

**EPISODE 1305**

[INTRODUCTION]

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**JT Lynch (JL):** We really have to stay on our toes to see what the market's doing, what different carriers like and don't like it, and some of them get really crazy, and we're always open to finding different markets, finding different ways to do things, a good thing about us as brokers is we have the ability to go out to multiple carriers.

**0:00:17.9**

**Sam Rust (SR):** This is your daily Real Estate Syndication Show. I'm your host, Sam Rust. Joining us today is JT Lynch, who's a commercial insurance broker with Ramey King insurance.

JT, welcome to the show, thanks for joining us today.

**0:00:30.6**

**JL:** Yeah, thank you for having me, it's a pleasure.

[INTERVIEW]

**0:00:32.5**

**SR:** There's a little bit of back story here, but I know that Old Capital down in DFW put on a basketball tournament here recently, let's see, Hoops for Homelessness, and I saw some pictures of your firm putting together a team. I'm curious. Did you participate in that?

**0:00:47.2 JL:** I did, I did participate. And in one of those pictures, you see with the Old Capital backdrop is right after I tore my Achilles tendon in that tournament, it was in our last game, in the last half too.

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**SR:** Oh my gosh, you really left it all out on the court.

**0:01:01.6**

**JL:** I guess, so yeah, I did. It was funny, and when it happened, I felt it snap, it felt like someone landed on the back of my leg, but then when there's no one around and I just collapsed and I knew exactly what happened, and I was telling everyone, they're like, no, no, you just sprained your ankle. I was like, no, it's not there. You can feel it, it's gone, and they're like, well, let me get you an ice pack. It's like, okay, it's not gonna do anything like my Achilles is done.

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**SR:** Oh my gosh, well, I did see that picture, I was like, oh, that didn't look good, but here we are talking just a couple of days later, so the real important question, while I'm wondering, is, did you guys win?

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**JL:** We didn't win, and actually on that play, they called me for travel too, 'cause I fell down with the ball, yeah, I had to rub the ball in a little bit even more.

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**SR:** My goodness, I'm gonna have to talk to James, it's, just not acceptable.

**0:01:45.3**

**JL:** But it was a great time. Great turnout. I wish that I could have stayed longer and network, been able to network with everybody, but, awesome event, the SMU Campus is amazing. I don't know the last time I went back there, but it's beautiful and the event was great, so I hope that they keep doing it, and I don't know how much I can attend next time, but my wife said, well, your goal now is to get back, so you can be there next season.

**0:02:07.1**

**SR:** Right, we'll check back with you JT about three months and see how rehab is going, I've heard that that can be somewhat grueling for Achilles' tendons.

**0:02:14.1**

**JL:** Yeah, yeah. That's the biggest problem with it. We're kind of speaking off air, the pain surprisingly isn't, isn't really as bad as you would think, but the comeback that the rehab process is pretty strenuous, probably not walking and not playing basketball for sure for about a year.

**0:02:31.1**

**SR:** Well, I'll write the Pine until next year and we'll see, maybe you would come back as a coach or a ref or something.

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**JL:** Yeah, exactly. I'm not for the season now. But you'll never know.

**0:02:39.4**

**SR:** If the Mavericks call who can say no, right?

**JL:** Exactly.

**SR:** Fantastic. I'd love to hear a little bit about how you ended up in commercial insurance, there are some folks that are born into that business, it doesn't appear that you would fall into that category, so walk us through a little bit of your career path to ended up at Ramey King.

**0:02:57.2**

**JL:** Sure, so I went to school at Texas Tech and I was an Exercise and Sport Science major. I did it because I've been around sports my whole life, and that seemed like the logical step to do, but then afterwards, career field, you really need to go get your master's. I was thinking about physical therapy and things like that, but I graduated in 2008, the economy wasn't good, and so I decided, you know what, I don't wanna spend more time and have more debt in college. So, I'm gonna go see what I can find and then I can always come back, right? And I found a job in sales. Like you mentioned, a true green, never thought I would be good at sales at all, it was just kind of a filler position to find my next thing, but I was good at it, I just learned basics kind of in a call center, and then I ended up managing a sales team, door-to-door, actually, in Dallas and Houston. So, if you can sell something door-to-door, you can do anything, especially in Texas during the summer. It's one of those jobs where, Man, this kind of sucks, I don't wanna do it, but then it hardens you for everything else going forward. You know what I mean?

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**JL:** That eventually I was with a company called IGS Energy at the time, and they ended up pulling all their branches out of Texas, and so I'm not left going, well, now what do I do? Making good money, doing well, doing door-to-door with my sales teams, the problem is, is you have to be there when people are home, right, and that's usually on weekends or later at night, my son was probably four at the time, and I'm just thinking, you know, do I wanna do this the rest of my life and be away from him forever. Probably not. This is probably a good time to make a career change. And so I did, My neighbor actually was working at Liberty Mutual in personal lines, and so I got a job there. Liberty Mutual was great. I had a lot of learning there. I just didn't like the, it seemed like you would help somebody and then you're on to the next right away, there's no relationship building at all, and I really didn't like that, and so I just happened to go to a networking event and my future boss sat down right next to him and usually those events to try to stay away from guys in your own industry right, but he happened to sit next to me and we started talking and he said, "You know what, we've got no position, and I think you'd really like commercial," and here I am. So, I've learned that all the bad things that you think of a job or all the struggles that you might have, it really, it doesn't have to be forever, and just use those as strengths, use those as encouragement and take from everything you can to go on to the next and if anything ever seems hard, I tore my Achilles tendon, I'm working from home and talking to you, nothing is as hard as walking out in Texas going door-to-door, so you kinda put everything in perspective, And so I wouldn't change anything for the world. I do wish I would have gotten into this a little bit sooner, but definitely, my path has helped mold me to who I am today.

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**SR:** So many people in real estate are in sales, just, what are you slinging? The product might be a little bit different, but the networking component of it is the same going door-to-door, Rejection rate fairly high, I would imagine. How did you get past the mental block about, I've been in sales as well for 12 years, and that's the hardest thing when you're cold calling, even with established relationships, that rejection can be difficult, but when you're just door-to-door, as you said in the hot Texas summer, it takes a little bit of intestinal fortitude to overcome that? Did you have any tips that you can share with us on how you approached it?

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**JL:** Yeah, and you're definitely right, but the yes, rate is, It's not good, right? But what you do is you just look at it from a number scheme, right? 100 doors a day, I'm gonna get at least one or two sales, so you just know that, right. And then the more you do it, the better you're gonna be, and so you really look at it as this is a no, but it's my 30th no. I've got 70 more to go before I get another yes. So, once you do look at it from that standpoint and just know that my numbers are this solid, I know that I can get a sale out of every 100 doors, so then just keep pushing to the next year, that one no is closer to your next yes, right? And then I would start doing things, instead of setting a goal for a sale, I set a goal for, let me have a great conversation with somebody. Even if I don't make a sale, at least they weren't cussing me out, throw me out the lawn or something, at least I had a great conversation. And interesting enough, when you're not being too pushy and when you're just going up and talking to somebody about their US spring flag flying or saying things to them and just having a conversation with them later on, you'll see them when you're walking the other side of the street and a lot of times they'll tell you to come back or they told their friends, and so try to strive for great conversations, relationship building, you may not get the sale right then, you may not ever get the sale, but you'll have a more pleasant day and it seems to come around in your favor, for sure, I just don't get frustrated, stick to the process and just keep going. That no, is just one step closer to the yes.

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**SR:** I think that's really important, and a lot of that can translate over to whether it's underwriting deals, the ratios are probably pretty similar these days, the number of deals you have to underwrite before you get to a yes, and then even with passive investors, where you said about not being pushy and just really seeking to be somebody that people enjoy being around is really important and genuinely pursuing that, not just putting it on like a coat that you can appear attractive, making that part of who you are, not being overly pushy is really key to many aspects of what we do in real estate.

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**JL:** Definitely, and I'm really blessed. We're family on an operated company, my boss is great, and he understands that it is a relationship game, and some of my best stories when we weren't able to make the sale, so maybe for whatever reason, this property, maybe there's just too much rehab

going on and the markets we have just won't insure it. There's just too much there. You've gotta go in and get things fixed first before our markets are willing to look at it. And so some of the best stories are, hey, I can't help you on this one, but I know someone else I can call, that you call and I'll introduce you and they can help you out once you get everything fixed, then give me a call and I'll help you, And so it's funny, I didn't make the sale, you're thinking, Oh man, this is terrible, but that I get so much thanks and appreciation from that and referrals from that, and just being open and honest, it makes me feel better. And in the end, it did help everybody.

And I've worked in environments before where it's just sell, sell, sell, hard sell, no matter what. And that's just not me. I'm here for the long game it. I'm here for building relationships, not just getting the sale, but getting your other properties as well, and you can only do that when you have a good relationship with everybody, and so that's, I'm fortunate that I'm in an area that they'll let me do that.

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**SR:** Moving from the transactional sale to the more consultative sale, the longer relationship cycle, I greatly enjoyed that as well, it's such a different feel when you know, hey, I'm gonna be working with this person. If I nurture this relationship well for five, 10, 20 years versus I sold you a whole life policy and we may never speak again, I do have to ask before we move off of the true green, how many times did you have a gun pulled on 'cause you're going door-to-door out in Texas?

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**JL:** It never happened to me, but it did happen to somebody in my sales team in Houston once, so that was not cool. I think he may quit the next day, which I don't blame them, but, yeah, it's a scary thing. We would do as much as we could to be safe, we'd always go out in groups, we would always sleep before it got dark and things like that, but people are weird about their houses, you never know who's on the other side of the door, you make sure to knock and step back to your un-threatening and things like that. So, there's definitely an art to it. Yeah, it can be scary out there. But I'll tell you what the most successful door-to-door sales reps I've had are women, and you think, oh, they're the most scared to go out and do anything, but now if they have the right attitude, they're so un-threatening at the door that most people will open and carry on a conversation with them whereas this big scary dude, maybe they won't even open the door,

right. So, it's all on your mindset and attitude, we also know the neighborhoods to kinda stay away from. The neighborhood, the bad neighborhoods, they're not gonna buy True Green service anyway. So why even go there? So, we're going into areas where people like a well-manicured yard, and most of them are pretty respectful.

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**SR:** Well, that was a fun aside, but commercial insurance, I want you to tell me that insurance rates are going down nationwide, it's an amazing story. Running counter to inflation. Can you verify this rumor, JT?

**0:10:48.0 JL:** I cannot verify that rumor, unfortunately, it's interesting, there's kind of a shift, especially in Texas and South Texas, near Houston this year, that things have gotten more challenging for sure, and it all comes down to losses, right. So, these carriers want your properties, if they take enough losses, they literally can't afford to insure these properties anymore because they're paying out too many in claims, and so a lot of them, how they recoup that, they increase premiums, maybe they increase the deductible percents, and then some of them say, you know, we can't do it anymore, we're not, insuring 1970s to 1980s in Houston, Texas anymore. They kinda, I guess, make their appetite a little bit smaller, they'll do things 2018 and newer. But beyond this line and highway, then they don't go below that, and so we really have to stay on our toes to see what the market's doing, what different carriers like and don't like it, some of it gets really crazy, this carrier, they will ensure a 1970s built with aluminum wiring as long as it's remediated, but it has to have a fire sprinkler system, it's like, okay, so I do remember all these little things that they like, but it can't be too big, but also can't be too small, and it can't be too close to the coast, but it can be this far and all these things, so we have a running kind of guy that we kind of use to know where to go and we're always open to finding different markets, finding different ways to do things. A good thing about us as brokers is we have the ability to go out to multiple carriers and we can even mix and match coverages. So one carrier might be great with property, another one might be great with general liability and other ones could with umbrella, one carrier on the property side may not offer wind and hail coverage, well, let's go to another carrier that well off, and so sometimes you get a policy and there's multiple carriers on it because they're all ensuring little sections of it kind of protecting themselves, and the end of the day, as long as the policy works and the lender approves it ,doesn't matter, so we'll get as creative as possible to

make it work.

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**SR:** Do you see broadly folks driving deductibles higher and assuming a little bit more risk to try to drive insurance cost down or driving deductibles down to lower their overall risk in the event of an actual claim?

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**JL:** It's a good question. Most of the time, I'll see people willing to take a higher deductible just to get that premium down. In Texas, that 2% wind and hail deductible is that standard, you're not seeing too many 1%, and as you get closer to the coast, it's even higher. They'll have a separate deductible for a named storm. Most people are trying to save as much as they can so they can make sure that this investment works, I will say that they be more strategic about it as well. So if you've got a roof that's 10 years old, in Texas, well, maybe I do a deductible buy down to the 1% now because I know that the next hail storm that's gonna come through, which we have one last night, there's hail storms, it's gonna happen, right? The next one that comes through could be that next claim, and see if you've got an older roof, maybe you get the deductible buy down so that you can afford that new roof, but if you got one that's one or two years old, maybe you take that risk and let it ride for a few years, so the roof gets older, so it really depends on the property, but also depends on the person.

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**JL:** I've seen owners that 5% wind/hail and at that point, you're kind of self-insuring, I've seen some owners not even have a deductible now, well, I don't want wind/hail coverage. I'll take care of that myself. Everybody's risk tolerance is different, and it's kind of challenging for us actually, because we wanna get you the best benefit, but you might say, no, I want the best premium possible, I don't care about all that other side, I just want the best premium, We kinda need to know that going forward to be able to get you your best option, not necessarily the best option that we think, If that makes sense.

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**SR:** I live in Colorado, we own properties across the Rockies, so named storms aren't that big of a



deal, but a lot of listeners to this show are around the Gold Coast. Your Floridas, your Carolinas, obviously, a lot of folks in Texas, you had mentioned that some people are starting to have carved out for named storms, is there special writer policies that you can put on that are only triggered by named storms. Have a disaster-style insurance?

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**JL:** Yeah, there's a few ways to do it, and like I said, some carriers, they will not cover a named storm, so then you go find someone else that will and they're willing to take on that risk at a 3% named storm deductible. And for your listeners, a named storm is exactly that, if the storm comes through and it has a name, there it is, it's a named storm deductible. So, basically what that means is a tropical depression, and if it gets big enough to have a name like a hurricane, then it would be a named storm that doesn't apply to tornados or anything like that, it's just bigger storms that are named.

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**SR:** Somewhat predictable and you watch it on your news channel for 10 days before they actually make landfall.

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**JL:** Yeah, well, and what's really interesting is this time of year, carriers are even tighter near the coast because this is hurricane season. So, what they're afraid is, I'm gonna write this property right now and a hurricane is gonna come through next week, and now all of a sudden, I've lost all of this. So, they actually kind of wait around sometimes, especially if there's a hurricane kind of floating off out the gulf, they'll wait around and they'll go, "We'll write it." After this storm comes through and then they'll write it. So, it's really challenging, especially you got closing dates and all these, trying to figure out the best option, but during hurricane season, it makes it a little tougher as you get farther into the summer, that's less of a problem, but yeah, right now it's a little challenging. They're watching the storms, very close.

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**SR:** Man, I hadn't even considered that, but that would be something as an insurance company to see Charlie coming through and all of a sudden like we were supposed to close, we're just not

gonna write it for 48 hours and we're gonna wait for it to leave, that could leave a buyer in a pinch.

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**JL:** And it's tough, so if you're looking at coastal properties, keep that in mind that the hurricane season, you may need to have a couple of extensions just because of that, if there's a storm waiting off the coast and you're probably gonna have to wait.

**0:16:31.8**

**SR:** Fantastic. What's one way that you've improved your business recently, JT, that we might be able to apply on our side of the fence.

**0:16:37.9**

**JL:** Improve my business. It's kind of funny, I tell everybody this, but Covid actually, really helped my business. And the reason is there's enough networking events in DFW that you could go to one every night, probably, and you go in person, and that's what we used to do. Since covid, no one was getting out, and so then what happened it, Zoom is all the rage, and everyone has a Zoom, and that allowed me to network with folks all over the United States. And we're licensed everywhere, not just Texas, so I'm able to meet people in New York that are buying a property in North Carolina and so on, and then I wouldn't have done that unless people were more open to all the Zoom meeting, and from there, it's just referrals like crazy, it's building relationships with people, giving them a shout-out on Facebook and then they close something or LinkedIn and just the network. There's a lot of investors out there, but it really does feel like a small family, and as long as you're doing them right, your name will get out, you'll get the good referrals and you can help more and more people.

**0:17:34.2**

**JL:** And that's the biggest thing is when I network now, I don't even start the conversation off telling them what I do, I tell them who I know that can help them get their deals done. Who I can refer you to? Do you need an attorney, you need a CPA, do you need other investors to team up with? Where are you looking at, maybe you need more help, a bigger team to take down a bigger deal, right? And so my whole thing is, I group all these people together, and then, oh, by the way, I'll be happy to help with your insurance. Right? And I think the more honest you are about that

approach and just the true relationship building, the better it's gonna be. People can see that the (inaudible), right? So just be open and honest, try to help him and it'll come back ten-fold for sure.

**0:18:14.3**

**SR:** Fantastic. Well, JT, thanks for joining us today. If folks wanna reach out to you, they can hit you up in your email, [jtlynch@rameyking.com](mailto:jtlynch@rameyking.com) or look him up on LinkedIn, you got a profile there as well, but thanks for your time, JT, it's been a pleasure.

**0:18:27.0**

**JL:** Yeah, thanks for having me. Awesome, thank you to our listeners for joining another episode of The daily Real Estate Syndication Show. I'm your host, Sam Rust, signing off.

**0:18:35.0**

**Whitney Sewell:** Thank you for being a loyal listener of the Real Estate Syndication Show, please subscribe and like the show, share it with your friends so we can help them as well. Don't forget, go to [LifeBridgeCapital.com](https://LifeBridgeCapital.com), where you can sign up and start investing in real estate today. Have a blessed day.

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