

EPISODE 487

[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]

[0:00:24.1] WS: This is your daily Real Estate Syndication Show. I'm your host Whitney Sewell. Today, our guest is Enrique Jevons. Thanks for being on the show Enrique.

[0:00:32.5] EJ: Yeah, thank you Whitney. I appreciate it.

[0:00:35.0] WS: I'm glad to have you back. He was on the show, WS452. I would encourage you to go back and listen to him there when we talk about him getting into this business and how he got in and starting property management company and numerous things. But he has a skill that's helping him to grow and sustain his business that it's becoming popular. I know it's something we've talked about on the show a few times. But always like hearing how different people have grown and how we can help the listener and myself as well to learn from that.

But a little about him, just in case you didn't hear that show. He's a seasoned investor with more than 20 years of experience with rental properties. Currently owns 73 properties by himself and manages over 1,000 units in Washington state for other investors. Previously, it was a general partner for the Marriott Hotel in San Francisco Bay Area. Enrique, pleasure to have you back, thank you for your time and sharing your expertise with us today. Why don't we just jump right in. Maybe if you need to give us an update on a thing that's happened recently, that would be great but then let's dive in to how you have been successful with virtual assistants?

[0:01:39.0] EJ: Yeah, sure. Thanks Whitney, it's great to let you invite me back on and talk about it, this in-depth more. Virtual assistant and yeah, nothing's changed, still doing property management, currently with Mynd Property Management. That's all still the same.

But virtual assistance. I've been using virtual assistance for years now and I didn't first find out about them through *The 4-Hour Work Week*. I found out about him, just with going online and researching how other investors are going about putting their businesses together and there was somebody mentioned virtual assistants which then prompted me to go read *The 4-Hour Work Week*, so I highly encourage listeners to read that book.

It was certainly very helpful for me, kind of just reinforced a lot of the ideas that I had. With virtual assistance. The company I'm using is – I researched that a bit, I landed upon Upwork, actually they were Odesk at the time and sorry, started with them as Odesk and then they were bought out to whatever by Upwork and so my accounts with Upwork now.

What I found is it's a lot easier than people think. The reason I say that is because when you need to hire somebody, what do you typically do, right? You go maybe they're on Craigslist or nowadays you can post jobs on Facebook. Or if you want to pay money, you can use various sites. Monster, Indeed, all sorts of paid sites, right? To post your jobs.

Well, the nice thing with Upwork is it didn't cost anything to get the accounts started and to just go ahead and post a job posting on there. The job posting is exactly the same as if I were to post a job on Craigslist. Just putting together as much of a description as possible. Of course, the better description, the more robust description you put on there, the fewer kind of dumb questions you're going to get. So, I really recommend to just put as much as possible in there.

Then, the job can either be part-time, it can be on call, it can be a permanent, full time position, whatever you want to do. The difference really is that all you're doing is opening up the candidate pool to the entire world instead of just restricting your candidate pool to trust your immediate local area, somebody willing to actually drive to your physical location.

And of course, it's also helpful because of the fact that it doesn't – even though I have an office when I started in that space and you know, traditional employees, W2 employees working for

me, the nice benefit of having freelancers, virtual assistants, right? Is that they are of course supplying their own network connection, their own computer, they're working from home so I don't have to buy all these things.

I don't have to purchase a desk for them and a space and you know, be renting out larger and larger office space. I can grow by simply just adding on more staff. But all these staff are working from home. I say that because I only hired individuals. But certainly, another way you can go about it is to hire a company a freelance company. Even through Upwork, there's a lot of companies. These are typically often times it's a freelancer who started, they're doing really well and then they got all their friends and family and everybody else.

Now, pretty soon, they're representing a whole bunch of people and then some have gotten further where they're actually renting out office space and then they're providing the computers and the network connection for additional freelancers to come in and work.

And so, you can choose which directions to go. But I'd like the individual one-on-one connection by myself.

[0:05:15.1] WS: Are there any specific things in the description that you think is a must to have in there, I know I've had some different techniques of things that I put in my description but you talked about the more robust the better and I couldn't agree more. Anything that you know that you have to have in there. No matter what the job is but there's something that you have to have?

[0:05:32.4] EJ: Yeah. Certainly, it's going to be that hours that you need them, when you need them, how often you need them, you got to have that information in there. But that's something that you would have essentially on any job posting, you know, whether this is a Monday through Friday job, it's an on call job.

It's an evening's, weekends only type of a job. The one unique difference I would say is that you need to include in there a specific bandwidth and computer capabilities. What I discovered is that the individual needs to have for sure, at least 10 megabytes' connection. Because, for me, I'm using VOIP phones, I use Vonage, I also use that RingCentral.

So, to be able for them to communicate and not have the phone be choppy or you know, sound digitized where it starts breaking up and everything and so you have a very good connection, they got to have at least a 10-megabyte connection. What's easy is you just ask them to provide you a screenshot.

In the job posting, I always put 10 megabytes minimum. And then both a video camera and microphone. With the video and microphone, what I do is ensure that that again, they have a good connection and fast enough computer, router, everything else is that I have a video conference call, a video chat with them. Upwork has their own internal one but of course, you can also use just as simple Google Hangouts, Zoom, whatever. There's obviously multitude of video conferencing tools you can use.

So, by having that video interview with the individual, not only am I just conducting a regular interview as if the individual is just sitting straight across from me in the room. What I would also, I'm looking at is how good is that connection? Is it choppy, can I see them, if the connection is good enough that it can support video, then you know for sure it's going to be able to support the audio, well. That's super important. That's probably the one distinguishing factor between the freelancer, the virtual assistant and somebody physically walking into your office.

[0:07:47.1] WS: Yeah, that leads right into – I wanted to ask you about your interview process because a lot of people, I've used people all over the world for so many different things. They've been really good, I've had a few that weren't the best but I feel like that's just kind of part of the process. However, a lot of them have been really good. A lot of other investors say all the time, "Whitney, how do you trust that person that's halfway around the world and things like that?" But tell me about your interview process a little bit with this person that's halfway around the world and then we'll get into some other stuff.

[0:08:16.0] EJ: Okay, yeah. I can definitely speak to the trust factor of two. With the interview process, again, you post the job posting, with the job posting, you can put – let me back up a little right? With the job posting, you can also, what's nice about it is putting in a lot of filters that you can't with Craigslist. With Craigslist it's just whoever wants to apply, they can.

But what's nice about for example, I'm going to keep referring back to Upwork just because it's the service I know but there are other companies out there so it's not like I'm trying to push any one particular company.

But they have the ability to create filters. You can specify the languages. You can specify if you only need a particular person, let's say you know, you only want somebody who speaks French because you're going to be dealing with Quebec or you only want somebody who speaks Spanish because we have a tenant base. I have the tenant base that's 20% Spanish only speaking and so for me, that was important that they were bilingual. But it was also important that their English was still native first language for them.

You can put that on. Of course, now, if they lie about it, you're going to discover that in an interview but it does save you self-filter themselves out and so I do get people whenever I put on there that they have to have native command of the English language. I do get those folks.

The other thing you can put on there is have they worked as a freelancer before? How many hours? You can specify the minimums on there. The nice thing about companies like Upwork is that they're like Uber in the way that every employee is rating their employer, every employer rates the employee. You don't have to worry about getting dishonest feedback, you know. Assuming that you actually call which a lot of people don't seem to do. Calling, checking references.

Here, the references, they're already on the individual's history so you can take a look at it and see what their former employers have commented or rated them. The other thing is that Upwork has tests available so they can take a math test, they can take an English proficiency test and Upwork will show the scores so you could see this person, "Oh, this person got 90 plus percent in English proficiency or 90% in math or their typing speed is 70 words per minute," all of that.

[0:10:36.8] WS: It's nice that it's done by Upwork too and not like just something they did online and then you're worried about trusting that information or not.

[0:10:42.6] EJ: That's correct, yeah. The only way they could possibly fake that is have somebody else take the exam for them, I suppose. But the reality is, that wouldn't last very long, you

know? They're going to be found out right away and you'd immediately let them go. The reality is I'm sure that most people are just doing their own exams, certainly it's been the experience.

[0:11:03.5] WS: What about trusting them with sensitive information or do you?

[0:11:08.2] EJ: Yeah, I do. What I found is a couple of things. One is Upwork for example. Upwork takes screenshots of their work, it's approximately about – I want to say about every three minutes or so but every three to five minutes, it's kind of randomized, they know it because they hear the click of a shutter so they know – they hear this shutter, they know that a screenshot was taken. Now, they don't get advance warning as to how and when. It's just going to randomly do a screenshot. It's going to show everything from how many tabs they've got open, what they're open.

So if you see all these Facebook tabs and other things. You would know that, "Well, they've got – they're looking at Facebook on the side." In that way, actually, I feel like I have more visibility into what they're really doing for me than a regular employee if I don't have this software on their computer you know, where I have the ability to go back and look and see exactly what they were doing every three minutes throughout the entire day, so there is that.

The other part is for example, with the phone system because I've got about 15 virtual assistants, okay? Within there's maintenance coordinators, there's leasing agents and such. In order to tell the volume wise are they picking up all the phone calls, just let it go to voice mail. All that data is available on RingCentral, Vonage, so I can see how many calls each person is taking, the duration of the calls which calls for missed, how many went to voice mail.

Then see, do they call back that individual? All that information is available there. So, again, I feel like it's not that you have to fully trust the individual, you can verify so you can trust them but verify everything that they're doing by looking at all the data there.

The other part about sensitive information. Okay, what I found is that – it's not every bank but for example, the majority of – I use several banks but the majority of my operating accounts and such, Pine Trust, 10 trust. Those are all with Banner Bank. I also have with Wells Fargo and they all – Banner's a little more regional for those on the call. Smaller, regional bank. But the

other big banks have this where you can create user ID's for their individuals to access and you can designate with each user ID how much they're able to do.

So, I never give them my password and my user ID number. I never do that. However, one of the jobs that I have and this is an individual who works approximately – she works between two to three hours a night in the Philippines. She's ahead by 15 hours. So, she's doing it during her day time, night time for me and that is she's reconciling my bank accounts on a daily basis. And so, what she does is she has a view only access into my bank accounts and then she can go into, at Folio and take a look at Folio and then reconcile every single –

[0:14:07.5] WS: Transaction, yeah.

[0:14:09.5] EJ: Transaction that's occurred, right? She does not have the ability to – because a lot of the information is masked. So, she can't see my full bank account number. She cannot do any transactions even if she did have the full bank account number, it's like, "You need a deposit slip to saying you know, 'here go, pay your deposit, great, they've got your account number.'" Anybody can give a check to for that.

[0:14:31.5] WS: That's exactly what I was to say. People worried about that account, routing and she handed to somebody over time you hand out a check.

[0:14:37.3] EJ: Yeah, every time you give a check out, there it is. The reality is that just because somebody has that number doesn't mean they're going to be able to do transactions. I don't think she even has that ability. She can only just view only the information so she's just reconciling transactions for me. The other part she's doing is inputting invoices. Takes an invoice, puts it in to the system.

That's one of those mundane, very repetitive, easy to train tasks. That was the first, my first use of a virtual assistant and she is still with me even now that I have merged with a larger management company called Mynd Property Management. She's now working with me through Mynd as well still doing the exact same work.

[0:15:20.6] WS: Or maybe that is a good segue right into that you know I wanted to ask you, how do you – you know having 15 as well that is a lot more than I've had. I've usually had maybe five at the most and so how do you keep them on board? Because that is a big thing too. People say, "You know I've spent all this time training them and then they go and leave." And so, how have you kept on board with you especially that long?

[0:15:40.3] EJ: So I have definitely lost people like that exactly but then I have lost employees like that too and certainly, you know my days as a general manager at Marriott Hotel, you got housekeepers, you got front desk people and the service industry just like the property management industry really is a service industry. It is a very slim margins and so it is not like you can afford to pay extremely high wages.

And so, as a result yeah, often times really good folks you know they get trained up and then they're anxious to move on or if you have a higher position within the company, you're able to give them and of course, that is a way to retain them. But often times you don't and so they end up jumping ship for somebody else that is paying higher.

And that is the case certainly, especially nowadays with job postings being posted online is they can take a look and certainly with Upwork the same thing, that while they're working for you, there's nothing that's going to prevent them from posting saying they're available or trolling the other jobs that are available when they see something that pays a little bit more. So, I mean on average I am paying \$6 an hour, you know if they see something that is \$10 an hour they are going to jump over and say, "You know why not?" So, with me, it's been retention.

What I have been able to do is tell them, "You know what? With me, this is going to be a permanent" and very quickly get them up to full time. So permanent positioning, I started out with me part time. I only need a part-time to start with. But I am going to offer you a permanent fulltime position with set hours and the set hours might be evenings, it might be weekends. But at least they are set. So that they can start accommodating their life around to business hours. And they like that better because even though they might be able to get \$10 an hour from somebody else that that other person often times the position is not necessarily full-time or it is not necessarily permanent position.

And so, for that stability, it is just a lot of people in general. Just think about just people in general everywhere, why do some people work at Starbucks? It is not like they are paying a huge amount but it fits their schedule and that is also the thing with virtual assistants is that a lot of times because they fit their schedule or because they are maybe caring for an elderly person, they're caring for a new born baby, their kids, whatever.

And so, they want to have something where they can work at home. So, by working at home they are willing to forgo a higher paying position and sometimes it is also stress. If you have a really stressful job, then they're not going to stick around. So, you want to try and reduce the stress as much as possible so that they get to enjoy the position. If they enjoy the position, better to work for \$6 and you like it than they work for \$10 and you're just pulling your hair out every day.

[0:18:41.3] WS: What about VA's that work for other clients at the same time? I know you mentioned they go permanent part-time and then they eventually go fulltime but I just wondered if you minded at least initially if they work for other people at the same time.

[0:18:52.4] EJ: Yeah, it is not that I mind anybody ever working in another job and certainly because that's even the case with you get somebody in the office to work for you. There is nothing legally you can do to prevent them from bartending at night. So, I treat it in the same way in that. However, you do run into, okay, can somebody be really sneaky? They set up two computers and they've got different accounts and they're simultaneously trying to work.

Okay, that is not okay with me. So, with that what I do is I do check their Upwork account to see do they have any other jobs that they're doing at the same time? And then I just blatantly ask them about it but also is again by monitoring the screenshots, it is again every three to five minutes, it is going to be hard for somebody to be constantly working on one computer where a random screenshot is being taken of them and the phone calls are coming in.

And if they are not answering them and they're trying to work a second job that I haven't found them ever to be successful at it. So, I haven't write into that so much because the volume level of the work I have is actually fairly high. So, the people I've got working for me for example are leasing agents meaning that they are answering the phone. So that they anytime somebody is

inquiring about a property for rent, they want to ask questions about the advertised property for rent.

They are answering the phone call, answering those questions and then helping them through the application process, getting them all leased up online.

[0:20:27.8] WS: Yeah, I just wanted to ask you mentioned you pay on average \$6 per hour. Do you ever pay per task?

[0:20:33.6] EJ: I have not. I have one person who is on as far as controlling and looking for deals for me but I am still paying him an hourly wage and what he's doing is he does have – this is an evening job. So, he's essentially he goes for about an hour in the evening and then usually a couple of hours more in the weekends where he is trolling deals for me, looking for buys. He then, once he finds something that meets my criteria he is going into my BiggerPockets account and doing the Bigger Pockets rental calculator to see what kind of returns it really produces, if it still meets all of my criteria.

Then he's sending it to me so that I can look at it and then either decide or set something that I personally want to purchase or recommend out to clients of mine so that they would like to purchase? So that's what I've got. I suppose I could pay him the amount per task basis but I don't know, it just worked out.

[0:21:41.6] WS: No, I just wondered if you could monitor it that well through Upwork too it is helpful. I mean you can pay per hour and it is different if you are having like keep them motivated and give them the incentive than maybe per task. It's been difficult for me to figure out okay, what is the best for me and the VA, is it better per task or is it per hour but what about countries? Do you have specific countries that you like to work with?

[0:22:01.4] EJ: Well for it's been because I have the need of this 20% of my tenant base being a Spanish only speaking is I need a preference of people who are bilingual. So, I have been limiting it to just the Americas. So, it hits North-Central-South America. What I found is that I mean of course there is going to be exceptions to every rule and I've got one guy who lives in Italy and it is not because I had it open to Italy. It is because he originally set up his account when he was

living in Central America, he moved to Italy, okay you know that's fine. It's fine with me I mean he speaks English and Spanish, which is what I needed.

I've found interview and see what exactly you needs are or to determine is that they have to speak clearly on the phone? You know then you might want to limit it to just North America perhaps or is it just that you are having them to data entry, which then what do you care what language they speak? So that truly doesn't matter. You can go with anybody in the entire world. They just have to have good data entry, good math skills.

It does depend on your needs that way. I have only once did hire somebody to do a logo for me that was one I'd paid on a treads meet. I went to Fiverr. It wasn't a great logo. I ended up getting rid of it after a year. But fiverr.com is another, fiverr.com. Another website where you can hire people, those are mostly by the task basis.

And of course, it gets its name by \$5, you pay somebody \$5 to do something for you. Of course it goes up from there but you know for five bucks it's just throw away money. So you can test people out that way too.

[0:23:42.9] WS: You know 15 VA's. How do you keep it organized?

[0:23:46.6] EJ: So, then I am having weekly meetings by department with everybody. So, I have a leasing department meeting and a maintenance department meeting and then a supervisors meeting and I am having those meetings I am just using Google Hangouts for them. So clear on the Google Calendar and then we're all just coming together and there will be four, five, six of us on the Google Hangouts conference call and we video chat.

So that way you get to know each other by making sure that everybody's using their webcam and so then it's a little more personalized so that it is that we're getting to know each other. Then we are using Google Hangout, which is the instant messaging program. Now with Mynd, I am using Slack. So, we use Slack for the instant messaging. So that we are able to communicate that way and still I am using Google Hangout Meetings.

[0:24:40.2] WS: Are there ways that you organize tasks or do you use any of those softwares like what is it, Monday.com or Asana or something like that?

[0:24:47.4] EJ: Now with Mynd, they have their own internal software program, which is a task-based software program. So, it does actually where the computer is spitting out task. So, when a resident gives notice to vacate for example, the software creates a whole lot of tasks for everybody to do whether it is communicating with the owner and then do a pre-move out inspection and send the resident the information about what they need to do to move out.

Okay, so that's task based. I have prior to the merger, we're using AppFolio, which does not have that test based software. I was starting to experiment a little bit with Podio and Podio has some templates. It was just a lot of work to get the templates up and going with Podio. But I could see that that would be a good solution as well.

[0:25:40.9] WS: Any other tips that you want to provide to the listeners as far as using VA's at how you have been successful with them and before we were about out of time.

[0:25:48.0] EJ: Yeah to me it is such a low risk thing. It is like why not try one out? Try one out and what is going to be the most successful are those repetitive tasks. So, try and just as you go through your day just figure out, "Okay, what is it that you are doing every day and what is repetitive?" What is something you're doing so that if every day, let's say for example you are going and you're looking on the MLS every day.

Or every day you're going and looking on Craigslist for owners that are trying to solve their for sale by owner listings. If you are doing that every day then that is so easy to teach somebody else on how to do that and so you can just hire. There are plenty of people who just want one hour's worth of work a day because maybe they've got several jobs. It's just like Uber and the gig economy, right? You are not hiring a driver for 40 hours a week, you are just occasionally hiring somebody.

You can do the same with the virtual assistants. You can just hire them for the occasional need. You just say, "Just every day I want you to go into Craigslist and the MLS and you're just going to troll, looking for deals for me and I just want to pay you one hour's worth of work a day." And

so, then what's your fear? You are worried about paying \$6 a day to somebody? I mean that is such little risk that it's worth taking. And then I think you will find that it just gets easier and easier as you go along.

[0:27:10.9] WS: All right Enrique, well thank you so much for your time. Tell us how you like to give back though.

[0:27:15.0] EJ: Sure, so giving back to the community, well my wife having to have breast cancer we definitely donate a lot to the American Cancer Society there. And then personally as far as giving time back, I enjoy just speaking at different real estate events meeting people for coffee just giving advice and even going on podcast just to share things that I have done to hopefully help others become successful.

[0:27:40.3] WS: Thank you again Enrique. I appreciate you coming back on the show and elaborating on your process on how you have hired and been successful and growing or using virtual assistants and the listener thinking about it. I am right there with you. I mean it's been great for our business, I couldn't make it without them I mean at the moment. It's been so good for our business and they're very skilled in so many ways and can do so many things that I can't do. But I can hire them but Enrique, tell the listeners how they can get in touch with you and learn more about you?

[0:28:07.3] EJ: Sure, you can look me up either at BiggerPockets Indeed, Facebook and then just do a general search. So, Enrique Jevons and I am happy to answer any questions. I talk to folks all the time.

[0:28:25.0] WS: Awesome Enrique, thank you again very much. I appreciate your time.

[0:28:27.5] EJ: Yeah, thank you Whitney.

[END OF INTERVIEW]

[0:28:28.8] 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 feed-

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[OUTRO]

[0:29:09.2] ANNOUNCER: Thank you for listening to The Real Estate Syndication Show, brought to you by Life Bridge Capital. Life Bridge Capital works with investors nationwide to invest in real estate while also donating 50% of its profits to assist parents who are committing to adoption. Life Bridge Capital, making a difference one investor and one child at a time. Connect online at www.LifeBridgeCapital.com for free material and videos to further your success.

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