe Namath said, we all do better when we do deals together and I thought that was really, really cool. So, I just appreciate all of the guys. If you're watching a thanks so much for being here. If you catch this on iTunes, leave us a rating.

Josh Cantrell: Leave us a review. If you thought it was five stars, give us five stars. If you have a question, leave it right there in the ratings and reviews. Aaron if you catch this on YouTube. Same thing. Give us a thumbs up, thumbs down, let us know how we did leave us a comment, a question. If there's a comment or question specifically for Jim, my team will grab it off of those platforms, we'll feed it over to Jim and Jim will respond to those comments as well. So, Jim, listen, I will let

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you go a be safe on the road. Thanks so much for joining me today. I appreciate it.

Jim Thomas: Thank you for all you do.

Josh Cantrell: You got it buddy, anytime. We'll talk to you soon. Take care.

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