

EPISODE 876

[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 Robert Bergeron. Thanks for being on the show, Rob.

[0:00:32.0] RB: My pleasure. Thanks for having me.

[0:00:34.2] WS: Rob is a realtor in Louisville, Kentucky that is all about value ad and collaboration. He has discovered how to make multiple streams of a relatively passive income by bringing value to his market. He's a board member of the local REA and is a proud "go-giver".

I appreciate just that mindset, Rob. You just being willing to shed the light on that, I can't stress it enough, assuming you're getting started, you're only thinking about "me, me, me," right? You're not thinking so much about the long-term obviously when you're doing that but looking forward to getting into just how you've done that, how it's obviously paid you in such a big way to just think about how to add value to others and collaborate but give us a little more about who you are and let's jump into that so the listeners can do the same.

[0:01:20.7] RB: Sure, my name is Rob Bergeron, originally from Springboro, Ohio. Graduated in the University of Kentucky, lived in Florida, Ecuador, and Africa for a little bit and then came to Louisville to be a real estate agent. I didn't know anyone so I had to get creative on how to do I

insert myself into the business, started advertising on Craigslist and I made it a game so it was really aggressive.

If anyone posted one post on Craigslist, I would do 50 to knock those off. Then I – eventually there was, well there was like 20 people on the space and eventually it was just me competing with one person because I was so aggressive with it. I ended up picking up a client named Hampton Scurlock who is also on the board with me on our local REA, he liked me because I was responsive and I was quick and he was buying a relatively cheap properties and I would just be Johnny on the spot and then everybody knew Hampton and they assumed, if Hampton worked with me, they should work with me too.

“Shoot, I got to learn all these investment stuff.” I thought I was going to work with Jerry Ethics and then it’s awesome because now you’re being paid to learn — how to do all these things. So, the more I learned, the better I served my clients, the better I serve myself. Yes, now, I’ve been involved and I kind of get every meet-up, you can’t not see me, I’m everywhere. I like it, they’re my friends now and it’s the nexus to hang out.

COVID’s been a little tough in that regard but man, I can’t imagine being a realtor trying to get started with COVID but that’s besides the fact but yeah, no, I’m creative, I’m bit of an odd bird, I really like my time, being my time so I make sure that I’m deliberate and creating systems and whatnot to make sure I can serve as many people as possible but also keep that work-life balance.

[0:02:53.2] WS: Awesome, I want to dive into that in a minute as well because I think it’s so crucial in scaling and you talked about – one thing you just said is that you can’t not see me. I think that’s – you have to have some good systems to be everywhere, right? I want to jump into that but I thought you could also, what’s a way, also another way that you could see the listeners being able to add value like you have or to be able to collaborate with key people while adding value to gain success?

[0:03:20.4] RB: One thing I did seven years ago, I started when I got my license, I ranked not for anyone and I do it to this day. “Hey, you email me an address in a bed and bath town, I’ll run

comps.” I don’t care if I’m part of the deal, if you have an agent and you’re working with them, I just want to make sure you are getting in at right price.

Doing value add and I’m asking for nothing in return. I think likely I’ve saved people from getting in at the wrong price. I’ve got the wholesaler’s good tools for negotiating but I’ve started doing that and then recently, I started to moving to a little overt, which is supposed to add value to my clients because they can advertise to get tenants for free, I don’t charge anything.

I get to post all the articles I read on the news, I know everything going on in the news. I took the news like eight times a day, five different websites, it’s part of my system and I like knowing so it’s not work to me. I post articles in there about like who is hiring, what you risk going in, whatnot. Then I have – the people joining the group ask me, I ask them questions. Are you looking to rent or buy?

If you’re looking to buy, I refer that to people what I mean as the buyers. I’m creating passive income there as well. That’s been great and so everyone’s winning and recently, I’m not handy at all. I’m the least handy person ever, you’re never going to see me with drywall dust on my hands because I would ruin everything but I bought an industrial blower for all the leaves in the back of my yard it’s like, “Well shoot, I’m going to use this three times a year.”

I think the other people could use it so I started a real estate tool share program where basically, people listed all the tools that they had available and then people can post, “Hey, I’m looking for this” and then we’re just sharing and collaborating so for home renovation projects doing it themselves or their properties, they don’t have to go out and rent things, borrow things.

The overhead can go down quite a bit. I don’t really gain with them but it’s goodwill, it just kind of helps out. I think there’s like a lot of things that are – it’s important on our local REA updates and on my Facebook page, when I read the news, I see some thing that will affect property values or help their tenants or people are looking for jobs, I’ll post some jobs like “Hey, they’re hiring a thousand people”.

That just adds value and it gives a reason for people to come to my page. I’m never sending out fluff but think about this, the Louisville Network, which I don’t know if I’ve talked about it but

when I ran comps for the wholesalers, eventually I said, “Hey guys, let’s unite all the gangs” kind of like this movie [Warriors 0:05:30.4] from 1979.

Essentially, I signed an NDA with all the wholesalers, they all gave me their buyer’s list, I already have a great plug in David Green out on the west coast so I have a ton of buyers coming up there so now, they upload their assigned to build contracts to my website. I run a CMA and then send them out. It goes out to 4,500 people.

I get touches every single day with the potential new off market deal and our MLS only has 1,100 single-family properties. I kind of think I’m responsible for maybe two to three percent of every property sold in our market. Then, realtors used to really hate it and then now they’re seeing the value in it and they’re signed up for it for themselves and for their clients.

It’s just really cool and so I inserted myself there. My name’s everywhere because I’m touching people all the time but I’m not taking anything away from anyone else. It’s fun.

[0:06:23.7] WS: No, I just like this mindset of the adding value. The real estate tool sharing program, that’s very interesting, I’ve not heard of that before. I want to jump into just the systems that you have for a moment or a few minutes because I think having that ability to add value and add value quickly and think that way is important, right?

I know even like myself, even adding value like having an assistant or a really good assistant has helped me a lot to add value quickly to other people or numerous assistants888888 that do different things and they know what to do or maybe what I would do to help different people so we can do it faster, right? Be more responsive.

How have you done that, tell us some systems that you have, have you hired people, have you hired specific people with certain skills or who are these people and how do you do it?

[0:07:09.1] RB: Sure, yes. I have this amazing admin named Coleen. We have a really great structure where we pair monthly and then bonus at base predicated on how much money I made per month. She handles all the contract close, uploads all my contract to the MLS, really –

she orders the pictures, she does all that stuff and we're like best friends. We get along very well, we have a great working relationship.

I drop off coffee and stuff at her house all the time. We like hanging out with each other, tell her my weird dreams I have and all these stuffs. It's just a lot of fun. I'm a huge proponent of you can book me, people are just calling me up all the time and I made it so I have to state the purpose on what I'm doing.

Now, I have a link in all my emails, it's everywhere, I have them schedule a time so I can eventually brace myself for this conversation. I'm really well rehearsed, people don't usually have questions because I know exactly what they want to know and so essentially, I have all these fishing lines out too in that regard where I have a 20-minute conversation upfront, I get them set up on the Louisville Network threads.

I introduce them to all my sphere of influence with my team if you will, property management, contractor, the title, hard money, they have everybody, I put them all in an email to get to know them, title of course, really, the only time they reach out to me is when they want to buy something.

I never worry, where is the next deal coming from. I know it's going to happen and then the cool thing is, most realtors like there's some realtor friends I got too. Two properties a month but a half a million-dollar properties. They do everything to keep those deals together.

If the numbers don't work, the numbers don't work. I don't take anything personal. I also – I have a lot of benefit in being in the market, that's just phenomenal for investing. It just makes it a lot easier, you put me in LA and who knows what type of realtor I'd be out there. I use those a lot.

The Louisville Network is awesome because they do all the front works so I just – all I do is on the domain and send it out and then give people how to get in and access it, et cetera. I don't know. I am very good with my systems and then I had this problem where everybody was Facebook messaging me, calling me, all the stuff so now I make sure comps go through email

and I sit the precedent, then I don't take calls after nine PM unless I'm negotiating a deal and I don't receive a calls until nine AM.

Those time, that time is my time. My beautiful girlfriend, she works a nine to five at a hospital and she's an executive there and I try to make a couple of – when she's off work, I'm available to hang out with her and she's so generous, she's going to all these meet-ups with me and learning all the stuff and she took a class in law. I was taking a class this past Saturday so I have a good partner in that regard too so we'll be doing some version put together as well.

I also started a wholesale company that leverage everyone's strengths. I'm an idiot in so many things, I'm really good at like three or four things and so I have this guy named John Barber who manages operations and he has our acquisitions specialist and two VA's – manages our list and how we're reaching out, et cetera. I have boots on the ground, a guy named Joe who negotiates and takes pictures, lock box, everything and then I send things out on the Google network, I list it on the MLS if we close on it and then I run comps.

I stuck to what I was good at and so now, my goal is to have seven businesses before I retire and I bet I'll end up being like 14, 20 because I just have a lot of weird ideas and one thing I'm – I'm working on two projects right now. One's called the Louisville Financial Network; where I let private money, offer up what terms I'm willing to loan on but no identifiers on how to get a hold of them and then I hope the investors reach out to me.

Think about it, I have a way for these people to source their money and then the deals and where I sourced the money, the more they know each other, the more deals I get to move. It's just a value add. Sometimes you just need money for like 10 minutes. Well, now we'll have local people that can do that out of their IRA, HILOC, whatever.

Then, another thing I'm working on, there's a lot of obscure auction websites for real estate. I'm going to create a website that populates all those in one spot and I'm going to charge a \$10 monthly subscription. I get 30 members then I bring in 300 a month. It's just like having a rental.

I don't know if you've noticed, most of the stuff I'm doing makes me not a direct competitor to my clients. It makes me add value to them. They know, I'm not being a jerk and the only time I buy something is if I generate it myself typically.

It gets weird sometimes but I've also offered with my clients to put my commission towards their down payment on these larger multi-families and becoming a silent partner in those regard just to get my tentacles out into more things.

[0:11:30.4] WS: Wow, I want to jump in because you listed many things there I want to highlight and I think it's interesting, even just your – just the mindset behind being willing to start so many businesses, being willing to step out there and be that active. Most people are so hesitant to do the first thing, right? It's that fear of failure and I want to get to that but I wanted to back up just a little bit.

You mentioned Ralph, about your assistant, this lady that helps you, you're paying her monthly but then you're also giving her a bonus based on your income. What was the thought behind that, how has that worked out, I've had different trains of thoughts around that or thought through, how do we provide bonuses even to our employees, things like that.

How has that worked, is that very motivating to them, is that something you see during long-term?

[0:12:13.4] RB: She's not motivated by it at all, not remotely, but I like to reward. I know if I'm making that much money, she's doing extra work. Harry Borders, he pays his employees. He's one of our local attorney, he pays them above and beyond what they're worth and so I want to be that way too because I don't want to get the rich on someone else's back.

I want them to rise up with me as well and actually, we started a two to five meet-up, choose financial independence so she's really into that sector too. It's a good merging too, I started a group for that, meet-up. That brings in people that weren't thinking about real estate but they wanted something of independence. I don't know, it's just – you can merge so many worlds together but yeah, she is amazing, I just wanted the bonus to show that I appreciated her.

Originally, it was this like, let's just say 30,000 and I would give her a \$500 bonus every time I made \$30,000. Well, what I did is I cut the bonus in half so it's steps of every 15. Even if I don't have a great month and I only made 15,000. Then she's going to get some type of bonus instead of just having to get that 30,000. She would work the same amount either way but I think she appreciates that I give a damn.

[0:13:18.7] WS: Yeah, no, I can appreciate that in a big way. We try to do that and I love that mindset too of paying them above what they maybe – what the market or the industry would typically pay for something or for that talent or skillset. I think key people and if you have good people, you're going to keep them a lot longer that way for sure, which pays you a lot in the long run.

Something else you mentioned and it just sounds like, you said, you stated and I am not saying this but you said you're an idiot and lots of things but it sounds like what you are really good at and focusing on what you're good at in delegating, right? You see opportunities, you're willing to jump on that. Elaborate on that. That is a skillset that's crucial for any entrepreneur. How did you develop that? How are you not –

It doesn't seem that much fear of failure that you are willing to move forward and focus on what you're good at but then find teams or people that are good at the other things, just elaborate on that and how you've done that.

[0:14:10.3] RB: Well, one thing if you guys are going to take anything worth in this absurd piece, someone back in the day planted this seed in my head, "Rob, you have a lot of really great ideas" and then maybe a couple other people reinforced that and then I was like, "You know what? I have a lot of really good ideas" and then it made me kind of feel has been presenting these ideas. I am on a group chat with some of my good friends.

I'm like, "Hey guys, what about this? What about this?" People are creating some of my ideas that I have four years ago. I'm sure I should have done that but I just got surrounded by a lot of really wonderful people. I am a product of those around me. My girlfriend, she's in charge of errs and grievances at our hospital. I'm like, "You know what? I bet you'd be really good at managing general contractors" because I am a pushover.

Like, “Oh yeah, I just get it down with the team” but I bet she won’t be like that, so I don’t know. I am very fortunate. My stepmom told me that one of my superpowers, I look at things as superpowers by the way, is that I surround myself with these excellent people. When I was single, I had time to listen to podcast, while I was driving instead of talking to my girlfriend. At that time, I looked at being single as a superpower in that regard.

I really truly believe like, one of my clients that lived in more rural areas, I’m like, “That’s your superpower.” No one is competing with you and rural areas even to you are even more rural to the people local, here. I think I read a book called *Level Up Your Life* that is where that stems from but I am very well read. I like to read as well. I like to pick up nuggets. I recently switched over to Blink because the business books can be a lot to chew on and I have ADD.

I can usually knock a book out in an hour now and that’s been good, pull out all the main things and if I don’t think I’m grasping it even then I’ll just read the regular book but yeah, I don’t know. I think there’s just so many opportunities that I am overwhelmed sometimes about all the things you can do in real estate. I need an integrator. I find that other people like yeah, I don’t know and everything is fun, honestly.

[0:15:59.0] WS: Obviously yeah, you would be more towards the visionary I think but you’ve also been good at integrating by finding other people it sounds like or being willing to partner. Is there a way that you’ve learned that though? I just wanted to ask another question about that though because I feel like it’s such a good skill as an entrepreneur. It reminds me of the book, *Who Moved My Cheese*, right?

[0:16:18.5] RB: I just read that last year, yeah.

[0:16:20.0] WS: Yeah, so — it reminds me of that and so the listener knows, there is even a child’s version of that though, even my boys when they’re four and five, they loved reading that. We can sit down in one session and read that. It’s just great for them as well to start thinking that way — but you do. You are thinking that way. You are not afraid of failure. You are willing to make all of this happen and keep pushing.

Is there something that say happened to you 10 years ago or is there a book that you read two years ago or something that helped you to just develop that mindset that was like, “Hey, I am going to push and make this happen” and not be afraid to fail?

[0:16:54.7] RB: Well, okay, *The Go Giver*, I think is the most important book to me investment-wise but I think I was the kid in class who always talked to the person next to me and then they would have to move me around in class but the teachers really knew I was a good kid and I was pretty smart I suppose but they didn't try to smother that and get rid of that and I think those kinds of skills translate so well to me in the real world. My parents didn't try to push that down either.

Maybe a little Adderall back in the day but like, I don't know. I really – I always say I grew up in a magical place. Everybody was so supportive and kind and I don't know, I grew up with parents that were very generous like with helping people. They taught a class called Celebrate Recovery to help people get their life back in order in a positive way so I don't know. I think I've just been very blessed and I hung out with my friends so much growing up.

I felt like I was raised by a wolf pack and they were all just really great people. I ran cross country and I always think the cross country kids are really good but we were doing rope swings and stuff like that. I don't know, instead I get into too much trouble but I think if you have a child that has ADD, look at it as a positive, as a superpower instead of as something that you need to refine because in the real world, Frank Miller, who was a local investor.

The former president. He says, it's the hand you shake that make things happen and open up these doors. I am a firm believer in that as well.

[0:18:20.6] WS: The hands you shake.

[0:18:21.5] RB: The more hands you shake, the more deals you make or something like that is what he says but yeah and then, with COVID, when you are not really shaking hands but I am very fortunate.

[0:18:30.9] WS: In our current state of real estate and just the current market, do you have any predictions over the next six to 12 months?

[0:18:37.7] RB: Okay, so we're like a turtle, slow to rise, slow to fall in Louisville, Kentucky but I would say the whole Midwest collectively is in really great shape like I would invest in Northern Kentucky, Cincinnati, not as much Dayton but Columbus is killing it right now. Tennessee, Indianapolis like I love all of those areas. I think the east and west coast are like in trouble a little bit because with everything being shutdown, people are paying for the expense of being out there but not getting all the tangible benefits.

In Louisville or I mean Kentucky, we only have Lexington and Louisville as the major cities, so we are about to reap a lot of the benefits of those people kind of moving home but to the big cities. Office spaces is going to be a problem. Airbnb's is going to be way lucrative because so many people turn them into long-term rentals or just sold them off as flips. I think our market is going to be great. We have 11% appreciation this past year.

It's because there is nowhere to build and we lost a lot of builders in 2008 and the interest rates are ridiculous. It's the perfect storm. People are going to migrate a little bit more rural. Even here, I think some of the more rural counties are going to pick-up a lot of new builds. I mean you are seeing that already. I just think there's a lot of opportunity out there. I mean we only have 1,100 houses on our market. When I started seven years ago, we have 5,000 single family homes on the market. It is tight, so yeah I could imagine being like a buyer's agent right now.

[0:19:56.1] WS: Do you have any daily habits that you are disciplined about that have helped you achieve success?

[0:20:01.7] RB: Yes, I do actually. I get up, I make this thing called fancy drink, which is just having water and I drink about a 100 ounces of water a day that's like the goal and I make coffee and then I sit and read the news. I got to Reddit Louisville, I go to WDRB and WLKY and Carter Journal and I am a member on Carter Journal and if I see anything that I value then I post it and let everybody know about it. I do that every morning then I read my emails.

I see if I have any deals to send out on the Louisville network and that's it and then my schedule, I don't have anything for the next two days but today, I am showing someone some properties from California but I like to leave my schedule open a lot so that way, if someone really needs me I can serve them at that time and then I can recharge. I come up with a lot of my ideas just reading and thinking. I sit in my hammock all the time.

It's cold right now so I don't right now but I'm the hammock just thinking and hanging out. I love having people over to hang like literally. No, I mean and then just trying to get out. I host – I go to Chipotle, my CPA two years ago said I went to Chipotle 99 times. I take a lot of Chipotle lunches because you can get in and out quickly. There is no tips or anything so you can leave when you want and then everybody can find something that accommodates their diet.

It just seems like a win/win for everybody. I know everything that's going on in our market like on the news and then events. I make sure to get out about 75% of those.

[0:21:22.8] WS: Nice, what about your – maybe you talk about this briefly but what's your best source right now for meeting new investors or clients?

[0:21:30.0] RB: It's strange but they all just find me somehow. I think whatever I'm doing is working. I would say going to the meet-ups but you can't just go one or two times. You have to go consistently and you need to be the smartest guy in the room and I am not the smartest guy in the room but I know what's going on and I know who the smartest guy in the room is. If you have a question I'm like, "Hey, I don't really know this very well but you need to go talk to Harry Borders or Chris McCartney or Jordan Pone" or something like that.

I think there is a lot of value in that and then I don't ever really ask for anything in return. There is the rule of reciprocity but sometimes if you are just being nice to everyone, it is easy to end your day. Try to offer value and don't expect anything in return. Harry Borders always says I never miss a meal because I spend a little extra time helping somebody and that's so true.

[0:22:16.2] WS: What's the number one thing that's contributed to your success?

[0:22:19.2] RB: Gosh, having amazing people around me that I guess two years ago, I had sleep apnea. I weighed 220 pounds. I'm 5'6" so I lost all that weight just like with keto and I started Pelotoning, which was a business write-off as well, which is kind of cool. Losing all that weight I just found a new zeal. I was able to read and think and process and so that was a huge catalyst for change. If you aren't sleeping well, then go get that checked out. It will change your life.

You'll feel younger and then you don't have to overeat calories either to get your energy and so that's been a huge game changer and I'm very thankful. Everybody was supportive around me for that as well, so I don't know, just surround yourself with amazing people.

[0:22:59.4] WS: I know we talk about this a lot on the show but I wanted to ask you anyway because I ask everybody is how you like to give back.

[0:23:05.0] RB: Okay, so I'm in charge of fundraising for Home of the Innocents, which helps people that are phasing out of foster care get their life together and have a place to live. I'm really involved there. I went on a trip with Harry Borders last year and did this hand to hand where we built a house and I realized it only cost 8,000 to build a house and change someone's life forever. One thing that I am going to be rolling out and I have talked to my CPA.

I've talked to my broker, I've talked to the attorney, I am going to start offering my services to Silent Auctions for non-profits. I am going to lower my commission by like 0.25, so they are paying to get me at a reduced discount a little bit. The profits there go to the non-profit but then when I sell the property, I won't take any commission at all. I will donate a 100% of the commission back to the property. If I did a signed auction with Home of the Innocents and then sold two houses for 400,000.

They would be essentially getting 10,000 from me, which means I just changed a family's life forever. My goal is to do about 50,000 and giving back to non-profits, Make a Wish, things of that nature and my logic is, it's not going to take away from any of my current business but it is something I can do and I have such good systems that it is not going to add a lot of work to my real life either. My admin called in, she is really – likes to give back too. When we can add value in that regard, we both feel really great about ourselves.

[0:24:24.2] WS: No, that's incredible. I appreciate you sharing that. I just think having that giveback mentality is so important and just thinking through that and even being strategic like you are about giving back in a big way and how you even said it is not going to take you away from your business or your other income really but it is a way that you can add significant value and change a family's life forever, right? I mean just drastically but Rob, great interview.

I appreciate you just breaking down some of that. I mean I love your mindset really, just no fear really of failure, being willing to step out and find people that are good at those things that you claim you're not good at but you probably are not giving yourself enough credit but really, I mean because I think that's a learned ability I think at some point in someone's life, you are learning to be able to be aggressive in that way and not act just based on fear and it is so big as an entrepreneur to be able to do that. Rob, how can people find you and learn more about you?

[0:25:20.4] RB: Sure, on Twitter I'm Robert Bergeron at @robertbergeron. Rob Bergeron on Facebook and Instagram and then you can always book me on my calendar but yeah, no I mean like I'm always happy to help and the crazy thing is even if I don't live in your market, I can still run comps. If you guys ever need comps in anywhere like some of these states are non-disclosed like — some to be but I mean I am happy to help just to make sure you're getting a good deal wherever you live.

[0:25:45.8] WS: Awesome Rob, that's a wrap. Thank you very much.

[0:25:49.3] RB: Hey, my pleasure. Thanks for having me on and I hope you have a phenomenal day.

[END OF INTERVIEW]

[0:25:53.3] 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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