

EPISODE 504

[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 Steve Merritt. Thanks for being on the show, Steve.

[0:00:32.7] SM: Thanks a million for having me Whitney, I appreciate it.

[0:00:35.6] WS: No, I'm happy to have you on the show and a little about Steve in case you haven't heard of him. He's a former college and European League professional basketball player. I don't know too many professional basketball players by the way, Steve. Grateful to have you on the show. He worked on the Chicago Mercantile Exchange trading floor before real estate, has been a licensed real estate broker since 2004 and began investing in smaller multi-units in 2009.

Presently, the owner and partner of 250-plus units consisting of commercial, smaller and large multi-family. Steve, thank you again for your time today. Give us a little more about who you are and what your focus is right now and let's jump in.

[0:01:16.8] SM: Yeah, I appreciate it Whitney. You know, right now, recently over the last year or so, I've really been focused on building a large group of real estate agents at the brokerage that I'm at right now and I'm really excited about that. I actually have a book that's coming out because we work with a lot of, myself and some partners, we do a lot of coaching, we work with

a lot of other real estate agents, real estate brokers, to build their business, whether it's residential or commercial and you know, that's really the day to day focus right now.

[0:01:50.4] WS: Nice. You know, I was thinking too about, you know, you being a professional athlete and I was thinking, tell me how – not just everybody can become a professional athlete by the way, you know? I was thinking about the mindset and the discipline that you had to have to make that happen and how that's kind of helped you build this business. Is that something that you thought about or that you can say, "Yes, that training," or you know, what you learned there has really helped?

[0:02:17.3] SM: Yeah, I think what comes from that is I really have noticed over the years that I can be very competitive and I kind of thrive when there's other competition out there doing things or doing the same things that I'm doing and trying to outwork people and you know, ultimately, it comes down to self-integrity with myself and doing what I need to do and focus on what I'm doing but it's always good to have that competition, it does force you to take things up to the next level.

With athletics in college and then some – I had a brief stint in Europe playing professionally, there's a lot of plate spinning and a lot of juggling you have to do to keep all that in order and you know, I've learned how to manage my time and manage my business the same way with a lot of different things going on and realizing you really just have to time block and focus on certain things at a certain time of day to be able to get everything done.

[0:03:18.6] WS: Okay, you know, time blocking like you mentioned though – I feel like it's a skill you really have to be very purposeful about, but I feel like growing the business like you have and being as productive as you obviously are, you know, I'd love for us to dive in to what your day looks like a little bit and operating your real estate business and how you structure that.

[0:03:37.9] SM: You know, it's pretty simple but I guess I have learned that it's not easy. You know, as a real estate agent, as a real estate investor, we have the gift of freedom to do what we want, yet it can also be something that really takes us off track because with that freedom, sometimes the discipline gets thrown out the window and what I've learned – and I think what's

happened is, over time, I just train myself and develop certain habits and it's, like I said, very simple. I get into the office the same time every day.

I do the most important things at the beginning of the day. For me, that's prospecting for the first half of the day, whether that's for, you know, new business or new agents or whatever. Whatever I'm focused on, you know, then I have certain meetings that I do at a certain time in other activities in the afternoon. Everything is very scheduled and I find that the more schedule, the more disciplined I am with my schedule and you know, my daily habits, the more freedom I do have.

You know, I'm not one of those guys that – a real estate agent that has to work on the weekends. I rarely do. I spend time with my family. The more disciplined I am during the week, the more freedom I have to do things on the weekend with my family and friends.

[0:04:58.3] WS: I know personally. I can get caught up in like all the things that I have to get done and like I've had to be purposeful about like just blocking out family time like, "Okay. Nobody can make appointments then," you know? Block that off. Is that something you have experienced as well?

[0:05:13.7] SM: Absolutely. You know, I have certain times that I spend with my family and in this business, a lot of times we have to meet with clients and you throw out a time and they'll tell you what their schedule's like and I purposefully make sure that I already have times that are slotted just for appointments so I'll look at my calendar when I'm on the phone with somebody and say, I'm available between three and five on Tuesday. You know, whatever it is, given those times and I really try to stick to that.

[0:05:47.0] WS: I know from a previous conversation, you know, one thing that you had implemented at one time was a coach and you and I were talking about how just things really took off at that point and I'd love for you just to, you know, be able to tell the listeners a little about that and just the importance of having a coach because I couldn't agree with you more.

[0:06:04.9] SM: Yeah, when I got into the real estate business out of you know, the Chicago mercantile Exchange, there's so many different ways that you can go about this, whether you're

a real estate broker, real estate agent or an investor and I had no idea what to do and then once I got a coach, things literally went 10x for me. I mean, they went from zero to a hundred within a couple of years and it was just having that guidance that mentorship, somebody to – you know, the way I like to say it – it's like getting a fishing guide. If you just go out to the lake and try to fish for the first time, you're probably not going to catch a whole lot of fish.

If you have a fishing guide, they're going to show you exactly what to fish with, how to do it, where to go and you're going to be 10 times as successful. For me, that was a huge piece of my success. I still have coaches today in my real estate business and I coach people today so you're never too good to have a coach and you're never too good to keep learning, that's for sure.

[0:07:06.3] WS: Are there a couple of things that maybe he helped you do or to implement that really helped you think through like 10x-ing your business like you did?

[0:07:14.3] SM: Yeah, one of the things that was really evident to me is, you know, there's a lot more that goes into it than this but after you get into a certain routine and you can analyze your business and see where your business is coming from, what's working, what isn't and I learned to track my business and track my prospecting and everything on a daily basis. That way, I can go back, whether it's every quarter, every year, I can go back and see exactly what I did to reach a certain level and then I can make adjustments based on those numbers and it tells me exactly where I need to improve.

What I need to subtract, what I need to add, what I need to work on and you know, it's just one of those things that if you do that every single day and you track your numbers, it's going to pay off huge when you come to analyzing the workflow and everything in the quarter or at the end of the year.

[0:08:13.6] WS: You mentioned, like every day, is this – I mean, a lot of people track things but it's like, monthly or maybe weekly at the most but you talk about doing it every day.

[0:08:23.0] SM: Yeah, I found that the best way for me to find new business is to prospect or make phone calls and I do that every single day, Monday through Friday. Whether I'm looking

for new business on my residential side, new agents, or I've also done it for finding multi-family properties. I track how many people I talk to, how many conversations I had, every day and you know, I just have the same template that I use, a piece of paper, I write it down and it's whatever my goal is, I write it down. I make sure before I finish, I hit that goal and then I put it into an analyzer in the computer. It just takes a few minutes and it's a huge help.

[0:09:01.9] WS: No, think tracking is so important and I'm glad you talk about even doing it every day. I don't do it every day or I have an assistant that helps me to track some things but we should probably step that up a little bit. You know, what's been influential or some of the bigger things that's helped you to scale that 10x like you were talking about. Anything else that really stands out to you that's like, you know, you hire this coach, what were some things that – anything else that's like, “Okay, you know, this was a big thing that he helped me do that just really turned things around?”

[0:09:31.2] SM: One of the interesting things that I've done or haven't done over the last gosh, seven to eight years is I don't watch the news. I try to keep my mindset very positive or at least keep the extremely negative aspects of everyday life out of my mindset, especially when I'm doing that prospecting in the morning or at work. I don't watch the news. I also learned to surround myself with successful people. I have to be deliberate with who I work with, who I surround myself with and make sure that they are bringing me up to another level. There is always somebody out there that's doing more, doing something better and I have to be humble enough to realize that and make sure I learn from those people.

So you know that is a couple of things for the mindset and then one thing that was really big is I've always been part of a mastermind group or accountability groups that are basically people that are doing, trying to reach the same goals and in the same field that I'm in and doing the same thing that I am doing on a daily basis. We keep each other accountable to our activities, our sales, you know, whenever we get off track, it is really good to have somebody to call you out on that and reel you back in. So that's been a huge piece of the puzzle for me for success.

[0:10:54.9] WS: I was just telling my wife the other day – we're talking about the people that you hang around, how important it is and how – I love how you are talking about making sure they

are bringing you up. You know, obviously you want to reach back and then bring other people up but it is the negativity that we are talking about here that you want to stay away from, right?

[0:11:11.0] SM: Yeah and some of the mastermind group, we've have to kick people out of the groups because we have minimum standards and we are very conscious about who we bring into the groups because we all want to succeed, we all want to get better and you all have to have the same mindset to do that.

[0:11:27.5] WS: Well you know pivoting just a little bit here, I was thinking about you being a broker and as far as working with investors that you all work with every day, what are some ways as an investor or when I am coming into you looking for that multi-family property, things like that, I love for you to help the listeners think through maybe some of the first conversations that we are having with you as the broker and we are looking for that deal, right?

[0:11:52.0] SM: You know I think one of the things that I do as an investor and one of the things that I like from investors that I've worked with is the more organized somebody is the easier they make my job, the more likely I am to work with them. So I try to make it very easy. If I am talking to say a broker, a multi-family broker in another state, I want to give a clear idea of exactly what I am looking for and have all of my financial information readily available.

You know I don't want – and I also want to have a real, a very open and strong line of communication – that's huge. I get back to people right away whether it's an email or a text or whatever. I always make sure that I respond quickly, as quickly as I possibly can and I really appreciate people that do that from the other side as well and most of the vendors that I use are people that communicate really well and get back to me and take care of things in a timely manner so that's huge.

[0:12:57.9] WS: Yes, all right I guess take us back to a client who was much more organized than maybe somebody else and what was it about that specific investor that said, "Okay, this is somebody I am going to work with."

[0:13:10.3] SM: You know when somebody has that type of integrity and you could tell that they are not messing around, that they are organized, they're serious, it gets you motivated to kind of

bring yourself to their level and get things done. So you know I've had a few people that I've worked with over the years that I know that they're serious about what they do and they do and it just really makes me work a little bit harder for them and make sure that I am helping them achieve their goals as quickly as possible.

[0:13:40.4] WS: What would you tell the – let's say the professional athlete that is leaving that group path right now and about moving into real estate?

[0:13:48.2] SM: I would say this, I would say it is kind of like the – go read John Wooden's book. It is the fundamentals. It is the discipline and you know keep it simple. Learn the fundamentals, do what you need to do on a daily basis, you don't have to build – you know Rome wasn't built in a day. You have to do small things efficiently in the right way every single day and as those days go by it is going to add up to bigger things and just stay on the course.

Write a business plan. Do the steps necessary every single day consistently and that is where you are going to see the results.

[0:14:31.4] WS: And what's been the hardest part of this real estate journey for you Steve?

[0:14:36.8] SM: Honestly the hardest part is when you have a little bit of success from time to time there is a little bit of complacency then it goes back to that daily doing those little things every single day consistently. You know, until I'm at a position where I am feeling real good about comfortably retiring with not ever having to worry about money again, I am still going a 100% and I've been real successful and I've had my ups and downs and it seems like when things get really good you just have to – I have to be real careful about complacency. That is the number one thing.

[0:15:11.7] WS: How do you prepare for this potential downturn that everyone is talking about?

[0:15:15.5] SM: Well, I am not being real aggressive right now as far as buying things that seem a little bit too good to be true and it is – we're in a cycle right now where it's easier to get money and there's less deals out there but, you know, it seems too good to be true and too easy

sometimes and I am just being conservative. I am making sure that I have plenty of cash flow and you know I am not over-leveraged and plenty the cash on hand as well.

[0:15:49.2] WS: What's a way that you've recently improved your business that we could apply to ours?

[0:15:54.2] SM: I would say recently I've looked at some more. I have implemented a few more processes into my business. I got things a little bit more organized. As you grow you have growing pains and one of the things that I realized is you get what you pay for as far as hirees and hiring the right people and putting those people in the right place in your business is going to pay dividends overtime and so I made a few moves with some of my staff.

I got some better people on place that have really taken things up a notch and a lot of that just comes down to just making sure the systems are in place and they're followed through with, the way they are supposed to be and that's just all part of being a business owner.

[0:16:37.3] WS: What's been the best way to hire the best people for you?

[0:16:40.9] SM: I have done it so many different ways and quite honestly I recently had pretty good luck just putting an ad on Craigslist and I found a really good administrative support person and I think what I did different with that is I really went into detail on the description of what I was looking for and it was interesting because that person came to me and they said, "Yeah I went down the list and I checked off almost every single thing on the list."

That is what I do right now so I knew I'd be a good fit and I said, "Well I can't believe you read that long list but man, that's great" and you know that I don't know it seemed to work so.

[0:17:20.9] WS: Yeah, description is important. So what is the number one thing that's contributed to your success Steve?

[0:17:26.0] SM: I would say just being a little bit more relentless than the average person and what I mean by that is we can all go through the motions but it is the times when I follow up with somebody maybe after 5:00 when they get home or whatever and I just go the extra mile, the

extra step and just take things to the next level. That's been one of the things that's helped me quite a bit. I know it's gotten me a lot more business over the years than I would normally have.

[0:17:56.8] WS: And how do you like to give back?

[0:17:58.4] SM: You know I do a lot of different things. Right now I got two little kids, two little boys five and nine years old and I do a lot of – they're in sports. So I try to help out and do some coaching with their sports and just try to be a good role model for the kids right now.

[0:18:15.7] WS: Nice, Steve thank you again for your time today. I am grateful for you just sharing about your growth and how a coach has helped you and so many things about tracking, which is so important that I learned as well but tell the listeners how they can get in touch with you and learn more about you?

[0:18:29.8] SM: Yeah, you can reach out to me, my email address is steve@stevenmerritt.com and you can go to our website, which is extremeagentsvip.com.

[END OF INTERVIEW]

[0:18:41.6] 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]

[0:19:21.8] 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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