



# *The* **CASH-FLOW BREAKFAST CLUB**

— A STORY and MANUAL —

The story of you...and how a leap of faith to attend a unique investor meet-up changes everything. From zero passive income to complete financial freedom in five years or less.

**Omni Casey & Chara Casey**

Please enjoy the first three chapters of

# THE CASH-FLOW BREAKFAST CLUB: A Story and A Manual

by Omni Casey & Chara Casey

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The Story used to illustrate the investment strategies described in this book is fictional. Names, characters, places, and incidents either are the product of the author's imagination or are used fictitiously. Any resemblance to actual persons, living or dead, events, or locales is entirely coincidental.

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## Acknowledgments and thank you.

Showing is better than telling. The first time I attempted to write this book several years ago, it was an autobiography that read like an instruction manual. It was very short and was straight to the point. As a high D personality, I am often accused of thinking and talking in bullet points, so it naturally made sense that my book would be that way also. It turns out that although the principles were valuable, and the lessons shared were beneficial, it was not a book that I would have been proud of. So, after shelving my first draft for a few years, I was recently inspired to completely rewrite this book, and I partnered with my wife to provide the lessons in a power parable format that we ultimately hope would be more relatable and entertaining for you, the reader. You are about to immerse yourself in a story loaded with actionable content. Though all characters, scenes, and scenarios are fictional, and any references to real people and actual events are unintended, all lessons, results, and testimonials are based on the true accounts pulled from the life of the authors, real estate investors, real estate agents and coaching clients that they have helped. Thank you for letting us be a part of your life. Just like the main characters in this book who go through several life-changing discoveries throughout their journey to financial freedom, you will find there are simple steps and true principles that you can implement in your life to become financially free

through real estate investing. We strongly believe that no matter where you are financially right now, you can follow these steps and principles to design a life of financial freedom through cash-flow real estate investing. Thank you for inviting us in on your journey.

## Chapter 1: Living Under a Bridge

### The Eviction

*Is this what homeless is?* Dan thought as he watched the property manager lock the door behind them as they exited his apartment and home for the last two and a half years. He could just imagine the headline now: “One of Honolulu’s top real estate agents, now homeless!” It seemed just like yesterday that Dan and Karen had moved in. The excitement, the prestige that came with that address. Living in the “penthouse” of one of Honolulu’s premier luxury apartments came with its perks. Every morning, the sunrise views were Instagram-worthy, #BlessedLife. It made Dan cringe as he thought back to his nearly daily morning post from his lanai. *And now? I’m on the waiting list for a spot at one of the cheapest apartments around.* There are no “tracks” in Hawaii, but if there were, he would be moving to the other side of them. To add insult to injury, he didn’t even know when he would be able to move in.

Of course, at that very moment, Dan wasn’t homeless yet, as he had friends and family who would more than welcome him until he secured a new place, but the thought of asking anyone for help, the thought of even telling anyone that things were this bad, just seemed out of the



question for Dan. So many things were racing through his head. It had been six months since Karen, his longtime girlfriend, announced to the world on social media that she had left him. *If everyone found out that I lost “the penthouse,” they would all think it was a direct result of Karen leaving. Oh, she would just love that,* thought Dan as he walked to the parking garage. *I’d rather live in my car than give her the satisfaction of knowing about this.*

## Baby Sis

“Earth to Dan!” Julie tapped on the table to get his attention. Dan glanced up at his sister sitting across the cast-iron bistro table from him. He remembers his sister bugging him all morning through a constant stream of texts and DMs until he finally agreed to meet her for coffee. However, everything else after that was a haze. *How long had he been there? What had they been talking about?*

“How’s the new place?” Julie asked again as Dan started to shake off the fog.

“It’s... it’s great,” Dan said as he tried his best to avoid eye contact with Julie. He leaned back just a bit so that the morning sun lingering behind the coconut trees released a targeted ray directly on his face. That was a perfect excuse to shield his face just enough to allow him to avoid eye contact while avoiding suspicion. She knew him well,

probably better than anyone. She could always spot when he was hiding something, and that's why she had been harassing Dan for the last two weeks to meet up. She was definitely on a fact-finding mission.

Dan's sudden absence from social media raised some red flags with her a few weeks ago, and he eventually just told her that he was busy moving. He gave no details beyond that, mainly because he had none. What he thought would be a day or two's wait for an apartment to open up had taken over three weeks now. Dan couldn't bring himself to tell anyone about his struggles, so he had been sleeping in a van since moving out of the penthouse. *Officially homeless*, Dan thought. *From penthouse to living in a van under a bridge. How did I let it get to this?*

It wasn't like Dan had ever had a problem with making money. *I made a lot of money last year as an agent*, he thought, as he continued to shield his face from the sun. No, making money was not a problem. *Keeping money, now that was a different story*. Dan still didn't understand what he blew all his money on. He tried to add everything up before he moved out of the penthouse to figure out where it all went, but he was never great at keeping track of his expenses. He just spent because he knew he would have another big closing right around the corner to help pay for it. With no savings and an expense column reserved for someone that was desperately trying to keep up with the Joneses, it only took a three-month dry spell for his



business to wreak havoc on his life. Money problems turned into relationship problems, which turned into a downward spiral.

Dan didn't want to talk to anyone about the breakup with Karen, so he didn't go to the office for months. Not going to the office turned into undisciplined and unproductive days, weeks, and months for his business. As an independent contractor, no one could push him to show up to work. That was one of the things that attracted Dan to real estate, the flexibility to work when you want and where you want, to "be your own boss." However, the double-edged sword of flexibility also meant he was dealing with the financial repercussions of not working, or at least not working consistently.

Dan was startled by a loud screech as Julie dragged her cast iron bistro chair to his side of the table and sat down. "There," she said with an accomplished tone. "Now you don't have to squint into the sun as you try to avoid talking to me." She looked at Dan with her patented double raised brows as if to say, "Go on, it's your turn now." Dan squirmed uncomfortably. This is why he had been avoiding Julie for the last few weeks. His entire life, Dan had told Julie everything. She was his one confidant and was always so easy to talk to. He had shared everything from dreams and ambitions to relationships and business. Julie rarely had the same interests as Dan; in fact, as she was a teacher, their worlds couldn't be more different. Maybe that's why

it was always so easy to talk to Julie. They had other siblings, but he was closest with Julie, probably because they were never in direct competition with each other. She chimed in with sisterly comments and advice on occasion, but for the most part, she didn't judge him. Now Dan was struggling to keep the biggest embarrassment of his life a secret from her.

*Did she already know that I was sleeping in my van? She commented on me needing a razor this morning. Did someone spot me parked by the pier at night and tell her? Was she just waiting for me to fess up?* Dan wondered.

After a raised eyebrow staring contest that would have made a cowboy uncomfortable, Dan let out a defeated exhale, and his shoulders sank. "I'm staying in my van," Dan confessed. Julie's expression did not change as she stared at him and her face seemed to say, "I know." "It's only temporary," Dan continued. "I am supposed to be getting a place at the Garden Apartments next week." Julie just listened. "It was only supposed to be a couple of days, but the wait-list is not an exact science," he explained.

"Why didn't you call me?" Julie asked. "You know you can always stay in my guest room. In fact, my tenant next door is in the process of moving out as we speak. You can stay there as long as you need to."

"Baby sis as my landlord?" Dan let out with a sarcastic chuckle that was rooted more in disbelief than it was in

humor. “Who would have thought?” Dan said. He had thought about asking about availability at her rental, but he couldn’t bring himself to reach out. Besides, it was only two years ago that Dan had left a Sunday family get-together in frustration because he couldn’t talk his sister out of buying that duplex. He knew her. There was no way she could be a landlord. And why would she even want to do that? She could put that same money into a much nicer house. What was even more frustrating was how confident she was in her decision. “I’m the real estate expert in the family. Where are you getting this ridiculous advice from?” Dan would ask her.

“I’m in a Breakfast Club,” she had said with a giggle as if she were withholding a secret. “This is how I win back my Tuesdays and Wednesdays... or this is how I eliminate my housing expenses.” She grinned.

“What are you talking about?” Dan asked with a look of bewilderment. Julie tried to explain further, but Dan shut the conversation down in frustration. Clearly, some other agent was trying to take advantage of his sister, and he was angry that she was so gullible. It was frustrating that she would take this stranger’s advice over his. That argument stung. She had moved forward with the purchase, and a few months later she moved in, and as they often did, she called a truce by asking, “agree to disagree?” That was their way to stop any argument and realize it wasn’t worth continuing the fight.

The funny thing was that it turned out she loved being a landlord. Last year she had bought another rental property and was already looking for her third rental. “Trying to be Hawaii’s #1 slumlord?” Dan would often tease her. He couldn’t figure out how she was affording to buy these investment properties. *She’s a teacher. I know what she makes, and it is nowhere near enough to be a real estate investor. How is it that my sister, who’s not even in real estate, owns more real estate than I do?* He had yet to buy his first home. When asked why he was renting, he kept saying that he was saving up to buy a mega-mansion. “Saving,” he whispered under his breath, reminding himself of his failure to save anything over the last few years. No matter how much he made, he always found a way to spend to his new level of earnings. Dan’s wandering thoughts were interrupted by the waitress who stopped at their table to refill their coffee. “OK,” Dan said. “I’ll rent your place until I find something permanent.”

“Excellent! It's settled!” Julie clapped her hands repeatedly like an overly excited cheerleader.

Julie could tell there was something else. After about a minute of silence, Dan opened his mouth to ask something but then stopped.

“Just say it!” Julie blurted out. “The suspense is killing me!”

Dan acknowledged this with a nod and then took a quick

glance around to see if anyone was within listening distance. “I feel embarrassed asking you this,” Dan said, “and don’t get me wrong, I am proud of how you have been able to become a real estate investor...”

“But...” Julie said, encouraging Dan to finish his question.

“But I wanted to know how you could afford these properties on a teacher’s salary?”

Julie smiled as if it was a question she knew he had been dying to ask for years but couldn’t. She smiled as if she could finally share something with her older brother that would change his life.

“I want you to meet George,” Julie said. “He runs our Breakfast Club.” She paused to look at Dan and waited for a snarky comment. None followed. “It’s a weekly real estate investing meet-up group. He has been my mentor through this process, and I can ask him if he would mentor you, too,” Julie said with genuine excitement.

*A mentor?* Dan thought. He wanted to scoff at the suggestion. Dan had been a mentor in the real estate industry to a few new agents over the years, but never did he think that he needed a mentor himself. Every bone in his body felt like standing up and leaving the table. *This was clearly the guy Julie chose to take real estate advice from over her own brother.* However, something about Julie’s excitement kept Dan from shutting the idea down. He

nodded as if to say, “OK, you win. I’ll speak with your mentor.”

## Chapter 2: Memory Lane

Dan's phone buzzed. He glanced at it and saw it was a message from Julie. He knew it was coming, but a part of him hoped she would forget. It was the contact information for her mysterious "Mentor George" that she wanted Dan to contact. A second message from Julie came through: *Hey, I just spoke with George about you and he said that he knows you! You actually used to work together a few years back. Small world. Anywayz, he's expecting your call. LMK how it goes OK?*

*I used to work with him?* Dan wondered as he stared at the ceiling above his bed. Finally, he sat up and glanced out the window of his new apartment. He had taken Julie up on her offer and moved into the other side of her duplex right after her tenant moved out. Not quite the ocean views that he was used to waking up to when he was living in the penthouse, but his new view of Diamond Head wasn't that bad. She had wanted to connect Dan with her mentor ever since their talk at the coffee shop last week, but he told her that he wanted to hold off until he was moved in.

"Let's wait at least until I am no longer living in my van," Dan had told her. Even last night, as they were moving furniture in, she wanted to finish early to call this "George" together. Dan pushed back. "Let me at least make it



through my first night here. We can do that tomorrow.”

He picked up his phone to reread the text. The phone lit up the still-dark room. *4:38 a.m.? Why is that maniac texting me at 4:38 a.m.? Why is she even up at 4:38 a.m.?* “I see how it is! I become her tenant for one day, and she immediately becomes the annoying landlord,” he shouted towards the wall, hoping that his sister would hear.

He read the text again. *I used to work with him? Can you be more specific? Where did I work with him?* He began making a mental list of all the places he had worked and tried to identify which George it was. For only being in his mid-30s, Dan had quite the extensive list of previous employers. He worked at five different brokerages in the seven years he had practiced real estate. Before that, he had eleven different jobs in an eight-year span, everything from selling knives at Cutco, to grunt work at a construction site to working a desk job at an engineering firm. Dan always worked hard and did his best to excel everywhere he was, but his problem was that he got bored quickly. He was always looking for the next shiny object, greener grass, and better opportunities.

There were four or five Georges that Dan could remember working with over the years. He opened the contact that Julie sent over in a text. “First name Yoda, Last name Mentor-George.” Dan let out an audible laugh. *What a goofball*, he thought.

He sent three texts to Julie back-to-back. “How do I know George? Where did I work with him? What is his last name?” He stared at his phone, waiting. “Sure, you can wake me up at 4:38 a.m. with a text, but you can’t respond to mine?” Dan muttered to himself as he rolled his eyes.

*“OK, I guess I need to figure this out the old school way,”* he thought. He copied the phone number, pasted it in the Google search bar, added the name George, and hit search. *Oh good, only 12,000 results,* he thought as he started to scan through the first page, looking for a familiar George. “George Davis, George Takemoto, George Owan...George Kaohiai?” *That can’t be right,* Dan thought. George Kaohiai was an agent he worked with a few times at the first brokerage he ever joined as a new agent. Sure, he was a great agent, but George was not a real estate investor and certainly not a real estate investing mentor.

Dan put his phone down, sat up on his bed, and tried to recall every interaction that he’d had with this George. It’d been a few years, but Dan could clearly remember the first brokerage and office that he joined as a new real estate agent. There were many great agents there, but George was always one of the constants when Dan stopped in the office. George would be there meeting with a client or prepping to meet with a client. As a new agent, Dan opted not to sign up for a formal mentor program but ended up turning to George several times over his first few transactions for help

and advice. George was always happy to answer questions and help him. Not once did he mention real estate investing to Dan though.

## The Office Visit

Later that day, Dan stopped by George's office to see if he was there, but he was out. A few familiar faces from the back of the office walked by, and when they saw Dan, they stopped to chat and catch up. It was the usual small talk that Dan had gotten great at the last few years as he worked towards top agent status. "How's business? How's the family? How about them 'Bo's?" in reference to the University of Hawaii's football team.

Then from behind him, Dan heard, "Is that Daniel-san?" Without turning around, he knew right away that it was Dwight. He was always one of the more social agents in the office and found a way to assign a nickname to everyone he met. He had been calling Dan "Daniel-san" from the first day he was introduced to the office. Dwight was obviously the class clown at every stage in his life, and even as a seasoned vet in the group, he found pleasure in making everyone chuckle with his nostalgic references and greetings. Dan didn't get that *Karate Kid* reference the first few times he heard it, so he finally decided to watch the movie on Netflix. It turned out to be a cool movie, and Dan

began to wear the nickname like a badge of honor. He liked the obstacles the Karate Kid overcame. He saw himself as a Daniel Larusso type character. Maybe too confident for his own good at times, but he always found a way to come out on top.

“Who let this defector back in?” Dwight asked as he looked around with a smile, as if waiting for security to respond to his request to remove Dan from the lobby. They both laughed and caught up for a few minutes. *Wow, it felt good to laugh again*, Dan thought. *It felt good to just have actual conversations again with old friends*. After some small talk, Dan told Dwight that he was hoping to catch up with George.

“You working on a deal together?” Dwight asked.

“No, well sort of, well not really,” Dan couldn’t come up with the words for what he was trying to do. Did he even know what he was looking for?

“It’s Wednesday, so you know George is at his second office for most of the day,” Dwight said.

“That’s right!” Dan said in an excited voice as he thanked Dwight, waved goodbye to everyone in the lobby, and headed towards his car.

## The 2<sup>nd</sup> Office

*George's second office*, Dan thought. *He sure is consistent.* When Dan still worked at George's office, he noticed that on Wednesdays George wouldn't come in. Dan eventually found out that George would spend most of that day at the corner diner, Like-Like Drive Inn, and meet back-to-back there with a series of clients, agents, and prospects. Dan could remember nearly seven years ago the first time that he asked to "pick George's brain" on a few real estate business strategies, and George suggested that he meet him at that diner on Wednesday and they could discuss it. Dan thought that it was a little odd, especially since they worked in the same office. "Your brain, your rules," Dan remembered saying.

Dan went to the diner that Wednesday morning seven years ago, and in a booth with a perfect line of sight to the door sat George--across from an older couple. *That's odd*, Dan thought. *Did he invite someone else to sit in on our meeting?*

George saw Dan and waved him in. He turned to the couple and said something that must have been related to their time ending because they got up and gathered their things to go. As Dan approached the group, George greeted him. "Dan, I want you to meet Keoki and Bev Jones. Keoki and Bev, this is Dan, a new agent who recently joined our office." They nodded with a smile. "Dan, Keoki and Bev

are dear friends and clients of mine. We were just having our regular checkup,” George said as he winked at the couple with a smile. They laughed and started to ask Dan about how long he had been in the business. George motioned to the group that he would be right back.

Dan thought this was strange. *Why would George leave his clients with me? Isn't he afraid that I might try to steal them?* Dan shared that he had just gotten his real estate license a few months ago. He soon learned that Keoki and Bev had been George's clients for over fifteen years and had purchased twelve properties with George so far, and were looking for their next one. *Wow, Dan thought. That's how George is so successful; he finds clients that need more than one property. Smart.*

George returned from settling the bill and said his farewells to the couple. They waved to Dan and then turned to the waitress and thanked her by name as if they knew her, too. George turned to Dan and motioned towards the same booth inviting him to sit down. “I’m sorry. I didn’t mean to interrupt your...” Dan didn’t know what to call it. “Your meeting?”

George smiled. “No apologies needed, we have an appointment, and you are right on time.” George waved to someone with a smile and motioned for two coffees. It seemed like George had his own hostess and sign language here that all the waitstaff understood. George asked Dan

about his background and his journey into real estate so far. Dan did his best to tell his relatively new story. He fidgeted with the rolled-up napkin around the silverware, pulling the paper seal off the wrapped package to unroll the paper napkin as he continued to smooth it out as he thought, *man, I really wish I had my coffee at this point. At least it would give my hands something to do.* Soon after, the hostess brought their coffee and took their order.

"So, pick away," George said once the hostess left.

"Huh?" Dan said, a little confused.

"You said you wanted to pick my brain on a few things...pick away," George repeated.

Dan had almost forgotten that he was the one who had asked for the meeting, and this was his show to run. Dan took a few seconds to gather his thoughts and courage. Now looking back, he wondered if he had been searching for a mentor at that first meeting.

He could still remember the awkward silence as he struggled to explain to George what he needed from that meeting seven years ago. "Here's what I think you need," George had said. "I think you need a purpose."

"What do you mean?" Dan remembered asking with a slightly concerned voice. *How does he know I needed a purpose? What would a purpose be anyway? Isn't the purpose of what we do to make money?* Dan had thought.



Yet he remained quiet.

"You remind me of myself when I was just starting out in real estate," George had said. "I was ambitious and energetic and a great agent, but by my third year, I started to feel burned out and like I was making money just to make money. It turned out that I was really good at making money, but the funny thing was that money did not motivate me. It did not excite me. I got into real estate to get out of the rat race," he had said. He studied Dan's expression for signs of acknowledgment. "Although I made money at a much faster pace as I grew my real estate business, I realized that I was still very much in the rat race. Don't get me wrong, I loved being self-employed and working for myself, however I was still tied to NEEDING to work."

"You don't like to work?" Dan asked with genuine surprise in his voice. George always seemed to love what he did.

George paused, looked at Dan thoughtfully, then continued. "That's not what I said. I do love what I do. I just did not love NEEDING to work. I always felt like I was on a hamster wheel, except this time I owned the wheel and it was bigger than ever, because my expenses continued to increase as my real estate income did. I didn't see an end to the cycle on that path. It turned out that I was a rancher and not a dairy farmer," he said.

"I'm lost," Dan said. "You were a rancher as well as a real

estate agent?"

"Of course not," George chuckled. "I was just running my business and my life like a cattle rancher when I should have been running it like a dairy farmer." He paused to let Dan try to figure it out. "Ranchers spend every day working to raise cattle. Then, at the end of the season, they need to sell that cattle for meat, and then they start all over again."

"What's wrong with that?" Dan asked. "I love a good steak, and without ranchers we wouldn't have steak."

"That's not the point I am getting at," George replied calmly as he continued his story. "At the end of the day, the rancher gets paid for work done, but every day he has to get up and do it again. Now compare that to a dairy farmer. Both have the job of raising cows; however, the dairy farmer keeps the cows and has a daily return as they produce milk for years versus a one-time sale of meat. I needed to set my business up like a dairy farmer, focusing on residual and passive income. So, my purpose became long-term financial security for my family instead of just income earned today. This mental shift changed the way I approached business and the way that I approached life."

Dan was way more confused than when he got there but didn't want to come off as slow, so he just nodded, hoping George would elaborate further. The rest of the meeting was a blur until George waved past Dan at the diner entrance to motion to his next coffee meeting guest. Dan

glanced at his phone and couldn't believe their time was up already. He still had so many questions.

"I know we didn't cover everything you wanted to talk about today," George said as if reading Dan's mind. "I would be happy to meet with you again next Wednesday to help."

## The Office Move

That meeting was almost seven years ago, and Dan could remember leaving the diner wishing they had more time but agreeing to come back at the same time the following Wednesday for his second meeting. He tried to recall that second meeting conversation as if he was scrolling to episode two of a new Netflix show. *Where was it? Why did I remember every detail of the first meeting but nothing about the second one? Did we have the second meeting? We scheduled it, so we must have met.*

At this point, Dan felt like he was losing his mind. He pulled up his calendar on his phone and scrolled back seven years to find that week. "When was it? Let's see, it was right after my very first closing with cousin Kimo, and that was in July!" Dan said, slowly uncovering a mystery. He could remember because he ended up having a fourth of July-themed housewarming party for Kimo right after closing. Dan scrolled to his July calendar and read through

each day's appointment descriptions. There it was. "Wednesday, July 18th, coffee meeting with George," Dan read. So, meeting number two was the following Wednesday. Dan swiped through the week to read the notes, hoping he wrote about this follow-up meeting.

"Monday, review independent contractor agreement. Tuesday drop off keys, Wednesday, new office orientation." Dan couldn't believe what he was reading. He never had his follow-up meeting with George because that was the same week that he was recruited to leave that office to join a different brokerage. *Did I reschedule with George?* Dan wondered. *Did I even let him know that I couldn't make it? Or was I just a no-show?*

Dan began to dread the thought of having to reach out to someone whom he likely stood up seven years ago. *I'm sure he would understand*, Dan thought. *He knows how crazy it can be to go through a brokerage change over. Ugh, what a mistake.* He received dozens of recruiting calls within minutes of reporting his first sale closed on the MLS. Every broker or headhunter in a 25-mile radius was calling to congratulate him and in the same breath telling him that he was wasting his potential at his company. "We could help you do so much more. We have the best leads. We have the best training. We have the best technology." It was like everyone was reading from the same script. *How was I so gullible?* he wondered.

Dan got his real estate license at age twenty-nine, after he had spent most of his twenties hopping from one job to another. He had a hard time with commitment and was always chasing the greener grass. So, the flexibility and independent nature of real estate was a perfect fit for him. This was the longest he had stuck with any industry. But he hadn't yet realized how much distraction and transition there would be within the real estate industry. He spent the majority of his first four years moving from one real estate brokerage to another. "It's funny, I feel like the LeBron James of real estate," he remembered telling Julie. The first time he moved from one firm to another, he announced on Instagram that he was "Taking my talents to South Beach... I mean Waikiki Realty." That got more than a few likes, hilarious comments and memes. Everyone loved it. *Well, almost everyone*, Dan thought.

When his mom heard the news, she asked in a motherly tone, "Daniel, why did you make the change? I thought you were happy at your previous brokerage?" This told Dan that she was simultaneously curious about his decision and of the belief that he'd just made a big mistake. The fact that she called him Daniel instead of Dan, Danny, D, or one of the many other nicknames he had also indicated that she was getting ready to start a serious conversation. Dan cringed as he thought back on that talk with his mom.

"Are you kidding me? I'm a big deal. I'm highly sought after. Possibly the top free agent on the market," Dan said

in his “extra-obnoxious and arrogant son with a hint of *Legally Blonde* attitude” tone to the delivery. He only brought this skill out on special occasions, to counteract his mom’s Jedi mind trick questions. Under her silent, disapproving stare, Dan cleared his throat. “No, seriously, they offered me a better package, leads, and a better split than my previous company. They even paid me an upfront \$15,000 sign-on bonus.”

Her eyes widened. “Why would they do that?” she asked, pausing for a response. Something told Dan it wasn’t his turn to speak yet. “You haven’t even been licensed a year, and you have only sold one home so far. How do they know you will pan out once your family stops buying next year?” This stung a little, but it was the exact response Dan was expecting from her.

Dan’s mom had always been a straight shooter with him. She knew how to support her kids’ dreams and encourage them to shoot for the stars, while at the same time forcing them to stay humble and grounded. She was old school. She firmly believed that they were owed nothing and should earn everything in life. The idea of a handout from anyone always seemed to infuriate her. On many occasions Dan heard her say, “Handouts make you weak. Why would you want to become weaker? Why would I want my kids to be weak?” Dan was waiting for her to start giving him that lecture to him again, but she didn’t this time. Instead, she stared through him as if she could watch the gears

turning as she knew he was reciting her words in his head on his own.

In her eyes, Dan getting a "sign-on" bonus appeared to be a handout that he did not earn. *To be honest, I did feel weird when they offered me that check. I didn't ask for it*, Dan had thought. *I really didn't understand why they were offering it to me, but I would have to be an idiot not to accept free money... Right?* Dan couldn't shake his mom's Jedi lecture from his head. She didn't even give it to him this time, but after their conversation about the \$15,000 signing bonus, all he could think about was her "handouts make you weak" lecture. He probably ran through their conversation about a thousand times over the next few days.

Dan eventually decided to go back and read the fine print about to the signing bonus. It turned out that it was a commission advance on his future sales, not an actual bonus. On top of that, he was committing to staying with that company for a minimum of three years. For a guy with commitment issues, this was *maika'i 'ole* (no good). Dan had picked real estate as a career largely because of his commitment issues and wanting the freedom and flexibility to do what he wanted, when he wanted. It dawned on him that he had signed a significant portion of his freedom away for the next three years by taking that "signing bonus," a handout that made him weak.

Dan realized two months after joining his new brokerage



that there really wasn't anything new, different, or game-changing there, unlike his recruiter had promised. So, feeling there had been a "bait and switch," he tried to get out of his contract. He knew it would be difficult especially because he had already spent that \$15,000 "bonus" on a new car within a few hours of receiving it. Dan felt stuck--like he had sold his freedom to become a voluntary hostage. It would cost him at least \$15,000 to get out of his contract.

Later that year, he was recruited by another company willing to pay his \$15,000 buyout from his broker and give him additional funds to get started with them. He took the deal, but that just meant he was stuck with a new company for three years.

This cycle continued through five different brokerages over his first four years, and he eventually found himself committed to staying with his fifth brokerage, now owing them \$45,000 for a three-year period. He was just over two years into that commitment when the exhaustion of all that moving around caught up with him. Every time he made a move, he thought he was jumping into greener grass and more opportunities, but it usually set him back by at least six months because he kept having to learn new systems and new office procedures in addition to focusing on growing his business.

Promises were made and promises were broken at each stop, but one thing Dan did learn throughout his moves,

was that he needed to take responsibility for his own success. Eventually, he decided to start paying for his own Zillow and Realtor.com leads, and it turned out that he had a knack for converting online leads into clients. Over the next few years, he used these sites as his primary lead sources and kept increasing his ad and lead generation spending budget. Each year for the past four years, he had been a top producer and in the running for the top individual agent spot in each office that he was in. It became simple math for Dan: the more he spent on leads, the more clients and closings he would get. At the peak last year, he spent over \$85,000 on online lead generation.

Dan's financial problems started when the cost of those leads nearly doubled overnight. There had been incremental price increases over the last few years, as to be expected, but this was a significant jump. He would either need to double his ad spend or decrease his online footprint by 50%, which would lead to a 50% reduction in his business the following year. *Did the numbers even make sense anymore?* Dan remembered thinking as he tried to create a spreadsheet that accurately represented his new cost of doing business. And what other option did he have?

Several months into this new cost structure, Dan knew he was in trouble. His costs were up drastically, and his lead flow was down. His already thin margins were being slashed on both ends. How long could his business last on these numbers? How long could *he* last? Dan was never

one to have any sort of business reserves. He made money, and he spent money. That was the cycle. It seemed to always work in his favor because he was always able to make money. Then just like that, in January of this year, with a decreased deal flow and no real prospects in the pipeline, Dan had to decide between paying for leads and paying his rent. It took him over two weeks to cancel the leads because he was tied into long-term contracts. He finally had to cancel his credit card so that the payments didn't go through. Chances were, even if he didn't, the charges would have been declined because his cards had been maxed out for a while now.

With no credit, no immediate prospects and no reserves, Dan was only able to make a partial rent payment in March. He asked the landlord for an extension, which was granted. However, that extension came and went, and he still couldn't make rent. So the landlord delivered an official notice to pay or quit, which started the eviction process.

## Chapter 3: The 2nd Meeting

Dan pulled up to the restaurant. “Like-Like Drive Inn,” Dan said out loud with a nostalgic tone. It had been a while since he was last there. It was only a few blocks from Dan’s office and was on the corner of Kanunu and Ke’eaumoku Street, so he passed by it often and whenever he went to the mall. However, Dan had not stopped there since... That feeling of dread crept back. *Since my first meeting with George almost seven years ago*, he thought. Dan still couldn’t believe that he stood George up and now he was there hoping to just walk in and say hi.

He got out of the car and closed the door. He only took a few steps towards the entrance before he could see George inside, standing next to his usual booth chatting with someone. Dan couldn’t tell if his guest was just getting there or just getting ready to leave. In either case, he was impressed with George’s consistency. It was 10:45 a.m., and Dan remembered that George ended every meeting on the 45s. That gave him enough time to prep for his next appointment, which usually started on the hour.

He started to fidget with his keys and opened his car door again - not to get back inside, but to pretend that he had forgotten something. This allowed him to peer through the car door and into the restaurant without looking like a

complete stalker. But all he could see was the cash register and hostess. *There she is*, Dan thought as he saw George's guest walk by and thank the hostess.

He closed his door again and started to head in. He smiled and nodded at George's previous guest as she walked out, and he walked in. He looked up and saw George back at his booth pulling out his laptop. *OK, how do I play this?* Dan thought as he ran a few scenarios in his head. *Is this a chance encounter? Do I come out and tell George that I came here looking for him?*

He motioned to the hostess that he was going to see George, and she nodded. Seven years later, and nearly nothing had changed. George sat in the burgundy diner booth that might as well have had his name on it. The wood-patterned countertop blended into the wood-paneled dividing wall against which George was sitting, in a very familiar-looking Aloha shirt. He had two or three favorite shirts that he wore on rotation. *Some things never change*, Dan thought. He still could not believe that this was Julie's mentor.

"George," Dan called out a few feet before he got to his booth. George looked up.

"Dan Carter," he said with a smile as he slid out of his booth to greet Dan. "How have you been?" George asked.

"Great," Dan said. "I had a record year last year and am

hoping for an even better one this year.” The moment he said that, Dan felt the shame of the lie and wanted to change the topic. It had become almost automatic for Dan to sneak his sales credentials into every small talk scenario. That had been his go-to phrase for the last few years. It was always true, to an extent, but now...

“Julie told me you may be calling,” George said.

That caught Dan off guard. *How much did she tell George?*

“Sorry, I didn’t mean to interrupt you. I just wanted to say hi. You probably need to prep for your next client meeting,” he stammered, trying to find the right response.

“Nonsense,” George replied. “Have a seat. I have a 45-minute break before my next appointment. Let’s chat now.”

Dan was not ready to have an entire conversation with George. He was hoping to just reconnect today so that it wouldn’t be awkward when he called him to pick his brain in a couple of weeks. *I guess this is happening now*, he thought as he slid into the same booth he sat in seven years ago. George motioned to the waitress for two coffees.

“If I remember correctly, you and I had a conversation here a few years ago,” George said.

Dan was surprised that George would remember that. *He must meet hundreds of people in this booth every year. Does he also remember that I stood him up for our second*

*meeting?*

“Well?” George asked.

“Well, what?” Dan asked with an awkward smile.

“Are you a rancher or a dairy farmer?” George asked with a smile. It was like they had picked up the same conversation from seven years ago.

Dan laughed. “I never did quite get what you meant by that. That’s one of the reasons I wanted to reconnect with you. That, and Julie wants me to ask about... Something about your Breakfast Club?” Dan said with an unsure tone.

George leaned back a little, as if trying to size up Dan. He retreated into the left corner of his booth, propping his chin up against his left fist, seeming to get ready to take a break from their conversation and get lost in deep thought.

Dan shifted as the silence was starting to get uncomfortable.

“How much do you know about the Breakfast Club?” George asked in a tone that signaled to Dan that this was the first of several questions in a list.

“Not much. Julie just said that you meet weekly and talk about investing. Basically, a real estate investor meet-up,” Dan replied.

“Yes, and no,” George said. “Yes, we meet weekly and talk



about investing. But no, it's not a real estate investor meet up. It's an exclusive club with limited members, and we have one focus and one goal," George paused to see if Dan was tracking.

"Let me guess! Make money?" Dan said with a chuckle.

"We do indeed talk about making money in this group, but that is not the focus. The focus is freedom," George paused again. This time Dan remained silent to let George continue. "Financial freedom to choose. Freedom to do things because we want to and not because we NEED to. Freedom to choose how we spend our time," George said this staring off into the center of the diner as if reading his investor club's motto from the back wall with pride. "Most people think that they need more money, so they decide to work harder, or get another job, continue to climb the corporate ladder. But when they get there, when they land that higher paying job, when they have a record year in real estate sales, they are just as unsatisfied as they were in their previous position. Most people work their whole lives chasing money, only to find out at the end that they were chasing freedom and never actually got there."

"Are you saying we don't need money?" Dan asked, somewhat surprised at the direction this conversation was heading.

"Not quite," George said. "It's just that our relationship with money is off. Rather than a life centered around

pursuing money, which rarely results in sustained happiness, we would be much better off living a life focused on the pursuit of freedom. Financial freedom, freedom of choice, and freedom of time can all lead to sustained happiness.”

“And money?” Dan asked.

“And money,” George said, “Money, or rather the ‘flow of money’ is just a tool used to help us achieve those freedoms.” He looked at Dan, who was now sitting back in his booth staring past George towards the middle of the diner, trying to visually track everything that George just said.

Dan had a question; he just couldn’t articulate it. He gathered his thoughts and focused back on George.

“I have been in a position where I,” Dan paused, thinking through his word choices carefully, “where I had money. Lots of it. And I have been in a position where I had no money. And from what I can tell, I am happiest when I have money,” Dan said, looking at George.

“Of course,” George said with a smile. “That is usually the case and is to be expected. But did this happiness last?”

“No, but that’s only because the money didn’t...” Dan stopped short of completing his thought, realizing that he had just given away the fact that he had money problems.

## Wealth Measured in Time

“Most people think that the key to being rich is making more money,” George said.

“It’s not?” Dan asked, confused.

“Dan, you had a great year in real estate last year,” George said.

“Yes, um, thank you. It was...” Dan sat up a little straighter and prepped himself to move on to a much more comfortable topic: his success in real estate.

George jumped back in as if trying to steer a ship back on course and continued with the second part of his thought. “From what I can tell, you sold nearly \$20 million in real estate last year. That is very impressive. My guess is that you made a lot more money last year than you did when you started seven years ago, correct?”

“Of course,” Dan said with a laugh. “Way more. When I got started, I barely had enough to survive for a few months. I had to hustle to get my first deal closed so that they wouldn’t shut off my MLS subscription for non-payment.” *Things were a struggle back then, but they also seemed so much simpler*, he thought.

“Excellent. I knew you would be a great agent. Great agents like you are always looking to increase their business year after year, and as a result make more money

year after year. However, my question to you is, would you say that you are working towards increasing your wealth?”

It felt like a trick question to Dan, but the obvious answer was yes, so he nodded in agreement.

“What if I told you that wealth was not defined by money, rather it was defined by time?” George paused to gauge Dan’s facial expression as it would help him decide how much more he was going to share with him today.

Dan started to feel like this was a red pill versus blue pill moment unfolding before him, and George was playing the role of Morpheus from the Matrix, doing his best to explain a concept that had no bearing within the parameters of Dan’s current reality.

“Robert Kiyosaki details this concept in *The Cash-flow Quadrant*. It is a must-read book that could change your life.” George paused. “You see that cashier?” George asked. “He probably takes home about \$3,000-\$4,000 a month. My guess is that his living expenses are also close to \$3,000-\$4,000 a month. He’s likely breaking even, living paycheck to paycheck as most hard-working Americans do. Now, if he lost his job and all his active income stopped, his defined wealth would be how long his existing assets, like savings in the bank and retirement accounts, would last to pay for his existing liabilities and bills. So, if he has \$10,000 in the bank, and it costs him \$3,000-\$4,000 a month to live, his wealth at the moment

equals two to three months. Does that make sense?”

Dan had never heard of wealth defined in this way, but it made sense to him.

“So, now that you know my definition of wealth, let me ask you a question. Are you wealthier now than you were seven years ago?” George asked in a slightly quieter tone, knowing that it was a sensitive question.

Dan could not believe what he was being asked. *How dare he! How much did Julie tell George about his situation?* He could feel himself getting angry. *You are not supposed to talk about these kinds of things with just anyone. These are reserved for closed-door conversations with your accountant. Who does this guy think he is?* Thoughts were racing through Dan’s head as he searched for a way to cut their conversation short.

“Now, I don’t know anything about your situation,” George said, “but if you are anything like the average hard-working American, if you are anything like I was as a young go-getter real estate agent in my first few years,” he paused as if to check Dan’s temperature, “I made a lot of money in real estate and was probably on a very similar trajectory as you are on now. I won every award you could think of at my company and from our local Realtors association, but as my income grew each year, my expenses grew proportionately. I always found a way to spend just more than I would make that year. Although my

sales were consistent, my lifestyle was partially supported by credit card debt.”

Dan could feel himself start to calm down as George explained further.

“I was on a quest to earn as much money that was humanly possible for me, but I could start to feel the burnout. I felt like I needed to earn more every year just to keep up with my lifestyle,” George said. “I spent a lot of time thinking about leaving real estate. But then what? I didn’t have enough money saved to last more than a few months, let alone a lifetime if I wanted to retire. Would I just start all over in another industry? It would be like finally getting off of one hamster wheel and hopping right on a shiny new hamster wheel. Where did it end? How did it end? By sheer luck, a client gave me a gift after I helped him buy his third rental property. It was the book *Rich Dad, Poor Dad* and a board game called *CA\$HFLOW* 101, both by Robert Kiyosaki,” George said.

Dan had a copy of that book. Julie gave it to him a few years ago for his birthday. He never read it. Dan wasn’t a big reader. He always felt he should read more but never quite understood how people found the time. He was always working.

“Reading that book changed my life,” George said. “Playing that game opened up new worlds of opportunity for me. I learned things over a few weeks of playing it that

proved far more important than almost all of my previous education combined.”

“From a game?”

George nodded. “It is the only reason that I am financially free today.”

Dan felt the same level of awkwardness or embarrassment that he had felt when George asked about Dan’s wealth, or lack thereof. *Normal people do not discuss personal finances*, Dan thought. But he was very curious about what George really meant by being financially free.

As if reading Dan’s mind, George expounded on cue. “I have been able to acquire enough passive income and cash-flowing assets to far exceed my expenses. So even though I don’t have all the money in my account today, if I chose to never work or never close another sale, or earn any sort of active income again, my passive income would continue to come in and pay for all of my expenses.”

“So why are you still working?” Dan asked, trying to hide a hint of skepticism in his voice.

“Ah, great question. That’s where the magic is,” George said with a smile. “Once I figured out a plan to help me achieve financial freedom, that became my new obsession. The burnout that I felt before? Gone! I had a whole new motivation. I was determined to work harder than I had ever worked in my life, and in five years I would be

financially free. I could walk away and never have to work again,” George said, his eyes lighting up like he was telling his favorite story. “My business continued to thrive. I stuck to my cash-flow plan, and I hit my financial freedom number in just under four years. That was nearly twelve years ago. The moment I hit my financial freedom number, the thought of stopping just didn’t appeal to me anymore. I continued to work, and not because I had to. It was because I wanted to. I felt such freedom, and everything became so much easier. Life became easier, business became easier. It turns out that the weight and stress of the unknown, and the financial pressures that I had, were the reasons I was feeling burned out, not the actual work itself. I love what I do. Not only that... I wanted to shout from the rooftops to share with my friends, my family, my clients, and my colleagues the magic of this financial freedom path. My business has since shifted to nearly a hundred percent focus on investment real estate to help people achieve financial freedom first, and then generational wealth next.”

George looked up and saw the cloud of questions on Dan’s face. “I apologize,” he said. “I tend to get carried away and go on tangents when I get excited. You have questions, and I would be happy to answer them, but you’ll have to promise to show up to our next appointment.” And with a simple raise of an eyebrow George let Dan know that he remembered being stood up for their second meeting nearly seven years ago.