

Male Voice-Over: Welcome to the REI Diamonds Show with Dan Breslin, your source for real estate investment jewels of wisdom.

Dan: Angela Duncan, welcome to the REI Diamonds Show. How are you doing today?

Angela Duncan: I'm doing amazing. Thank you, Dan, for having me.

Dan: Cool. So before we jump into your backstory, why don't you tell me about what's hanging on the wall there? It's tough from my screen. It looks like some money there, a \$2 bill, and some things. You want to give us a little background there?

Angela: Yeah, absolutely. So, one, I've always been kind of obsessed with paper money ever since [inaudible] play with board games and just the money portion of it. And so, what I love to teach people now is that this is a piece of paper. It doesn't care who you are, where you came from, your education, man, woman; it has no emotions. And so we want to teach you that it's just a piece of paper, and it's a tool to help you in your life.

Dan: I love it. So, do you want to give our audience some background on who you are and maybe a Reader's Digest version of your career?

Angela: Yeah, absolutely. So, I grew up in Section 8 housing and welfare. I like to say that it's a poverty mindset beginning. I didn't know anything about money. My mom was a single mother, and I definitely didn't enjoy being in poverty. I shared a room with my little brother, had free lunch programs, and I took the city bus to school. It was not a great, fun way to grow up. But at the same time, I do think it's advantageous for me because when you don't have money, you don't really have that fear of losing it because you never had it. So, as soon as I was old enough to sign my own lease, I had several jobs, and I started my college journey. I really wanted to be a stockbroker. I thought I was completely fascinated with stocks. I wanted to go trade on the exchange. When I graduated and kind of got in that field, I quickly realized that I just don't have the heart or the stomach to be in that industry. That's when I switched to real estate.

Dan: Nice. Do you still have the brokerage business as part of your career? Is that in the past now?

Angela: That's in the past. Sold that a few years ago by way of divorce. We can't both own it if we're not really married and together anymore. So he took that over, and I walked away with cash, but I definitely have continued my real estate journey.

Dan: Yeah, maybe that's for the better. I don't know how that brokerage is doing, but I know that we have a lot of brokers dealing with a lot of pain in the marketplace from the low transaction volume. And then you layer on this NAR settlement that everyone's talking about. It's like a lot of unknown for the brokerage community and on the investor side of things. Price is going up, price is holding. Things have been certainly good for our company. We're blessed, but yeah, the brokerage community, from the people that I hear back from, it's a challenging time out there for a lot of people.

Angela: Yeah, definitely agree. And the interest rates. People got used to these really low-interest rates, and then it kind of stayed for a while, which we can talk more about. It's definitely affected the commercial market as well.

Dan: Oh yeah. So why don't we start with the mindset around money? Because from doing the research, everything you've published kind of starts from there. Even from coming from the background that you just shared with us, we had food. My mom and dad owned their house, but we certainly weren't well off. When dad's business kind of took a dive, things got tight for us. Looking back at the hungry years, I can see where my hunger and tenacity were probably born. My daughter got to experience some of that because my story includes drug addiction and alcoholism until I was 32 years old, and so she was probably, 10, 11 years old when I got sober. So things changed dramatically and then kept growing since 2012 into the current day. So she might have some of the hunger to be able to get the tenacity that comes from growing up that way. But you look around, and you do probably, maybe you do. I know I see sometimes people who grew up with enough money, with plenty of money, let's say, they don't have the same hunger and tenacity to go out there and get shit done. How would you layer on to the mindset of money and the things maybe I started with, and what direction might you take it?

Angela: Yeah. Hunger is a good word, actually. I think my hunger was, I don't want to be poor. And how do I change that? And I don't have the education. I don't have the money, knowledge. I don't know anybody who has money. So where do I go find these people? And I just have a very curious mind. I think that's a great skill set that I personally have. I've learned to kind of use that to my advantage, and so early in my career, I worked for a bank when I was in college. And then when I graduated, I still worked for the same bank. I would look around to see who looked like they were successful. Things like cars and vacations and homes that have this appearance of being successful. I would just start asking them questions and asking them, "How do you approach business?" And not necessarily like, "What are you investing in?" Because to me, how you treat people is much more important than actually having the book knowledge of investing. Whatever vehicle you're choosing, whether it's real estate, stock market, whatever, having people skills, I think, is more important.

So I would ask them questions like, "What do you do to find clients?" Or, "How do you build your book of business?" "What's important to you? How do you ask questions to clients?" And they would role-play with me and kind of teach me how to have conversations with clients. So, one, we can understand what the client needs. And then, two, we're going to be able to provide a solution to what they need in order to help them with their financial goals.

So it started with the financial industry. As I got my real estate license in 2007, if you can imagine where we were at in 2007, I really shifted and focused on investors because I'm a numbers person. I understand numbers. I can show you a property, show you what it is going to rent for, and then break down all the numbers for you so that you can see what a return might look like. I was working with clients who wanted either cash flow or were looking for appreciation someday. So I'm sure you can remember that time period too. I wish I would have bought a lot more houses during that time period, but I've always been super conservative when it comes to investing. I really focused on the question-asking aspect of my business so that I can get to know people and then find the solution for them. And I think that's the best way, no matter

what business you're in, to help, you know, build wealth.

Dan: How long have you also had the 'Empower HER Money' Podcast? How long have you been doing that for?

Angela: One year. In fact, I had major stage fright before that. The story that I always told myself, and this goes back to your money mindset or mindset in general, is that I was not going to be in front of a camera, that I should not be on a microphone or a stage, even though I might have stuff to teach. No one wants to listen to me. And so, this is just a skill that I had to really practice. Podcasting, for me, thankfully, helped me to feel better in front of a camera and a microphone, much more on Zoom than in front of 100 people. I've learned that I have some information, and what seems common sense to me now, 25 years of studying money, isn't common sense. So I want to really teach people, and I have a passion for teaching people about money and being in front of a camera on platforms, podcasts, and stages. It's just the best way to educate people because you're kind of in front of them. So, the podcast has only been a year for me.

Dan: Yeah, that's very cool. I've been doing mine since 2015, I believe. Anyone who's interested could go back and hear these blundering. I was at a very different point in my career then, but one of the things that came out of hosting the podcast, I did it consistently for a while, and then our business took off. So there'd be an episode every month or two, and then I've gotten back to consistency and really come to enjoy it again as we stabilized the business and got a lot more systems in place that sort of relieved the pressure on me so I could show up for the audience again.

One of my critical skills in hosting the podcast is coming up with some better questions to ask the guests, obviously. You have to actually learn how to listen, and so that's part of it because you're going to build another question, hopefully, off of what's being said. But also asking questions of myself. What questions are you asking yourself that generate a new course of action? And a lot of people haven't figured out what the question is. So, what do I want out of life? What are my goals? What are my next steps to get there? Why do I even want to achieve those goals? Where do I want to live? Who do I want to be in a year? Do I care who I am in a year? Am I even asking any questions of myself to try to formulate some vision for the future? Are there any interesting questions that you remember asking yourself along the way?

Angela: Yeah, I had a great mentor. The one that I consistently ask myself is, "When? What's important now?" Because you could have so many unknown factors in front of you. So, I have my podcast now. I exited my last company last year. I have been in this podcast world for about a year. I don't have a business that I run. I don't have anything I'm going to sell on this podcast. So I'm really in a growth phase right now. What's important now for me, I had some bucket list items that I wanted to do. I wrote a book and became a bestseller last year. Now, I feel more comfortable speaking on stages, when it comes to especially the topic of money and real estate. So for me, what's important now is a very important question because it really dives into what is my goal in this moment. How do I allocate my time? Who do I need to meet and get in front of? What kind of connections am I missing to get to that next piece of my career? So I think WIN is a great way for you to kind of stay on top of what you're currently working on and make sure

that you're super hyper-focused on those goals.

Dan: Yeah, that's great. Have you read Gary Keller, 'The Millionaire'? Wait a minute. What was [inaudible] called?

Angela: [inaudible].

Dan: Which one of my Gary Keller?

Angela: Yes. [inaudible].

Dan: 'The one thing'. That's which one I'm thinking of.

Angela: Got you. His most recent one.

Dan: Yeah. You've read that one?

Angela: Yes.

Dan: Yeah. That's another one I like to tie in with what's important now and even where I am now. It's like the more success we've had as a company, the more things pop up that could really look good. Like the opportunities I should be focusing on and spending my time, and I try to dial it back in with WIN, what's important now, but what is the one thing that if I get it done, it's going to make a lot, like everything else or a lot of the other stuff irrelevant for whatever I'm trying to accomplish. I had a mentor on the money mindset thing. So I've been broke. Living in a house I remember in 2011, owned in partnership, in a sense, with a friend of mine who's a broker, and he got the money, and we're going to 50-50 split. I was pretty much living at my mom's house at 31 years old. So we're going to move into the house we're flipping. And I remember baked beans and scrambled eggs. I was like, "It's protein. It keeps me full." The eggs were really cheap, and I could put the tinfoil back on the baked beans, and there wasn't bacon. Some mornings there was, but that was probably the hungry time right then and there. And somewhere between 2011 and 2013, and I've been in the business since 2006 and had some good success in '07 and '08, and I gave it all away with my own personal choices up until that time.

One of the things that jumps out: Dan Kennedy had a book that he co-wrote with somebody who was running the real estate meetup. He gave them out as participation for being a part of his example at the meetup. That's how I got the Dan Kennedy book. I remember reading in there, and Dan Kennedy said something like, "You can become rich. It's okay to become rich. A lot of people don't talk about their desire to become rich or they want to sweep it under the carpet, kind of keep it quiet, and never acknowledge it." And it's like, no, you have to actually make a decision to get rich before you'll go find the rest of the other action items, steps, sources of information, contacts, et cetera. You kind of have to make this conscious decision, and it's okay. You don't have to feel guilty about it. One of the money mindset and emotion things that I've had to deal with, with people on my team who are coming and starting from maybe similar circumstances of hunger that I did, is the emotions around money. Oftentimes, guilt around making money would be a predominant theme for people, including myself. There wasn't enough

money. Mom said, "No, we can't get this. There's not enough money. Don't ask for a new bike. You're not going to get that. It's too expensive. We don't have money for that. Turn the heat down. Go get a blanket, go get a sweatshirt."

All the topics around money would often get an outburst at home, and people who grew up with, let's say, less than modest amounts of money, oftentimes will stop asking for things because the answer is always going to be no. And maybe there's this guilt that's attached to that, that once you can identify that, now you can be absolved of that and realize it's not real and not a healthy way. It's not a healthy emotion when it comes to dealing with money, right? Better that it's a piece of paper and it's an inanimate object. It's going to move around on its own according to the forces of the economy. That has been big for us. They look at people who grew up in middle-class situations or even upper-class, and those kids have no problem asking, asking, asking, asking. Sometimes the answer is no, but there's never this large outburst about not enough money. We found sometimes that people will be better in a sales situation coming from the middle or the upper-class situation because they can deal with the rejection and there's not going to be this knocking off the pedestal when they hear no. And so they're not afraid to continue asking for things like the sale, make an offer on this property. "Hey, I can offer you 200000," right? There's just less emotional baggage there in making the request because of the situation when they grew up.

Angela: Giving yourself permission. That's what I think it comes back to too. I'm giving myself permission to want to have more, to create more wealth. I'm giving myself permission so that I'm okay with it versus, like you said when you have that background of there's not enough, where you have that I'm scared or the anxiety around money. It's having a conversation with yourself first so that you can get past that belief of what you were told. And that's no longer true for you today. It might've been back when it was being told to you, but you ask yourself, "Is that my truth today?" And it's up to you to change your own story. But you start with giving yourself permission to change your story, giving yourself permission to want more, to desire more, to create more. And then I know that when I do that, that abundance that I'm bringing in, I'm not just going to afford it. I'm going to give it to other people. I'm going to hire employees. I'm going to build a business. I'm going to give to charity and be able to affect the people around me by first giving myself permission to have more abundance in my life.

Dan: Is there any, I don't know, journaling exercise, goal-setting exercise, sticky notes on the bathroom mirror? Are there any of these little habits and things that you would suggest to somebody if they were coming from my hungry background and I didn't have any money and we met? What would you say? "Okay, you got to do this, this, and this, read this book, this book, this book." What would be my three action steps to try to build more of an abundance mindset?

Angela: I first start with the person. How do you receive information? I'm a very visual person, so I have a huge whiteboard here in my office behind me. It's literally like six feet by four feet, and I'm always writing stuff on there, whether it's my 'what's important now' goals or any quotes that I come across. I love to read books. So if I find something that really speaks to me, I'll write that quote up because it obviously means something to me in that moment. So I'm a visual person. If you're a visual person, you've got to put it where you spend the most time. For me, because I do podcasts, I'm in my office quite often, so that visual board is right behind me and

staring me in the face, right? Some other people are more audio, and it sounds silly, but you can record yourself and remind yourself of your goals, remind yourself of your mission, give yourself permission to have that abundant lifestyle.

If you're an audio person, maybe you need to listen to other podcasts or YouTube channels, but you have to know yourself well enough to know how you want to receive information. The only way to change the story within your own brain is to continue to allow for that information to be brought to you and understanding how you best learn it. So I think that's critical for you in figuring out what those steps are. Some people like to jot things down. I'm not a big journaler. I do journal in the morning, and it's mostly just a download of what I was feeling in that moment because that's my quiet time with God and how I pray. So I'll start the day with journaling, which really helps me start on a positive note for the day. But then I'm in my office, and I'm looking at that visual aspect because I understand that that's the type of person I am and that's how I need to receive the information.

Dan: Yeah, there is something to be said about. When you do the journaling, is it like with a pen?

Angela: Yes, I have to write it down, and I like pink. So I have a notebook that's pink and my pen is pink because it just makes me happy.

Dan: That's hilarious. My notebook is black, but my pens are always blue, and blue is my favorite color. I wonder if that's why I like the blue ink now that I think of it.

Angela: You're attempting to receive information or download information, but I want to put it in a way in which feels good to me, too.

Dan: And I don't do a journal, but I do have my prayer in the morning. My black book is a goal book and a to-do list for each week. I rewrite down all the weekly, the yearly goals, et cetera. Every single week, I'm going to write them down again and kind of refine them. Some of them are going to fall off. But there's been some of the goals that when I watch the pen and I prefer to handwrite, I feel like it's just some better connection to my brain, to my spirit versus typing it into a computer. It's like it's sort of set in stone because I'm writing in ink. I can't erase it. Whereas, like, you do it in a Word document, you can adjust it, play with it, shift it around. It's just like there's never any real historical record of everything there if it wasn't done in pen. But there have been some of the goals where I felt like God was delivering the inspiration for each word in real time as I was writing it down. And then I'm counting on that same inspiration to maybe come through in the next days, weeks, months, and years of the people I meet and the information that I find and the information that I take in and the actions that I take to ideally create some of those things I've written down. And a lot of what was written down since 2011 when I started doing that is already in reality and part of history today.

Angela: Got you. I'm curious to know, too, because you are someone that writes things down. Do you also write down any, I don't know, you want to call it failures, but things that you didn't accomplish or things that you tried but maybe didn't work out and a different path appeared instead of just the future goals? Do you write down any of the things that didn't quite go your

way?

Dan: That's a great question to review maybe the faulty decisions or the sidetracks, I guess. I've never done that, but I have gone back because I have, these are dated. So on the left, two pages of the book, and on the left page there, that's facing me, that's my weekly goals. That's innovations and things, ideas that I'm trying to work on. And then I have yearly goals at the bottom. And then on the right-hand side, that's a to-do list I'm going to do every night. So like tonight, I'll do my to-do list for tomorrow and I'm going to be looking at the goals. So ideally that is informing what I'm putting into my to-do list. But those are dated and they fit, it's one week. The to-do list side can never go on to another page. That's on purpose, it's to restrict you from putting, "Go to the grocery store and get avocados on there." It's supposed to be important, two, three, four items. You got to get them done. What's important now? And it's limited, right? It's limited on both sides. So it's not this whole run-on thing. I want some restriction there.

I have those books going back to 2011. During some periods of travel, there might've been 2 days where the to-do list was done. Never really skipped a week, maybe in the first year or two, it wasn't exactly consistent. So I have gone back and read through old goals lists to see the stuff I was excited about, like buying the rental properties that I've fallen into hate with and I'm in the process of selling them because of all the time and the stress and the money I keep putting into them and I'm making a profit, but it's not justified for me for the amount of time to kind of tweak it when I could put that time in the business where we have 25 or so other people who are going to benefit from my actions that are going to happen in the business. So it's almost unfair to them to even allocate the attention.

So I guess the answer is, I see the things I was excited about and now I'm not, and those same goals I had to have are now turning into goals I got to exit. So it is interesting to actually be able to go back through the archive and sort of see where my mindset was at and how things have evolved. One of the things I read recently is not to beat yourself up from past decisions, because it's like, two years ago or three, whenever I was all excited about the apartment buildings and buying them, I made the best decision I could with where I was at emotionally, financially, intellectually, spiritually. I did the best that I could. That was the decision I made. I may have made some different decisions now knowing everything I do, but I think not beating myself up over those decisions, for anyone listening, we all have made mistakes and we're going to probably make a few more in our future. But to realize that we did the best with all the tools and the information available to us at that time. And if we didn't do the best and we know that and hopefully put ourselves in a better position to take everything into account, make the best decision we can now for the future.

Angela: Yeah, and something I think to add on to that is, you're writing down your goals or what you're working on right now is to be creative and dream a little bit and put some things there, maybe one or two items that seem completely out of reach in this moment. But again, going through the act of writing it down, you're giving your brain permission to perhaps open the doors to the possibility of that idea coming to fruition someday. I think really when you're giving yourself permission and you open your mind to it, when doors open is typically when you're not looking for them. But you've already given yourself permission. When I thought about, "I really would like to write a book," I happen to come into contact to a coach who helps write books. But

I don't think that that would have happened if I hadn't told my brain, this is something that I want to look for in this moment. When I thought about it, I didn't think I could ever write a book, let alone become a bestseller. It just seems completely out of reach. But I thought I would like to write a book and become a bestseller. And then that way, when that opportunity came about, my brain was like, "Oh, that's what you were looking for," and then that relationship begins.

Dan: Very cool. What is the name of the book and the premise?

Angela: Yeah. So the name of the book is called 'Empower Your Money'. I wanted to write a book with 101 tips, like practical items that you could read in the book today and walk away and implement into your life immediately. That's how my brain works. Tell me what to do. Give me the action items so that I can go do that. So, 'Empower Your Money' is about you. It's not about me. I really want the focus to be on women because I go back to my mom. Perhaps if she had a different mentor or different knowledge as a parent, then maybe I would have had a different lifestyle. I might not be where I'm at today, but I want to reach those people. People who don't have mentors in their life or perhaps they just don't know any different. They didn't have the education. How can I give you some practical items that will just give you one tiny step so that you can make a difference in your life today that could potentially be a huge game changer for you later, right? But you don't know about the tips. You just don't understand how money works. No one ever taught you anything.

So how do I reach those people? Well, you put it in a book. The books could be in the library; you can pick it up and you can order it on Amazon, which ships just about anywhere. My Kindle version is \$1.99. I want to reach that group of women and let them know that, "I see you, I acknowledge you, I know what you've been through, and I understand that. So here is something for you to make a difference in your life. But you've got to read it. And you've got to make the action items, right? You have to implement what you're learning. I can make it as simple as possible, just a couple of key items for you to change, then the impact could be huge." To think about that really just brings me excitement and warms my heart to know that I can have that kind of impact on someone to help them break that cycle and change their life.

Dan: What are three examples of tips that maybe the people doing them think are commonplace, but you put them in the book, and they're not commonplace for people on the front end before you've achieved a certain level of financial intelligence?

Angela: Right. So one of them is understanding how many apps are out there right now where you can generate money. Most people know about Rover, where if you have a free Saturday and you want to go walk someone's dog, you can get paid for it. If you have a house at the backyard, there is an app where you can rent out your backyard to other dog owners because they live in a condo and they just want to let their dogs run around. Your garage; you can rent out tools. We obviously know about renting out a room and some of those things, but just opening your eyes to other opportunities that you already have right now that maybe you're not utilizing to create more income. Maybe you need to get out of debt; maybe you have some financial goals. How do I help teach you other ways to make money? So that's one of the things.

I also like doing swap parties. Depending on what you have in your house, it could be clothes,

shoes, cookware, whatever it is that you might have in your house. Doing swap parties with some of your friends because you can donate it, and maybe it goes to good use; maybe it doesn't. So much of our donations actually end up in landfills. A lot of people don't really realize that or it goes to other countries. So how can I have something fun with my friends and swap some things that maybe I don't need anymore? Maybe they have something, and I don't have to spend money. But it brings me into community and could spark a conversation. Maybe they know something that they can teach me or I can teach them. So being in community and having mentors around you is really important.

Then my first tip in the book is giving yourself permission to invest in yourself. Sometimes you hear people say, "If I take too much time to read a book for myself, or if I go to school, it's taking time away from my family." But to me, that is the most unselfish thing you can do. If you are taking the time to make yourself a better person, then the impact that you have on everybody around you; your friends, your family, your co-workers is huge. But you have to put yourself first sometimes. And especially as women, we have a hard time doing that. So I'm giving you permission to invest in yourself first so that you can become the best version of you. Yeah.

Dan: And if I take that, giving yourself permission to invest, to an infinitesimal size for me back in that 2012 time period, I remember Dan Kennedy suggested something like 15 or 18 books. He had this list of books and was like, "Oh my gosh, this is what I have to do to get rich." I remember buying them each, Angela. They were all used books on Amazon. I paid like a penny each or 10 cents each or something. So the total cost without the shipping on the 18 books was like 3 or \$4. And then the shipping was probably four bucks a book altogether. But it was like making this \$5 investment in myself was sort of out of the question before.

And I meet people like that where I'm like, "Hey, read this book." And they're like, "17 bucks for a book?" And there's this mental block where maybe it's our guilt around money, and we're not giving ourselves the permission to even make that investment. But going to school and college is probably a 20, 30, 80, or \$100000 investment plus this humongous amount of time away from the family and everyone else. But if the right mentor can give the right book recommendation with the reasoning behind why the recommendation is made, I think that's so important when someone's taking a book recommendation and they spend that \$17, and they do that while the kids are laying in bed with them. It doesn't have to be this monumental kind of thing that, "I'm going to change the world by going to college." And maybe that's where it leads and you do go to college and that's the right thing to break the cycle. But it doesn't have to be that big. It can be really small. But even though it's really small, I look at the amount of resistance in my own life and the lives of others for something like investing in a book or getting Audible and listening to the book being read, if you don't like... And they're like, even me, "I don't want to give them the 20 bucks for this book. This just doesn't seem I'm getting anything." I don't quite feel that way now, but I can remember feeling that way. And when I tell people about Audible in person, I can see their face like, "This guy wants me to spend 18 bucks on something on a net. What is this guy doing?" They think I'm making a profit off the recommendation or something. I guess the willingness that comes in behind that.

Angela: Yeah. Force your kids, if you're going to read the book, read it out loud to them, even if it's for 10 minutes. I used to make my daughter listen to CDs when we were in the car. I would

take her to and from school, and she would just, "Mom, why can't you be like the other moms and let me listen to music?" I said, "Well, this is my car. And when you have your own car someday, then you can listen to what you want. But right now, I'm going to listen to Darren Hardy. I'm going to listen to Tony Robbins. I need this information and I want to learn more. I hope that maybe you pick up a thing or two." She hated it, but I know that she retained a lot of that information because as she spoke, and as she's now in college and talking about things, I can hear the words coming from her mouth from things that she learned early on. It has backfired a little bit because now if she drives me somewhere, I have to listen to her crappy music, which is not exciting. But at least I feel like I was doing what was best for me in that moment, which was investing in my education. But also, I know she retained some of that information. Now she knows who those people are. She knows who Dave Ramsey is. So I'd rather her know who those people are than maybe some music artists that she could have been listening to on that car ride to and from school.

Dan: Yeah. And it works too. My dad had us listening to Earl Nightingale in the mid-80s and cassette tapes. We were just like your daughter, complaining and yelling the whole time. But I am on this podcast right now talking about real estate investing and deals. So those seeds were planted when I was a kid. I consider that one of the inheritances, if you will, that I was blessed to have from my dad. I grew up with some entrepreneurial energy. Maybe the business didn't go as he planned, and then that caused a lot of other issues a few years later. But that was my experience. My experience was generating leads, selling jobs, going to delivery job, and getting to see some of that stuff growing up. It's priceless. It was a big part of my history and fertilization in the ground that seeds could plant later and easily grow where some people may not have had that experience.

Angela: Very encouraging.

Dan: So let's shift gears here a little bit. When the booking agents were connecting us, they mentioned tax lien investing and tax deeds. And this is something I've known about. I've never bought a tax lien from any of the counties. We did buy a tax deed from another investor, but we kind of got pinched, and there were all these other fees, and we lost like \$20000 or \$30000 because we didn't know what we were doing, and we were like, "We're never doing that again." So would you mind kind of giving me the better... I hope you have a better experience with those if that was in the publishing content.

Angela: Yes. So I've done the fix and flip. It can be a lot of work, a lot of unknowns, and I'm not really excited about dealing with contractors and the end buyer. I also did single-family homes and got tired of managing my own properties. You could have the best application, and then they move in, and all of a sudden, it's a nightmare tenant. So I thought, "Well, I know real estate for me is still to build generational wealth and to help my retirement plan." I don't believe in the stock market as much as I do real estate. So how else can I invest in real estate but not have all these headaches and still be conservative? Well, it seemed like an impossible task, but I came across a book many years ago called 'The 16% Solution'. Well, I'm a numbers person. You put a number on the front of a book, most likely I'm going to pick it up and start reading it. And I thought, "Okay, well, where can I earn 16% passively?" So I started reading about tax liens. I'm here in the state of Florida.

So the way that the tax liens work here in the state of Florida is if you own a piece of property and you don't pay your property taxes, the government needs that money. They have to have that money to fund their budgets. They're paying things like schools, teachers, police officers; all of these things need to be paid. So they're asking you to pay your property taxes. Perhaps as a property owner, something happens in your life. Maybe you get sick, or maybe you lose your job, or a death in the family, God forbid, and you can't pay your property taxes. You're looking at, can I put food on the table or pay the taxes? Well, I'm going to put food on the table. So these liens get placed on your property for that tax that's owed. Every year, they go up for auction. It's an online auction today. It wasn't always like that, but it's an online auction today. It opens up in April and runs through June 1st. So an investor like myself can come and give the government money so that they can fund their budgets. In exchange, the government's going to tell me upfront what kind of interest they're going to pay me. I like this investment vehicle for several reasons.

One, I know what I'm going to make going into it. Florida pays up to 18% interest on a tax lien. So depending on where we're at in the interest rate environment and what other vehicles are available, you can bid and get 10, 12, or 14% interest on your money. I'm essentially loaning the government, who is going to pay me back because the tax lien is in the first position on any liens for a property. So the government's going to pay me back at some point in the future. I know I'm going to get my principal back, and I'm going to get that interest, and I don't have to deal with fix and flip. I don't have to deal with tenants. I don't have to deal with contractors or real estate agents. The way that I've created my own buy box is specifically looking for properties who I hope the owner will pay back their taxes someday because my strategy is not to end up with a foreclosure and a property. I'm looking for the homeowner that most likely just fell on hard times for a little bit. They have up to 3 years to pay that money back before that foreclosure process. So my bet is that the homeowner is going to pay it back. I'll get my money plus the interest.

Yes, it's taxable. There's no real estate write-off benefits when you're doing tax liens like some of the other vehicles, but it's conservative. I know what I'm going to get at the end of the day, and I'm fine with that. I've got some work that I do on the front end, but for a couple of months out of the year, I'm doing this type of work. And then I sit on it and I wait for the [inaudible].

Dan: Interesting. What's the average cost of the tax lien?

Angela: It depends. I stay away from condos. I stay away from mobile homes. I stay away from anything really that has an HOA or a monthly maintenance fee. You can look at a tax lien for as little as a couple of hundred dollars, or you can look for tax liens that are in the thousands. If you think about it, in Florida, my house, for example, my property taxes are about 5,000 a year. So that tax lien would go up for auction for that 5,000. So it's really important for you to understand what your personal buy box is. I'm looking for properties that are primary homes. I can look them up and see that their homestead exemption is on there. So the homeowner lives in it, and hopefully, they don't want to lose their home to foreclosure. So they're eventually going to pay their taxes back. I look for homes in the middle price range, meaning whatever that market is I'm looking at, whether Miami, so our average house is a little bit higher in the 500,000 to \$600,000 range. So I'm looking for homes in that range. I want to be the first tax lien because it is possible

that the homeowner didn't pay their taxes this year or next year. I want to be that first one. I don't want to be the second one. It's just what I prefer in my buy box.

So understanding that if I'm targeting a certain market, hopefully, my money comes back to me. But if not, I can go through the foreclosure process. I can get and acquire that property. That's not my goal in my own strategy, but it is possible you can end up with a property or the tax deed at the end of the day, which is like a title to the property. So just understanding the process where you live, understanding what the interest rates are in your own county or in your own state, do all of your due diligence. I still drive by properties before I buy the tax lien because I want to make sure I'm not buying dirt. It's much harder to unload dirt if I have to foreclose than a house. And even though I see it right now, it might be in a different condition 2 or 3 years from now, but I'm doing my research as part of my research upfront.

Dan: Yeah. You'd be surprised at how often trying to do that on Google might net you a big problem. There's a house there on Google, but it's torn down in real life. Google used to have relatively new data, but some of those photos on Google Images are like 7 and 8 years old now. So driving by and doing the hard work seems imperative. Have you ever had to take back property?

Angela: I have not, thankfully. It's not my strategy, and I hope to not have to do it, but I understand the process if I need to. So at least here in Florida, I understand what the process would look like.

Dan: And you said up to 18%. Well, let me see if this is the process. It runs from April to June 1st. Does that mean the bidding is happening all the way until June 1st and then everyone gets awarded, or are they kind of like stair-stepping awards all the way to June 1st?

Angela: Yeah. Unless they get a bulk buyout, which is potentially possible because there are funds that come in, we'll do a bulk buyout from a county. Usually, that's what occurs. It opens it up so you can see what the inventory is available. You can do your research, make your bidding, change any bids if you wish, but then it has a hard stop [inaudible].

Dan: On the 1st.

Angela: Yeah. So you're probably going to ask this. So say, for example, you and I are bidding on the same tax lien. Well, I tell the county that I want 12%, and you say, I want 10%. The county is going to go with your bid over mine because it costs them less. If you're taking 10% interest and I'm wanting 12%, they're going to award it to you because it costs them less to sell that tax lien to you.

Dan: Doesn't the homeowner actually pay the interest in the end?

Angela: They do. Yes.

Dan: So why are they doing the bid down? Is that just a way to equalize the market so it's not always 18 going to a fund?

Angela: Correct. And then if you go through the three-year max and you have to foreclose on it, whether it's you or whether it's a loan or whether it's the city, they want to know what that cost is upfront, and if they can keep the cost as low as possible, then obviously it's going to be better for all parties involved.

Dan: Does it ever get bid down to zero for any reason?

Angela: It can. When we had interest rates in the low, so when you can go get a mortgage for 2% or 3%, people were bidding it down to zero because they were just looking to allocate their funds, especially these larger hedge funds that needed to just put money somewhere in hopes that they were going to foreclose and get the property. That can be a strategy too because the interest rate might not be important to you. Maybe you're looking for homes that will ultimately be foreclosed, and you'd rather be that first position to be able to foreclose first and take over that property.

Dan: Okay. If you bought the first, do you have some sort of option to buy the second year first [crosstalk] before it goes at the auction again?

Angela: [inaudible].

Dan: Okay. You would foreclose on that first lien, and then you just have to pay back the tax balance to clear the title for the second and third year?

Angela: Correct. Yes.

Dan: Okay.

Angela: [inaudible] mortgage doesn't get paid off with you. If you're the one that owns the tax lien and you do the foreclosure, that mortgage is second to you, and they actually have to go through the homeowner instead of you because this is a government lien and the government takes precedence over everybody.

Dan: So does that mortgage stay attached to the property, or is it wiped?

Angela: You go through that foreclosure process, it can be wiped out.

Dan: It wipes it, wow. Because they would pay it, I guess, right?

Angela: Or they're the ones that are going to want to bid when it goes through the foreclosure process. They're going to want to take it over from you and pay you off, and then take over the property if their mortgage is bigger than what they think they can get for it.

Dan: Got it. In your cycle each year, how many of these are on your due diligence list?

Angela: Usually about 50. I am conservative and I'm scared to death that I win all of them. So in

my mind, I have a budget in place, and then I think, "Okay, well, I'm probably going to win about half of my own numbers and what I want to see in my return." And so I budget that way. You have to have enough cash for what you bid on. That's a key thing for you to know because if you're the winner and you win all of them, the government wants their money ASAP. So you're going to put that deposit and then they're going to want the funds right away after the auction ends. So don't bid on more than you have cash available because the government doesn't like that, and you don't want to piss them off.

Dan: Fair enough. How many do you win out of the 50 after it's all said and done usually?

Angela: Usually about half of what I bid on.

Dan: Okay. That's a pretty good success rate then.

Angela: Yeah. And I go by what the market looks like. Right now, interest rates are a little bit higher. So what we're going to be able to bid and get is a little bit higher than it was a few years ago when interest rates were lower.

Dan: And what was your win average weighted interest rate return a few years ago, and maybe what do you expect it to be this year?

Angela: A few years ago, it was around 5 or 6%. Now we can get closer to 10%.

Dan: Wow. All right. So roughly 5% higher than where maybe the Fed interest rates are is where the bidding sort of fizzles out, right? Because no one's underbidding you.

Angela: Yeah.

Dan: Did you see 10% last year in 2023 sales?

Angela: Last year, yeah. We still saw the 9, 10%.

Dan: Okay. That's interesting. The reason I've always stayed away from them is the people who first taught me about that back in 2006 said, "Yeah, everyone's going there with the intent to get the property. And so they bid them down to zero." And I was like, well, I don't even want to do all the due diligence if I'm going to be kind of forced to go after the property in a sense. But really, the big takeaway for me and everything that you described is there's two strategies to tax lien investing. It's either you're going for the property, and you probably are bidding lower than those rates of returns, or you're hoping you're getting paid back, and that's where your 5, 6, 8, 9, or 10% returns are going to be found. Is that accurate?

Angela: Yeah. I think the person who's maybe bidding it down on the interest rate is hoping for the property, looking for investors that own properties, maybe they're not local, and they hope that with the market the way it is, or if it's in a bad neighborhood, then maybe they're considering that's going to be foreclosed on someday. But if you look at the numbers, the majority of homeowners don't usually get foreclosed, especially if they have equity in the house. Then

they're going to most likely sell it before they have to get foreclosed.

Dan: Yeah, that's interesting. Is there a portal? Is it basically just like all of it's online, or are they mailing this lien to you or something?

Angela: Nope. Everything's online. It's all electronic.

Dan: And the payoffs are automated?

Angela: Yeah. Usually, it gets directly deposited into your checking account, and it can come very randomly. So you're just paying attention to your checking account.

Dan: Very cool. Do we have enough time to touch on the tax deeds at all?

Angela: Yeah, a little bit. Some states don't do tax liens. They don't offer that. They will only do tax deeds, which means that they go through the foreclosure process and then they put the deed of the property up for auction. Those are typically in person. So when you see like the courthouse and people bidding, those are tax deed states. Alabama is a good example of them. They don't do tax liens. They just want to foreclose and give you the property. A lot less maintenance for them. Perhaps they have fewer homes available, so they go that route as well. So that's a good opportunity maybe for some flippers. If they want to go to the auction houses, make sure you do your research, which includes doing a full lien search, hiring a title company, maybe doing it in bulk with them, and getting a discount fee. But do that lien search because chances are there are other liens. Just because you foreclose on a property doesn't mean that some of those are going to stay on.

If there's overgrowth and there are city liens, the county and city liens will stick to the property too over the loan. But you also don't want to do a bunch of research on a property that has a big loan attached because they're likely going to be at the auction and outbid you. But it's a great opportunity if you already have a system in place for fix and flips because then once you own the title and you go through the quiet title process to clear it completely, you're getting your own bid. You already know what kind of work you're going to do to it. Maybe you have a group of investors or an email list that's already available to you. So you already have that system in place once you acquire that property, just like you would any other acquisition. It just takes a different strategy.

Dan: Yeah. When we bought our tax deed, that's what happened to us. I assumed, "Oh, it's clear; it went to tax sale." But it was the city of Chicago, boarded it up and then cut the grass for the 3 or 4 years while it was delinquent, and they got to charge above-market rates. It was like a 30, 40000 dollar lien. We were responsible for it, so we took it on the chin on that one.

Angela: Yeah. And it can be negotiated. Here in Miami, I saw a home with \$100000 worth of liens; all of that similar trash, dirty pool, fence fell over, stuff like that. The county ended up settling for \$10000. So they can settle for it. You can get an attorney to negotiate it for you. It's not always full price, but you've got to do your research upfront. Otherwise, like you said, you could get nipped in the bud and end up losing money. And we definitely don't want to lose

money.

Dan: We were the village idiot in that deal.

Angela: But you learned, now you know what to do next time.

Dan: That's right. Buy property with title insurance the old-fashioned way.

Angela: So as we get to our wrap-up, Angela, what are one or two books that had a major impact on your trajectory from where you started to where you are today?

Angela: One of my favorites is 'The Traveler's Gift'. The reason why I love that book is because it has a chapter on being happy and how we can choose to be happy. It's one of the few things you can control in your life: your attitude. So I choose to be happy every day so I can impact other people in a positive way. And then most recently would be 'Wealthy Habits' by Candy Valentino. I love that book, even though I feel like I know a lot about money. She outlines step-by-step some things that you need to be putting in place and perhaps thinking about money in a different aspect. She starts off the book with money mindset. So I love that she did that. 'Wealthy Habits' would be my second one.

Dan: Very cool. And the crown jewel of wisdom, if you could go back and share with yourself, I don't know, 18 or 20 years old, so just a few years ago, right? What would that be?

Angela: Yeah, this is tough because I trust people when I meet them. Like, we have a conversation, and I automatically trust you. And I think that that, in business, is not a great way to have because it doesn't allow you to do the research that you need to do, when you're working in a partnership, or maybe you're doing an investment together, or buying a piece of property. I've been burned more times by people that I felt like I trusted. And then I just said yes instead of doing the research that I knew I needed to do because that trust factor was already there.

Dan: So, more due diligence, I guess, regardless of the gut feel.

Angela: Yes.

Dan: Important. Where should listeners go to get some more information about you, your podcast, books, et cetera?

Angela: Yeah, so 'Empower Your Money' is my book. It's on Amazon. 'Empower Her Money' is my podcast, it's my Instagram, it's my YouTube. That's where all of the information is that I love to put out to teach people.

Dan: All right. And my final question: What is the kindest thing anyone has ever done for you, Angela?

Angela: This is the one I struggle the most with because I really pay attention to small acts of kindness. So encouraging you to smile at somebody, open the door, say thank you. I love it when

I give compliments to other women about their dress or their shoes. I just think it brightens their day. So it's hard for me to focus on what kindness happens to me because I focus more on giving it to other people.

Dan: Fair enough. I guess with that, we'll wrap the show. I had a great time. A couple of pages of notes here. I appreciate you coming on the show.

Angela: Thank you, Dan. I appreciate you.

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