



## **Title: It's About the Mentors (Episode 018)**

**0:00:17 Andy:** Hello, Andy Tanner here, welcome to The Cash Flow Academy Show. I've got a great topic, short podcast today but yet maybe one of the most important. I imagine this will be, I'm here trying to see if we can do this up so less than 15 minutes, sometimes I ask: how long should it be? And the guys who coach me say, well, as long as it takes, if you can make the point 5 minutes, that's good, if it takes you an hour, that's good. So I'm gonna guess we can do this some fairly quickly but it should be a lot of fun. Very important topic today, I'm gonna lay a foundation so I can set it up the right way for maximum impact on the podcast.

I wanna start with a story this time and a personal story about Marcy, my wife and I. Back in the '90s, of course Robert Kiyosaki releases the book Rich Dad Poor Dad, he gets on Oprah and boom, it explodes and everyone knows about it. And I don't watch Oprah so I didn't know about it, I was in the dark, sorry Oprah, I guess that's why she hasn't called me coz I don't watch her show but I do know what the Oprah fact is and so boom, Robert's book Rich Dad Poor Dad explodes. And a friend of mine who does watch Oprah recommended it to me and I started reading it, I liked it so much I went to Marcy, my wife, I said, sweetie, let's read this together. So I bought another copy and sometimes we read different things, sometimes we read together, this was a book read together so at night, we take a few minutes before bed and we'd read a chapter or two and discuss it and talk about it, how it affect our lives and we are very, very excited.

And to set this up, what we did when we closed the book, okay, cover to cover we read it and we closed the book, we had a mindset to go out and buy assets rather liabilities. Now, I'm gonna show you how this mindset changed in to our topic. You see, when I listen to people who are or helpful like maybe a David Ramsey or Suze Orman or someone like that, they tend to me strike me as people who are disciplinarians, in other words, they will do their best to convince people the wisdom to choose one investment instead of debt or savings instead of debt or whatever is they teach. It seems to me an exercise in discipline rather than one in creativity and education. I don't learn a lot when I listen to those guys, I might be inspired to be wiser and more disciplined with money, maybe young couple decides to forego buying a Do Dad and instead investing so it's a discipline issue often. But it was different with Robert and when I left, I kind of had that stigma and discipline from other teachers at the time, buying asset not liability. It's just simply matter of discipline and my wife would say, look Andy, we buy assets instead of liabilities, we'll make it.

So I went out and buy the assets and that was the rude awakening that I think I missed a lesson in there because it wasn't about discipline, it was about what do I know about investing, what do I know about stocks, what do I know about real estate or business or commodities,



what do I know about the asset classes or wasn't much. So we failed, we struggled, we sputtered, we didn't hit any real homeruns, we bought a little here and made some loss some but it really wasn't what we envisioned, lot harder than we thought to do. And my wife and I said let's go back and read it again coz here's this man we didn't know at the time, this guy from Hawaii, surfer, marine, he seems to figure this out, what does he have that we don't have? And I wanna say that again, what does he got that we don't have? And so we said let's read again and see if we can find the answer and let's do encore reading and so we did. And as we picked it up, my wife looked at me she says, well I know one thing he's got that we don't have. I said what does he have? And we looked at the ???[0:04:24] cover and it said Rich Dad Poor Dad and she smiled and she says hey, we got great parents that are not rich so we're halfway there, we got the poor dad down, we're halfway home. But we didn't have anyone in our life that he had.

What an interesting context, I suppose everyone can draw different lessons from the book according to their own life and their own context but what a different journey we had because the first time we read it afterwards we went out looking for assets but the second time we read it, we went out looking for people who could teach us, for mentors, for rich dads and that's the topic of today's podcast with that long setup or introduction or whatever you wanna call it, it's about the mentors and this podcast has 2 purposes, number 1: is to speak of my mentors but also pay tribute to some of mine who are very special to me and a thank you and a shout out to them with some words that might help you guys as you listen to be inspired to seek out mentors like Marcy and I did. I remember when I wrote the acknowledgements in my first Rich Dad books Stock Market Cash Flow, I felt to thank the mentors in my life because I really didn't know anything, everything I got, I have no original ideas, just been the beneficiary of having great people around me. So that's what we're gonna talk about today is mentorship and we'll hop right in.

We went out after that point and we started searching for mentors and the very first person we found and it was so different was a man named Greg and Greg was a friend of mine that I grown up playing basketball with, way, way, way back and I remember reconnecting with him and I hadn't seen him in years and years I said, so what are you up to? He said, I'm a real estate investor, bing, bing, bing and I just became a leech, just smothered him. Because see, without the mentor, my wife and I have tried buying real estate, we had looked at different homes, I just did, there were all these little things, the details, what if this doesn't work out and how does the, what if the roof leaks and what's a sewer scope and we shouldn't been messing with all that stuff, we should have been in another people do it for us. And we went out and we're doing so many things wrong and I said to this man Greg I said, hey, I'm really interested in what you do and so we hired him, we actually paid him, I said, hey, I'd love to compensate you and he wasn't really interested because I guess he hears it all the time, oh please teach me



how to do this, please show me please. And I guess it wasn't until I really looked him in the eye and said, listen, I just wanna know what it is you do. He goes, what do you mean? I go, I have a car, you have a car, every day you get up, you get in your car and you go drive and see somebody or something or some people, I have a car I have no idea where to drive. I go, you have a phone, you're picking up your phone I'm sure every day and I'm sure you're calling multiple people doing business, I don't know who to call, I don't even know where to start. So I just would like to pay you to watch what you do, to look over your shoulder and I just wanna watch what a real estate investor does every day since you're doing it full time, this isn't a hobby for you, this is a business for you, I just wanna see what it looks like and I'll pay you to do it. And he thought, you know what? Separated us I think Marcy and I from people he saw who were curious people, we're serious, he goes, you will really pay me to do nothing more than just watch what I do? I said, I don't know how to do it, I wanna watch. And it wasn't a huge sum, it was 5 figure sum, it wasn't big that we agreed to but he says okay, come to my office. And it was amazing, we went to his office on a Monday and he greeted us and he said, you're gonna buy a house this week. I said, hey, I just came to watch, I wasn't ready for that. And he showed me A and I'll tell you, he showed me 4 things and I now call them my 4 Fs, I'm sure other people have done the same thing, I don't know where these came from, they just make sense.

Number 1 was funding, he had money that wasn't from a bank and I told him when he said we're buying a house, I said, well, I have excellent credit and I said I've got some money, we can go use to buy out some money to go buy stuff with. He says, no, no, no, he says it's about using someone else's money, it's about leveraging, raising capital not about using your own. And so he showed me the private money lenders that he had of people he had contact, he put me in contact with them and I learned that they're just looking for good deals to fund and it were the strength and the powers and the deal not on my own personal credit or reputation or any of that stuff. And so he hooked us up there. So funding was the first thing he taught us and it was totally different than the mindset that we'd had and he connected us with people so now we had plenty of money.

He says alright, next thing we got to do is find a deal and he had systems, he had a whiteboard on his wall and all these different candidates and he had sources to find different properties, he had marking campaigns where actually deals with find him before they'd even go on the multiple listing service, I mean, he had great marketing, he had great systems and sure enough, he would have plenty of deals to look at and I started learning what he did when he called, when he talk to someone on the phone. So he had funding and he had finding.

After we would purchase these and I'll be darn, we found one that was going in to foreclosure and no one seem to be looking at it and it was actually gonna go to auction and my wife went



to the auction, on the auction, no one else even bid on that, no limits, no notes existed as she picked up for grape price and we had the funding there from these guys, boom, we bought this house and next was fixing it. And so I said, alright man, let's go to work, we're gonna spend a little part time he says, man, are you crazy? And he began to connect me with contractors to do the work, people who knew how to paint, people who knew how to do cabinetry, people who knew how to do countertops and to improve this so it would be a higher rent and that's called, Kenny McElroy does the same thing, he'll force appreciation, make it nicer, put in appliances so he can raise rent and get higher cash flow.

And I'll be darned if he also didn't find me a renter, I mean, he found the renter and showed me how to find renters and we got a little more rent from this guy, we did actually what's called lease option and long story short, he did this, he found it, he helped us finance, he helped us fix it and he helps us turn the money, right? To come to a fruition with the money and we didn't flipped the house, we flipped the money and next thing you know, I couldn't believe it, I was astounded, I had a 500 dollar a month cash flow, 500, I think it was 541 dollars or 471 dollars, something like that, it was around 500 dollars after taxes and insurance and all this and it was crazy because we use someone else's money, from a private lender he had to do it, we had someone else do the work to bring it up and make it little nice and basically carpet and paint, little cabinetry and then next thing you know, we refinanced it with a bank after the renter was in there because it was a much different experience going once I owned it to do a refinance on it and it was amazing coz when it was all done, we had 500 dollars, it doesn't seem like much now or not seem like much to someone listening but it was the mentor that did it and that's the key, it was the mentor. And our difference looking for real estate before having someone to walk us through and the difference after having someone along, it was night and day and the learning, the learning was amazing especially with my wife as she took the vanguard of this thing, she was using terminology and vocabulary was been, I didn't know these trust deed and escrow and, I didn't know what all these terms meant and teach it to me in school and I learned it from my mentors so that's a tribute and a shout out to Greg who I was great to know, he was a great friend and he actually passed away so we wanna pay tribute to Greg and his memory and his wonderful family for being a major, touching my life in a major way in terms of mentorship.

And so the reason I tell you that story is so you can think about the mentors in your life or who you'd like to have and what your mindset is, that was a context shift for me, instead of looking for assets, instead of looking for real estate, I began to look for the right people and the right teammates and the right teachers because to me, and it's just opinion, you'd have to ask Robert what he thinks his book is about and he'll tell you, you ask me what I think about my book is about and I'll tell you and other people have other things they learn. But one of the great things I learned from the book Rich Dad Poor Dad wasn't inside the book, it was on the cover. It was a



book about mentorship, it was a book about a man who was given a choice between traditional education and financial education because of the 2 mentors that he had to choose from. And mentors are not always, it's not always happy camp, mentors for example Rich's dad was a very direct person, he told you how he felt, he did not mince words and some of the lessons were harsh for Robert and so it was. So that's what we took away was mentorship.

Now, the second thing I wanna speak to you about is confidence, I said I was gonna do this 10 or 15 minutes, well that went out the window, didn't it? Confidence will come from mentorship. I used to do a lot of workshops in financial education, not so much these days, I spend a lot of time with my family and my kids these days but every once in a while I still, handful of times a year maybe go out and do a live event and I very much prefer doing online events where I can be with my family but I'll do a live event now and again. When I used to do it more often, one of the things I used to do is I would teach people about confidence and mentorship and I would set them up have this type of experience, if you can picture it and imagine it, is I would make a list of different tips and secrets and I use to horse around and have some fun. I'd start with the number 2 and number 3 and number 4 and I'd leave number 1 blank and finally after a couple of days in study, people would lose their patience and they'd say, alright, we'd have enough, what's number 1, what's number 1 secret you can give us? And I'd say, well it's not a tip or technique, it's a mindset.

And I'd say everyone figuratively put 10,000 dollars in a pot and we got over million dollars in it now and we'll have an investing contest, let's say in options, you guys are all new and let's invest and whoever does the best return in 6 months gets the pot and I'll say but is there anyone here that feel they would lose? And a few hands would go up. And I would find someone who look timid and look like they weren't confident and I'd hop off to stage and I'd grab a microphone and I'd go out in to the audience and I try as best I could to give this lesson. I'd say, let's see if we can help your confidence, so you're investing against all these people in this contest and I take them by the hand, I'd say, what if you and I were to join as a team and it was you and I against all these people? And man when their confidence grow. Maybe it shouldn't have but it did because they knew I had studied and they knew I had done many, many trades and they knew that I made mistakes before that I could share with them and I could teach them wrong ways and right ways to do something. And I'd say, how do you feel and they'd say, it's interesting, I don't feel the fear because it doesn't matter what I know, it matters what my mentor knows and that's what happen with my mentor, my real estate mentor Greg, the first one I ever had was when he took us in his office, I could see here someone who've been down the road before and our confidence went up and so did our results. Well today, if I were to have a real estate question, I get to call Kenny McElroy whose Robert's main real estate advisor and what a wonderful mentor.



And so list the mentors that you have in your life mentally, can you go down the list? If I say stock mentor, who are they? For me, it's guys like Gino [0:17:21], Jeff Crystal, Noah Davidson and Corey Holiday and Ryan Smith and Brett Ellison. So many people have taught me and if we don't have a list of mentors, that's something that gives us an opportunity to improve if that makes sense, we can improve that about our lives. Who's your real estate mentors? Who are your commodity mentors for gold and silver? Who are your tax mentors? Who are your asset protection mentors? And so it's a great, great thing to think about and who would you get to pay tribute to and who is your rich dad? These are all questions that can provoke thought that I hope changes context.

So we're coming in to the end of the year. 2016 is gonna be staring us in the face pretty soon, one of the things you could consider in this next year is to expand your circle in terms of who is teaching you and what type of mentors. And don't, let Blaire Singer be a mentor in terms of little voice, I don't know anybody and I'm just small and bla, bla, bla. Hey, come on. We've talked about networking before on this program, we've talked about how to connect with the right people, having things to offer and there's always mentors available for people who will not waste their time, who will do the work and so forth.

So I wanna thank my mentors, I want to list a few of them, what I've learned from them. I wanna thank Greg for helping me learn about systems and the importance of systems in what you do real estate. I wanna thank my mentor Robert Kiyosaki, the greatest thing I learned from him is, and haven't learned it yet, I'm still learning it but he is the most amazing example in my life of what it means to be an insatiable student. When I looked at Robert from afar, I looked at someone who I felt had arrived, someone who had been developed, someone who had already gone from the caterpillar in to the butterfly, someone who was finished and that's how I looked at him as afar. He was a guy, he's got 100 million dollar net worth or whatever it is, I don't even know what his net worth is but nor do I know his cash flow specifically but I've got to tell you, he looked at me from afar and so it was done. When I met him, I can tell you that's not his own self-concept, he's an insatiable learner and really all the Rich Dad advisors are more than just teachers, we're a group of people who like to learn and like to explore and study would be a good word. And Robert, its most surprising thing to me is his self-concept isn't that he's done, it isn't that he's developed, he still wants us to learn more and he still wants to get better and he doesn't really care about his financial success so much as how can I get better and how can I pursue making the mission closer and closer to its accomplishment, how do I accomplish the mission? So I wanna thank him for that and it changed my context where I think I need to be a better student, a better study, all the time. So I began to study again where I hated in school now I liked it and I like to study and I like to read and I like to work on personal development which leads me to my next mentor Blair Singer who talks about personal development and controlling the little voice. The land in swept tremendous discipline. Tom Wheelwright, Garret



Sutton who are wonderful professionals in what they do and they're perfectionists in what they do. Darren Wheats, all these advisors around me, Kenny McElroy who teach me and help me as I pursue my own wealth but also more importantly as I help to teach others.

So surround yourself with mentors, that's today's message, think about who you'd like to know, think about what you'd like to and if you don't have mentors, go back in the podcast and find the one I did with Bryan Thayer on networking and how to find those people around you and bring them in to your circle.

So I'm grateful for my mentors, I recommend everyone get one, I think that moving in to the New Year what a wonderful opportunity for you to not just focus on what you can buy but who you can gather in your circle, who you can learn from and have great mentors. Warren Buffet had Benjamin Grand, Donald Trump had Fred Trump, Robert Kiyosaki had his rich dad and you can go on down the line.

Alright, so that's this week's podcast, mentorship, very, very important, go out and find your mentors and then it will not matter you know, only matters what you're willing to learn.

**END**