

EPISODE 422

[INTRODUCTION]

[00:00:00] ANNOUNCER: Welcome to The Real Estate Syndication Show. Whether you are a seasoned investor or building a new real estate business, this is the show for you. Whitney Sewell talks to top experts in the business. Our goal is to help you master real estate syndication.

And now your host, Whitney Sewell.

[INTERVIEW]

[00:00:25] WS: This is your daily Real Estate Syndication Show. I'm your host, Whitney Sewell. Today our guest is Nick Raithel. Thanks for being on the show, Nick.

[00:00:33] NR: Thank you very much for having me, Whitney. It's a pleasure to be here.

[00:00:35] WS: Yeah, I'm looking forward to this conversation. I don't think I've had anyone on the show that's talked about this topic before and that can help us as syndicators the way that Nick can. He is the creator of the 7-Hour Book, a proven system allowing any real estate investor to get their own professionally published book while spending only seven hours of their time on it. He is on a mission to help investors and others in real estate finally get the recognition they deserve and gain the credibility to do bigger real estate investment deals.

I know any time I have thought about like people have said, "Are you going to write a book?" I'm like, "What? I don't know when I'm going to have time to do that." So, this is going to be a great show and Nick is going to help us to think through that. A lot of the listeners who are working on branding and building their brand, their business, they would all like to have a book. But it's always that thing of you know, "Maybe next year or two years from now, because I know it's going to consume so much time."

So, Nick, I'm looking forward to this conversation. Thanks for your time and being on the show. Give the listeners a little more about who you are and let's jump in.

[00:01:38] NR: Sure. So, as you mentioned, I am the creator of the 7-Hour Book and the 7-Hour Book really is a system that allows any syndicator or other person involved in real estate investing to get their own professionally-published book in the span of just seven hours of their time. Seven one-hour sessions over Zoom, where they're talking to my team and I, and helping to really get the book out of their head, eliminating as well the issue of time being a factor that prevents people, as you were saying Whitney, from doing the book in getting themselves out there and establishing their footprint in the market as syndicators.

[00:02:16] WS: So, I guess maybe you and I could talk about, you know, why having a book could be important or, you know, is helpful. And then I'd love for us to go into why this system makes this time component, not an issue anymore and how we can go through this process. So, could you elaborate a little bit on how does a book help us as a syndicator or operator?

[00:02:36] NR: Sure. So, a book helps people as syndicators and as operators by on one level immediately, allowing them to stand out in a field that, as you probably know Whitney and your audience too, is becoming increasingly crowded. I mean, it's no secret today if even if you just look on iTunes that there are countless people coming out, there's probably more actually launching as we're recording this, with podcasts. In many cases, specifically multifamily focused podcasts, multifamily, becoming kind of the hot topic within real estate investing.

So, in an increasingly crowded field like that, where everyone's focused on multifamily or even fix 'n flips, and how do you fund those? Ah, a book comes in as a way to profoundly position yourself and just stand out and show that you know what? I'm not just someone who woke up yesterday, or even this morning, and decided that I want to start doing multifamily syndications. I've actually been in the game. Or if you are just starting off, I have the team behind me and the credibility behind me to successfully raise capital. And to when you're talking to investors, show them that you are the steady hands, if you will, figuratively speaking the steady hands to take their capital and to truly put it to the highest and best possible use delivering quality returns to them.

[00:04:02] WS: Yes, so where have you seen, like in our industry, I know you're working with other operators and other real estate investors and helping them create, you know, books for them. Where have you seen it be most beneficial to them, or in what instances?

[00:04:14] NR: Sure. I think that one of the primary ones is, of course, multifamily syndication primarily on that, because the deals are so complex and any amount of capital that's needed is so great that people really, you know, you and your audience again probably know this. But people really want to get to know you in most cases before they're going to hand over 50,000, 100,000, or more, to put into your investor pool when you are raising capital like that. We're finding that a lot of multifamily syndicators really understand the need for this and end up benefiting from it. I think beyond that, fix 'n flippers too can also benefit from this. We worked with a number of them just because they're doing such a high volume of transactions that they need to keep funding it and they need to draw on capital sources and a book helps them in those cases too.

[00:05:04] WS: So what about like the length of the book? If we're thinking about, okay, you know, I'm going to contact Nick. I would love to write a book. How much thought and time needs to go into it, say, let's say before even that first session? Thinking about, you know, how long this book's going to be and things like that. But what needs to happen even say, before our first session together?

[00:05:23] NR: Well, the main thing that needs to happen before any of this is to take a moment to stop and reflect on whether a book really is the best thing for you. And that may sound like blasphemy, considering all we're saying about the importance to having a book. But really, in some cases, you may take a step back and realize that of all the possible channels out there and all the possible marketing vehicles, a book is not actually the best one for you. Maybe what you need to do, and again, it's going to sound blasphemous with the discussion we've been having about all the podcasts that are launching specifically focused on RAI.

But maybe you've got the right angle and you're targeting the right segment within everyone interested in multifamily, that you actually should launch a podcast. Or maybe you should just run more Facebook ads. Or maybe you should work the scene at more Rhea meetings, maybe any of those or other channels, are what you should actually do instead of writing a book.

So, I would say that anyone listening to this before they even consider a book, specifically, should look at everything that's available to them and everything that they could be doing and determine what the best one or ones, plural, are. And then from there, if a book rises to the top and truly does emerge as the best thing that they see for establishing that credibility and for getting themselves out there in a better position to raise capital, then begin to walk down that path toward creating a book and potentially working with a group like ours.

[00:06:59] WS: But what about the length of the book? I know a lot of people are thinking, "Well, I don't even know what I'd put in the book." How much do we put in the book? Or I might be afraid that I put too much. How long should the book be? And how do we think about what we want to write?

[00:07:09] NR: Sure. On the length, it needs to be long enough to essentially pass what we might term the laugh test. So the laugh test being that if you look at it, it can't be so small and so flimsy that it makes people almost want to laugh, in a nice way, of course. I think that to give your listeners a little bit more clarity on how long is long enough to pass the laugh test, we're finding that it's usually about 120 minimum, up to about 170, maybe 200 pages. It can't be so long that it just seems like a religious text. You know how long some of those religious books are, or a Harry Potter novel in more contemporary terms. So, it can't be too long that it's overwhelming like that, but at the same time, again, it can't be so short that it just seems like almost an e-book, or a short pamphlet. We do help people with e-books, putting it into Kindle format, but it can't be so short that it seems like something for just download, quickly off a website and not taken seriously.

In terms of the other part of your question there, what to write about and specifically, topics. We typically break ours down into a set of principles, so we're very big on this idea of principles because it makes it easier to structure the book and create a skeleton framework for the book, which then allows not only us to do the seven hour calls very easily, but also for the book to have an order and a structure so the people who are reading it can follow much easier.

So, to give you a quick example of that, the way we met structure it would be a set of five core principles, principles, main ideas, concepts, whatever you want to call them that illustrate to

people reading the book, the author's investing philosophy or how they approach deals. So, you might have one of the principles being what you look for in a good deal, another one being how you run the numbers and the third one being how you structure the fees in the deal, one after that being, for example, how investors are communicated with, and maybe another one after that, talking about how you ultimately dispose of the asset once you've reached that five-year maturity period, or you're ready to kind of cash out.

Then the book-end has each of those five core principles, main ideas for the book, then to book-end on that beginning, you have an intro chapter or section talking about your background, really introducing investors who are reading it, passive investors, to who you are and humanizing yourself in their eyes. And then you close it out at the end after the principles or ideas, with the conclusion section, bringing things to a natural conclusion and then also offering a next step which might be to get in contact with you or join your investor database.

[00:09:58] WS: Nice. So, what are some of the biggest challenges that you see people having even, you know, with trying to write a book through your system, which seems to simplify it greatly. But what are some of some of the biggest challenges that people have?

[00:10:09] NR: I think one of the biggest challenges is self-belief. I know that might sound a little bit unusual, but sometimes people just don't believe that they have a story worth telling. Or they get hung up on the idea. The idea being that they need a groundbreaking, original idea for a book and they need to be writing the next *Rich Dad Poor Dad*, in the sense of how groundbreaking that book was in its ideas. They come away thinking that, you know, "If I'm ever going to write a book, I have to have an idea that original." When the fact of the matter is, you don't.

Whether you're using the idea that we just went over just now with the five principles teaching investors who you are and how you approach deals, something that simple. Or even drawing in, if you're coming from a coaching background, drawing in stories of people you've worked with and helped in coaching and letting that be the material for the book. And there's all kinds of ways you can figuratively skin the cat here without having to come up with a strikingly bold original idea. So, don't get hung-up, if you're going to go the book route, don't get hung up on thinking that you need a ground-breakingly, staggeringly original idea.

[00:11:23] WS: Yeah, I could see, I mean, even just a having a book and build yourself so much credibility. You know, people see you as this altar. They see you as hey, he has written a book. There's this assumed credibility. This assumed, you know, expert, you know, you're an assumed expert by most because you've written a book.

[00:11:39] NR: Well, that's the funny part too. Is that for better or for worse, sometimes people don't even read your book, which is a little bit of a compliment, and also an insult at the same time, because it's like on the one hand, you put all this time and effort and energy into it, and they're not even going to read it. But then, on the other hand, just having this thing is basically a business card. As I'd like to say, it's the business card people don't throw away immediately. Like you're saying, Whitney gives you that aura of credibility, and everyone else is at the Rhea meeting and they're handing out business cards to everyone who's at the Rhea, but you come in there, not only with your business cards, but also with a book or copies of your book you could hand to people, and that just instantly sets you apart.

[00:12:22] WS: Love it. No, it's awesome. And so, tell me about the editing process.

[00:02:27] NR: Sure, the editing process, the way that we approach it, is that we're creating the sections of the book as we do the seven calls, and with that we will create a section after one of the calls and then we'll post it into Google Docs and leave it in what we call Open Edits, open that it's being a period of a fixed amount of time where we post it in that Google Docs sheet, and if the person were working with wants to come in there and recommend changes, they can. But we set a specific window, a specific cap on that time.

So, they have, let's say, a week or two weeks to go in there. If they want to recommend any changes they can, but they don't have to. And what that does is that prevents people from becoming perfectionists over every single line. Every single passage in a particular chapter. It's like okay, you have a set amount of time. You have a deadline for that section. And once that deadline has passed, we're moving on. We're not letting the book get caught up in long delays and nit-picking everything.

That being said, we do have a final review at the end once everything is completely done, where people can go back and if they've had what I call, "shower moments," where you're taking a shower or you're washing the dishes and you realize, "You know what? Eureka! This should go in the book!" That's where that comes in in the final review. They can come back and put those ideas in that they thought of after the fact into the book to ensure it really is up to their standards and what they wanted it to be.

[00:14:03] WS: I like that and I would need that deadline. Personally, I would tend to be the perfectionist, or just really just look at every word and think about how it's going to be read and over-analyze and over-analyze and eventually not get it done, probably. So, I can see that deadline being helpful for even someone like myself. Done is better than perfect, right? Or not getting it done.

Tell me about – I know a lot of people are thinking about, "Oh, well, you know, I really want it to be a bestseller." Is that something we should be concerned about?

[00:14:30] NR: In nearly all the cases, no, it really isn't. The reason for that is multi-fold. One part of that being that bestseller itself as a label can be very, very misleading. Part of that is the fact that Amazon, if you really look at it, amazon.com, which is where nearly all books need to be just for digital lead purposes. It's a site with an infinite number of categories, particularly within the book section. New categories are even being created as we're recording this. So if you go very, very deep into a particular category, it could be that your book is the only one in that category, or the only book that's come out in the last year among of, say, three or five others. So, your book, in that case, is the only one that's come out recently, and it sells more than a few copies, it can instantly be a "bestseller" within that category. So that would be one way that you could have the bestseller status.

Another one would be if your book, within let's say, the first 24-hours, or even the first week gets flooded with orders, which you could set up also with making your book free for a limited time, that would also cause your book to rise to the top as a bestseller book when it's by no means, and this was no insult to your book it, but it's by no means one that selling millions upon millions, like the latest John Grisham novel or the latest true *New York Times* bestseller. That

would be one reason why the bestseller label is not necessarily something we should aspire toward.

I think the other reason for that, too, is that if you look at *The New York Times* true bestsellers in that sense, they're marketed toward a very broad audience and for our purposes here, with syndications and for real estate investing, our audience is much more refined and much more niche than those mass market titles. So, if you are going to reach the mass market, you're going to have to dilute and to broaden your message so much so that it's essentially going to nullify the book and really negate your purpose for writing it, and not cause it to have the maximum impact that you're striving for.

[00:16:59] WS: Yes, in our business, or being an operator, I could see that, you know, having a book like that being more of what you said earlier, like that business card. You know, being that my face or my logo or brand, you know, my name on their coffee table for a few weeks, maybe they're reading through it, looking through it. Maybe their friends come into the house and they pick up the book and are like, "What's this?" Then it's a talking point. You know, that type of thing, as opposed to focusing on the bestseller. Is this something we should play into, to sell or to give away? How do we look at that?

[00:17:29] NR: You can really do both. I personally think and we've found in the majority of the cases that it is best just give it away, so as to reach the greatest number of people and to truly build your pool of investors. At the same time, there is ample evidence out there, ample case studies of people who create this book, and then it actually can become interestingly, a mode of true revenue for them. I know that, I forget his name, but the author of *Crushing It*, who wrote a brilliant book on apartments? Uh, I believe Brian is the first name, I can't remember the last name, but it's an excellent book.

I've heard that he is making at least a couple 1000 per month just on that book alone as a very, very plausible revenue stream. We certainly have a number of clients with the 7-Hour Book who are certainly profiting and not necessarily as much as their real estate investments, but the book is still a good stream of income. If nothing else, paying for the dry cleaning. Or restaurant outings each month. It certainly could work if you are selling it.

[00:18:37] WS: Yes and Brian, his last name's left me. I'm in a mastermind with him. Yeah, he's doing great with that book. And I've heard a lot of people talking about that book as well, *Crushing It in Apartments*. I think. The name is *Crushing in Apartments*. It's a black and red label. I can remember. Yeah, I've heard lots of great things about that book. It's neat you bring that up. What about Audible? You know, should we think about, you know, going the Audible route as well?

[00:18:58] NR: I think Audible can certainly be plausible. I've heard it said, I think it was even on the Audible website, "Listening is the new reading." I can see a little bit of a case for that. At the same time though, the thing about Audible is that while Audible is easier to consume, you can't touch it and you can't see it with your eyes. And we still live in a society where people do, for the most part, believe what they can actually see with their eyes and even more than that, touch with their hands. So, if you have a physical book, that's going to leave a much deeper impression on them, than something they're just hearing and that they can't actually see or touch.

So, I think that certainly you can go in the Audible direction and Audible can be a component and expansion of your book. But if you are going to go the book route, start with something physical and tangible that people can touch. And two, as you were saying, Whitney, put on their coffee table even. That's going to be a good platform to start from, then expand in other directions with Audible or even with video content that is exclusively tied to the book. So, you get the book and then you get say, a URL that gives them access to a set of exclusive videos on your website, which, of course, they opt-in for with an email address. You get that email address added to your investor database and it further helps to build and refine the lead.

[00:20:22] WS: Nice. So, what kind of investment should we be thinking about for creating a book like this? Or is there a window of a certain amount of, you know, creating this kind of book to creating a better book or, you know, how does that work?

[00:20:34] NR: It really does depend on the individual investor we're working with and what their goals are for the book. You know, if you're just wanting a basic book, that requires a certain amount of time and commitment. But it really is the kind of thing that we're looking at the most part on a case by case basis.

[00:20:49] WS: And what else about creating this book and your plan with the 7-Hour Book that we need to know that I haven't asked you?

[00:20:54] NR: Well, I think I do want to re-stress, reiterate the notion of thinking really about whether a book is the best thing for you of all the channels because anyone can hear the idea of book on a podcast, worthwhile podcast like this one, and get kind of book mania. Book, book, book. Get fixated on that idea. Really, just the importance of taking a step back, understanding why of all the things out there that you could do, why a book would make the most sense and pursuing that.

Then also just reiterating the idea of trusting yourself, trusting the value of your ideas, and believing that you have what it takes if you want to go in the book direction to create a book that people are going to respect and to read and to take seriously. Then going a step further beyond that, from the standpoint of believing in the value of your ideas, also believing in your own ability if you are able to do this yourself. You know, we have conversations, a considerable amount of time with people where we find that you know, that they actually can do the book themselves,

It's actually a great conversation to have because we realize with them that you know what? They just need to incorporate the philosophies from the one great book, *Time Blocking Mastery* by Jay Papasan, on the philosophies of time blocking, creating their bunker, and carving out the space so that they can take time on their own to write the book, let's say, doing an hour on a Saturday, every single Saturday they lock themselves away, and the book gets written. Or maybe every Sunday the kids and the wife go out to a museum or to some other outing for a few hours, and during that time, they're writing that book. And lo and behold the book is written and often a lot faster than they thought it would. So really, having that faith in your ideas and in your own capability. And if for some reason you find that time, it's still an obstacle, then it might make sense to pursue something like what we're coming from.

[00:22:49] WS: Wow. Nick, what's the one thing that's contributed to your success?

[00:22:53] NR: I would say an ability to think open mindedly and to realize that I certainly do not have all the answers by any means and really being in perpetual learning mode. You know,

listening to podcasts like this one, exposing myself to the ideas of authors in other mediums, other platforms, and to really just be – I forget who it was, might have been Newton or Edison, I think, actually it was, Edison who said, being a sponge in a sense of just sponging up ideas and concepts and a perpetual learner, I think that's really contributed.

[00:23:25] WS: And how do you like to give back?

[00:23:26] NR: Well, I'm very big on Wounded Warrior. I love that charity. I also believe just in the importance of giving back in small ways on a daily basis. And that could be anything from if you go to the grocery store, for example, buying extra cans of tuna, or other valuable packaged foods, and just handing them out casually to people you might see on the street who clearly have not had something to eat, or clearly are down on their luck. I think that of all the things, it certainly is important to give away money to charity but at the same time, I think that giving food is very important just because food is something that you know for a fact that they can't go and spend it on liquor or on other harmful things to the body.

So, I think that food also is important I think to give away, too, with food banks and other things. Because there are a lot of things you can cheat, and you can kind of hack your way through. But hunger is something you really can't hack. The same thing goes with sleep, hunger, sleep, of course, hydration. Those are all vital human needs that you really can't hack. And then once you go without them for a certain amount of time, your judgment and your ability to function as a human being is just profoundly out of whack. And that's going to impact your judgment and your ability to make the kind of decisions that are going to help you get out of a slump. You're going to make that much more difficult. So, I think that attacking hunger, sleep, of course malnutrition goes with hunger. Attacking those kinds of things from a charitable standpoint is very, very important.

[00:24:58] WS: No, I love that. You know, I was in an Uber, I guess it was the last winter and I don't know what city I was in, but as we were driving, it kind of caught me off guard. The Uber driver slowed down and he had, like, a bag of socks in the passenger seat and as he would see somebody that was homeless and that was obviously very cold, like he would throw them a new pair of socks. I said, "Wow, you know, like that didn't take much effort. But that probably blessed

that person that day, you know, that really needed those.” Yeah, you know, putting a can of food in there or something that would be pretty simple for most of us as well.

[00:25:34] NR: So, the thing with that, too, is that the beauty of that of what you're talking about, the socks or tuna or anything like that is that it doesn't cost millions upon millions of dollars to do. I mean so often we make the mistake of equating charity and giving the charity away with, “Oh, I need to give away at least \$1000 or 10,000,” or “I need to contribute \$50,000 to have my name on the wing of this new hospital.”

But it doesn't take that much, particularly when you're just starting off economically or in business, you don't need vast sums of money. You can start small and that builds the habit so that when you do get to that point, you can be contributing those vast sums, you're already primed mentally, you're in the habit of doing it, so it's just natural for you.

[00:26:22] WS: So, Nick, you know, how can the guests get in touch with you and learn more about getting their books started?

[00:26:24] NR: The best place to go would be our website, which is contentcorps.net and you spell that CONTENTCORPS.net. That's NET. Contentcorps.net would be the best place.

[00:26:39] WS: Awesome. Thank you, Nick. That's a wrap.

[END OF INTERVIEW]

[0:26:40.6] WS: Don't go yet! Thank you for listening to today's episode. I would love it if you would go to iTunes right now and leave a rating and written review. I want to hear your feedback. It makes a big difference in getting the podcast out there. You can also go to the Real Estate Syndication Show on Facebook, so you can connect with me and we can also receive feedback and your questions there that you want me to answer on the show.

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[OUTRO]

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