3 LESSONS PODCAST

How Sarah Weaver Used Medium-Term Rentals to Fund a Life of World Travel

Episode 6 Transcript

Matt Bowles: This is three real estate investing lessons I wish I knew. My guest today is Sarah Weaver. She is a real estate investor who owns 20 rental units in four states including 11 furnished rentals that she self manages remotely while traveling the world as a full-time digital nomad. She is also an author, speaker, business strategist who offers her real estate investor clients everything from hands on mentoring to full serviced furnished rental design. She has visited 56 countries across all seven continents and she runs epic international retreats around the world for real estate investors.

Sarah, welcome to the show.

Sarah Weaver: Thank you so much Matthew. I'm excited to be here.

Matt Bowles: I am super excited to have you. You and I have known each other for many years. We met through a combination of digital nomad connections and real estate connection and so I'm super excited to have you on the show. Let's just start off though with where are you in the world recording from today, Sarah?

Sarah Weaver: Yeah, so I haven't even told you yet, but after six years of being fully nomadic, I have finally gotten a home base and I am just as surprised as you probably will be that I moved to Kansas City because what world traveler doesn't want to live in the Midwest?

Matt Bowles: Well, Kansas City is actually a great city. People that haven't been there probably don't even know. But I love hanging out in KC. It's a very cool place. And if I recall, you actually grew up in Kansas City. Can you talk a little bit about your story, what it was like growing up in Kansas City and how you decided to buy your very first rental property?

Sarah Weaver: Absolutely. So, I grew up in the suburbs of Kansas City, Overland Park, Kansas to be exact. And I was the kid in school that when we did an *About Me* poster, a lot of the kids did theirs in the shape of a star because they wanted to be an actress or in the shape of a football because they wanted to play for the Chiefs. Mine was in the shape of Australia because Even as an 8-year-old I wanted to get the heck out of here and travel the world. I think I probably back then wanted to be like a female Indiana Jones. Later that grew into I wanted to be a female Anderson Cooper or like a wartime journalist. And oddly that all kind of came to be. I became a Digital Nomad in 2015 and have been traveling the world ever since. And then I became fully nomadic as I mentioned earlier. And I'm sure a lot of your listeners know what that means, but for those that don't, it's just a fancy word for homeless. And I traveled the world really just following summer, what was my biggest priority? Because I don't like winter. So, we'll see how I handle a Kansas City winter. But yeah, that's a little bit about me.

Matt Bowles: So how did you decide to buy your very first rental property and then what was the experience like for you once you bought your first one?

Sarah Weaver: Yeah, so I'm really lucky. I was living my traveler dream. I taught English in South Korea; I had an internship in Germany. And one thing became really clear. I loved travel, but I didn't love being broke. And so, I knew I didn't want to give up this freedom of travel to go do the corporate thing. But I knew that I wanted to figure out wealth and wealth building. And so, by reading lots of books on finance and personal finance and real estate, I landed on buying a long-term rental, living in it first so that I could do a lower down payment. I don't even know that I knew it was called house hacking back then. But I was living in Denver, Colorado, a market that I just couldn't seem to make the numbers work because I didn't know then what I know now. And so, I looked to my hometown because I thought worst case scenario, it's at least a tax write off every time I fly there to visit my family for Christmas.

Matt Bowles: So, from there, how did you then decide to buy your second rental property and then take us on the journey of scaling your portfolio?

Sarah Weaver: Absolutely. So, I bought that first property in November of 2017. I did exactly what I said. I lived in it, I filled it with roommates, they paid my mortgage down and I bought a one-way ticket to Europe for the summer. While I was in Europe, I just thought, wow, I'm a genius. I have, you know, someone paying down my principal. I have somewhere to go if I want to. Turns out I never did really move back into the place after that. And I thought I would just buy one property every year or two. And so, when year two came around, it happened to also be November 2019. I looked back at Kansas City; I found a different investor friendly real estate agent to find me a deal. And I bought a duplex dealer this time so that I could live in the upstairs with a roommate and then have the downstairs tenant actually paying the entire principal, interest, mortgage, taxes and insurance, the entire mortgage payment. And then I did the same thing. I got the heck out of Dodge and I lived in Bali. I did like a big Southeast Asia trip, I did a six-week motorcycle trip through Vietnam, all while, you know, gaining not only equity in both of these properties, but more importantly, cash flow, which later led to me being able to quit my job.

Matt Bowles: Well, I know you eventually gravitated towards medium term rentals. Can you explain what that is? How it was different from these long-term rentals you started buying and then how that contributed to your portfolio building?

Sarah Weaver: Absolutely. As prices started to increase in 2020 and 2021, it became harder to cash flow with that long term rent. And I needed to find essentially, I like to call it another tool in my toolbox. So, another investing strategy to analyze deals. And so, I looked at short term rentals because of course, as a world traveler, I thought, well, yeah, I'd love to own an Airbnb. The reality was I didn't love being the Airbnb host with like a two night or a three-night stay because it was just constant messaging with clients, cleaners and maintenance, or even a management team if I did go the management route. And that's when I discovered medium term rentals. So, you get an increased rental income, just like a long-term rental, but your tenants are staying on average 90 days. And so, what's nice is at least 75 of those 90 days, they're silent. And I can do things like hike Kilimanjaro or just even be on a 14-hour flight and not be stressed out about what Airbnb message is going to come through my desk.

Matt Bowles: Well, I hiked Mount Kilimanjaro back in 2022 as well. And that is a completely epic experience. A minimum of six nights you need to do it. Although now they actually do have Wi-Fi access as you're going up the mountain, which is kind of crazy, but yeah, that is absolutely amazing. And you, I have to ask you about this. You also now offer *Invested Adventures* is a company that you started and you offer international retreats for real estate investors to go and meet you somewhere around the world to do something completely epic. Can you explain how this idea came about and then give some examples of where you've taken people and what are those experiences? Like what do people do on those trips?

Sarah Weaver: Absolutely. So naturally I was sharing my travels on Instagram and a lot of people were like, I want to travel like you. And it turns out they weren't completely honest with themselves because I would give them all the recommendations, some flight tips, all of these things, yet they weren't taking the trip. And so, I asked them, I was like, do you just want me to plan it for you? I knew I didn't want to be a travel agent. I don't want to deal, especially right now with flight delays and all of that that comes along with being a travel agent. But one of the things that I have loved more than anything that I've ever done was being a camp counselor. I was the best camp counselor, I think, and my, you know, campers thought the same thing. And I have been coaching real estate investors and real estate agents since 2018.

And I really love this mindset piece that I think is really important to growing a life with intention, a portfolio with intention, and just really any type of investing whatsoever. And so, I've kind of combined all of my loves, my love of people, my love of travel and my love of mindset and created these really epic itineraries. From a four-day goal setting retreat in Guatemala, to hiking Kilimanjaro in Tanzania, to a trip in Peru or the south of Italy or a 10-day food tour in Japan. And the best part for Americans is that this is a tax write off. This is a business trip paired with a bucket list experience. And I've taken over 200 investors with me around the world on these invested adventures.

Matt Bowles: That is so amazing. Well, I also want to ask you about one of your other businesses that you run, *Arya Design Services*. Can you talk about what that offers to real estate investors and how that came about?

Sarah Weaver: Absolutely. So, through posting on Instagram, doing it myself, my book, I talk a lot about long distance investing. I was buying properties in Kansas, Iowa, Missouri and Nebraska, all from afar and furnishing them. And I got a lot of questions from investors in, you know, expensive markets like Denver and Texas, all over Texas, California. And they were like, how are you doing this? And I realized that I had created a system and even built a team that allowed me to do this, but they didn't. And so, I knew I had a solution for one of their challenges. And that was how Aria Design started. And I help real estate investors not only analyze their deals to determine if they are going to furnish it, but if they are going to furnish it, my team will throw, fly out, furnish it for them, including installation. We'll write your listing description, I'll do all of your automated messages, basically everything that you need from closing to listing on Airbnb, Furnished Finder, Zillow or Vrbo. Arya Design Services can handle it for you.

Matt Bowles: Well, you now own 20 rental units across four states and one of the other things you're doing is mentoring real estate investors or aspiring real estate investors and how to do exactly what you did. Can you talk about why you went in that direction and then what your mentorship program looks like today. What is the experience like for someone who's a mentee of yours?

Sarah Weaver: Absolutely. So, this 12-month program walks real estate investors through every step that they need to buy a real estate property, whether they're going to do long term, midterm, short term, if they're even going to do syndications or become a private money lender. We've helped real estate investors with any type of investing. And one of my biggest things that I'm most adamant about is tax strategy and tax savings because I help a lot of high-income earners or just income earners, not only earn more money through real estate, but also save more money even on their active W2 income. And so, we do this as a community. When you join, I give you personalized strategy, but then you also are alongside 40 to 50 other investors doing the exact same thing that you want to be doing, which is building a portfolio and a life with intention.

Matt Bowles: Well, Sarah, I want to ask you now to reflect back on your entire real estate investing journey and identify the top three most important lessons you learned along the way that you wish you knew when you were starting out. In other words, for someone beginning their real estate investing journey today, what would be your top three pieces of real estate investing advice you wish somebody had given you when you were starting? Let's begin, what would be lesson number one?

Sarah Weaver: Oh man. I think the biggest thing, the skill that every real estate investor needs and that they can fall back on again and again and again. And it actually ties to my other biggest lesson. But the first thing is you have to be good at analyzing deals. And I will always be the first to say that I don't love math, but I like money. So, I learned to be really good at basic math. And what's great about real estate investing is you're not reinventing the wheel. You're not the first person to ever invest in real estate. And so, there are proven formulas and proven numbers out there. You just have to be discerning enough to understand what they are. When someone's maybe stretching the truth a little bit, whether it be the real estate agent, the wholesaler, or another investor selling their property. And so, learning how to analyze deals correctly is the number one skill that you need. And that's what's going to help you when you wake up at 3am panicking because you're like, ah, should I buy this deal or not? All you need to do is open up your computer and analyze the deal forward and backward and forward and backward and that should help you go back to sleep.

Matt Bowles: Are there any particularly common mistakes that new investors might make in terms of analyzing a deal that they might tend to skip over or not double check and so forth? Can you put people on to any things that they might want to pay particular attention to and give folks any tips in that regard?

Sarah Weaver: Yeah, they overestimate rent and what they can rent a property for. They underestimate the cost and the amount of time that a renovation is going to take. They forget about insurance costs. And then they oftentimes, especially with furnished rentals, they often underestimate utilities, lawn care and snow removal. And that's where I see investors get hit hard.

Matt Bowles: Yeah, that is super important. And so, for your real estate investor clients that train with you, what are some of the techniques or due diligence regimens or even like specific software and so forth that you encourage people to use so that they can analyze those deals properly?

Sarah Weaver: Yeah, I really believe in the most basic spreadsheet that you can come up with because you're likely going to analyze 15 to 30 deals a week if you're actively buying. And that is a number that I stand by. If you're analyzing any less than 15 deals a week, then and you're frustrated that you're not finding anything, it simply means you're not analyzing enough. And so, with that being said, I like a super basic spreadsheet and if anyone goes to my website, my spreadsheet is on there for free. And my website is sarahdweaver.com and I'm sure it'll be in the, in the notes. But the pieces of information, something that I can give all of the listeners, the pieces of information that you need to analyze a deal is purchase price. That's not asking price, that's purchase price, estimated rehab, estimated insurance, estimated utilities, if it's going to be furnished. And then I want to know current rent and market rent. And if I have those pieces of information, I can analyze the deal in three minutes or less.

Matt Bowles: All right, Sarah, what is lesson number two that you wish you knew when you were starting out?

Sarah Weaver: Yeah, I think that you're never going to do any of this alone. And so, networking with other real estate investors, I call them my investing neighbors in networking. And really investing time in those relationship is going to pay tenfold whether you meet them inside of a mentorship program like mine or you go to networking events in person or heck, if you invest remotely, you can even meet these people on Facebook groups. And then those investing neighbors, as I like to call Them, they're going to introduce you to your plumbers, your handyman, your runners, your investor friendly agents. And those people are key to your success because you might have a great plumber, but if he's booked until next week and you have an urgent plumbing issue, you need to have two to five other plumbers on your vendor list. And that vendor list takes time to build. And so, taking time to network with great investors makes that is kind of like the shortcut to getting to know all of those vendors.

Matt Bowles: Was there an aha moment along your journey when you sort of realized this? You kind of maybe stumbled across it or had one particular connection or networking thing that really came through for you and then you realize the importance and the scope of this?

Sarah Weaver: Yeah, I think the biggest thing is that it wasn't as hard as I thought it was going to be. I think this is what keeps, you know, new investors up at night. Like, how am I going to know what to do? And it's like, well, no, you don't need to know what to do. You need to know the who. I really love the book who, not how. And I think this is a great example. I don't need to know, you know, anything about the large tree in the backyard. An arborist is going to know the answer to that. And so, all I need is to call the arborist and that those things no longer, like, keep me up at night. Whereas at the beginning things like, what do I do if there's a plumbing issue? And it's like, well, you call a plumber. What do you, what else do you think you do? And so maybe that it was simpler than I was making it. I was complicated things, which I think a lot of new investors do.

Matt Bowles: All right, Sarah, what is lesson number three that you wish you knew when you were starting out?

Sarah Weaver: Yeah, I think I've alluded to it. The like waking up at 3am panicking, all of those things that worried about the plumbing issue. You're never not going to be scared. And so, fear around investing is real and, and valid. I mean, this is not monopoly money. This is real money. And so, you should be scared. And so, what I do is I what I call function in the fear. So, I'm scared, I'm fearful and I do it anyway. And so, figuring out how to function in the fear, I think is one of the best things that an investor can do.

Matt Bowles: Are there any particular tips for that? Especially for newer investors where this might be the most, they've ever invested in anything and they're about to do this. And sometimes that can result in analysis paralysis. And they just kind of stay on the sidelines. And of course, when they do that, they miss a lot of the upside that they could have had. And everybody's I wish I bought five years ago. If I only had done that. I thought about it, I didn't do it. And if I had and they get all these kinds of regrets. And so, do you have any maybe mindset tips for people for how to overcome or function with in that normal fear?

Sarah Weaver: Yeah, I think the best thing you can do is educate yourself. Fear comes from a lack of education. Oh, what if this doesn't work out? What do I do? How do I know if those rent numbers are accurate? If you are educated in what you're doing, it starts to maybe not eliminate fear, but at least lower it to a place where you can in fact function in the fear. And so, educating yourself could be watching free YouTube videos if you're really good at holding yourself accountable. But at some point, I see a lot of investors aren't good at holding themselves accountable, myself included. There was an opportunity for me to buy what would later be a perfect burr off of the MLS. So that means I was going to buy it, renovate it, rent it out and refinance it and able to get my capital back. And I almost walked away from this deal. What saved me and what helped me function in the fear is that I was a part of a mentorship program or a mastermind, just like what I provide.

And my specific accountability group gave me the courage. And they sat down and they ran the numbers with me and you can't argue with the math. At the end of the day, you can still be scared, you can be worried. But if the numbers work and your worst-case scenario, it's a good deal and you should move forward. And for me, having an accountability group and a mentorship program and a mentor was the key to me moving forward with that deal. And I want to be very clear to everyone, that doesn't mean that I was really brave. I was probably in tears at least five times, you know, during that transaction. And I did it anyway, truly functioning in the fear and going under contract now. It's two of the best deals that I own in my portfolio.

Matt Bowles: Well, one of the things I have appreciated so much about you since we've known each other over the years is that you have really been living the life. You went out to create financial independence and location independence for yourself, which is such an important piece of it because there's plenty of ways to be in real estate and to invest in real estate, to have a real estate business and to be totally location dependent and have to be physically present in the place where you're doing your real estate. You designed this from the beginning so that you could be both financially independent and location independent. And then you leveraged that location independence to the fullest. Can you give folks a little sense? 56 Countries, seven continents, just give folks a little bit of sense of this travel lifestyle. What maybe some of the highlights were for you around the world that you got to experience as a result of your location independent real estate investing business?

Sarah Weaver: Yeah, I think it started out like most digital nomads. I picked a digital nomad hotspot and I went there for three months or 90 days, which is what a lot of us get as a visitor visa. And I was immediately hooked. And I thought, oh my gosh, this is what I'm going to do. And in my mind, Matthew, I thought I was going to do it for a year because I was 29, I'm from the Midwest. What do you do in the Midwest? You settle down, you get married, you have kids. And so, at 29, 30 was like this big number, like, oh, I better get better, get my shit together before 30. And the reality was is that I was addicted to being a digital nomad. And so, year two, I more or less did somewhat of the same thing. I was in Bali for three months, but then Covid hit and so everything changed. I fled to New Zealand, I bought a van, I lived in a van. I worked for a real estate coaching company during my time in New Zealand.

And so Monday through Friday, all I was doing was consuming and creating content around real estate investing, which is also really good advice for your listeners is I did what I call learn while I earn. And so, I worked for someone that had the life that I wanted. She had the portfolio that I wanted, frankly, she had the marriage and the family that I wanted and the business that I wanted. And so, I worked for her and learned everything that I could about my own, you know, strengths and weaknesses and how I could create entrepreneurship to work for me. And then that led to writing a book, which I happen to have right here. And so, I wrote a book on medium term rentals called 30-Day Stay, which was published by Bigger Pocket. And then that changed everything again, where I was speaking at conferences constantly. I believe the first year I spoke at anywhere between 10 and 12.

Last year I spoke at 37 conferences, which was insane. And so, I was traveling at such a speed, speed that was not sustainable. It became, frankly, not that enjoyable. And I realized, okay, now at 35, so it took five years longer than I thought. I am ready to, in fact, probably settle down, start looking at dating with intention, seeing where that leads, while still, you know, running my businesses, buying rental properties, serving real estate investors, and of course, traveling at the same time.

Matt Bowles: Well, when people are looking for mentors, one of the things I always tell them is make sure that whoever is mentoring you has created the life that you want and has done the things that you aspire to do. And you have not only done the real estate part, but you've done the lifestyle design part and you've traveled the world and you've had these epic experiences, and you know how to do all of that and combine all of that. So, for people that are listening to this, that might be interested in mentor, being a mentee of yours and joining your mentorship program, how do they go about doing that? I mentioned we're going to link it up in the show notes where they can click through. But then what does the beginning of that look like? How do people get involved in the program, and what would they expect over the next 12 months?

Sarah Weaver: Yeah, what's really great is that a lot of my mentees, yes, they want travel and they want freedom, but going fully nomadic is not their goal. One of the things that they like about working with me is that I went from zero to 19 units in less than four years, became financially free around property number four, number five. And so, I grew cash flow quickly. And that's what my program teaches people, is I'm showing you how you don't have to quit your job, you don't have to leave your family. No, you can keep your normal life if that is your goal, which actually is the goal of a lot of my clients. It's the part of the story where I was able to do it and do it quickly and do it remotely. And so that's the other thing is I truly believe that you can invest anywhere and live where you want and invest where the numbers make sense, rather than pick up your life and have to go move to Iowa and do things that way.

And so, my mentorship program walks you through, of course, analyzing deals, because I think that is the backbone of all of us, all of this. But also, how to pick a market, how to do the due diligence process so that you don't buy a bad deal, how do you furnish from afar, how do you manage tenants and then also what do you do with all the messy middle part, right? Like what do we do when we are panicking about bookkeeping or stressed out about taxes? I not only have gone through this, but I've helped hundreds of other investors go through this. And the great thing is we don't have to reinvent the wheel. We just have to follow a plan. And a plan that works for you.

Matt Bowles: And if folks would like to start with getting a copy of your book, can you talk a little bit more about what they will find in the book and how they can get a copy?

Sarah Weaver: Yeah. One of the things I love about the book and writing the book is that if you already understand financing and how to finance the property, you can skip the financing chapter. If you aren't to the furnishing part yet, you haven't purchased your property, you're not ready to furnish, then skip the furnishing chapter. What I really like is that this really is a reference book. You can follow each chapter step by step until you get the property under contract. Then once you get the property under contract, it talks about due diligence and really every step of the way. I am incredibly grateful. I spoke at a conference last week in Atlanta and I had three people come up to me and said, I read your book. I now own a cash flowing MTR in X City. I'm so grateful. I followed your book to a T and that's exactly why I wrote the book and I wrote the book the way that I did.

Matt Bowles: Well, we're going to link the book up in the show notes as well. And with that, Sarah, for people that would like to find you, follow you on social media, maybe learn more about these epic international retreats that you offer. How would you like people to come into your world?

Sarah Weaver: They can follow me @*sarahdweaver* on Instagram, Facebook or anywhere that you can find me. And then my website is also sarahdweaver.com and if they cannot find me, they can also always go to ilovemtr.com and find a link to my book and information about Arya Design, about Invested Adventures. I teased earlier that I take real estate investors on Epic Adventures. Well, I'm excited to announce first here on your podcast that we will be headed to Peru to not only visit Machu Picchu, but also some local communities and do some really epic community building in Peru next summer, summer 2026.

Matt Bowles: Amazing. All of that is going to be linked up in the show notes, folks. You can find direct links to everything there. Sarah, this was amazing. Thank you so much for being on the show.

Sarah Weaver: Thank you. Thank you for having me.

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