

The Maverick Show Episode 16
HOST: Matt Bowles, GUEST: David Dang Vu

Matt Bowles: Hey everybody it's Matt Bowles. Welcome to the Maverick Show. My guest today is David Dang Vu. He is a location independent serial entrepreneur and educator who has sold over million dollars in courses on the Udemy platform to 45,000 unique students and is the creator of their No. 1 bestselling business course of 2017. David first builds successful location independent businesses himself and then documents exactly what he did in his Udemy course and now has students all over the world that have been able to replicate his success by following his methods. To give just two examples, David uses Airbnb rental arbitrage to net himself over \$300,000.00 a year in passive residual income. He also runs an eBay drop shipping business that nets him an additional \$300,000.00 a year in passive income. In just the last 2.5 years, his course sales on Udemy have netted him an additional \$400,000.00. He runs all of his businesses remotely. He's an avid world traveler and we're now doing this interview on the nomad cruise. We're in the middle of the Atlantic Ocean about one day before we land on the shores of Recife Brazil. David, welcome to the show.

David Dang Vu: M-A double T, Matt. Man, it is exciting and honestly and an honor to be on your show. Thank you for having me my man.

Matt: Awesome to have you here my man. I'm super excited to get you on the show, lots of stuff to talk about. Just to set the scene for people, we have just opened a bottle of Rioja Crianza and we're going to be drinking through that on our way. We did embark from Spain so quite the fitting varietal I think.

David: This is perfect. Yeah, I just took my first sip and it's good.

Matt: Let's start off with, before we get into the business stuff, just a little bit with your background, where you grew up and what was your path to becoming an entrepreneur and deciding to take this route in life?

David: Geeze, that's a great question man. I get asked this a lot actually, but it all starts back with my family history, the normal hungry immigrant story. My parents came from Vietnam. They arrived to this country not speaking a lick of English, not having any money. They were war refugees, and they gained citizenship through political asylum because they were escaping the country. So, they came over here, no English, no money, no opportunities, no family, nothing. They met each other and then they gave birth to

me, and I was born in San Diego.

Growing up, it was quite interesting because I always thought I was that weird kid. All the other kids had nice shoes, and nice clothes, and all the new video games. I was this poor immigrant kid that didn't have anything but watched my parents work incredibly hard, and that was one of the first lessons I got. I owe all my success to my mom, seriously. She gave me valuable lessons and she told me early on, I remember 9, 10, 11 years old as I was growing up. She said Dave, you're so lucky to be born in America. David, you're so lucky to learn the language. When you grow up, don't become an employee like your mom and dad. This is interesting because most people would say, got to school, graduate, get a good job, and then go out and make a ton of money. But no, my mom understood something differently. She wasn't academically smart, but she was street smart.

So, she saw that the owner of the company she was working at was like never there. They were always on vacation, on holiday, making money while all the employees were working. So, she said Dave, when you grow up, don't be an employee like your mom and dad. Start a business. Be an entrepreneur. I don't care what you do just be an entrepreneur and have a business of your own. She instilled this idea in my head at a very early age and that's where my journey all started. If I look back, it starts with my mom.

Matt: That's amazing. I was also based in LA. I wasn't born there but the last seven years or so that I was in the US, I was based in the LA. So, we have a little bit of California west coast overlap there. But what was then from that, the rest of your trajectory after you got through high school and you became an adult and you had to start making decisions? What was your path from there?

David: My path from there early on was just finding any way to make a buck and I found out very quickly in school selling things to my friends. Literally, I was the guy that was going to the dollar store and I noticed all the kids in the school were always asking for pencils, and erasers, and highlighters because they always lost them. They were always asking me and other people, do you have an extra one and no one had one. So, I said you know what, I'm going to go to the dollar store because an allowance for lunch and see what I can buy there. I noticed you can buy a pack of pencils, and a bunch of erasers, and a bunch highlighters for \$1.00, like a

pack of pencils, a 12 pack, for \$1.00. So, I literally started my journey in middle school selling pencils to my friends. You want a pencil, \$0.50, you want a pencil \$1.00. I started making \$4.00, \$5.00, or \$6.00. This is where I learned supply and demand.

It gets really interesting later. The kids started asking for candy because their parents wouldn't give them money to buy candy because you don't have kids doped up on sugar and candy. So, I would go to the dollar store and buy Reese's Pieces and Hershey's Kisses and buy a ton of stuff and you want some candy, \$0.25. I started making like \$10.00, \$20.00. It wasn't a lot of money but I remember I would make enough money in a week or two where I had enough money to buy a new pair of shoes or buy a video game.

So, I always knew just flipping and selling shit was the best way to go and that transitioned to after I graduated high school working on different odd jobs, working as a bar tender, working in outside sales, but I always had that thirst to buy stuff. Go to garage sales, and buy stuff, and flip it on eBay. That's when eBay was born when I was like 17. So I'd been selling stuff on eBay, anything I could do to make a few hundred dollars or \$1,000.00, I would do it. It just was very easy to do, just buying and reselling stuff.

Matt: That's awesome man. I can remember being back in high school as well and my passion at the very start of high school was hip hop music. I became a DJ in high school because I wanted to spin hip hop music. Then I realized what I could do is I could make mixed tapes. I could take them into school.

David: I did that too.

Matt: You did as well?

David: I used to burn a bunch of songs, MP3s on CDs and make it look nice, have a little cover, like 1998 best top 40 songs, and I sold that too.

Matt: That's awesome.

David: During the Napster days.

Matt: Yeah, exactly. I was in high school from like '91 to '95, which was really the golden era of hip hop. Right?

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David: Yeah.

Matt: I'm in the '90s.

David: Those were good years.

Matt: I was like mixed tapes and then I was like I bet people would pay me to start DJ'ing and that stuff. Then I went around and started apprenticing with all the DJs that got paid, spinning at proms or weddings, or whatever, and I was like I'll just go with you for free. I'll do whatever you want, take requests, carry your records. Just show me how you do what you do. So, I did that in high school and then I started my own mobile DJ company.

David: Oh cool.

Matt: Then I also was subcontracting for the other ones. I was like, if you guys have business, you can take your cut and then pay me to do it but I also have my own stuff. So, I started building up that way as well. I just had a love for that and realized that there was a demand for people that understood what music people wanted to hear, and could play it, and could do it well, and so I worked on that craft early as one of my first sort of entrepreneurial adventures. Then I did through college. I DJ'd show on the radio station in college but then came back and would do the weddings and the prom circuit like all summer. My friends were all working at the mall and I'm just out at these epic events DJ'ing these things on the weekend and I didn't even have to work during the week.

David: Yeah, working once or twice a week making more money than what your friends were making. Right?

Matt: Exactly, yeah.

David: Yeah, that's really cool. I didn't know that you're a DJ. That's awesome.

Matt: Yeah.

David: I don't know if your audience knows that. That's pretty cool.

Matt: Maybe my precursor to being back on the microphone on the podcast.

David: Yeah, right.

Matt: Exactly. My early days, man. My early days when I was coming up.

David: That's awesome man.

Matt: So from there, when you then had choices to make about college, and career, and this kind of stuff, did you consider a more traditional career path or were you just like purebred entrepreneur?

David: No, definitely purebred entrepreneur. I went to college because my dad was really adamant about me being the first in the family to go to college and graduate. I shut down that dream really fast. I went to one semester of college and said F this, this is not for me and dropped out. So, I'm a college dropout. I literally just went to half a semester. I remember getting involved in anything involving sales or business. I got involved in some weird MLMs at that time, which I hate MLM to this day. I got involved in buying and reselling power bands. Do you remember those power bands that the Lakers and all these NBA stars were wearing at that time?

They say the average million has failed at like seven or eight different things. I think for me it was like 20. I made a couple hundred dollars, a couple thousand, but it wasn't anything significant. Then my first home run was when a buddy of mine started an online company selling T-shirts. This is really interesting. This is prior to Teespring days. So anyone listening this is really, really old stuff, like 2002, 2003. We had to build our own website using Drupal. It was a headache. He was making like \$4,000.00 a month in revenue and brought me on board, and we started working together. This is when I actually learned what drop shipping was. I didn't even know it was called drop shipping until years later. It was just a method of shipping a product to a customer through a vendor.

We started selling a ton of t-shirts, landing big accounts, and then we started getting accounts from the music industry where we were making shirts for Taylor Swift. We were making shirts for LMFAO. Then the success was huge from there and become a multimillion dollar company. Then I exited the company selling my shares because I was working too hard and didn't have any leverage. It was basically me and we had one employee, and it was my partner and his wife and that was it. We were working like 60, 70, 80 hours a

week processing orders, and talking to all of our accounts. I did that for a couple of years, and had a ton of success, made a ton of money, and then left that, and then started a couple other things.

Matt: How did you land those A list clients because a lot of people just start out and they've got a product or a service that might be high value, it might be really good quality stuff, and they start selling it and they make a certain amount of money. But how did you accelerate from where you started with the t-shirt sales to getting LMFAO and Taylor Swift as clients?

David: Innovation. For sure, innovation because at that time there was literally no one else that was advertising this online. We were the first company to say we do t-shirt printing. Of course there were a lot of t-shirt printers, but there was no one doing it online in a way where you can upload your image onto a t-shirt template and see what it would look like. Like, you have your company logo or you have this design idea in your head. You can upload that to our website and show it on the front of the shirt, the back of the shirt, on the sleeve, or wherever you want and then create a digital mockup. Then we would give you a quote within 24 hours and say this is how much it would cost to print 12 shirts, 24 shirts, 60, 100, 500, 1000.

So, we came up with that idea. We started as a company just selling blank shirts. We were not printing at all and then we noticed that a lot of people that were buying the t-shirts were buying it to print. So, we came up with the idea and said why don't we offer printing as a service and we would start contacting local printers that would print for us. Then what we did was we just buy the t-shirts from American Apparel, or Next Level, these t-shirt manufacturers. They would ship the shirt to the printer, not to us. The printer would print because we have the digital mockup from the customer and then we have an upcharge on that print. Then we had the printer ship it to the customer. We had a seven to ten day turnaround time. So, I would answer your question with innovation. We were the first to do that.

Matt: That's really significant. I think that it wasn't simply the product that you're selling, and it wasn't even simply the way you were marketing it or who you were getting in front of. The brilliance of the company and success of the company was actually the user experience and the way that you facilitated something that other

companies could not when buying your product and you stood out completely against and differentiated yourself from all of the other people trying to compete with you with the exact same product and maybe even compete with you on price and sell it for lower, undercut you. But you guys had the user experience that no one else did.

David: Yes and because at that time, there were probably a handful of companies doing the same thing we were doing selling blank shirts. Then there were a bunch of companies advertising online that they would do the printing. But there was no one place that you could go to buy the shirts, and do the printing, and do your mockup in one seamless place. Now they've got Teespring and Amazon. So, everyone's doing it now. We were the first to do that and that's how we got the attention because we didn't look for these A-list celebrities. They found us.

Our first client that was an A-lister, this was our biggest client, LMFAO, launched a music video called Party Rock Anthem, or something like that, huge success. They blew up and they contacted us and they were really stressed out. I didn't even know who they were. They were like hey, we're LMFAO and we've got an issue. We need 40,000 t-shirts and we need them in Calgary, Canada next week. Can you help us? We're like what? Yeah we found your website and we're like, sure, we'll see what we can do. Man, I got some crazy stories there as well. But yeah, just being innovative and being different and standing out and doing something different.

Matt: That's amazing. So then you ended up selling your shares out of that company because you were trading too much of your time.

David: Yeah, man. Not even joking, I was working from the moment I woke up to the moment I put my head down to sleep. I have these A-listers, and their managers, and their merchant sales managers hounding me all hours of the day. Hey, we need 25,000 t-shirts in Europe. I'm like why didn't you tell me like two ago. It was so much stress, and we had to hire temporary teams because the print shop was only operating 8 to 10 hours a day. So, we had to hire temporary teams to work at the print shop 24 hours a day, seven days a week to spit out these shirts to fill the 20,000, 30,000, 40,000 t-shirt order next week, and ship it, and have it landed in a different country. So, it was incredibly stressful. There were a lot of moving parts. I remember losing sleep and totally stressed out,

making a ton of money but not really enjoying my life.

Matt: We're going to get through some of your latest companies that you've built and all that kind of stuff. You are now at this point in your career a master system and process builder and you build a system and process, you hire someone else to run it, and you create an almost entirely automated, or mostly automated, business process. Now when you look back on this as your first successful lucrative venture, but you were spending that much of your own time, do you think that you could have built the systems and process? You just didn't know how to do it at that point in your experience.

David: We grew way too fast. That was the reality, and my partner and I at that time were still relatively very young. Yes, we could have hired like four people, five people, to help manage the tasks but we were just way too cocky. We had the mentality that oh man, we can't hire someone to do what we do. It would take too much time to train them. They might quit on us six months, a year later. It's not worth it. No one's going to do it as good as us especially with these big accounts. They like working directly with us. So we just had this fear, this attitude, that no one can do it. But knowing what I know now, it could have easily been done just taking that extra time to hire and train someone and letting them shine versus shining yourself.

Matt: I feel like that's one of the biggest lessons in the self-employment trap where you think nobody can do it as good as you, and therefore you're not willing to hire someone else because it won't be done as good as you. Therefore, you trap yourself into trading all of your time for the money instead of building a system and process and that prevents you from really building an effective business enterprise.

David: Yeah exactly, totally, and then it's really cool, today that business has 20 employees now. My ex-partner is doing really well and so lesson learned.

Matt: That's awesome. So, from there you sold out and you recaptured your time and you had a good bit of cash there from the sale and everything else. So, you're comfortable and then what were your decisions from there in terms of your entrepreneurial path?

David: While I was doing that, I was dabbling into another industry with gift cards. Long story short, I found the gift card industry needed a disruption and at that time there was like a hundred billion dollars in gift card sales annually. That wasn't the market that I was going after, but what I understood was approximately 10 percent of that market goes unused. So imagine this, in the US a hundred billion dollars in gift cards are generated a year for birthdays and holidays, mainly during the holidays because people don't want to buy a present and they want to buy you, Matt, \$1,00.00 Starbucks gift card so a huge industry. But the problem is 10 percent of that, 10 billion dollars of that credit to all these retailers never gets used up.

Long story short, I found that there were a lot of people that had unused gift cards. They say the average US household has about \$300.00 in unused gift cards. So, we went off of that. I started advertising online that we will buy gift cards for cash. We built that into a huge empire, a three million dollar empire.

Matt: This was overlapping when you were doing the t-shirt business?

David: This was overlapping in the last year of me doing the t-shirt business. So, while I was working the crazy 80 hour work week, I was dabbling in this space of just making a few thousand dollars and then when I exited I had that big windfall of money but also had immediate cash flow coming in from the gift card. Then I really turned that into an actual business, building website, advertising online, hiring people, and then really driving the sales and scaling it.

Matt: In that business, were you better then able to build systems and processes and then outsource them and hire?

David: Yeah, a hundred percent.

Matt: So you were using less of your own time?

David: Yes and that was around the same time where I read the Four Hour Work Week for the second time because I had read it once before. It's interesting because a lot times when you read a book, it depends on where you're at in your life. So, you read a book and you're like, oh cool, this book was great. I learned a couple concepts, but if you read that book five years later, it's like reading an entirely different book. You're like how did I miss all this stuff?

I remember around that time, I read that book Four Hour Work Week again and the thing that stood out to me the most was building a system, building a team, outsourcing, letting other people shine because if you don't allow other people to do the work then you never give them opportunity to shine. So, you've really got to let go of control and this is where I was really like wow. I started applying those things and hiring slow and firing fast and doing things like that. It really helped me a lot in that venture, and I carry all of that over to all of my other businesses, and hustles, and companies that I build as well.

Matt: So when you are focused on a company like that, and you're building it, and you're succeeding in the gift card thing, what is your thought process about maybe I should also start this other company, or maybe I should also do this other venture? What is your entrepreneurial thought process in terms of the serial nature of your business ventures?

David: I'm always looking for the next big thing. Even right now as I'm sitting with you and we're hanging out with all these digital nomads, I'm keeping a close ear to the ground. My spirit comes from the challenge because I feel like when I start businesses, I'll be honest, I get bored of them. It gets very mundane. I can see the beginning, see the middle, see the end, see how it's going to scale, see how it's going to grow, to X amount of revenue, or whatever. After a while, I get bored. So for me, I like starting something brand new in a new space because I like gaining that experience and gaining that knowledge. While I'm building a business, I'm also looking for what's the next B & C business. That's just how I operate and how I run.

Matt: How did you get into your eBay drop shipping business?

David: Good question.

Matt: What was the transition into that business?

David: While I'm building this gift card business that's going on three years now, I think we peaked out about \$3 million in revenue and doing really well, I started dabbling back into drop shipping. It's interesting because I have a decent social media following, not like 10,000, 50,000, or 100,000 people, but I have a couple thousand

people that follow me and have heard about me throughout the years. A lot of people started asking me for mentorship, or how do you build a niche website and do this drop shipping thing, or this gift card thing.

I really didn't have an answer for them. I can't really mentor you, or help you, because it would take too much of my time. So, I always felt bad about that and I always wanted to help the average person get started in a way where they can make their first hundred bucks online. Then eBay just screamed out to me because I always had that buying and selling on eBay thing since I was a kid, just physical products, going to garage sales and things of that nature.

Then I discovered or read something one day about you can drop ship on eBay. I'm like you can drop ship on eBay? I took my experience with the t-shirt thing and then someone mentioned that you can literally drop ship products from Amazon to eBay, and I said no, it's not that easy. No way. So, literally when I heard about this, I was messing around one day and I jumped online on eBay. I literally looked around my room and I said, what can I buy on Amazon right now. I found a pair of these cheap sunglasses, the style of the sunglasses called wayfarer. Are you familiar with these? They look like Ray-Bans but the style is called wayfarer. I remember saying okay, I'm going on Amazon and find wayfarer sunglasses and I found them. I was looking for the cheapest one because arbitrage, buy low, sell high, and I found these wayfarer sunglasses for like \$2.99 or \$3.00 or something like that, shipped from China or somewhere like that. I said okay, I'm going to put this on my eBay store.

I literally went on this Amazon listing. I copied their photos. I copied their entire description, and I put it on eBay. I listed it at \$9.99 and it literally took me like 4 or 5 minutes to do and then I hit list, went to bed. I woke up the next morning and it sold. I was like holy cow; someone paid me \$9.99 through PayPal on eBay for these wayfarer sunglasses. I was like no way. It's not that easy. Then I went to Amazon. I purchased it and I put in the customer's information, their shipping info and their address, and I had Amazon ship it to my eBay customer.

Then I did the math because after eBay fees you think you make \$7.00. I think I ended up making \$4.00 or \$5.00 profit after fees, and I was like holy cow that was the easiest \$4.00 or \$5.00 I ever made in my life. That was way too easy. A light bulb popped in my head and I said, you

know what, I think I can turn this into a lucrative business. So, literally that whole entire year, I spent listing products. I sold sunglasses. So, naturally I started adding other sunglasses, and other different styles, and different colors. So I had a little sunglass store. Then I started selling that little rope you put around the sunglasses that hang around your neck. I started selling accessories for sunglasses. Then naturally I started selling other products. Then I had this store of 500 products, and then 1000 products, and then a couple thousand products, and then by the end of my first year, I had cleared about 300 and something thousand dollars in sales and netted about \$100,000.00 in profit.

I created this really cool, compelling store, all verifiable income. I screen shot everything and then I started sharing this on social media and people were just going holy cow; this is insane. Can you make an online course about this and then that led to the next thing. Then I created an online course for it, and the rest was history.

Matt: And that online course is that the one that became the bestselling course of 2017?

David: Two thousand sixteen and seventeen, yeah. It was the No. 1 business selling course. I remember I had my cool moment of pride when Gary V., these big heavy hitters with big audiences. Gary V., Seth Godin, they started publishing their online courses on Udemy too and these guys have way bigger audiences than me. I would see these course and after a couple of months of them launching their course, they're also in the business category, I would check to see who's ranked No. 1 and lo and behold you'd see David Vu's little eBay course No. 1, Gary V. No. 2, Seth Godin No. 3. I'm like, oh my god this is so cool. I took a screen shot of that, and shared that as well. If you look at it now at the time of this recording, you'll see Seth Godin or Gary V. at No. 1, maybe I'm No. 3, but it always fluctuates between the 1 and 3 spots. But it's really cool. I was just like really blown away with this little eBay course.

Matt: That's amazing. I love that story because you first do something and you do it successfully, build the systems and processes, which are replicable. Then you simply share with other people exactly how you did what you did and then people are buying your course and of course, it's selling a lot because it's actually working.

David: Yes.

Matt: People are replicated your model and they're also making money using your method.

David: Yes. I think that it's incredibly important to No. 1 be transparent and authentic because I noticed the biggest differentiator with online course creators is there is a ton of junk out there, so many shams, and scams, and gurus. I'll show you how to make a million dollars in real estate. I'll show you how to make a million. They all teach on theory, and they're not even teaching what their practicing. That's what gets me the most.

So when I wanted to create this course, I never wanted to be that guy. I wanted to lead by example. Whatever I'm doing is exactly what I'm teaching. What I'm teaching is what I'm doing. So I think that's really important when you're making a course, and I think that's one of the reasons why it became so popular and so successful.

Matt: Then you followed that up with your latest course, which is on your venture regarding the Airbnb rental arbitrage.

David: Right, yeah.

Matt: I'm really excited to get into that because there're a lot of real estate people in the audience that are listening to this, and I think your model is super interesting. So, I'd love to hear maybe even just from the beginning how you got started. I want you to explain the business model but also just how you started, and how you got into it, and what you learned along the way as you were developing this model.

David: Going throughout my story and going through how do I think this way, I think there's that same follow your dollar. That's a really important lesson. I always follow every dollar that I spend, every dollar that I get. I ask myself the question when I'm spending this money where is that money exactly going and how are they making money. So going to Airbnb and talking about real estate, what happened for me I was using Airbnb. I leaned about the platform a long time ago. I've been using it for about seven or eight years now and everywhere I traveled, I always used Airbnb. I just didn't like hotels. I like the whole personal experience thing.

I remember one time in Texas I was going to a conference, and I had checked in and the host wasn't there. He gave me a code to his lock box. I checked in, he gave me the code to the lock box, got the key, opened the door and was like wow that was really easy. The dude wasn't even there. Then I remember three days later he came to check up on me to make sure everything was okay, if I needed extra towels, and I just started talking to the dude. I always had the impression, by the way, that every single Airbnb was privately owned, like it was owned by the person putting it on the platform. That's the impression I always had. So, when this guy came and talked to me, the guy that listed the apartment and the host, I had just simply asked him a question. I think his name was John. I was like hey John, do you own this property? He was like no man. I just rent. I'm like you don't own this property? You rent it and then you put it on Airbnb? He goes, yeah. I was like wow, that's really interesting. Then he said I have five of these in the same building. Then he walked away and I was just like oh my god, lightbulb.

Literally, right when he walked away, I jumped on my laptop and I Googled the name of the apartment complex in Texas and literally I watched that he was renting these two bedroom apartments for like \$1,300.00 because what the price was online and they had vacancies and stuff. Then I said, I just paid this dude \$120 a night and then I did the math. If he rents it out and I looked at this calendar. I started to do a heavy investigation. I started looking at his calendar. I saw that he was 25 days booked this month and I did the math. I'm like oh my god, this guy is getting like \$4,000.00 and some change in revenue. He's renting it for \$1,300.00 a month and now he has five apartments. Oh my god. This is a business.

I went home from that trip three years ago and I said if he can do this, I can do the same thing. I did some research. I live in Huntington Beach California. I said maybe I can replicate the same thing in California instead of having to buy a property and put it on Airbnb, why don't see if I can rent a cool flat by the beach or something and see if I can arbitrage it and make a little bit more. I went into it and my first property was like a 5 minute walk from the beach. It was a two bedroom and rented it for about \$2,000.00 a month. We spent about \$8,000.00 total for the first month's rent, the deposit. It's wasn't furnished. So, we had to furnish it ourselves. So \$8,000.00 in and I did some math. If I rented it for this much a night and I had this many nights rented, I would make my money back in about five to six months. That was the projection that I came up

with. Matt, I made my ROI back in two months.

Matt: Wow.

David: I was like holy cow. This is a money maker. Then summer hit. So at Huntington Beach, summer is a really popular month. We were charging like \$100.00, \$150.00 a night. In the summertime, we were charging \$300.00, \$400.00 a night. So this \$2,000.00 apartment was bringing in \$10,000.00, \$12,000.00 in revenue a month. Literally, we just took that initial \$8,000.00 that I put in, got the \$8,000.00, got a second apartment, got that \$8,000.00 back. So, we went from one to two, two to four, four to eight, and just did that doubling model and today fast forward, we're sitting at 30 apartments. Then with the money we made from there, five of them we actually own, we bought, and the other 25 we just do the whole lease, subleasing. It's an incredibly lucrative business. So I love it.

Matt: Wow, so how do you select which apartments you're going to rent and how do you do your research on the projections in terms of both what the market rent is on Airbnb for that type of unit, and also what you project a reliable occupancy rate to be, including seasonal adjustments for both vacancy and price? How do you establish an accurate projection?

David: Great question. So, in real estate they say "location, location, location", right? And that's nothing more than the truth. Same with the Airbnb. There's incredible tools that you can utilize if you want to use the tools. I didn't know about these tools until a year half ago. Until then, we just did market research on the platform. We'd just look at an area like Huntington Beach, see what other people are listing their properties for, and see how occupied they are, and then do of an assessment if we got a property in generally the same area, for this much money and rent it out for this many nights, how much money we would make. So, that's the kind of assessment you can do without these tools but there's an incredible tool that we discovered a year and half ago and it's called AirDNA. So, Airdna.co for anyone listening. AirDNA aggregates all the data on Airbnb. And this is some cool geeky staff man. You can do some gnarly, incredible things with this, and this gives you huge edge and huge advantage over the competitors that don't use it. And 99% of people don't know about it or don't use it because you have to pay like 40 bucks a month to get the

aggregated data in the certain zip code. But this is incredible. Imagine being able to spy of every single listing in Huntington Beach or in Los Angeles. And you can literally see what everybody is a making annually. You can see what they're charging per night, you can see their occupancy rate, you can see everything. You can see the top 20 listings in a certain neighborhood and then see why are the top 20 guys making this much money. Is it because of the photos> Is it because of the optimization with their title and their description? Why are they making so much money? And you can literally pick it apart and emulate them or do it better So, AirDNA is an incredible tool to predict an area.

Matt: I'm assuming that Airbnb is also an amazing place for savvy entrepreneurs like yourself to come in because as you said most of the listings on Airbnb are just regular people who might be renting out their house or they own a rental property or two, and they're renting them out, and they're not really savvy, professional, copywriters —

David: No, not at all.

Matt: SEO optimizers, that kind of stuff. So, when somebody like you comes in even if the average is, whatever the average amount is that most people are making, if that's just somebody that's saying hey here's my property, you can rent it, and you come in and you understand how to optimize the title, how to write copy and describe the property in a compelling way, how to create pictures that are going to be emotionally alluring in ways, that's going to completely differentiate your listings from an average regular person that doesn't have that business experience.

David: Yeah, 100 percent. As an entrepreneur and a marketer, it's really easy to stand out from the crowd.

Matt: When you were assessing this business opportunity and I guess through your experience, what were some of the downside risks that you initially assessed like if I get committed into this thing and I'm signing on this long-term lease, and I'm doing this, what were some of the downside risks and how did you mitigate against those?

David: Great question, legalities. Airbnb has sort of a bad rap depending

on what city you're in. The goalpost in Airbnb and where you want to kick that ball through the goalpost can change every three to six months meaning that right now, it can be 100 percent legal and fine in your city and in three to six months, it can go the complete opposite direction and be banned and illegal. That's why I really like the rental arbitrage model because if you buy the property, it doesn't matter if you own or rent the property, if it goes south, you fall under the same legal jurisdiction.

So if you own the property, it doesn't matter. If the city says, we are banning short-term vacation rentals, it doesn't matter if you own or rent. You have to follow the same rules. Of course, you can fall back and go on your long-term rent but that arbitrage of cash flow is not there anymore. So renting these properties in certain cities is really critical because you're on a one-year lease. We had about four properties in Huntington Beach and then the city actually banned it last year. We had to get out, but it wasn't that bad. We didn't actually lose any money. We waited until our lease ended and talked to our landlord who knew that we couldn't do it anymore, and they were totally okay with it. The lease ended. We didn't break the lease or anything. We just shuffled the listing to a different city.

Matt: When you say it gets banned, is it Airbnb that is being banned from the city and are there other alternative platforms like VRBO, or this different kind of thing, that might not be banned, or can you use the old-school like Craigslist, like hey do you want to do a short-term three month rental on Craigslist, or is it you're not allowed to do short-term rentals period? How does that work?

David: We can dive really deep into this, and this is really good for your real estate audience because I get asked this a ton. You've got to understand both sides. What's happening is Airbnb entrepreneurs like me will come in there and disrupt the entire market. If there's a building with 100 units, we can grab like 10, 15, or 20 units. It just depends on how much capital we have. The problem that creates in the community is at the end of the day, as an Airbnb entrepreneur, as a business operator, I need to understand that I'm operating a short-term hotel business in a residential zone, period.

So with that come consequences. Residences in the community may not like that, that there're random people checking in every few days. So people can start complaining. Also, we're grabbing a lot of these residential housing apartments so the rent goes up for other people. So we're

literally disturbing the market here. You have to be really cautious and careful with this. So when a city comes in there and says hey we don't like that. There's a ton of people complaining. Like in LA for example, LA is going through a huge headache with this.

People that live in LA can't even find apartments to live anymore because there's so many people doing Airbnb because 25 percent of that residential market is on Airbnb. That's a huge problem. So how do we fix it? I don't have answer for that. I really don't. I do my part. I collect, and pay, and remit my taxes to the city and do what I'm supposed to do. A lot of people that do Airbnb unfortunately don't do that. That's another huge issue with the city is that these people that are operating these Airbnbs are doing it illegally. They're not paying taxes. They're not reporting it. That's a big problem too as well. Understanding where you're coming from, if you're going to come in and start this, I'm being very honest, it's a volatile business. It really is but you've got to be flexible and be able to be mobile and move with the market.

That's what it's been like for me. The way I think about it is while all the lawmakers and all the people are trying to figure it, I'm just going to do my hustle, make money while everyone's trying to figure it out, and then just adjust when that happens. Just like what happened in Huntington Beach.

Matt: In Huntington Beach was it the City Council? The other thing is that sometimes it's building specific. It's HOA specific, like no short-term rentals in this building like the HOA is going to pass a law.

David: No the city literally had like a rally. They had members that were Airbnb hosts come and talk. They had people in the community come and talk. Both sides shared their stories on why they don't like Airbnb, why they should allow Airbnb, and at the end of the day, the city council votes on it. They voted that they wanted Airbnb out because there were just too many complaints and it was just a big headache for the city. They just banned any short-term rental less than 30 days. So anything under 30 days is not allowed. Anything over 30 days is allowed.

Matt: How did you adjust to that? Did you continue with the rentals that you had on 12 month leases? Did you try to rent those for 30 day short-term periods or did you just pay to get out of the lease early

and go somewhere else?

David: Good questions. When something like happens, it usually takes a while before it gets enforced and goes into effect. When we found out about that announcement, our leases were ending in four to six months anyway. Then we talked to the landlords and they knew what was going on. They were bummed out about it, but we just ran our listing until the listing ended. We didn't have to break the lease or anything. We just ended it. When the time came, we just didn't renew the lease and then we just relocated to literally the city next door like seven minutes away in Costa Mesa where it's 100 percent legal and you can get a permit for it and all this stuff. So, we just relocated to a nearby city.

Matt: So the way that you're doing this and the way for somebody to get started, let's say they do the legal research and they're going to start, obviously, in a city where it's currently completely legal. There's nothing on the horizon about any discussion of anything.

David: Yes, that's what you've got to do.

Matt: So you should have hopefully a decent runway, meaning even if in terms of your 12 months, discussion happens, this happens, they pass something, they're going to still give you a buffer before it's enforced as you said.

David: Yes.

Matt: So, that's the way to start it. What you're doing is you're putting usually, typically, the first month in deposit as a regular tenant would on an apartment. You're verifying that this apartment building allows subleasing and short-term rentals, of course, that the HOA hasn't banned that.

David: Ninety-nine percent of them don't allow subletting and this is a big one. A lot of people get into these one year, two year leases, and they will just disregard that part of the contract that you can't sublet and they'll just do it anyway. I see so many people crumble doing that. I highly, highly advise against that. Always get a subletting addendum on the contract that you're allowed to do it. It's always the best way to go and how do you do that is the question. That's a tough one. It all comes down to sales and negotiation skills. When I meet with a private owner, or I meet the

property management company, I let them know right from the get-go what we plan on doing.

Every single time, I'm always going to get met with resistance and it's always because of risk. They don't want people that they don't know into a residential community who can disrupt the community or destroy the property. How do you mitigate that? Very, very simple and it all comes down to, really, sales. I just simply let them know, you need to understand that short-term renters normally are just there to sleep and shower. As a matter of fact, there is less wear and tear in the apartment than there is when you rent it out for a year or two years. Because of my track record now, I can show them my prior listings. I've had this listing for three years. It looks immaculate from day one because I advertise this product as a place to stay for a couple nights or a couple weeks. If my new check-in comes in and the place is not exactly like the photos, if the carpet is dirty, if the walls have marks on the walls, if it looks tacky, I'm going to get a bad review. So every single time someone checks out and checks in, it's professionally cleaned every single time. We make sure everything looks like day one. So, I get them to understand that.

Then I let them know that our team prescreens our guests. We don't just allow everyone to stay there. If John Doe hits up and says, hey man I'm coming with my boys for a bachelor party, we're going to say no to that. We do prescreen guests. We don't let everyone stay at our place. We want the right clients. Then if it comes down to it, if it's a money issue, a lot of times we'll throw extra money at them. We'll offer 10 to 20 percent more on top of what they're asking for and if it's a risk thing they're concerned about, we'll pay you double, triple the deposit if we have to. So, that gets them to feel a little bit more assured that it's okay to rent to us.

The last thing I usually fall back on is let's not do a one-year lease. Let's try it out for three months. If you have any complaint from any of your neighbors, if you don't like anything we're doing within those three months, we will get out. So, we're setting up shorter-term leases with them and then most of the time if that happens, after three months, they go you guys are great. We haven't had any complaints. This is going great. You're paying our rent and then we do a one-year lease. So, there are all these little tricks and things that you can do to convince someone, a property owner or property management company, to give you their apartment. It comes down to just selling yourself and selling your operation.

Matt: I agree with that 100 percent. That is the nature of real estate. You can always figure out a way to negotiate something and if somebody thinks that there's a higher risk in a certain area, even it's a tenant that has a lower credit score, or has this, or has that, well they can pay the last three months in rent, or pay a higher deposit, or do whatever it takes to mitigate. There's always negotiating ways usually that you can make it appealing or mitigate what somebody else's perceived risk in doing business with you.

David: Yep.

Matt: Let's give a specific example. If somebody wants to start their first Airbnb arbitrage, you're going to rent a long-term, 12-month apartment in an apartment building that allows subleasing, negotiate that into the contract, and then the amount of capital that you have to have to start running this would be first month's rent –

David: Deposit.

Matt: Deposit and then you'd furnish it with a furniture package. Right?

David: Yep.

Matt: So, the types of price points, let's just use one of your examples in a place like Huntington Beach or Southern California, what are those numbers looking like for you?

David: Six to seven thousand for one bedroom, eight to ten thousand for a two bedroom.

Matt: That's first month, that's deposit, and that's a furniture package.

David: Yep.

Matt: If you have \$6,000.00 to \$7,000.00 in savings that you want to invest in something other than the stock market or mutual funds, or whatever –

David: For your audience, this is in California and Southern California, not like a ghetto area in the middle of nowhere. These apartments are not your average apartments. They are not the lower end

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apartments. These are luxury apartments. These are really nice places.

Matt: So the long-term rent would be how much per month?

David: Between \$2,000.00 to \$3,000.00.

Matt: So \$2,000.00 to \$3,000.00 a month in rent, which gets you a luxury apartment in Southern California, plus the deposit, plus then you're going to furnish it with reasonably nice furniture.

David: Yes.

Matt: So that you have that and then you're going to go in and do high quality photography.

David: Yes. That is so important, Matt. I can't stress that enough. The No. 1 secret success on Airbnb is photography because you've got to understand your audience. When you're on the platform, for anyone that's ever used Airbnb, you have to understand you have point three seconds to capture someone's attention because there're 100 different listings that they're looking in any given area. As they're scrolling, you literally just have point three seconds and you capture their attention with the photo. They click on your photo. They look at the rest of the photos. Usually they look at photos first even before the price.

Matt: I stay at Airbnbs all the time. Of course that's true.

David: So photos first, right?

Matt: Yeah.

David: You always want to lead with your best photo first and then the second, third, fourth, and so on. If you're not a photographer don't grab your iPhone or your android and take photos. That's what most people do on Airbnb. They're just homeowners that don't know how to operate a business. They're just taking photos on their phone. Coming in there with the right light, the right contrast, the right editing, you can just kill it on the platform just by having a professional photographer.

Matt: Okay so in a market like Southern California, going for those

luxury rentals, \$6,000.00 to \$8,000.00 gets you completely into the game.

David: Yep and I want to mention something about the luxury apartments. Why do we go after those ones and why not the cheaper ones? I like running businesses for people that have the most money because it's the same amount of work. You can get a lower end, not so luxurious apartment, but the amount of money you're going to make is less and it's the same amount of work. Also the customers you attract, you're nodding your head, are so different. The people that can actually afford the premium apartments are typically the customers you want to attract anyway.

Matt: One-hundred percent and the same principal is with longer-term rentals in terms of what type of property are you buying. What type of tenant are you looking for and all this kind of stuff, and how are they are going to treat the property when they're there, as you just said, the caliber of people that you're bringing in and all that kind of stuff.

David: Right.

Matt: So yeah, 100 percent.

David: That's the model we run, the premium apartment.

Matt: Then let's say you do that. Somebody goes into their first one, and they rent the apartment. They furnish the apartment. They do the security deposit. They've got the \$7,500.00, or so, to get in the game there. What types of cash flow and return can they potentially expect?

David: Usually, double the rent.

Matt: So double the rent and then Airbnb is taking their fee out of it, but are you netting twice what you're paying after the Airbnb fee?

David: Yep.

Matt: So if you're paying \$2,000.00 a month for the apartment after the Airbnb fee, you're taking in \$4,000.00 a month, so \$2,000.00 a month net profit per month on one Airbnb. You're netting that and is that consistent? Is that an average across all of the seasons?

David: Good question. That is an average across all the seasons. Depending on what area you're in or what city you're in, you've got to look at seasonality. In Huntington Beach, summertime, we were charging so much. Winter time it's not so desirable, we charge a little bit less. We still make a little bit of money but we're making maybe \$800.00 profit that month but we make up for it in the summer. So average all year round.

Matt: What I love about what you do is that you don't live near your rental property. A lot of people have the perception that, especially with Airbnb, because like a lot of our clients are buying long-term rentals. We provide a turnkey solution where they're buying an out of state rental property and it's already furnished, has a tenant in place, has a local property manager collecting the rent. So they can live in Anaheim or Southern California if they want but own a property on the other side of the country. They don't have to be there, but I think there's a perception about short-term rentals, Airbnb, because a lot of times you go stay at an Airbnb and the host meets you there and says, hello, welcome to the Airbnb and they sit down with you. That's a lot of the experience but you've created a system where you do not have to live anywhere near your short-term rentals.

David: In the last three years of doing this with well over 5,000 reservations now, like we've got some checking in now, I personally only met two families and that's only because at the Huntington Beach property I was telling you about, I had all my fishing gear in the garage. I would literally just go to the apartment, open the garage, grab my fishing gear and the guests just happened to check in at that time. I try to avoid them. I literally have not met any of our guests or seen their face or anything. Building a system is really important. Having a great team is really important, and we can talk a lot about that too as well.

Matt: When you were getting into this, anytime you're learning a new business and you're refining your processes and stuff, did you make some mistakes at the beginning –

David: Of course.

Matt: When you were starting your first company?

David: One hundred percent.

Matt: How was that? What happened? Get me into the game.

David: I've got a great story for you. When you first start any business, and I tell everyone this, don't outsource. Don't hire people. Do everything yourself. You have to. It's so important. I was the guy that was going and getting the apartment. I was the guy going and buying the furniture, renting the U-Haul, driving around to different furniture stores, trying to get a deal, buying some used furniture, finding some new ones, going to TJ Max, you've got TJ Max, yeah, you know TJ Max, TJ Max and Marshalls and shopping. As a dude, this totally sucked. I hate doing this. I literally would get the keys from the landlord and wouldn't have the apartment turnkey ready to rent until two weeks, even three weeks later. That was my first apartment. So even making two months on ROA is really good, but you have to do that because you'll start learning what you can do that's more efficient, or what's faster, or what's more optimized. Then I have it to now today where literally if we get the kids on the 15th, we will already have the apartment rented on Airbnb by the 16th.

We make money on day one. That's how efficient we are now. I can tell you the difference with that. Real quickly, we have a furniture broker. We call him up and tell him exactly we want four queen size beds with nightstands and a dining table. We already know what we want. We call our furniture broker. We get it from them. They do a free delivery and installation. We tell them the day that we're moving in is the 15th. So we have everything already ordered. They come and they deliver everything that morning. We get the keys. They're in there that same hour.

We also have an interior decorator that we pay so we outsource all that task to her, and this is someone that went to school for this. When she does her job, oh my god, the place looks freaking amazing. A week prior to getting the keys from the landlord, let's say on the 15th, by the 7th or 8th, we're handing over to her some cash. Obviously, we have this trust and relationship with her and she's already going and buying everything for the kitchen, for the bathroom, for the beds, for the pillows. She's already shopping that whole entire week and actually for her it only takes two or three days. So she's driving around to the TJ Max, the Marshalls, and the Home Goods and all

these places and buying all this stuff. The day of the move in, the furniture people come and install the furniture. She comes in and unloads, and unpacks, and does everything. By 5:00 p.m., everything is done. The photographer is there by 6:00 p.m. taking photos.

That's how efficient we are and actually bonus type for your listeners, we actually do something that's really cool I think is we actually advertise the listing on the first. So two weeks prior to us even getting the keys, we're already advertising the apartment for rent. Of course we don't have all the photos but we just put like one or two generic photos. That's it and believe it or not, you'll actually still get reservations with one or two generic photos. People will ask, what about the kitchen. What about the bathroom? I don't see any photos for that. We tell this is a work in progress. The place is going to look very nice. Here are some of our other apartments that you can check out that it will look similar.

We're also renting it out for very cheap on the first two weeks. We put the price very low because when you first list a listing, you don't have any reviews. So we put the place that we normally rent for \$200.00 a night, we put it for \$99.00 a night just for the first two weeks. So we can get away with putting only one or two photos. Literally by the 16th, we already have a family checking in. We do that. That's a bonus one. So, we make money on day one. We don't skip a beat.

Matt: In terms of operating expenses and you quoted some of these numbers to get in, about first month's rent, deposit, and that kind of stuff to get into the game, but then you've got your furniture broker that you're paying, your interior designer that you're paying, the professional photographer you're paying. Is all of that included?

David: Yeah. When I was doing this, my first one, I went around doing everything myself thinking I was going to save money, but you already know time is more valuable than money. My time is worth way more. I can hire these people and pay them X amount of dollars, and it saves me a ton of time but also saves me a ton of money. I didn't have to rent the U-Haul. I didn't have to go shop around. The furniture broker that I'm using, I'm getting everything about 10 to 20 percent higher than wholesale price. The broker is the one that normally sells to the furniture retailers, but since I'm buying direct from him, he's charging me a 10 to 20 percent

markup.

I'm getting pretty good prices. I'm not paying retail prices. I'm not paying wholesale prices. I'm paying somewhere in between. I'm getting a good deal there. He does a free installation and delivery. I don't have to worry about picking the stuff up and installing it. I remember, I spent three days buying stuff from Ikea and putting it all together like how professionals do it. Same with the interior decorator, she spends like three or four days to do it. We pay her between \$500.00 to \$800.00 per apartment depending if it's a one bedroom or two bedrooms.

Matt: Right and all that's included in that upfront cost to get in?

David: All that's including in the cost, yeah, and the photographers we usually pay about \$100.00 to \$200.00.

Matt: In terms of operating expenses, you're leasing it for \$2,000.00. You're bringing in \$4,000.00 after Airbnb fees, but then what about operating expenses in terms of as you said having it professionally cleaned after every tenant and those types of things. How does that factor into your net cash flow?

David: Utilities average about \$150.00 to \$200.00 and we live in California. We blast our AC during the summer and run \$150.00 to \$200.00 for electricity, gas, and water. On cleaning fees, we charge between \$50.00 to \$75.00 depending if it's a one bedroom or two bedrooms, and that passes over to our guests. The guest pays for the cleaning fee. We actually don't pay for the cleaning and we always cushion \$5.00 to \$10.00 on top of the actual cleaning fee we pay our cleaning staff. If the staff wants \$50.00, we'll charge the guest \$60.00. So we have an extra \$10.00 cushion for replenishables like toilet paper, paper towels and things like that.

Matt: What are your occupancy expectations and then what are your occupancy realities as you assess that? Do you estimate conservative occupancies when you're doing your projections and what do you find over the years has been your actual occupancy rate?

David: Eighty-three percent.

Matt: Wow.

- David: Yeah, I already have the number for you, eighty-three percent, 25 out of 30 days on average. That's what we shoot for every single month and we are hitting that or even 90 percent, sometimes even 97 percent. We'll literally just have a one or two day miss in the month because it's really difficult to book out every single day in your calendar because you'll get someone who books from Monday to Wednesday and then someone else that books from Friday. You get this one or two day gap. So that's what we do. We also have some pricing software that takes care of some cool stuff for us there.
- Matt: Awesome. So, tell me a little bit about the course that you created for this. When you're explaining your model, what are people going to learn in the Airbnb arbitrage course that you created?
- David: I like to really spend extra time, energy, and effort to stand out from anyone else taking something similar. What I found was a lot of other Airbnb course would just again talk about the theory, talk about tips and tricks, but they never really show you their actual property. We actually go out of way and show you six of properties. We walk you through. This is our apartment. This is our one bedroom that we have here in Anaheim. Let me show you and pick apart exactly the bed that we bought, the coffee maker that we bought, how much we paid. We literally walk you through bedroom, by bedroom, by bedroom so people can really get a visual. Matt, I gave you almost, I would say, 60 percent of the course on this podcast. So everything that we've been talking about is exactly what's on the course.
- Matt: But if I'm intrigued by this, let's say, I still want to know exactly how do I hire this furniture broker, and how do I create the system and process, what kind of copy do I write on my Airbnb listing, and how do I get the lockbox entry thing, and the instructions and how do I do it so I that I don't have to live near the property and can operate it remotely? You break down all of your systems and processes that you've built.
- David: One hundred percent. We break down exactly how you can do this remote.
- Matt: So everybody else can replicate it in whatever city they want.
- David: Yep, exactly.
-

Matt: And just deploy your systems and processes.

David: Yeah, we break that down. It's very simple. You need a checking in and checking out system and you need boots on the ground. You need local help. The MVP of this whole entire operation is the cleaning team. You need a reliable, not one person, two person, but you need a reliable two to three person team because if one person gets sick. Two is one and one is none. You need to have a backup and I can't stress this enough. The cleaning person is the MVP. They are literally the ears and eyes of your whole entire operation and it comes down to training.

So after everyone checks out and checks in, they see the property. They see if there's anything missing or anything wrong and they're the ones that report to you. So making sure you pay them not just a normal salary. I go out of my way, and I pay extra, and I pay bonuses on top of everything to make sure that we compensate her. Also make sure that you have a maintenance person in case of the event the toilet breaks at 10:00 p.m. An emergency happens, you have someone, boots on the ground that will come there and help you. That's really, really critical and important as well. Just having a team right from the get go but most people when they start, they're usually there as the boots on the ground. But as they want to travel or do something else just make sure they have a team of help.

Matt: And you go through that in your course and tell them how to build a team and each member that they need and how to find and hire them and how to basically create a whole system to replicate what you do.

David: Yep.

Matt: And people on this very cruise that we're on have actually taken your course, bought your course, replicated the model, and they're literally doing it in other countries.

David: Yeah, Bastian the guy that was on this cruise gave a 45 minute talk and he is one of my students. He signed up for the course last year. It's so cool to hear about his story. He now has a handful of properties as well, kicking ass, and he's from Germany. Now, he's like the Dave Vu in Germany. He's the one on the podcast and on the blogs. He's just tearing it up over there, and it makes me so

happy to see that but the model absolutely works, of course, yeah. I have students all over the place in Chiang Mai and Bali and stuff.

Matt: That's awesome. We're going to link up to your courses, both your drop shipping on eBay course as well as your Airbnb course in the show notes of this show. So you can go just to that one place at the TheMaverickShow.com show notes and find the direct links to those.

Let me ask you this now because you're such a successful course creator. You literally have the No. 1 business course on Udemy for 2016 and 2017. Obviously, there're a lot of people that are competing in that course creation educational space and you found a way really to stand out as an educator. You have students writing you letters from all over the world and all that stuff but you've also sold 45,000 plus course, 45,000 students that you have that have been paying customers for your courses.

I feel like there are people who probably have value to share. They've passed the first test that you just said, which is do something, like actually do it and succeed in it, and have value to share, and let's just say we're dealing with that kind of a person. They've done something successfully. They want to share that value and turn it into a course so they can help other people, exactly what you're doing. What would you say are the top most important components to creating a great course that's going to be successful?

David: I'll give you two and this comes from personal experience. The first one is create a compelling story for yourself. Lead by example. Don't go and create a course just because you've got one Airbnb listing. I didn't create the course until our 16th or 18th Airbnb. I'd already made a couple hundred grand revenue on Airbnb. So I created this unique story on Airbnb and the title of that course is How to Create an Empire at an Airbnb. Notice what the title says, How to Create an Empire because I've done it. So make sure you create that compelling story for yourself so that way when you share that story it's captivating.

With my eBay course, I didn't launch the course until one year later. I learned you can make \$5.00, \$10.00, \$50.00, \$100.00, \$200.00, \$500.00 a month. But I didn't launch my course until after an entire year. So I was patient. I did my math. I did the taxes and I said, holy cow. I make \$106,000.00 profit. Then I launched a course saying how I made

\$100,000.00 profit on eBay without inventory. I created that unique compelling story for myself. Being patient, creating that story for yourself is very important.

The second tip, I've always got to say it, delivery. Delivery is so important. As educators, I think it's so important to make sure that your delivery style is captivating as well. I think about my English teacher in high school. That was my favorite fucking teacher bro. Why? Because he was so weird and he was so loud, and so passionate about literature, and spelling, and all these weird things that I remembered him. Every other teacher was so dry and so boring. If you talk to all the students that graduated the same year as me, everyone loved Mr. Ingle. That dude was cool man. So taking that extra time and effort to be different, like be exciting. If you're going to teach something, make sure you're excited because most people don't like to hear from people that are just dry and boring. When I launched my eBay course, that's what I did. I actually went and looked. There were 40 other eBay courses at that time when I launched. I literally watched every single eBay course and saw the instructor delivery styles and they were just so boring man. So that's the tip I can give is create a compelling story and have a great delivery when you're teaching.

Matt: Awesome. That's really good advice. Let me ask you now. I want to just move a little bit to the personal realm. You obviously are location independent and we're on the nomad cruise at the moment.

David: Yeah, man. I love this cruise.

Matt: You travel around a good bit.

David: And I've had like three glasses of wine now. So I'm very loosened up at this point.

Matt: That's why I saved all the personal stuff until the end. This is a really amazing story because I think there are a lot of people that have an impression of the digital nomad lifestyle, location independent world traveling people. That it's not a very conducive environment, I think is the stereotype, to meeting long-term relationship partners, to finding a spouse because there's this alternative kind of perception. You need to settle down. You're going to be displaced if you're doing this travel location

independent lifestyle. How are you going to meet a spouse and all this kind of stuff? You literally met your spouse on the nomad cruise, and you guys just got married recently. So, first of all congratulations.

David: Thank you.

Matt: It's amazing to see the two of you together because you're so much in love.

David: We're in the honeymoon phase.

Matt: It just shines man and it's firing to see. I'd love for you to just tell the story of how you met and all that kind of stuff. It's amazing.

David: I'm blushing right now. Yeah, we met on a prior cruise. This is the seventh edition of nomad cruise. We met on nomad cruise No. 5, which is about a year ago actually so September last year. We're now in November, going on December. I was invited to be a speaker on that cruise to give a talk. She was the photographer and throughout the whole two week cruise, we rarely talked to each other. Yeah, we didn't even have eyes for each other.

The magic really happened after the cruise. We somehow got connected and we ended up going to San Blas, Panama, which is this chain of islands. There are 300 islands that go from Panama to Columbia, beautiful. This is one of the best places I've been in my entire life. We went there for a couple nights, and then we became from friends, and then one thing led to another. We ended up traveling together and being friends for an entire month in Costa Rica and in Panama. Then we left each other. This is when I really first felt like I really like this girl was when I left her and went back to California, and she went back to Romania. I missed her immediately. We stayed in contact through WhatsApp for two and a half months.

Long story short, I flew to Romania to surprise her for her birthday and did this crazy surprise with flowers and had an accomplice, one of her friends, tell her to meet her at a bus station, not knowing I was going to be there. I bought her 36 flowers. Her friend was standing next to her at the bus station, and I was running around like a chicken with his head cut off asking random strangers to go downstairs and hand her a flower and sing happy birth Denisa. I did that 35 times, and I was the last one with the last flower, and I came up and gave her

the last flower. So that had a huge spark and us falling in love together and fast forward, we moved in together in March and got married in August. I'm in a place in my life where I could not be happier.

But to answer your question, you can absolutely find love being nomadic. I get it. I have a ton of friends that have a lot of short-term relationships because different countries, different cultures, different travel plans, but I think if you just love yourself first and put yourself out there, and find someone you really like and you want to be with, and just doing a crazy surprise for them, I guess, is the formula. It can absolutely work. You can definitely find love being nomadic and traveling, and that's our short love story in a nutshell.

Matt: That's amazing man. It's so fun to see you guys together. It's such a great story.

David: We're still a work in progress. We're not a perfect couple man.

Matt: I feel like relationships are forever a work in progress, which is how they stay interesting and how both people put in work in the relationship. That's what grows and builds it and everything else but awesome though. I love seeing the two of you together.

David: Thank you man.

Matt: We are getting very close to the end of our bottle of wine here. Are you ready to close this out with a few lightening round questions, David?

David: Oh man. I'm ready bro. Yeah, I'm ready. I'm feeling good.

Matt: This is when the good stuff is going to come out. All right, lightening round, here we go.

David: I just finished my last glass.

Matt: What is one book that has most influenced you?

David: The Happiness Advantage, by Shawn Achor. This book I've read five to seven times and let me finish the whole entire title. It's The Happiness Advantage That Fuels Work and Life Performance, incredible book. It really dives deep into positive psychology and

how it affects everything in your life. I'll just give you a quick synopsis. Everyone thinks, and I thought this for a while and I'm pretty sure you thought too, go to school, get good grades, go out there, get a good job, make a ton of money, be successful, and then I'll be happy. That formula is completely broken my man. Completely broken and this book explains why.

It explains that if you learn and implement certain exercises and skills and learn positive psychology, positive self-talk, gratitude, all these not so macho things. But if you really apply and implement these things, and learn to be happy in the moment, and just learn to be an overall happy person regardless of your circumstances, regardless of what you don't have, regardless if your parents don't like it, it doesn't matter. Just learn to be happy first. Success will come chasing right after. So it's reversed. This book breaks it down. It's such a good book my man.

Matt: Awesome. I have not read that. I'm gonna get on that right away.

David: Yeah, that book is amazing.

Matt: We're going to link it up in the show notes for sure. Everybody else, there will be link at TheMaverickShow.com in the show notes where you can get that book directly. I'm super excited to read it.

David: That's why I'm so happy.

Matt: All right, next question. What is one app, or productivity tool, or gadget that you're currently using that you would highly recommend?

David: One I use on a daily basis is Trello. Do you know Trello?

Matt: Yeah, we use it as well on Maverick.

David: Yeah. It's just a way to organize tasks. My whole entire Airbnb team uses it. My whole entire eBay team uses it. That's how I keep a pulse of my whole entire business is with that app. I literally can more than likely see everything that's going on in the Trello boards on that app. So that's an app I use pretty often.

Matt: Awesome. If you could give one piece of advice to your 18-year-old self, knowing everything you know now, experiencing

everything you've experienced in life up until now, if you could go back, what would you say to 18-year-old David Vu?

David: Man, I'm pausing for a second because I have the answer and I get emotional thinking about it. The answer I would actually give is probably not one that your audience would actually think I would say but it's actually working less, real truth my man. Working less and taking the time to enjoy life more. Taking the time to say yes to my sister and going to her graduation. Taking the time to say yes to go to my best friend's wedding. Taking the time to say yes to – you get where I'm going, right, because I was a fucking workaholic my man.

I said no to family and friends so much that they didn't even count on me anymore. I was that guy. But I've lost a lot of opportunity on what really matters because at the end of the day, you can make all the money in the world. There's that cliché saying, you can make all the money in the world, but you can't take it to your grave. The most important thing is all the memories. Like this man. I share this incredible memory with you sitting in your cabin, drinking wine on this podcast. This is an awesome memory. It's all about building memories because that's what you can take to your grave, memories and experiences. So, yeah, I would have worked less and made less money and spent time with the family and friends that I am making the money for.

Matt: That's amazing. Who is one celebrity, or author, or public figure, somebody that's currently living today that you've never met that you would most love to sit down and have dinner with?

David: Oh good question. There's so many, man, but I have a lot of people that I look up to as far as business and financial success but there're very few that have this overall rounded, well lifestyle with health, spirituality, family. A lot of these entrepreneurs, I don't want to throw names out there, are always missing one or two things. They're incredibly successful. They're incredibly forward thinking, but they're horrible with relationships with the family.

Do you know Paul J. Meyer. He was an oil tycoon. He had a very well-rounded lifestyle. This man has an incredible story. Literally on his deathbed, he was reading a book, till learning, incredible story. A very well-connected, very grounded with his family, with spirituality, with his health and fitness, had time for everything. That's who I

would love to meet and connect with.

Matt: Cool. How do you deal with stress in your life? What are your stress mitigation tactics or techniques that you use?

David: Scuba diving is my meditation. I do meditation as well, but I love getting outdoors, going for a walk on the beach, going scuba diving, kite surfing because my brain is constantly firing and moving really fast. So I need to focus on an activity like yoga, scuba diving, kite surfing to really slow me down and help me be in the moment and relieve my stress. So those are the things that work for me.

Matt: What is one productivity hack or technique that you use to really optimize your output?

David: If I have a big task I need to do, putting it into micro sized tasks, so giving myself 15 to 30 minute increments to finish that task. If I say I need to do X and that's a task that's going to take this much time, saying that this is going to take 30 minute chunks to do, that's what I normally do and always taking a quick 2 minute break in between 30 minute chunks.

Matt: Awesome. Okay last two questions. The first question is what are your top three travel destinations of all time that you've ever been to that you would most recommend people visit?

David: Oh my god, so many my man. I don't want to give a specific city. I'll just say the country, Thailand, No. 1, for value, for people, for nature, for food. It checkmarks every single box, and there're so many incredible cities in Thailand. I literally have been around every corner of Thailand. I love Thailand so much. It has a special place in my heart. It's where I actually spend most of my time outside of the US.

Second, I would say Romania. That's where my wife is from. So, it has a special place in my heart and same thing, food, culture, value, nature incredible. It has some of the most scenic epic drives like Transfagarasan and the Transalpina, amazing, breathtaking. Romania is an absolutely beautiful, beautiful country. I think it's completely underrated. Third, I would have to say Fiji. Fiji is just that place you see in the magazines, the National Geographic, that picturesque place, not Nadi because that's where everyone lands but the outside smaller islands of Fiji, absolutely incredible.

Matt: I have not yet been to Fiji. It's very high on my list so I'm super excited about that. All right, what are your top three bucket list destinations that you've never been that you most want to go?

David: Oh for sure. So many, I don't have three. Oh god, this is tough. Bolivia and we talked about Bolivia before the show a little bit.

Matt: Awesome choice man. I would recommend that highly. It's a good choice.

David: Yeah, Bolivia for sure because of all these different places that look like you're in different planets. Second, I would have to go with Australia and third probably the Maldives.

Matt: Awesome. I have not been to the Maldives either. That's super high on my list. All right, let's close this out with a final piece of advice that you might give to someone who is maybe working a regular job, has these aspirations that there's more in life that they could potentially travel, they could potentially go their own route, they could potentially do this entrepreneurial thing and they want more in life and they're just a little bit hesitant to figure out how to take that leap. What is the move that that person should make? How should they be thinking? What should their next step be to try to get more out of their life if they're not currently satisfied with where they are?

David: Two things. First I would say is audit your time. This is really important. I have way too many personal friends of mine that are complaining about life, complaining about not having enough, complaining about how much they make, but at the same time they're spending way too much money playing video games and watching TV so, really auditing your time. I haven't watched TV except for Shark Tank in the last seven years. So really auditing your time because a lot of people make that excuse as man, I work a nine to five and I just don't have time to create a business. Dude, bull shit you're spending 20 to 30 hours a week watching freaking Game of Thrones. That 20 to 30 hours week you could build a side hustle on eBay, or Airbnb, or drive for freaking Uber and make a couple grand a month. That's the truth. I'm being honest, right, so auditing your time.

No. 2 I would say is don't quit your daytime job too early. I see so many people make

the mistake. I want to be an entrepreneur. This is the year. I'm going to quit my full time, \$60,000.00, \$70,000.00, \$30,000.00, or \$40,000.00 whatever it is a year and go full time entrepreneur not even having a vehicle to be an entrepreneur. I'm going to figure it out. I'm going to burn all my bridges, and put pressure on myself and be desperate, and be successful. Personally, I think that's worst formula.

I can only think logically and the logic says to me work your full time job, audit your time, find a little hustle on the side that you can make a few hundred dollars or a few grand a month, and be patient. Build up that part time business or that part time hustle on the side, whether it's offline or online. Build it up until you're making the same amount of money as your full time job, and then you can quit your job and scale it. That's it. It's pretty cut and dry and simple.

Matt: That's awesome advice man. I love it. All right, David, I want to let people know where they can find you, how they can follow you, how they can connect with you. First of all we're going to link up both of those Udemy courses that we talked about in the show notes. So you just go to TheMaverickShow.com and go to the show notes for this episode and you'll be able to get direct links to David's Airbnb arbitrage course and his drop shipping on eBay course so you can learn his exact tactics and methods for those. But then beyond that how can people either follow you on social media or connect with you otherwise.

David: Very easy to find me. All my handles are the same so YouTube, Facebook, Instagram, Twitter, Udemy, just pick your poison, David Dang Vu so David D-A-N-G V-U.

Matt: Awesome. David, thank you so much for being here man. This was a blast brother.

David: So much fun bro. I finished the wine. I'm feeling good. I'm ready to go party my man.

Matt: I love it brother. Let's go get some dinner my man. We'll talk to you later. Bye guys.

David: Thank you.

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direct links to all the books, people and resources mentioned in this episode. You'll find all that and much more at TheMaverickShow.com.

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