

Ali Boone: Going broke is a rookie initiation. You cannot be an entrepreneur unless you have truly felt the pain of what it feels like to really be broke and it will last longer than you think. I think so much of entrepreneurship is the persistence to fight that battle. Despite what my life looks like and despite what my Instagram looks like or despite the fact that I'm in the Swiss Alps, there has been so much stress and so many challenges that I couldn't have even guessed. However, every single one of those challenges and every single one of those stresses were 1,000 percent worth it.

Announcer 1: This is The Maverick Show where you'll meet today's most interesting real estate investors, entrepreneurs, and world travelers and learn the strategies and tactics they use to succeed. And now, here's your host, Matt Bowles.

Matt Bowles: Welcome to The Maverick Show. Ali Boone is the founder and owner of Hipster Investments. She is literally a rocket scientist who left her top-secret job as an aerospace engineer for the government at age 30 to move to the beach and become a location independent entrepreneur. She is a real estate investor, business owner, and since 2013, has been a weekly contributor to the Bigger Pockets blog.

She has created real estate investing videos on YouTube that have garnered over 160,000 views for a single video. Ali has two Master's degrees. She is also a pilot, a flight instructor, and recently appeared on a reality makeover show. Ali, welcome to the show.

Ali Boone: You make it sound so exciting when you say it that way.

Matt: Well, we need to set the scene here for people first of all and explain exactly where we are doing this interview. You and I are currently in a penthouse overlooking the town of Zermatt, Switzerland in the Swiss Alps.

Ali: We are.

Matt: And we are on the eve before we go and ski. I'm going to ski and you're going to snowboard the Matterhorn.

Ali: We are.

Matt: And we have just opened a bottle of Chianti Classico because we're on the

border of Switzerland and Italy. So, when we go up the gondola ride tomorrow, we're going to be able to either ski down on the Swiss side or ski down on the Italian side.

Ali: I say we do both.

Matt: All of which means that the wine here – the Italian wine here – is plentiful and is top notch. So, I'm super excited to have you on the show. Just to give folks a little bit of background, you and I have known each other probably for six years. We have spent time in Central America together. We've been to Nicaragua together. We've been to Costa Rica together zip lining and other things like that.

We're going to go skiing and snowboarding tomorrow in Switzerland. We hung out a good bit in Los Angeles and all of that. So, I'm super, super excited to have you on the show and to allow you to share your story and experiences and wisdom with the Maverick community. So, let's start off with this. I hear that you're just recovering from a bit of an ear infection. So, tell folks how that came about and what that's all about.

Ali: I may or may not have gone skydiving for the first time, finally. As you said, I'm a pilot, so I've had a pretty strong oath about not leaving a perfectly good running airplane. So, I finally broke the pilot oath and jumped out of a plane and knew I should have had earplugs in, but the freefall through the ice cold weather gave me an ear infection. But what can you do?

Matt: Talk a little bit about your approach and strategy – because I think this is a good lead into discussions about business and investing and so forth – about the concept of your comfort zone and intentionally periodically doing things to step outside of your comfort zone and how that impacts your life.

Ali: Skydiving was kind of I don't know. I was very used to in life being – I had a very wide comfort zone, but now – as I've kind of gone along this journey and I'm sure we'll talk about different stuff – I have found more realms. Well, I've found realms that all that I'm not comfortable in and one, for me, I think was just kind of giving in, letting go, let go of the control and, honestly, once you jump out of an airplane – I mean I was attached to somebody, so I had no control. My only job was to arch my back. That's what I knew.

Matt: So, I've never done it before and I'm sure a lot of the listeners have never done it before. So, what was that feeling? I would imagine – even if I said, “Okay, I'll do it” – and then I got up in the plane that when it came time to actually go, there would be a massive, for me, amount of trepidation and

stuff. So, describe the feeling as you got up there, as you went to go do the jump, and then as you were freefalling, and then as the chute pulled. Describe how that felt.

Ali: Well, I will tell you the scariest part for sure, hands down, was when the people in front of me just tipped on out of the airplane. My eyes got super wide. I mean I saw people kind of leaving the plane, but when I was watching them from right behind and they just tipped on out, that was when I first thought, “Oh.” But by then, my instructor – whatever you call him, tandem pilot person jumper – I mean I didn’t have time to express my concern about the situation.

So, leaving the airplane, I think, was the worst because you’re going from perfectly safe, good ground, to freefalling. But leading up to that, I think, I had a lot of lengthy discussions with myself about the whole situation. I **Zenned** myself out for it a little bit, but that discussion revolved around I had no choice but to do this. To me, this was not a choice by any stretch of the imagination because the lifestyle that I lead, the things that I do, the places I want to go, they require a level of trust. In order to keep going in life to the extent that I wanted to go, I needed to be able to do this, which was just let go of control.

I’ve been practicing for years this whole letting go thing, but this was kind of like, “Have I really let go if I haven’t jumped out of an airplane yet and hope that the parachute opens?” So, that was the lead in and then – when I got out of the plane – I was actually pretty fine. I was so cold that I wasn’t thinking much about it, but the minute the parachute opened, I knew I had lived. That was my only milestone. “If the parachute opens, if I break a leg, if I whatever, no big deal, but I need the chute to open.” So, the minute that was good, I was like, “Easy-peasy, no big deal.”

Matt: So, this sounds like, actually, an incredible metaphor as you’re speaking for entrepreneurship.

Ali: It is.

Matt: And for real estate investing, actually both.

Ali: Which makes me think I did it in reverse order.

Matt: Right.

Ali: Well, and you know it kind of speaks to anyone on this journey. People have different kinds of trust issues. People look at me and a lot of the things I’ve done. They wouldn’t think that I have trust issues, but mine are in different realms than a lot of people. A lot of people don’t trust that

money's going to come in or the whatever and I had always assumed that my mind would overcome those problems.

If I had a problem in one of those areas, I was strong enough in my mind to figure it out. But, for me, it was more like surrendering and trusting and letting go and not controlling everything about my life. so, it was a little bit of the reverse because those things didn't come up until I took the leap with everything else.

Matt:

So, let's go back and talk about that leap. I want you to tell your story. You were in a very secure, high paying job. You are a rocket scientist. Literally, you are an aerospace engineer. You have a Master's degree in aerospace engineering. You had a top secret, government job, making a lot of money, very safe and so forth.

What made you – and if you can just tell your story with the events leading up to deciding that you wanted to take another path – and then how did you find and design and then execute that path to move from the corporate world to living a location independent life where you live most of the time on the beach in Los Angeles and then travel at will to places like Central America, Europe to go skiing, snowboarding, or whatever else it is that you want to do at your leisure. So, tell us a little bit about how that story unfolded.

Ali:

I think you left hippie out of my bullet point list too. That was actually kind of one of my main drivers for this whole thing is I actually wanted to be a hippie. So, I'll just throw that out there. You know I think I always wanted it whether I knew it or not. I remember being 13 and thinking I wanted to make a lot of money, but in the way I hated restriction. I hated anyone telling me what to do.

I've always been like that, but growing up, I got caught up in the typical what I should be doing and you have to go to school and get good grades and get a job and get a secure job because you don't want to get laid off and you have to make a lot of money, otherwise you're not going to eat, and the whole "should" syndrome or whatever you want to call it. So, it resonated with me at the time because I was very mind-driven. I was a pilot. So, I went to school to become a pilot and then realized maybe I didn't want a degree in being a pilot in case I didn't want to be a pilot.

So, I decided to go into engineering because – at the time – I was thinking, "Wait, starting out pilots make horrible amounts of money. I have to make a lot of money" – this whole "should" thing – and I was like, "Engineers make a lot of money. I want to make a lot of money and certainly, it has to be the same thing as being a pilot. How different could it be?" Well, I learned that the hard way. It's very different. Yeah, so I really just

followed the path of the “should” thing, but the whole time I was doing that, I’ll never forget the very first time I ever walked into the first day of my big girl engineering job.

I got hired at a very prestigious place. This was a big girl job. I’m not a Papa John’s delivery girl anymore. This was the big time but – leading up to that – I had been a flight instructor. So, my office was the sky like, “Hello.” And I walked into my oh so prestigious job and it was a gray cubicle and I had my little dress pants on and I couldn’t walk in heels. I was stumbling all over the place and I just stared at this cube like, “Oh.” I was like, “Ahem. I mean I guess I’ll get used to it. Everyone works in a cube, right? I’ll get used to it. I’m just used to other stuff.”

Well, I never got used to it – needless to say – and, lucky for me, that drive stuck and I didn’t settle and I did not start liking engineering because I want to be doing what I’m doing today.

Matt: Okay. So, I feel like there are a lot of people who are in that position. They’re in a corporate job and they make money. They have a secure job, but it’s unsatisfying.

Ali: Right.

Matt: They know that there’s more out there. They know that there are much more freedoms that they could have, much more control over their life that they could have, control over their time, more freedom of mobility, more location independence to travel and live in different places around the world.

Ali: Yeah.

Matt: They want that, but there is the challenge of taking the leap from the secure job to maybe the unknown or really pursuing that path. I feel like there are a lot of people that get stuck and tripped up and halted at that point. So, they have the dream. They have the aspiration maybe. They have a little bit of the drive, but they don’t make that leap. So, can you talk, for you, about when you got up to that moment? How did you decide to make the leap and how did you decide the path that you wanted to go down post-corporate?

Ali: You’re right. That’s the most common thing I hear and I get asked it all the time. “Oh, but what about the paycheck and how do you do that?” The thing I tell people is that it didn’t happen overnight by any stretch and a lot of people don’t even realize with my journey – the whole five years I was working as an engineer – it didn’t take very long of me sitting in that cube – probably less than a couple months – before I realized “I may not

actually get used to this gray cubicle thing.” I started reading books and I had it in my head thinking, “I should really see if I can’t find a way to not have to come to this cubicle.”

It started as simple as just reading some books. So, as I kept reading books, I still had no idea what I was looking for. But as soon as something would start resonating with me, I’d kind of follow my **[inaudible]** **[00:13:49]**. “Okay, this author is speaking to me a little bit. Something in the realm of something may be leading me out of corporate.” So, I would say for the first three years maybe I was just reading. I was so bored at work. How I never got fired I have no idea because I was trolling the internet all the time like, “Oh, what could I do? Okay, let’s see. If I want to get out of corporate, I might have to start a business or I’m going to have to buy real estate.”

“How do I buy real estate? I don’t really have that much money.” So, it was constant. I don’t even know if I actually got any work done because I was just researching everything I could. I think that – depending on people’s situation – don’t forget that there may just be a research period because I think one of the biggest keys in all of this – this whole equation – is finding the thing that fits you. Some people know. Maybe you’re in a particular trade and you love your job, but you want to do it on your own. Totally, go that route, whatever. I had no idea. I didn’t want to do engineering.

What would I have done engineering-wise on my own? The way it worked out with everything I did is that what fit me kind of found me. I put in all of the work. I put in the hours. I put in everything, but eventually the opportunity presented itself to me, which I think is huge for a lot of people because I think one of the lingering questions with the one that you’re saying is, “Well, how do I know what to do?” or people will say, “Well, tell me exactly how you did exactly what you’re doing.” I’m like, “Well, I could, but even if I did that’s not your path.” It’s kind of you really want to make sure you find your thing.

First of all, you have to love it because it is stressful. So, if you don’t love it, you’re really not going to tolerate the stress of it very well. So, research period is huge and then – after that initial research period – and I made a decision. I was like, “I’m going to go this route. That’s it. I’ve had it. I am in.” The minute I said that, another route presented itself to me. I’m sure we’ll talk about the details of it later, but I kind of followed that. At that point, I didn’t even know that I was going to be able to quit corporate because of this, but it was a matter of doing things on the side.

I think there’s a huge balance in if you have a fulltime job, don’t just up and leave it and starve yourself and whatever as much as you can help it.

My theory, at least, is do as much as you can while you have your normal job or whatever you're doing. Fund yourself because if – all of a sudden – you're trying to figure all this out and you have no money and you're hungry, the stress is either going to make you settle. It's going to stress you out too much that you can't figure out what you're supposed to be doing and on and on and on. So, the longer you can feed yourself and pay your rent or whatever you're paying, the better I think and it helps with the sanity situation a little bit.

And then deciding when it's time – because you will eventually have to make the leap – but the more you can set yourself up ahead of time – whether it's putting money in your savings account, if it's a profession of having clients build a few clients on the side, secure people while you still have a fulltime job, anything you can do not to be confused with, “Don't wait forever either.” You're not going to have max security, but it's really just I think that's what people don't realize is the build time. I think the way that people explain it, it probably sounds like people just take this humongous leap – and it is a leap.

My first year and everything was, “Oh-ho.” Wine and I were really good friends like, “Oh, ho, this is stressful” and I did have build time. So, you're going to have the fun of the leap – because it's part of the excitement of the campfire stories later – but trying to be smart about it and really just building, working towards what you're doing until you literally are losing out on your future by hanging onto your current job.

Matt: Right. So, talk a little bit about Hipster Investments. You're the founder. You're the owner. That's your business. Talk about how you got from your corporate job to being the owner of Hipster Investments. How did you choose that particular direction for yourself and then how did you go about getting there and leaving your corporate job? Tell that story.

Ali: It was very unexpected. It's funny because I was on such a mission. I'm like, “I'm going to find my way out of corporate if it's the last thing I do and I hate my cubicle and dah, dah, dah, dah, dah.” All of this started and I never put the two and two together – never thought that this was going to be what would get me out of corporate – which seems crazy. I'm like, “Wait. Wasn't that all I was thinking about? Oh, I'll invest in real estate on the side and it'll be great secondary income. Hello. I've been trying for five years to get out of corporate.” But the short of it is I had decided to go the business route.

I was like, “If I'm getting out of corporate, I'm going to go the business route.” I signed up for some different things. I was going to pursue this. I was bored at work one day and a webinar popped up in my email. I never even listen to webinars and I was so bored in my gray cubicle that I

listened to it and something about it was kind of like, “Hey, remember that real estate thing you were pondering?” I’m like, “Wait. What?” And the next thing I knew – completely unexpectedly – I suddenly started buying real estate still not thinking anything of it.

I was seeing this as a side time thing just, “I want to put my money somewhere smart. I’m making a great paycheck. Let’s do something smart while I figure my way out of corporate” because I was not tying these things together. So, as it kept going, people knew I was buying real estate and they were like, “Wait. How are you buying real estate without swinging hammers and doing all the complicated stuff that every real estate investor has to do?” So, I was telling them what I was doing. Well, then they wanted to buy these properties and get into it and whatever.

So, as this kept on, the opportunity of essentially becoming an agent in the investor/investment realm I guess if you’ll call it – because most agents are primary home buyer agents and they have to look really pretty and wear heels and charm all these primary home buyers – not me. If I tried to do this, it would be an utter fail. But this was a different kind of agent situation. But again, I still wasn’t thinking of the getting out corporate thing. I was thinking, “Oh, well that would be cool. I could do this agent thing on the side. How fun is it to do the stuff that I like? I get to talk to people – which, dear God, engineers don’t talk to each other much.”

I annoyed every engineer around me. I’d constantly knock on their cube and be like, “Hey, what are you doing? What are you doing now?” They were like, “Working.” If I wasn’t at their cubicle, I was instant messaging like, “Hey, what’s going on. Tell me about your life. Tell me everything you know.” I just wanted to talk to people. So, I saw this as like, “Oh, well what a fun thing to have a talking outlet and make a good income, easy secondary income.” I was still not putting these stupid things together. Then, finally, I woke up one day and thought, “Wait a minute, oh –” It was actually – now that I’m thinking about it – kind of embarrassing how long it took me to put all these pieces together.

Matt:

You know my situation is not dissimilar to yours because I also had a fulltime job. I also started investing in real estate while I was working at my job. I started buying out of state rental properties, having them professionally managed. I wasn’t renovating them.

I wasn’t the landlord, but I was buying rental properties, collecting rental income, and learning about it as I went, reading books, making all the mistakes myself, learning from them the hard way, and so forth as you do and developing that level of expertise. Then, for me, I think your advice to people is pretty wise, which is trying to start developing a side hustle while you still have your job.



Ali: Yeah, I love that side hustle. Yes, go for the side hustle.

Matt: And getting it to a particular level and then transitioning into it, right, to cut out the stress. Now, for me, I was completely blindsided and I got fired from my job completely unexpectedly like one afternoon, right? “Okay, it’s not working out. See you. Get out.” I was totally blindsided and, for me, I mean literally when I got fired from my job, they took my company cell phone. It was my only phone. It was a company phone, you know. I literally had to drive to the Verizon store to buy a phone to call my mother to tell her I was fired, you know?

Ali: Wait. How did you find the cell phone store if you didn’t have a GPS?

Matt: Yeah, exactly.

Ali: You had to find a MapQuest printout?

Matt: Yeah, exactly. No, I knew where it was. So, but literally, that day as I was driving to the cell phone store, I said to myself, “I am never working for anyone else again. This is not job security. I can get fired by anyone. I can have a boss who dictates my terms and my hours and whether or not they want to keep me employed on a day’s notice or anything else.” So, at that moment, I said, “I am going to figure out how to start a business and how to turn my expertise and the knowledge that I had developed and the education that I had gotten into a business.” Right?

Ali: Yeah.

Matt: But I was sort of catapulted into that unexpectedly and I’m like, “Um, I better hurry up and do that.” So, I think, ideally, your approach is correct but – to be honest – with me, if I’m honest in looking back on it, if I didn’t get fired from my job, would I have even made the leap that you made, you know?

Ali: Yeah.

Matt: Would I still be there today because the job was okay? I didn’t hate it. It was mediocre, right?

Ali: Yeah.

Matt: It was passable. It was tenable. It was fine. There were good things about it and all this kind of stuff. So, I always had this thing in the back of my mind but, for me, it was like the kick in the pants that was required to push me out there and say, “Okay, this is clearly a sign that this is my moment

to do it now.” But I think if you are able to do that planning and to build it up on the side and then make that transition, I think that’s probably the more responsible and strategic way to go if you can do it.

Ali: You’re right. There is a very large population of people who want to do it, but then they’re okay, maybe not totally happy. It’s a lot of my friends – so many of them – but one thing I will tell you is every friend that I have had who – because they know my life.

We sit down and we’ll have a beer or whatever and they say, “Man, you know, I guess the job is okay and blah, blah, blah, but I kind of want out and whatever.” There’s no exception to what I’m about to say with anyone I know – maybe there is in the world but no one I know so far – every single person who has, to me, expressed that they want out of their job, but they just can’t bring themselves to do it or whatever the problem is, some freak of nature has happened with them every single time. They either get fired, they get laid off. Well, I guess those are only two. Something happens and they are forced out of their job.

One of my friends – beyond a highly rated employee, never had a bad review – there was no problem. Freak of nature gets fired for some weird thing and my stance about it is it’s like saying Beetlejuice three times. If you say it enough, it’s going to appear and if you just go on and on and on about how you want to get out of your job, I personally think if you don’t do it on your own, you’ll get the catapult somehow because, to me, if you have that desire inside of you, I think you should follow it.

Whatever way that you do that, I don’t know, but if you have the desire it means, to me, you should be exploring it or try it or working towards it or whatever. So, I say that as a motivation. If you’re thinking about it, just go ahead and start planning and start building it while you still have a paycheck or you’re going to end up in a catapult situation because that sounds completely traumatizing.

Matt: So, it was stressful, but 100 percent worth it and – looking back now – I’m very thankful that happened at that moment in my life and you and I were the same age when we left our jobs. We were both 30 years old.

Ali: Yeah, 30.

Matt: I mean that was the year.

Ali: I say I retired at 30.

Matt: Certainly you retired from the corporate world, as did I.

Ali: I did.

Matt: So, I want you to describe a little bit the difference in terms of your life. Now, what does your life look like? What does your day look like? What time are you getting up? What does life look like – so you can paint that for people who don't know you – versus when you had a corporate job?

Ali: I don't usually get out of my pajamas now. I might graduate into gym clothes at some point. No, but seriously, I mean the corporate job was a corporate job. I worked whatever it was 9:00 to 6:00 or 8:00 to 5:00 or worse or whatever and then there's commute time. So, I'm up early. Obviously, I have to be in bed by a certain time or I'm going to be exhausted and business casual clothes. I literally had – by the last year or two that I worked there – I think I had three outfits. I was so miserable in these clothes. These were the only three I could tolerate.

It was literally a matter of rotating between shirts and pants – just mix-match – horrible. I was probably the worst dressed person in this entire company. So, I mean everybody knows the corporate just the fulltime job thing. Sundays – as much as I want to relax on Sundays – I can only relax so much because then I have to get ready for the week and then I know I have to get up. It killed half my Sunday for no good reason. And now, I set my own hours. So, I work whenever I want and honestly, I would say that I get my best work done between 10:00 p.m. and 2:00 a.m. – I'm a night owl – and my biggest joy in life hands down, no contest, is sleeping in.

People associate sleeping in with slacking all day long. I don't really care. It does make things a little bit harder when I can't schedule things very early because if I could be a morning person, I totally would for sure, but I'm not. So, now what I do – which I don't know that people would even think of this as being a big thing, but I think it's a big thing – is I go to sleep when my body wants to go to sleep and I wake up when my body wants to wake up.

I have so much energy from that. I don't use an alarm, for the most part, and I basically do what I want and I work around that versus – with a fulltime job or a corporate job or whatever – you have a set time to be there and everything revolves around when you have to be at work, including your commute and getting ready and decompressing and all that because I consider that part of the job. But now, my first priority is doing what I want and then – whatever time is left, which is often between 10:00 p.m. and 2:00 a.m. – I do all my work.

So, it's a reprioritized life – which I feel like a lot of people probably judge it – but I'm really freaking happy with it too. Like slacker or not, I

mean if you want to call me a slacker for sleeping, that's cool.

Matt: Yeah, exactly.

Ali: That's fine.

Matt: So, I think by any sort of objective measure of success, I mean you are now making more income than you were at your corporate job, you have created the freedom to control your own time – to sleep in whenever you want, stay up as late as you want – structure your day how you want. You have created the freedom of mobility to travel around the world. You and I have been zip lining in Costa Rica. We've been skiing in the Alps. We're doing this stuff and you can move and live where you want for as long as you want and work where you want and play where you want and all of that.

So, with that as the vision, people look at you and they say, "Wow. She is really incredibly successful. I don't know if I could do that." Can you just talk a little bit about some of the challenges in getting to where you are at this moment because the picture looks pretty amazing that you're painting? Talk a little bit about some of your failures along the way and some of the challenges – particularly in the early stages, the first year or so of entrepreneurship – and sort of share some of that, if you would, about that part of your journey.

Ali: Yeah, sure. I don't think it would be fair to paint a picture – I mean you just painted an amazing picture, but if that's all I left the people who are listening with, I think that would be false and misleading because I think what gets people in a pickle – not only just in entrepreneurship, but in life – is this misperception of what something should be or like, "Oh, well if I have a hardship or a struggle, I'm not doing it right or I'm a failure or whatever" because we live in a day and age where if you look at someone's Facebook page, they don't post the problems.

Well, some people do, but for the most part, everything looks glorified. Or if you go to a magazine, everything's Photoshopped, but it gives this impression that – Well, I should say it sets people up, I think, to feel like they're failures and the minute you believe that about yourself, you're not going to make it because you're not going to allow yourself to do it. So, with the description you gave of what the picture looks like now, as I was hearing you say it, I was almost kind of laughing thinking, "Whew there's so much in between the lines of all that." To be completely transparent, the six-figure thing now is accurate.

However, I was so broke the first couple of years. So, even if I'm making great money now, I'm actually just paying back what it took me to live for

those couple of years and that's something I think is very important for people to know because I remember when I went broke. I knew that part was going to happen, but I was certain it wasn't going to last for more than a month. I mean it can't last that long, right? But going broke, I swear, it's like a rookie initiation. You cannot be an entrepreneur unless you have truly felt the pain of what it feels like to really be broke.

Matt: Agreed.

Ali: And it will last longer than you think. It really will. I think so much of entrepreneurship is the persistence to fight that battle – with that and everything else. So, I say that really because I think it's such a huge point of – despite what my life looks like and despite what my Instagram looks like or despite the fact that I'm in the Swiss Alps – there has been so much stress and so many challenges that I could have even guessed. However, every single one of those challenges and every single one of those stresses were 1,000 percent worth it.

But I really want to emphasize that to people because I think entrepreneurship is so little about the trade or the technical part of the thing – like creating the business. I mean not anyone can do that, but that's the easier part. It's not about whether you can build a business or not. It's whether you can endure the emotional rollercoaster involved because not everyone's cut out for it. I think enduring that kind of stuff is key.

So, it's important for me – like I said, despite what everything looks like – to be very transparent that it's not white, fluffy clouds. It really is not, but again, it's an almost cost-benefit type of thing of every headache I've had – and there have been some big ones – is worth it, period.

### **[Crosstalk]**

Matt: Totally, totally agree. When you say broke, you mean broke, broke like food stamps broke, literally.

Ali: Can I just tell you that I'd say my parents – but my mother in particular – were really bummed out when I called them one day and I said, “Oh, my God. Guess what I figured out?” They already were so itchy about, “I'm leaving this high paid, secure, corporate job, blah, blah, blah.” I have what people would think to be the dream job and here I'm like, “Well, I'm just going to do something. I don't know.” So, as if they weren't already just swirling in their own stress, I call them beside myself excited that I figured out that I qualified for food stamps.

Matt: Yup.

Ali: Not my mother's proudest moment, not at all. Her high achieving daughter was now bragging about being able to be on food stamps and more so because I had thought it would be a really good story later, but I was legitimately broke. I had nothing. So, I got my food stamps card and I do live in Southern California, so I'm pretty proud to say that I swiped it at just about every Whole Foods, Trader Joe's. I think I was probably the healthiest food stamps eater for the whole time I was on them, but I was broke, for sure.

Matt: Well, I agree with you about that and I – same experience as me. I can literally remember getting letters threatening to turn off my electricity and literally not being able to pay core living expenses and there is just a relentless perseverance that is required. I mean we started Maverick Investor Group in 2007 on the peak – I mean at the precipice – of the entire global financial and real estate collapse, centered on the U.S. real estate markets. I mean we were like, "Oh, this will be a great idea." Right? And I mean it just like–

Ali: That's one of the best stories ever.

Matt: I mean it was just unbelievable, right? Then, it was just I mean grueling, I mean just a slog. It was interesting because – during that period – you saw so many people getting out of the real estate business – all of these gurus and everybody was, "Oh, real estate is this and that." 2008 came around, 2009 came around, they were off selling something else. They were selling weight loss pills or whatever it was and they get out of the industry and all this kind of stuff.

And so for us, I mean my business partners and I were just relentlessly determined that no matter what, no matter what it took, no matter if we had to borrow money from friends and family to survive and eat and this and whatever, we were going to build this business. It was going to be an epic, world-class thing because we had a vision and I know you did as well – of what we wanted to achieve and those freedoms, those lifestyle freedoms, the location independence, the ability to live wherever you want, travel at will, control your own time – which is even more important than the income portion of it – right?

Ali: Yeah, yeah.

Matt: That was the vision and that I was definitely certain was attainable and it just took relentless perseverance and endurance of incredibly high stressful times. And so I think I would agree with you. I mean I think that the successful entrepreneurs are the ones who are going to it and are willing and able to weather extraordinary emotional stress, financial hardship and just grind through it because they're 100 percent confident in

their vision and they're just literally not willing to give up.

Ali: Yeah. I remember you told me one time, "Never ask if you can do something, ask how to do it." I think the minute you can ask yourself how you're going to do something, it changes the whole game of everything.

Matt: Absolutely, and that's a very important perspective to have and to maintain. I think both you and I have done that over the years and that's absolutely crucial. So, let's talk a little bit about – just a little bit more about – business and then I want to get into a couple other topics with you as well. As you've built your company, can you talk about some of the, I guess, just advice to other business owners? What have you found, for example, in terms of effectiveness with hiring practices and with management practices to get optimal productivity out of your team?

Ali: I think so many people start their business with that mindset of thinking, "If I don't do it, it's either not going to get done or it's not going to get done right." I was one of those people. I would give so much money right now to be able to – I wish I had taken a screenshot or something of Hipster's first website. Holy crap, I did it myself. So, Hipster had a very janky website for a while, but I was still in the common mindset of, "I'm going to do everything myself."

To some degree, I think there's some value in that because I think when you start out, you do need to do everything yourself so you know how things work. It's like the manager who has done the employee's job type thing. So, I think that's good, but the biggest trap I see is if you try to do everything yourself, you will limit yourself to such an extent that your business cannot grow, period, for two reasons. Number one, there are only 24 hours in a day and you do – at some point – have to sleep, maybe not all the time, but there's not enough time available to you to get everything done.

Second, and I think the most important, is you're really shorting yourself and you're shorting your business's creativity because I'm sorry, I don't care how smart you are, you're not smart in every part of what it takes for a good business, period. I don't care who you are. So, I know I have a couple of people who work for me now. They are so much smarter than me in a couple areas that the creativity is better, I'm not stressed, and everything turns out better when I let the people who are smarter than me in particular areas do it. But I'll tell you a funny story of how I learned this lesson.

So, I was doing everything myself and I was a control freak and I was like, "I don't need anybody, nah." But, for some reason, I had started talking to a web guy and I think it was for something very minor. I just had him on

the side in case of an emergency or in case there was something crazy I couldn't do or whatever. It was a Friday and I had a problem with the website and I have no idea what it was and I thought, "I have to fix this problem."

Exactly seven and a half hours later of me sitting at my computer – I'm sure one eyeball was probably going in the wrong direction at this point – seven and a half hours later, it dawned on me and I thought, "That new web guy I was talking to, I wonder if I should just briefly reach out to him and just say hey, I'm trying to do this. Any ideas?" I will probably remember this moment until the day I die – and maybe even after that. He said, "Okay, let me take a look BRB, be right back." I'm not kidding you. Less than a minute and a half later, he responded and said, "All done."

So, ballpark 60 seconds or less it took this guy to fix the problem that I had been staring at and struggling with and stressing out over for seven and a half hours. I will never forget sitting in my chair thinking, "Huh." I was doing some math like I do have an engineering – like math is totally my jam here. I was doing the math on this situation. I probably paid him – because he had an hourly rate – for a minute, I probably paid him I don't know 70 cents or let's say \$4.00 if we want to get crazy. I don't know what it was.

It was under \$5.00, no question, and so if it only cost me \$5.00 or less to have no headaches, have it done professionally, and have it done within 60 seconds versus me sitting around spending seven and a half hours. I think you and I had talked about this and you kind of taught me about like, "Okay, value your time. What do you think you're worth per hour?" I didn't know what it was at the time, but I knew it was more than \$4.00 an hour. It's like I don't want to give myself too much credit here, but I'm certain my time is worth more than \$4.00 an hour.

So, that was an absolute game-changing moment in my journey and I think we talked about the challenges of people getting into entrepreneurship. Once the people get past that, I think this is the next big problem is when they will not let other people help them and I get it. Managing people is tough. You have to find the right people. There's a lot about that, but if you're going to be a business owner, you have to understand your job at that point – part of that – is learning how to manage people. You're just not going to grow otherwise.

Matt:

What tips do you have – lessons have you learned – about hiring the right people and then managing the right people, motivating them, and ensuring that they are producing at optimal levels for you? What tips or lessons do you have for how to do that?



Ali:

I would say two things. Number one, realize that you're not going to get the best team right off the bat and part of this business owner thing is learning – like I just said – managing your team, including the bad people. I've hired some – to put it mildly – less than desirable human beings. I can't even imagine they were desirable as a normal human much less as an employee. There are I think it's safe to say – maybe it's a little overly bold but – there are crazy people on this earth and a lot of them are looking for jobs. So, my first tip is if you are hiring someone, I highly recommend virtual assistants.

We're really coming into a day and age where independent contractors that's the thing. To have an actual W-2 employee is a whole heap load of drama and stuff that I won't even get into. So, independent contractors are a thing. Virtual assistants are becoming a bigger thing and those are phenomenal for brand new entrepreneurs because they're cheaper. I have a couple of people that have worked for me for most of Hipster's existence. They're overseas. They are so much cheaper than anyone else and they are phenomenal – like phenomenal. So, I highly recommend the virtual assistant route.

However, if you go that route – or with any other potential employees or contractors or whatever – the first mistake I made because I was so excited to hire people. I was like, “Woo-hoo. This is going to be fun. Oh, I can't wait.” So, I would create the job posting and then – depending on what platform you're on – you can go kind of shopping for virtual assistants. You can see their credentials or whatever. Well, it took me a little while to figure this out. So, I'd make the job description and then I would go shopping for people which – admittedly was kind of fun. I kind of like it. So, I'd shop for people, see someone who says they're qualified.

I'd say, “Hey, look at my job post. Are you interested?” I learned very quickly that everybody will say yes all the time because the competition's hard. I very rarely had anyone say no. I think the only people who said no to me were the qualified people who already had too many clients and they couldn't fit me in. So, hindsight about this is I'm even saying I'm like, “Oh, no wonder they said yes.” Everyone will tell you that they can do a job. So, I revised that because I had – boy, that did not get me winners. Truly, it was bad.

So, after that, I would create the job description and let people come to me and let them come to me because I want them to be motivated. I want them to not – prove is a very strong word, I don't want to say prove – but essentially prove themselves that they're capable and interested and motivated and want this. When I would engage in a conversation with them, talk to them like I would a friend on email. Talk to them as a normal human being and just see how they engage because I like working with

humans and not everybody acts like one all the time. So, that was a big thing.

So, number one tip is – at least for me, maybe it's not true for everybody but – posting the job and really letting people come to you and show you what they're about versus just reaching out because they're all going to say yes. Then the other one about that is you will get people that you don't like at some point or you'll have to manage them and know that that's okay. This is part of your journey. You have to learn to hire them, fire them, how do you give constructive criticism or maybe they're great, but they didn't do something you like or learning to talk to people and learning to manage people really is huge in this business.

So, I'm so excited. I have the best team working with me now, but I don't want people to think they just appeared overnight either. We could share stories later I'm sure of some real, real winners. You know you would almost think that they're out to ruin your life, but at least I got rid of them. So, it's a trial and error type of thing truly.

Matt: And as you've gone through the years of your entrepreneurial journey – as you reflect back – what would you say now – auditing yourself personally – what would you say are your biggest weaknesses personally that you have? How have you identified those and then what do you do to compensate for those?

Ali: I think my biggest weakness for sure is I'm very much a visionary entrepreneur. I have ideas at rapid-fire in my head and they're, I don't know, I assume they're legit ideas. I love ideas. I love coming up with new stuff. I love new, well, ideas and where I really struggle with that is I'm kind of the ADD squirrel. I get one idea and I'm like, "Wow, this is so exciting. Let's do it" and then squirrel and I'm onto the next one. And so I have a hard time staying grounded and it really – we'll talk about the solution in a second but – that's one problem is being grounded. And then the other, for me – which is almost kind of related to this – is details.

I'm a big picture person, hence the idea after idea and I don't stick with it long because I'm onto the next idea because I don't care about details. I just want the idea. So, the mitigation that I have found that has worked for me – and I think is absolutely a required part of any successful business – instead of strengthening my weaknesses, just hire someone who's smarter than I am. so, I actually have someone working with me now who kills two birds with one stone. She keeps me very grounded. She knows I'm going to have a cool idea. We're going to talk about something really fancy and then I'm going to completely fly away and forget that we ever talked about it.

So, she knows to reel me back in. If I don't give her something I was supposed to give her she's like, "Hey, I need this." It keeps me grounded and she's also the detail-oriented type – so the management kind of perspective. I'm the visionary and whatever and so the logistical stuff or the details or the whatever she is phenomenal at. So, truly I mean outsourcing we've kind of talked about it is you have to hire people to do the things that you're not great at because, again, if you hang onto these control issues or whatever, you're just going to short yourself, your business, your success rate, everything. Let other people help you is huge.

Matt: I totally agree with that 100 percent and I think another thing that holds aspiring entrepreneurs back is thinking, "I don't have all of the skills needed to successfully execute this. I'm not good at this and this." They might be maybe somebody knows you or they're hearing you on this podcast and they go to your website and they see what you do and all this and they say, "It's amazing, but I don't have this and that and this other skill that Ali has. Therefore, I couldn't do what she does" right?

Ali: Yeah.

Matt: When I decided to start my own business, I said definitively, "I am going to start my own business and this is going to work." Then, immediately after that, I said, "But I don't know how to start my own business."

Ali: I wonder how I do that.

Matt: "And I also am very self-aware that I do not have all of those skills to start my own business." And so I decided to get some business partners. And so I said, "Who do I know who has these very specific skills that I know are needed that I definitely don't have and I really don't even have the potential to cultivate because it's so far outside my area of expertise or things that I'm even remotely good at or understand that I need other people who know those things. "So, I know what I'm good at and I'm self-aware about that and I can contribute this, but I need other people who can contribute these other things."

So, you can either find that in the form of business partners or hiring employees, independent contractors, that kind of thing, and hiring people that have those. So, it's about you don't need to have all of the skills yourself. You need to be aware of what skills are needed. You need to be self-aware of what you have and especially what you don't have. And then you need to be able to put the other pieces in place. The entrepreneurial game is putting the pieces in place to successfully execute a business idea.

Ali: But there is a required component of confidence there because if you don't have that confidence to know that it's okay for you not to know how to do

something, you're not going to make it.

Matt: And the other thing that I think that you did that's important to put out there for aspiring entrepreneurs is the difference – and this is a crucial difference – between building a business versus building a job for yourself and the difference between building a location independent business versus building a business that's going to confine you to one geographic area and restrict you. I think this also relates to – and might provide a good transitional moment – to real estate investing, right?

Ali: Yeah.

Matt: And different perspectives on real estate investing. So, there are a lot of people who want to – you know a lot of the gurus and the investment people and the TV shows and stuff like that – talk about leaving your corporate job to “go into real estate investing.” Well, what in the world does that mean? Well, a lot of people what they're trying to tell you that it means is to create a job for yourself to go out and try to flip houses in your local area so that you're working all the time and you're confined to your local area and you're doing this other thing and then basically you just switch from one job to another job, right?

Ali: Yeah.

Matt: Now, if you like that job better, great. You have a job that you like better, but you still have a job. You're still creating active income. You still have to do all this work and then, if you do it correctly and in an optimal way, then you'll make some money when you sell something and then you have to do it again and you're on the hamster wheel and you're geographically restricted and confined to that area because that's your area of expertise where you're doing it in your local market. The same thing with traditional real estate agents, they only operate in their local market, right?

Ali: Yeah.

Matt: And they only can sell houses in their local market and that's where they have to be and they have to live there because that's how they earn their money and all this stuff. So, what I think that you've done – which is really significant – is from the very outset of your business – and the same with Maverick, right, and with what I did – was to create a vision about what are the goals of the business, right, for you?

Ali: Yeah.

Matt: You want to build it in a way that will allow you to live wherever you want – if you want to live on the beach in California, great. If you change

your mind next year and you want to move to another part of the world, fantastic.

So, that kind of vision I think you emulate and are a fantastic example of someone who had that from the outset. “I want to leave the corporate world not because I want to create another job for myself in the same, exact location and work all day and then make this money, but because I want the freedom to be able to travel and live where I want and wake up when I want and all that stuff.” If that’s your goal, you then have to define that clearly and reverse engineer a business model that’s going to facilitate that.

Ali: Yeah. And there are different components to that in the planning stage. Not only do I have to start my own business, but I need to set it up in a fashion where it doesn’t matter mostly like where I’m located. With an online company, I can work anywhere I want as long as I have WiFi and people need to understand if you’re going to be an entrepreneur, yeah, you’re going to be doing whatever the trade is or related to something that you do or whatever, but the act of building a business is so different than any trade or technical thing that you’re doing.

I don’t care if you’re a consultant. I don’t care if you make cupcakes. I don’t care if you’re a pilot and you’re going to start your own airline. I don’t care what you do, but the logistics of building that business is a different entity – no pun intended. That’s actually a pretty good pun.

Matt: Very, but a very important point. There is a dramatic difference between being a business owner and building that business as an entrepreneur versus being a self-employed person who wants to say charge by the hour to perform a service and you’re going to just freelance out your time and get paid to do what you do and have maybe different clients and just be a self-employed person. Now, there are ways to create location independence with that.

Ali: Totally.

Matt: You can be a location independent freelancer, no problem.

Ali: Totally.

Matt: There are tons of ways to do that. So, you can achieve some of the same things, but it’s different from being a business owner. So, I think the important thing there is, again, back to auditing yourself, back to understanding who you are, what you’re good at, what makes you happy doing every day, what you want, and then what your vision is.

Ali: If you're pondering the entrepreneur journey – before you do anything – figure out what it is you want. Do you want to be self-employed? Maybe you want to keep doing exactly what you already do in your corporate job, but you just want to be your own boss. That's one thing. Do you have the capacity or the whatever or interest in building a business? Really sit down and take the time to assess that because those are different goals and I think it really throws people for a loop when they mix all of those up.

Matt: And there's a lot of convulsion I think is right. So, when people are looking to go that route, they often fall – incidentally fall – into the self-employment trap, right?

Ali: Yup.

Matt: And they think they're going to be a business owner and entrepreneur and they're really just becoming a self-employed person. And that's a massive trap and they don't know how to get out of it, right? So, I think that starting with that end goal and the end vision and what you want to do and achieve and how you want your life to look – which is exactly what you and I did. I mean it was very clear. The vision was very clear.

Ali: Well, and we knew those things from the get-go and we planned accordingly.

Matt: Right. And we're not talking about vacations here. We're talking about having the freedom to be able to go and live somewhere or spend as much time as you choose and travel as frequently as you want at will. So, that kind of freedom of mobility and location independence is something that really you need to plan for that. You need to design that. And then once you have your visionary goal, you just reverse engineer that and create a path and a plan, which I think is something that you have absolutely done that makes you stand out.

Ali: One of my biggest goals in life was to be able – if a friend or whoever asked if I wanted to do lunch one day – to be in a position where I had the freedom to say yes because in my corporate job, on a Tuesday, I can't go to lunch with a friend because if I can, I can squeeze in what, 30 minutes, before I have to leave and get back to work and whatever. I'm admittedly an extrovert and I like going to lunch with friends and I wanted to be able to say yes. I remember the first couple of years when I'd quit my job people would say, "Hey, I'm traveling wherever. Do you want to go?" I'm like, "Yeah" and to not have to be able to ask for the vacation time and all of that.

So, I don't travel the world as much as you do. I'm a little more stationary. Well, I do, but not from a living perspective, but on the small scale of that

because I feel like a lot of people may think, “Well, I don’t really want to travel the world” or “I don’t want to be that crazy with things and adventurous” but it’s little things to just be able to say yes to a lunch invite or to not have to restrict your vacations to Friday evening through Sunday evening or to sleep in on a Monday morning. I can’t tell you that level of freedom you almost can’t grasp it until you experience it. I mean I was jaw dropped.

The first year, I tell everyone, “I’ve never been more broke in my life, but I’ve never been happier either.” For that specific purpose was freedom. I mean it was like, “Ha” the angels had arrived.

Matt: Right because you had created the time – the control over your time – and you had created the location independence and you’d moved to the beach.

Ali: I did.

Matt: And so you had that and it was just the income piece that you needed to work on and you needed to get up. So, now you have the income piece and the time piece and the mobility piece all in sync, but you at least initially had the time and you had the mobility and you were able to travel around the world and you were able to live on the beach and you were able to wake up when you wanted and you were able to go out to lunch with whoever you wanted whenever you wanted and that, I think, is you know what people always undervalue.

The main thing that I got – and you and I both read the Four Hour Work Week by Tim Ferriss – and one of the main things that I took from that when I first read it was, “Wow, mobility and time are currencies just like income is and, in fact, they’re even more valuable than the income in terms of freedom, in terms of currencies to be able to really have control over designing your lifestyle.” So, you were able to achieve two out of the three very quickly and then you just ground it out until the income came up. The same, exact thing was with me. Do you know what I mean? I had the exact same experience but you’re right when you taste that freedom, it’s –

Ali: Oh, man. I remember the first year I was so broke. I mean just stressed out of my mind and I remember my mom one time asked me she said, “Well, would you ever consider going back to your previous job?” My exact response was, “I will sooner be homeless on Venice Beach before I ever take a Monday through Friday 9:00 to 5:00 job again.” As a kid, I remember thinking, “I’m going to be the breadwinner. I’m going to make so much money. I’m going to be a multimillionaire.”

That’s why I didn’t become a professional pilot. I wanted more money. I

was so money-driven and – at this point now – I don't have those desires anymore because if I have enough money to eat, pay my rent, do whatever I'm doing, and I have the amount of time and mobility that I have, I would give up the multimillions for that all day long because the multimillions, to me, are not worth it if you're in a gray cubicle.

**Matt:** I agree with that entirely and I think that's a great place to pause part one if this interview. There is so much more to talk about with you and I want to get in the travel and, of course, have a whole discussion with you about your real estate investing experiences and your top tips for people who are buying rental properties and using property managers and, of course, I've got to ask you about this reality TV show appearance. So, we're going to pause here and continue the conversation about all of that in the next episode. So, Ali, thank you so much for being here. Be sure to tune into the next episode for part two with Ali Boone.

**Announcer 1:** Be sure to visit the show notes page at [TheMaverickShow.com](http://TheMaverickShow.com) for direct links to all the books, people, and resources mentioned in this episode. You'll find all that and much more at [TheMaverickShow.com](http://TheMaverickShow.com).

**Announcer 2:** If you like podcasts, you will love Audiobooks, and you can get your first one for free at [TheMaverickShow.com/audiobook](http://TheMaverickShow.com/audiobook). Whether you want the latest bestselling novels or books on investing, business, or travel, try your first audiobook for free at [TheMaverickShow.com/audiobook](http://TheMaverickShow.com/audiobook).

**Announcer 3:** Are you following Maverick Investor Group on social media at Invest Maverick? You'll get exclusive content, such as behind the scenes footage, travel adventures, and tips on real estate investing and lifestyle design. Follow Maverick Investor Group on Instagram, Twitter, and Snapchat all at Invest Maverick.

**[End of Audio]**

**Duration: 65 minutes**