FOREVER CASH

Forever Cash Real Estate Podcast 016

Wealth Building Principles - It's Not Only About Making More Money

Hosted by: Jack and Michelle Bosch

Intro: Are you ready to transform your financial future? Here's your chance to see inside the mindset of self-made millionaires, Jack and Michelle Bosch as they go back the curtain on secrets that can make you rich. Discover how everyday people are breaking the norms and building empires from the ground up using a little low yet proven and time-tested wealth building real estate strategies. It's my pleasure to welcome you to the ForeverCash.com podcast and introduce you to our hosts, serial entrepreneurs, investors, educators and best-selling authors, Jack and Michelle Bosch. Strap yourself in for the ride of your life.

Jack: Hello everyone. This is Jack Bosch speaking...

Michelle: And Michelle Bosch.

Jack: Wonderful! We are here again as your husband and wife couple on the subject of tax delinquent real estate investing and the subject of wealth creation on the subject of doing it all in a way that you can actually enjoy your life while you make money, and more importantly, how you invest that money such that it provides you everlasting...

Michelle: ...Wealth...

Jack: ...And freedom. All right. So, before we get started, quick few words about where you can find more about us. Thank you for listening to this podcast. If this is the first podcast you are listening to, we have a free gift for you on our number one... Or actually, it’s a quickstart course on the most favorite five tax delinquent real estate investing techniques. You can find that under www.ForeverCashFreedom.com. Again, www.ForeverCashFreedom.com.

Secondly, what does tax delinquent real estate mean? It's just a minute out that. Well, here's the deal, in the United States, everyone that has real estate has to pay property taxes. Well, what happens if they don't pay the property taxes?

Michelle: Their properties either get sold at an auction or liens against their property are also sold at an auction.

Jack: Right. So, either the government takes it and just politely sells the property at an auction. They have the right to do that through the state statutes or they sell a lien against that property, typically called a tax lien certificate. And then, investors buy that lien and get a bunch of good rights like really high interest rates, like 18%, 24%, 36% or 16%. It varies anywhere between 8% and 36% typically around the United States. And then, what happens next is if the owner doesn't pay those property taxes, the tax lien holder can foreclose on the property. So, either way, the owner of the property can lose that property.

So, what we have figured out are five different ways. As a matter of fact, it's a total of 12 different ways. But, in that that free tax delinquent minicourse or quickstart course that you get on www.ForeverCashFreedom.com, on that page, you can actually get that course, but we'll share with you five of those techniques that we use to actually do deals without competition, without actually attending the auctions and without actually having to pay nearly as much, nearly anywhere close to as much as other people pay for similar properties at those auctions literally.

Michelle: Yeah. And, the catch here is absolutely that. It's circumventing the auctions to find these highly motivated sellers with high equity properties that are willing to sell their properties years before you go to an actual auction where you have all of these other competitors trying to bid prices up.

Jack: Yes, because they are selling their property to you at the fraction of what it will probably sell at the auction down the road. And, we're doing that by direct mail. We're doing that by identifying who the most likely people are, who the people are that haven't paid the property taxes, and then contacting them months, sometimes years before the auctions.

And, I'm talking about discounts that you get. You get prices like... How about a piece of land that's worth thousands for a $100 bucks? Would you like to go and buy for $100 bucks for less than it takes for a family of four to go for dinner and have a beer or to go to a ball game? Would you like to a buy piece of land that is perhaps an acre, two acres that's in the outskirts of a big city that you can turn around and sell for anywhere from $3, $5 or even $10,000 shortly afterwards? That's what we're talking about.

Or, how about a property like one of our students just did? He bought a property for $17,000 that now he's listing and he has multiple people looking at it. He is listing it for $70,000. That's a bigger deal by let's say, over a $50,000 profit in that deal. Those are the kind of deals we're looking at. Houses, mobile homes, land, it doesn't matter. It works on any kind of real estate. And, if you go to www.ForeverCashFreedom.com, you'll get a free minicourse on that subject. But now, what we're going to talk about today, Michelle?

Michelle: So, we just got back actually from Europe. We visited London, Germany, Italy...

Jack: Switzerland.

Michelle: Switzerland. And, we just arrived last night and it was 18 days. We had a blast, an absolute blast. We even hosted an Internet marketing seminar in Germany. We spent time with family. We went sightseeing. It was just phenomenal. It's really a time to...

Jack: A whirlwind of a trip but absolutely amazing.

Michelle: And, almost always, what happens is on the last few days, we start reflecting on our trip and reflecting of what lies ahead and it's almost the same pattern that we see. And, it's that whenever we are away from the business, we realize... Okay, we have been perhaps caught up in a busy movement and we need to refocus and this time, like every other time, it happened again that we have come to the conclusion... Okay, we need to make things simpler.

We need to focus on simplicity, refocus basically on keeping the main thing the main thing. And, the main thing really for us is happiness, is freedom of time, money, relationship and purpose. And that, to both Jack and myself brings immense happiness because it means that we have the time to spend with our family, that we have the time to step away from our business, that we have the time to take care of ourselves, do self-care, workout, eat well, etc., etc.

Jack: Not necessarily while we're in Europe. We ate very well. It's so well that we both gained weight, but that's a different thing, sorry. Because we have the time and the structures and because, as Michelle said, we, as you just said, we keep the main thing or we try to keep the main thing the main thing. At least once a year, we look at our business and we look at our life and we say like, "What's really the most important part of it or what are the most important parts?" It's usually not just one part. But, in each aspect of our life, what is the most important part? And then, we strip away or we actively focus on that and actually...

Michelle: We chop away whatever...

Jack: ...Chop away the things that are distractions from the most important part of that life. And therefore, I'm not worried about having gained the weight because I know by refocusing and by making our health again a focus and by chopping off other things that we... It'll take two to three weeks and we will be back again in pre-vacation shape. But, knowing that actually allows you to, even in vacation, splurge more because you know that whichever few pounds you gained, they're going to be gone soon afterwards anyway. And, once you're in a habit of having or living a healthy life, you don't gain that much weight anyway because, I mean, this time in 18 days, I gained a pound and a half.

Michelle: Yeah.

Jack: So, it's really not that bad. So...

Michelle: So, for us...

Jack: It was a surprise for me by the way. I thought it would be much more.

Michelle: So, for us, we have realized... Okay, the next six months of this year, we really need to refocus on asset allocation. This is why we started our journey in tax delinquent real estate to begin with. That's our end goal. That's out target. And so, we need to be actively doing much, much more of that and less of anything else that has nothing to do with that.

And so, for us right now, we've come to the conclusion... Okay, any project that doesn't have the potential to produce the cash so that we can invest in what we call "Forever Cash" assets. It's something that we either abandon or we either find a horse to that head so that that can continue...

Jack: A head to that horse.

Michelle: I'm sorry, a head to that horse so that can continue in parallel but not at the expense of our time because our time should be focused, like I said, on keeping the main thing the main thing, which is finding those freedoms through asset allocation.

Jack: Okay. So, Michelle, you just covered a whole bunch of concepts in like three sentences and I want to dive into them a little bit more one by one.

Michelle: Sure.

Jack: And so, if our listeners are not totally familiar with all the different things that you just mentioned, they will have a better understanding of what you just talked about which is span on 100% percent exactly on what we need to do. And, I think what anyone out there needs to do if you want to live a life where you have freedom of money, freedom of time, freedom of relationships... Meaning, you get to spend the time with the people that you want to spend the time, and freedom of…

Michelle: ...Purpose. Basically, you are doing…

Jack: You get to spend the time doing what you know makes a difference, what you know you want to do, what your purposes. But, whether you know what it is right now or not, you'll figure it out on the way.

Michelle: If you don’t know, don’t worry, there's a lot of talk about that. The only thing I would encourage you to stay is to stay curious, to remain curious on what that could be.

Jack: Very good point.

Michelle: Yeah.

Jack: So, the thing is, in order to have... Well, when Michelle first referred... The first phrase you mentioned was asset allocation. What does asset allocation mean? It’s a fancy word for saying, "Invest the money that you make wisely."

Michelle: Uh-huh.

Jack: All right. That's basically what it means. Now, our definition of investing it wisely is represented by another word that Michelle just said which is in "Forever Cash" assets. So, if you haven’t listened to any of our podcast yet, we mentioned the word "Forever Cash" quite frequently. And, as a matter of fact, it's in the title of our podcast.

It’s the Forever Cash Real Estate Investing Podcast. So, "Forever Cash" really means investing your money, or buying something, or purchasing something, or finding something, or creating something that spits out cash from now on for the rest of your life, and ideally even for the rest of your kids' lives and your children's lives and their children's lives really forever. Now, we have only found one asset class that really qualifies for that and that spits out money forever and that is real estate. We just came back from Germany.

Michelle: Yeah.

Jack: There's... We walked through some of these medieval cities like a little town called Überlingen at the border there at the Lake of Constance, down at Southern Germany, at the border to Switzerland. There's another beautiful city called Konstanz while it's called the Lake Constance. It's Europe's second or third biggest lake and there are buildings there, houses that are built in the 900s. So, you walk by and they are pretty houses, and they are fully remodeled, and there's modern furniture in there, internet in there, high-speed Wi-Fi and everything. And, architectural offices or engineering offices are working in all of them and they're built in 1916. Not 1916, I'm sorry, 916.

Michelle: 916, yeah.

Jack: They were built in the year 916. So, literally over 1,200 years ago or almost 1,200 years ago to the year, these houses were built. And, if the family did their asset allocation right, they quite possibly are today owned by the same family that owned them back in 916. Chances are, they have sold a few times from one person to the other, but it's not impossible that they are currently still owned by the same family. There are banks in Europe that are started in the 1500s. They are still owned by the same family today. Now, I'm not talking about... In this case, even the real estate is owned by the same family.

Michelle: By the same family.

Jack: And, the business too. It's one of the extremely…

Michelle: Passed from generation to generation, yeah.

Jack: Yes, it's being passed on generation to generation. Truly, if you used this rental property, if the right financial investments are being made, the right rehabs at the right time, at the right cost and so on, these are truly "Forever Cash" cows that spit out cash for centuries, if not, in this one case over 1,000 or almost 1,000 to 100 years. And, when we see that, for example in Northern Europe, on the base of the aristocracy, there are still princes, and kings, and queens, and princesses...

Michelle: And, counts and dukes.

Jack: And, counts and dukes, and all these guys around. And, Belgium has a king and the Netherlands has a queen and…

Michelle: But, right there in the Lake of Constance...

Jack: Right.

Michelle: ...I think it's a count, the count of Bodman that...

Jack: Yeah, there's a little town called Bodman which is B-O-D-M-A-N. One N or two N, I don't remember right now but…

Michelle: And, what strikes me about him is that he owns most of the... So, this area in Germany is absolutely gorgeous. You could think of it as the Tuscany of Germany only…

Jack: Just in Klingen.

Michelle: Only in Klingen. I mean, vineyards, fields, hills. Absolutely gorgeous!

Jack: And, by the way, if you can tell from my accent, that's where I am from.

Michelle: Yes. And so, what strikes me is that all of this... Basically, the land underneath is all owned by this count, yeah.

Jack: Now, if you look at the word landlord, it makes sense because, you know what? This guy is a count. He is a lord and he owns the land. So, the original name "landlord" means that there was an aristocrat who owned the land. He was the landlord and everyone else was just a tenant living on the land of that lord or whatever it was, a count or whatever you name different things. And, this is actually, while all these... If I could just jump in there.

Michelle: Sure.

Jack: While all the aristocrats, in Germany particularly, have lost all their political power or at least most of it, they are still involved in politics at some levels but not much more than any other group of society. But, even if they've lost all of their political power, they have not lost their land. They have not lost their buildings. They have not lost their acreages, their castles and those kinds of things.

Michelle: And, to this day that we basically... Their children, the today's generations are still basically reaping the benefits of the investing in "Forever Cash" assets and in this case, the land. So, they can lease this land to whoever is farming the land or even... Because it's their land, they're actually actively working forests.

Jack: Right, forests and farms and particularly in the area that I'm from, there's a lot of apple growth. There are acres and acres and hundreds of thousands of acres of apple growth. And, this particular count or whatever it is, he has his own operations. Now, if you now imagine the count on the field chopping off trees and pruning trees, you are thinking the wrong way. The count lives in his nice castle, in his nice castle of Bodman. He is also usually, often still to this day, very influential in his town. If he's not, at least for a couple of years or for five or 10 years, he's the mayor himself.

Then, at least, he is kind of like nobody does anything in that town without him approving kind of all of it because he owns half of the town. He owns half of the houses in the town. He owns all the forest and everything around and he has four centuries. The old count just retired a few years ago. And, guess what? The young count went to school with me just a couple of years below my grade in my same school and he now ascended and he now took over operations. And, they have a cruise and everything so they are running an active business. But, what do they do with the money they make?

Michelle: Uh-huh.

Jack: The question is that, number one, what do they do with the money they make? It's that they have learned over centuries what to do with that money. They might be driving a Ferrari. They are living in a castle. They might be having yachts and are ready see out in Venice out there, and in Italy, and in Spain, and so on. But, the question is what is this or what are these toys paid by? Is it by the results of their growing apple trees? Or, is it by them actively running a business? Or, is it by them just renting stuff to a whole bunch of different people?

Michelle: Yeah.

Jack: And, the answer is probably the second. Because they are... The only way that we have discovered and that's totally existing already for thousands of years is, what you got to do with your money is you got to invest it in something. Like for example, in this case, they invested it in apple growth.

Michelle: The land.

Jack: Or, to rent the land or in the land that they then rent out to somebody else, and then put apple trees on there. Or, into a forest that somebody else runs and somebody else cuts the trees, and it's done for lumber and so on.

Michelle: Or, actually improve real estate that they're in for also.

Jack: Or, actually, they own half the houses in the village and they pay them out rent. And, it's that money that comes in from all this rent that ends up paying for the Ferrari, for the maintenance of the castle, for the people working in the castle, and for the yacht out in the Mediterranean Sea. And then, if they, in addition now to their smart work, continue to make more money to the operations of their active business, that money, guess what they do with it? They invest it in more real estate, and in more land, and in more "Forever Cash" assets, "Forever Cash" assets that spit more cash.

And actually, this is something that I just realized once. I used to live right next to them, right? I mean, not right next to them, like a village over. But, I never saw that... Their kids used to go school with me, but they thought differently than I thought. And, only after my thinking shifted, and shifted into wanting to become self-employed, and wanting to make my own money, and then, from there, shifted to wanting to move the money that we made into something that could provide more passive income, did I finally understand how the wealthy create wealth. And then, when we traveled to Honduras where Michelle is from…

Michelle: Yeah, I was going to say, if you are thinking. Well, I'm not an aristocrat. I'm not a duke. I'm not a count. How will this apply to me? So, to jump in to what Jack was about to say…

Jack: I was just about to hand it over to you so it's all good.

Michelle: ...Is that, for example, in Honduras, we have no counts. We have no dukes. We have no... I mean, no kings. I mean, there's none of that. There's no aristocracy. There is this basically incredible disparity and contrast between rich and poor, and mainly, everyone being poor, and very few being rich, and a small middle class. But, even there, people have discovered is that again, how you invest the money that you have left over really, really matters.

Do you spend it or do you invest it? And so, for example, I want to give as an example the story of my aunt Christina. So, my aunt Christina, she is probably 76 now. She is one of my mom's oldest sisters and she became a widow very, very young. She had three children and they had purchased a big, big lot. It's within what is considered still the downtown urban area of the city, not the outskirts by any means. It's still within the city limits.

Jack: But, it's during the time when the city wasn't as big and wasn't as industrious and so on and so forth.

Michelle: And so, she and her husband had the vision. They purchased this big piece of land, and then slowly, little by little, they started by building first their home which is the home that they still or that she still to this day resides. And then, as the years went by, they decided to then go ahead and build another home to the left of that center home that they started renting. And then, with time, basically they started little by little again. Maybe, it was a course or project of one to two years to build a 1,200 square foot home because they basically self-funded this construction.

It wasn't as easy and it's still not as easy today to go ahead and get loans with your real estate as collateral. In a lot of non-American countries, a lot of the poverty is due to the fact that it's not as easy to use basically your asset, which is the real estate, to create and generate more wealth by having loans against your property, and therefore, reinvesting and so on and so forth as we do here in the US.

And so then, over a course of a couple of other years, they built the second home and... I'm sorry, the third home, but the second that they rent. And so, like I said, she became a widow very young. And then, to this day, she still lives off of these two rental incomes. The same...

Jack: At the same time, she is a teacher or retired teacher and gets a very minimal pension from the government.

Michelle: Yeah, very minimal.

Jack: It's like a few hundred dollars of that.

Michelle: Yeah.

Jack: And so, literally... I mean, she is making probably more money now from the two rental properties on her property that she put there and that she self-funded literally brick by brick. When they had enough money to buy another set of bricks, they bought another set of bricks...

Michelle: That's exactly how it happened.

Jack: ...And, basically hired a guy for a few bucks to come and put the bricks up and so on. And, your uncle did the same thing. I remember seeing a toilet bowl in his car. And, I was like, "What are you doing with that?" He is like, "Well, I finally have the money to buy the next toilet so I'm going down and putting it in my house."

Michelle: Yeah, he also had a rental. Everyone pretty much in a third world country will think about basically investing into real estate. Number one, because it's extremely durable. Number two, it protects you against inflation. Number three, there's absolutely no social network that you can fall on like Social Security to say "I'm going to cash in on retirement when I turn 65." There's none of that. There's nothing to basically hold you. There's no net underneath to hold you.

So therefore, each and every person needs to be extremely entrepreneurial in their thinking and their way of approaching life and how they are going to think about retirement. And so, you start preparing and you start getting into that mindset very young, whether you are a king or a count or not because nobody is.

Jack: Right. So, I learned it just from here. Once I saw in the United States and I had two weeks vacation and I realized that I didn't want to live like that. And, I realized and I went in a multi-step process. First, from a mindset change from an employee to being an entrepreneur. Then, from an entrepreneur to actually "Hey! We are making money. We are blowing money. How can we actually stop the blowing and instead have the...? How can we get to the point where we can do the exact same things that we like to do? Those luxury things like going three weeks to Hawaii, or like going on a two-and-a-half week trip to Europe, staying in beautiful hotels and things like that, and at the same time, have it be not paid by our active income, but instead by our passive ongoing income.

So, that's a long part about what Michelle talked about asset allocation. But, ultimately, if you understand that your financial freedom will not come from your pay check. Your financial freedom will not come... It doesn't... Within limits, it doesn't matter how big your paycheck is. Of course, it matters. If you make a million dollars a month, a year, it’s easier to save something than if you make only $500 a month.

But, within limits, if you are making an average American income, if you are making a good American income, you should have the ability to take some of that income and deviate it into what we call the "seed money account." And then, from there into the investment account, and then soon enough have your first rental property, have your second rental property, or perhaps roll that over into a multi-family, roll it over into some other kind of business or in some kind of other passive investment that brings most importantly ongoing payments on a monthly, ideally, monthly basis.

And, soon enough, once you do that, for us, asset allocation is the number one goal. Because asset allocation means that with every new asset that we operate that we buy, our forever living standard will increase because if you one day, if you're 80 or 90 years old and you really cannot work anymore, if you are struck by sickness and you cannot work anymore, you cannot rely on social security. Social security will only provide you with perhaps the absolute basics like food stamps and stuff like that.

But, your lifestyle only depends on what you do outside of that. And, in our definition, our "Forever Cash" assets define our "Forever Cash" lifestyle or our forever lifestyle, and therefore, we are constantly working on increasing that. It’s already at a nice level, but we are constantly working on increasing it.

So now, going back from that, in order for us to be able to invest in these kinds of assets, we need to generate money, right? In order to generate money, our choice of investment happens to be the same kind of investment that we also use for our "Forever Cash" assets. We flip real estate.

Michelle: Yeah.

Jack: We flip land. We sell land to seller financing and we flip houses for big checks. And, because we're operating in the same area where we earn our income, we can also take the best deals that we find and actually hold on to them and keep them ourselves.

So, we have used as a source of income and as a source of our next "Forever Cash" investments the exact same methods, which to us is keeping the main thing the main thing, and also, it's a bundling of efforts because it allows us...

Michelle: Yeah, absolutely. Because with the same effort, we can basically go at both: at generating the cash or having the cash machine that generates the cash so we can go ahead and park the cash which is our exit strategy in the same real estate.

Jack: Right, exactly! And, that's an ongoing process. We've been at it for many years now. We finally did that last transition mentally into the "Forever Cash" right on time in 2008, 2009 and build up a nice portfolio of rental houses. Since then, we have expanded that into commercial properties, into car repair shops, into all kinds of different things, and this is an ongoing process that really literally will go on for the rest of our lives. Because once you start enjoying, analyzing the deals and looking at the return on investments for "Forever Cash," it's something that we know we will never stop doing.

Michelle: Yeah. And so, there's real estate but as part of what... It's there for us for the future. It's also investing in "Forever Cash" assets that may not necessary be real estate. It could be businesses or what we call boring businesses. Boring, meaning, very predictable or solid-earnings type of businesses. And so, we are looking at those as well. And those, for us, also fall into the characteristic of what we would call a "Forever Cash" asset.

Jack: Right! Like, Warren Buffett is the best example of that. And, obviously we're learning from or trying to learn from the people worth learning from out there including Warren Buffett. And, Warren Buffett, the only company invested in the technology world is IBM, but other than that, he doesn't invest in technology. And, the reasoning is that it's too fast-paced for him.

And, what is attractive to the average investor is not attractive to Warren Buffett for the very simple reason that he's not an average investor. He's an extraordinary investor, and he's a long-term investor. Most investors want to be short-term. They want to invest something that's hot today so that they can get the spike tomorrow. And then, as soon as the spike happens, they sell their stock and they move in somewhere else. Warren Buffett doesn't care about that. Warren Buffett wants to invest about something and his preferred holding period is forever.

Michelle: Forever.

Jack: And, that's exactly how we operate too. We love buying something and not selling it. Like, why should we sell it?

Michelle: Or, if we sell it, that money or that dollar that was invested is now in what we call the category of an invested dollar. It never leaves that category. It only leaves to purchase another or a big investment that gives us bigger return...

Jack: Right!

Michelle: ...But, it always stays in that loop.

Jack: That money will never come out. The principal of that money will never come out for us to buy a Ferrari.

Michelle: Yeah.

Jack: Instead, only the fruit of that money will come out. So, Warren Buffett again says his investment period is forever because he likes boring businesses. The reason he doesn't go into technologies is because technology might be up one year, and then something else comes up and your investment goes down the drain.

And, really, you don't want to put your investment in something that has a chance of going down the drain. Instead, when the numbers in real estate make sense, they make sense and you can actually stay on there. All right, it's literally... And, by investing in things like that, it's almost like you're building a moat…

Michelle: Yes.

Jack: ...Around your castle here.

Michelle: Which you see them all the time. We saw at least…

Jack: It pretty much goes back to Europe, right?

Michelle: ...Two or three times right now during our trip to Europe. It's like the concept of this moat basically protecting the asset, the castle. It's something that has this idea, this concept that has always existed since…

Jack: Right. I mean, back in those days, there were no banks.

Michelle: Yeah.

Jack: There were no legal structures….

Michelle: No LLCs to protect your assets, yeah.

Jack: No Incs., none of that kind of stuff. So, what did people with a lot of money like the counts again and those guys, what did they need to do? They need to build a castle, put all their money in the middle and put all their precious assets. In this case also, his wife and his daughters and his children…

Michelle: Fine jewelry

Jack: ...His family, but also jewelry and...

Michelle: Gold?

Jack: ...Anything, and gold, and all that stuff. Then, put it somewhere into the middle of the castle, probably in a big hole that he covered up or so. And then, he put a moat around it, fill it with water, put alligators in there or whatever, piranhas or whatever they put in there, and therefore, protected himself from the predators that wanted to go after them.

Well, today, you still need a moat once you build up assets. You still need a moat and your moat in that case is just LLCs, the bank security, safety deposit box, perhaps a number of accounts in Switzerland. Ignore that. That security went away. They're now just disclosing to the world who owns those accounts. But, basically and particularly legal structures, LLCs, asset protection rules are the moats that people do today.

Now, if you don't have anything to protect, well, you might as well sleep out in the rain, which is exactly what happened to the people with nothing to protect back in those days. But, the ones with something to protect, they went and they built a moat around it. So, I don't know how I got to the moat right now, but perhaps, it's a good kind of ending to our podcast right now.

Michelle: Yeah.

Jack: In a sense, if you want to build wealth, makes sure you focus on what's most important. Most people, I want to say, focus on the wrong thing. They focus on income only. Income is very important. But, I just read that Allen Iverson, former NBA basketball star, earning $160 million over his career, literally went broke within like what? I think he retired in 2011. He's bankrupt right now.

Michelle: Uh-huh.

Jack: After five years, he outspent. There is no amount of money that can't be outspent, but instead of focusing on income only, you focus on income and asset allocation and the moat. You now have almost like a financial holy trilogy here of…

Michelle: Trinity, yeah.

Jack: ...The trinity of tools to make sure that you reach your financial independence.

Michelle: Yeah. So, for me, just to conclude, we need to get busy after getting back from this trip but not get busy just being busy but getting busy with movement that is going to take us towards getting more of that asset allocation done. And, in order to do that, it takes time, it takes energy, and therefore, for us, our next to-do is like, "What are we going to stop doing?" And, we're going to probably go through a process called the "Stop Doing List," and basically outline, "Okay, all of these things we're going to stop doing because what you don't do is just as important as what you do."

Everyone always talks about what I should be doing, but seldom people talk about what you should not be doing. Because what you should not be doing is so important for you to get clear on what's not important and what falls out of what your target is. And, therefore, you can basically use the resource of energy and time for the things that actually will bring in more leverage, based on the skillsets that you have and on the things that you actually want to accomplish.

So, that's basically what I wanted to leave you with, that perhaps, it's time for you as well to look at what you're doing and whether it'd be busy activities, mental patterns that don't serve you, whatever it might be, habits... And, decide on what is it that your goal is, what is that you're going or that simple thing that you're going to refocus on or focus on from now on and what is all the other stuff that is just noise that is just going to just fall off so that you can just work on that one thing and keep that main thing the main thing.

Jack: And, with that, there is really nothing for me to add. The wisdom of Michelle has spoken and it's absolutely true. We go through that exercise on a regular basis, and every time, it's amazing how much stuff has crept back into our lives that needs to be chopped off, that needs to be not done anymore or done by somebody else.

And so, once you really sit down and create your "Stop Doing List," it's the first step to really liberation. It's the first step to freedom. It's the first step to freeing up hours of your day. And, with those hours, you can now either make more money or if you're already making a chunk of money, use that time for asset allocation, for education.

If you don't know how to find good deals, if you don't know how to analyze good deals, again, we have a little minicourse that you can get for free, which gives you a great overview about our five favorite investment techniques. You can get them at www.ForeverCashFreedom.com. Again, www.ForeverCashFreedom.com. And then also, we would of course love if come over to our podcast. First of all, subscribe if you haven't yet or if you're listening to it online.

Michelle: And give us feedback. Rate us.

Jack: And, rate us. Give us feedback. We would love to hear your feedback about our podcast. We're starting to mix up subjects. Probably, the first 12, 13 podcasts are mostly about our real estate investing techniques. We're starting to mix it up a little bit. There's going to be some about just purely technique or real estate details that we're going to share and some of them are more about things like we talked about today...

Michelle: Yeah.

Jack: ...Because they're just as important as that. Because, the reason why I wrote the book "Forever Cash," which is available on Amazon, is that I saw so many people just focusing on income and very few focused on asset allocation. A very few focused on wealth creation.

And, there's a huge difference between income generation and wealth creation. All right. And, with that, we're saying have a wonderful rest of the week.

Michelle: And, we will see you next time.

Jack: All right. We're posting one podcast at least once a week which is usually coming out every Sunday night so you have it ready for your commute on Monday, which hopefully, as you implement these principles, will soon not become a commute at all anymore, right? Thank you very much. Buh-bye.

Michelle: Thank you very much. Bye.

Outro: Thanks for listening to the Forever Cash Freedom Podcast. Subscribe now for future content-packed episodes on how to push the ejector seat on your financial hamster wheel and discover our radical way to freedom and wealth through cutting-edge real estate investing strategies. To learn more about living the "Forever Cash" lifestyle, investing smartly and becoming financially free, visit www.ForeverCashFreedom.com to claim your free "Forever Cash" Starter Kit today!