

EPISODE 753

[INTRODUCTION]

[0:00:00.0] 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]

[0:00:24.4] WS: This is your daily Real Estate Syndication Show. I'm your host Whitney Sewell. Today, our guest is Bailey Kramer, thanks for being on the show Bailey.

[0:00:32.4] BK: Yeah, absolutely Whitney, thank you so much for having me on, I'm super excited.

[0:00:36.8] WS: Bailey is a real estate investor based in Orlando, Florida. He's the host of the Real Estate Investing Made Simple podcast and also runs multi-family meetup group. He aims to empower and inspire others to chase their dreams. Bailey, thank you again for your time this morning, give the listeners a little more about who you are, your background in real estate and let's jump in to your super power that's going to add value to the listeners.

[0:00:59.9] BK: All right, awesome. Again, my name is Bailey Kramer, based in Orlando, Florida and my quick real estate story, I got started after reading the book that I'm sure all of your listeners have read or at least most of them - Rich dad, Poor dad. That was my introduction to real estate, that's what kicked it off, from there, I found Bigger Pockets which is another huge resource that I know you talk a lot about on your show and a lot of your listeners know about and from there, it was just networking, learning and that networking piece was the biggest piece in helping me craft what I found to be my passion and really helped me launch into the real estate investing industry.

[0:01:41.8] WS: Nice, well, I want to jump in to that because it is so crucial in our business and in any business nearly, that you're networking in some way, you know, whether it's with customers and other peers so you're learning and growing all the time and connecting, it was crucial to my early success as well and just being very proactive about networking and I think it's something we're always improving on and no matter how long you've been in the business. Just looking forward to hearing what you did Bailey and let's just dive in there to you know, give us a little background maybe before you started the networking component but you know, what, why and how you did it and things like that.

[0:02:22.7] BK: Yeah, like I said, after reading that Rich dad, Poor dad book, I went to Bigger Pockets. From Bigger Pockets, that's where I did a lot of my, just consuming their podcast, reading their books and just getting a nice, solid foundation. From there, I said, okay, I learned about fix and flip, I learned about wholesale, you name the strategy, I probably read a book on it or heard a dozen podcasts on it. I knew I had to decide to pick one area and go with it and the way I decided was I listened to a webinar that talked about a plan for scaling a single family business of going one this year, two the next year, three the following...

It just wasn't clicking with me. I decided, said to myself, there has to be another way and that's when I found multi-family. When I first learned about the scalability and all the amazing benefits of multi-family that you talk a lot about on your podcast, I said okay, this is my focus, none of the wholesaling, none of the fix and flips, let me focus my attention on multi-family so the networking started literally the second I made that decision, I went to Bigger Pockets and looked up keyword 'multi-family' for people's bio and I would just message every single person that I possibly could and I started a daily habit where I do three per day and then I'd scale that to 10 per day for the first few months and that's what really kicked it off for me.

[0:03:50.5] WS: Wow, that's massive action. I like that and the consistency, that's so important as well. Just being consistent. Let's jump in there a little bit, what gave you just the thought to do that on Bigger Pockets, what were you saying, how were you reaching out and you know, talk about how it was perceived as well.

[0:04:07.8] BK: Yeah, I just want to mention, my first messages, they were ugly, they were not well written at all, that's not the main point of – I mean, obviously you want your messages to be as well written as possible but for me at the time, I didn't know exactly what that message really looked like so I – instead of procrastinating and trying to form the perfect message, I gave it my best shot and sometimes even look back at it and kind of laugh a little bit because I was just had some funny things in there.

I had this long paragraph saying, 'Hey, my name is bailey, interested in multi-family', I said something about, 'I would love to have an internship with you or mentorship with you,' before even knowing anything about that which I wouldn't recommend going straight for the, 'Hey, can I be your mentee?' I don't recommend that but I do want to say, it worked in the way that people got back to me and from there, I was able to realize and hone in my message, that was my original message and I kept it probably too long, I probably, going forward, and recommend to other people, if you're reaching out to people randomly for the first time, introduce yourself, maybe tell them a little quick about you and how you found them, what you found interesting about them and tell them that you're interested in learning more about them and maybe how you can add value to them as well.

[0:05:27.9] WS: What was your goal in doing this?

[0:05:29.7] BK: My goal was really just to connect with more people in strictly multi-family and learn from them. I can tell you, I learned a ton, a ton, a ton from connecting with people in the multi-family space. Because before that, I was just messaging people who kind of were doing a bunch of random things, I didn't have a specific focus but once I picked multi-family operators or anybody in the multi-family space and I had phone calls, I've had over 500 phone calls since the time that I began this. The amount that I learned just from those conversations is invaluable.

[0:06:07.7] WS: Wow, you would connect and then you would also build up to that phone call or you would, I guess you would ask them, 'Hey, could we get on a call?' All these people are for the most part, further ahead than you were at that time. What came out of those phone conversations?

[0:06:23.5] BK: Yeah, so a ton came out and a few keys were, one, it was my first introduction to the hospitality and the kindness of the people in the multi-family industry. I realized that everyone's looking to add value, everyone's looking to give back and just you know, when you're starting out, it's a really good feeling that you know that you're going into an environment where it's a norm to give back, it's not everyone hoarding their secrets, people were pouring out their playbooks to me and I was just shocked so that was the first thing.

There was a ton more, one of the big things is, people were telling me a lot about their, either regrets or things that they wish they did differently. A lot of people say they don't have regrets but things that if they could do differently, they would. One of the biggest things I took away was a lot of people said, 'I did single family for 15 years and then I learned about multi-family.'

I heard that over and over again, people said, I didn't go big enough, fast enough and they didn't have that mindset, they didn't know about it. After hearing that, literally hundreds of times, that was another automatic click that said, I don't want to make the same mistake that these people made, I want to learn from their experiences before I even start anything, I was able to learn a ton and hone in my focus of multi-family.

[0:07:45.2] WS: It's neat that you noticed a pattern and were able to take a lot from that as well. You know, something that stands out to me though that you did there is obviously it's a massive time commitment but just the commitment alone in being disciplined to do this every day, tell me, let's dive into that a little bit though, you know, you started with three a day and then you know, you built up a 10 a day, what kind of time commitment was this and when did you do this?

[0:08:09.9] BK: Yeah, so early on, this is when I had my morning routine from the book, The Miracle Morning that you talk a lot about on the show but it's just having those habits in the morning so after I did my morning routine, I would go straight into my habits and I had a whole checklist on my wall of things I would do and it started three people a day, I knew that was super manageable, it wasn't a huge time commitment because it's copy and pasting a message but customizing it slightly so that it doesn't make them feel like you're just another one of their people that you're messaging.

As far as upfront time commitment, it takes no more than three minutes to message three people a day, copy and paste a message, look at their bio, see where they're from, get a few key things about them, throw that in there, see how you can relate to that and then yeah, you follow up with them which again, doesn't take too long.

And then where you really connect and you really start to learn and the progress is made is when you hop on the phone with them and it's kind of like when you go to an event, it's great and all but the follow up at the end is the biggest part to keep the relationship going or in this case, really starting the relationship.

[0:09:17.4] WS: Nice, it's incredible. I love the commitment and the dedication of sticking to it and doing it every day. Give me some high points though that this brought you? What's been the success of doing this every day. There's probably somebody that's listening saying, 'Wait a minute, you know, why would I do that every day?' But what did it do for you?

[0:09:37.6] BK: Yeah, so from this strategy, unintentionally, I found two mentors of mine already throughout this journey of mine so one of the first few people I messaged on Bigger Pockets, just because he had the name multi-family in his bio, I kind of built a connection with him and he actually was the one who recommended I go do a few webinars, a few meetups, I listen to a few podcasts and just from those few things from the podcast he recommended, the guests he had on, became my first mentor and learned a ton from him.

And then, you know, a few months later down the road, I asked him if there's another meetup group and he gave me who my current mentor, his meetup group, that was like the most unexpected thing I got out of this but what I realized was networking is the biggest piece to anything, you can have the most knowledge in the world but if you don't know people and making it happen, then it's kind of irrelevant so from building the network, another kind of effect that it had that I didn't even see coming till later on, was I ended up starting a meetup group and to start a meetup group, you need to have people there.

After I've been doing this for about a month or two, I already had a list built up of a few hundred people, people that I message, talk to on the phone that it wouldn't be a random message to

invite them to my meetup so that was a huge unintended benefit from just starting networking, building your list, building your relationships because you never know.

I didn't know in the beginning that I was going to start a meetup group. I thought maybe a year or two down the line, that will be my wheelhouse. When I figured out, I could do this now and I'm going to do this now and you need people at your meetup group, that was another huge factor and networking plays the biggest piece in it.

[0:11:20.5] WS: Wow, how did this grow your network in a short amount of time, what did it do? Just for your network or your investor base or even just your – you know, future mentors or mentees or people that are doing the same thing and helping you in the future but what did this do to your network?

[0:11:36.6] BK: Yeah, I mean, everything kind of plays off of each other and it's all intended but unintended at the same time. You don't exactly know what's going to come out of it when networking. Only good things can really come out of it. The greatest thing that I've seen is the fact that a lot of people, especially in the multi-family industry, are connected.

The biggest thing is not having a – I mean, cold calls for example, they're cold calls because you don't know them, you're calling them out of the blue but when you have a network and you have people that can refer you and I know that's a huge thing that people talk about in your podcast, you talk about is having people refer you to certain property managers, so there's not this cold introduction.

It's a warm, friendly introduction from someone that you know and the way that you know them is from networking and whether that's they know me from the meetup group or I know them from the meetup group. Whether I just reach out to them from Bigger Pockets. Doesn't really matter exactly how you form the relationship, there's so many different strategies but the fact that networking is such a crucial piece, is the biggest takeaway and will just open so many doors.

[0:12:43.1] WS: Nice, hats off to you, appreciate just your commitment that you took and the courage as well. You know, before you knew a lot about multi-family, you know, before you were educated about it or all those things, you had to step out there, even you talking about the first

messages may have sounded horrible or weren't written well, all those things but you still took action and you wouldn't have got to the point you're at now if you haven't at least started.

You had to just commit and jump in and that's incredible. Are you still doing this?

[0:13:13.1] BK: Yeah, I actually pivoted my strategy a little bit. I realized that in the beginning, you know, Bigger Pockets was my main source and then what I realized is, a lot of multi-family people – don't get me wrong, I'm on there still but a lot of them aren't so focused on Bigger Pockets from my experience so I started kind of transitioning to LinkedIn.

To quickly touch on my LinkedIn strategy and the strategy I use now is the first one is podcasts, if you listen to a podcast, you're consuming information for you which is great. But another way to go above and beyond is reach out on LinkedIn to every single guest that you listen to on the podcast.

Everyone gives their number out at the end or their LinkedIn or their website or their email and from my experience and from talking to other people, many people, most people don't reach out even when they give out their phone number, which is pretty crazy. So my new strategy is, I listen to two podcasts a day usually. I am usually listening to this podcast in the morning while I am making breakfast and another one later in the day. So I have three built in benefits. I keep my time occupied, I am making breakfast, I have to eat right? But I am also consuming information, which only builds my knowledge and then at the same time, I am building my network from then reaching out. So that is one of the biggest things that I don't think a lot of people do that anyone can implement, which will really make a big difference.

[0:14:38.8] WS: Wow that is incredible advice and even some routine tips there. You know you are talking about you're already eating breakfast so why not listen to the podcast, learn a little something about that guest and then reach out and then you've probably got something personable that you can bring up that that person mentioned on the show and that's going to go a long way I would imagine. And I agree, I give my number out and ways to contact me on like every interview that I do on other people's shows and it's been many, I don't know maybe I've had one person reach out or two, you know something like that. Most people don't and I don't know why either.

You know I reached out and on that note, a few years ago when I started listening to podcasts and I heard a guy talk about multi-family syndication, he gave out his number and guess what? I called him and I had a deal that I was working on at that time and he couldn't talk about – he couldn't talk at the moment but called me back later that night.

And I was so impressed by that and this individual now everybody would know listening on this podcast. You know he is a big name in this industry now but I was so impressed that he took the time to do that not knowing me from anyone. So I feel like a lot of people would do that if you just take the time and the initiative, like you have Bailey, to make that happen. Any other tips about just how you are networking now. I know you've said you've pivoted, which is you have transitioned.

And I think that happens, it has to happen, you have to improve your processes but any other ways about how you've pivoted or improved this process to streamline it more?

[0:15:57.3] BK: Yeah, I would just say making it personal, like I said about the cold introduction versus the warm introduction. When you say to someone, "Hey, I just listened to your podcast on so and so's podcast. Thank you so much for providing value on..." specifying the topic, what were your key takeaways from the podcast. When you make specific and personal, the conversion rate, I don't have statistics on this but it is night and day. It is completely different and that's the biggest tip.

Keep it personal, as warm as possible. Just remember, the cold calls are tough for a reason because they are blind but if you keep it warm and just tell them how you heard about them, thanking them, that kind of thing, it will go a long way.

[0:16:39.4] WS: Bailey, what's been the hardest part of this journey to syndication and real estate and multi-family for you?

[0:16:45.5] BK: I would say the hardest part is you don't know what you don't know, right? And that is just what you go through with the learning process but the way to push through that is always be learning. Always, always, always learning new things and that's from networking,

talking to people. That's from boot camps, that's from books, from podcasts, tons of different ways and just always learning something new.

And always keeping that open mind is something that allowed me to accept the fact I don't know everything that I don't know but that's okay because I am going to keep learning and I am going to discover and just keep learning every single day.

[0:17:20.5] WS: What do you predict will happen, say in the next six to 12 months in the real estate market?

[0:17:26.0] BK: Yeah that is going to be pretty crazy because we are in the midst of corona virus right now. So that is a tough one but I think right now it is tough because the price is still high, cap rate rates are still compressed. How long can this go on for? I don't think too long especially what's going on with the economy, there's a ton of factors that go into it but hopefully within the next six to 12 months we'll see cap rates decompressed and hopefully the prices will come down as well and make it more of that buyer's market.

[0:17:53.4] WS: One thing I believe successful entrepreneurs have is a lot of self-discipline and you have already shown that through doing this one task on a daily basis for this long and showing the results of that and just consistent actions like that are what build up to big things. You know most people wait on this like one big event, right? You know they are looking for this one thing that is going to just do it for them.

It is very rare that that happens and you know people look like an overnight success but people don't see the five years of late nights and early mornings that this person has gone through to get there. For you, what has helped you to gain just a high level of self-discipline?

[0:18:33.2] BK: I would say talking to people and hearing their habits, success leaves clues. That is like the biggest little motto. So when you hear someone say something enough times or you are on enough phone calls where the people are saying the same exact thing and they're in a place that you want to be in, you start to take note of that and it becomes part of your cycle. So the morning routine is something. I have always been a morning person but I didn't really have anything I was doing in the morning.

So something that I have been doing now is the Miracle Morning, the scribing, the reading, the exercising, affirmations, all of that stuff that I know you talk about the Miracle Morning a lot too. Success leaves clues, you pick it up when you are looking to learn, the knowledge will come and when you hear it enough times after a certain amount of times something will hit you and say, "All right it is time to now do something."

[0:19:18.1] WS: Yeah, all of these people that look successful some of the things they are doing are very similar, right? What are some of those daily habits that you are very disciplined about, I know it is one thing is this but anything else whether it is a morning routine or whether like you mentioned listening to podcasts, that's awesome. Anything else that you are just so disciplined about that you know is helping you achieve success?

[0:19:38.3] BK: Yeah, I mean I can't emphasize enough the morning routine and I know it's mentioned so many times on the podcast and so many podcasts but it is so important because for all of the meditation and all of those types of reasons but the way I look at it is starting your day off with a bang, with a positive, with great energy. There's days and don't get me wrong, I am not perfect with any of these disciplines. There's days where I don't message three people or I don't do the Miracle Morning.

I am not perfect here but the days that I don't do the morning routine is completely different than the days that I do the morning routine. My energy in the morning, my focus, my discipline. It all changes and for me it all starts with that morning routine and that sets the framework for the rest of the day.

[0:20:23.9] WS: I couldn't agree more, so important, your morning routine, how you approach the day and even just setting this example of contacting these people every day, it is great stuff. You know if you could go back and tell yourself something six to eight months ago or a year ago as far as getting started in all of this and getting started in real estate, what would you tell yourself now?

[0:20:43.4] BK: Yeah, well if I could talk to my future self before I even learned about the idea of real estate investing, I would have thrown some knowledge at me back in high school days or

maybe even before but as far as starting the journey, I would say, just do it, and it sounds so simple but at the end of the day, networking with people, starting a meet-up group, starting a podcast, all of these things, the worst thing that could happen is someone says no or there is really nothing that bad that can come out of it.

So stuff like that when you are first starting out just kinda knowing, worst case scenario, someone doesn't answer the phone. That is all right, you can just hang up and call somebody else. When you are starting a meet-up group, oh no, if you don't have 100 people at your first meet-up, which isn't even expected in the first place but even if you only have a few people that's okay. You have to start somewhere and that is what I would tell myself. You have to start somewhere.

[0:21:36.2] WS: Yeah, just go ahead and expect many no's before you get to a yes and then it is not a surprise, right? What is a way you have recently improved your business that we could apply to ours?

[0:21:44.9] BK: Yeah, absolutely. So one of the biggest ways that I have improved everything that I am doing and pinpointing on my podcast and a bunch of other things is using automation. So I hear a lot of people talk about virtual assistants, which is awesome and I actually have like really quick, the three pillars. You can either do everything yourself, which is okay. You can send it out to a VA or an employee and that is good but the best thing that I found is automation and that's through tools like Zappier.

And it is even better than a VA not only for the cost benefit but the automation is working 24 hours a day, seven days a week. So whether that is sending out emails, I have a lot of automations for my podcast process, which I am sure you do as well and the automations are I think are what's really overlooked. People talk a lot about virtual assistants, which are amazing and I have those as well but the automations are something that's key that I don't think a lot of people know about. So Zappier automations is definitely something I suggest people look into.

[0:22:43.9] WS: Can you give a couple more examples of what you've automated. It doesn't have to be podcast related but even like you mentioned emails. What have you automated around emails through something like Zappier?

[0:22:53.6] BK: Yeah, so with my meet-up group I of course use MailChimp, I know a lot of people use Active Campaign but there is a lot of different automations you can do with something like Zappier. So right now a few of the Zaps they're called, that I have set up, are when someone signs up for the meet-up, it puts all of their information in a nice spreadsheet and then I have automations that text them, that emails them and there is some things that you can do with just using straight Active Campaign or MailChimp.

But there are certain things that you can use with Zappier or other automation tools that will just take the data that you already have and organize it in a specific way. So for example, I've hosted about seven meet-ups so far once a month. So I automate it, so I have one spreadsheet called Bailey's meet-up and each little tab I have the different meet-ups and automatically, the information comes in and I can set different automations with reminders. I can set automations with texting them. A lot of things like that which have been huge.

[0:23:52.9] WS: Nice that is a great tip. I love automation stuff myself and how to automate the process. So it takes less workload and it's done more professionally at times as well. I appreciate you sharing. What is your best source for meeting new investors right now?

[0:24:06.8] BK: Yeah, I would say meet-up groups are really big and I host a podcast as well. So it is another way through hosting the podcast and then promoting it on social media. So the free tools, right? Social media and meet-up groups, they're completely free to attend, tons of great people there and just kind of building that network like I have been emphasizing has been the best way for me.

[0:24:28.7] WS: What's the number one thing that's contributed to your success?

[0:24:31.6] BK: I would say the number one thing that's contributed to my success is just my ability to go for it and just start. There's a lot of things that – and this is all a learning process as well. In the beginning, I wasn't just perfect going for it but after a time you develop that mentality that you can do it, you build up the self-confidence and things flow a lot easier. I am able to act quicker and have more confidence doing so just because it is all in the mindset. So having that mindset has helped me push forward faster.

[0:25:02.5] WS: That's awesome, you have to commit. You have to have a little courage before you're going to have the education or the confidence right? You gotta commit and you've done that. Grateful for sharing your story. It's incredible. I love hearing stories of just taking action, being very consistent and dedicated, being self-disciplined which you have expressed and shown how that has worked for you just I mean three to ten connections a day and then phone calls following up.

And I mean increasing your network very quickly and that didn't take a podcast or a thought leadership platform. You know you did that in different way and showed a really different way to make that happen. So congratulations to you. Tell the listeners how they can get in touch with you and learn more about you?

[0:25:40.8] BK: Yeah, thank you so much. So the best way to get in contact with me either LinkedIn or you can check out my website baileykramer.com but yeah, LinkedIn website. Also I have a podcast, Real Estate Investing Made Simple, you can check me out there but please reach out. I know we talked about a lot of this in this podcast. I am open to reach out and happy to have the conversations.

[0:26:01.6] WS: Awesome Bailey, that's a wrap. Thank you very much.

[0:26:04.3] BK: Cool. Thank you so much Whitney. I really appreciate you having me on.

[END OF INTERVIEW]

[0:26:07.2] 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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