

Get Real

(e s t a t e)

Get Real Podcast Episode: 024

“Next Level Wholesaling- Todd Toback”

Hosts: Ron Phillips & Angela Thomas

Welcome to The Get Real Podcast, your high-octane boost and in the trenches tell-it-like-it-is reality therapy for personal, business and real estate investing success with your hosts, power-preneurs Angela and Ron. It's time to *get real!*

Angela: Hey everybody, welcome back to The Get Real podcast. This is Angela Thomas and I'm here with Ron Phillips. Hey Ron.

Ron: Here we are here we are, special show today. Love it.

Angela: Yeah, today we are here with Todd Toback. He's an active real estate investor and a master at wholesaling. He has over 15 years real estate experience specializing in acquiring real estate assets below market value. Love that. And I guess he's flipped close to a thousand single-family residences, right Todd? That's pretty cool. So we're going to learn from Todd today. So welcome, Todd, thanks for joining us.

Todd: Thanks. I'm excited to be here and I'm ready to rock.

Angela: Awesome. Awesome Todd. Well, I would like to start out, I know you professionally but I don't know you super well. So I just would like to start out. Going back to the beginning, can you tell me like, where did you grow up and, and what did your parents do for a living?

Todd: Oh, wow you're taking me really far back.

Angela: Really far back.

Todd: I grew up in the most amazing little town called Long Beach, New York, a little island off long island.

Angela: Long Beach, New York, okay.

Todd: And it's a half-mile wide, 10 miles long. And it has 16 weeks of absolute glory. So if you ever get a chance to travel back...

Angela: 16 weeks, alright.

Todd: 16 weeks of absolute glory. But I grew up in a small little beach town, spent a lot of time on the beach. Was later in my teen years was an ocean lifeguard, and that kind of spurred up, not spurred up, birth my love for the ocean and the water. And actually took me out to California eventually so we can get into that.

Ron: This is weird because Angela is a lifeguard and she's from California and you live in California. And you were a lifeguard.

Angela: I wasn't an ocean lifeguard though because I lived in Napa, but I had two paper routes and then I lifeguarded for like forever, like five years. And I actually lifeguard at the pool where the Raiders trained so I saw the Raiders in their speedos swimming. But I didn't do it in the ocean but I got some good stuff there.

Todd: There you go.

Angela: Sorry. So anyway, I'm sorry Todd, I asked you to like what did your parents do for a living? Do you mind telling me about that? I just think that's...

Todd: Yeah so the, you know, it's funny because the first year in, thank you for bringing this up. The first year that I actually tried out for the beach patrol I didn't, I didn't get on and I was like really upset and disappointed. I mean, I remember getting a letter and I was disappointed and my dad like knew how much I want to get on. He's like, Todd, you know, you've just got to put in the work. Like you've got like really, really train hard when no one's watching and everyone else is going to be kind of like doing their thing and going to school and not thinking about it. You just got to show up next year and make it happen.

Todd: And so, my dad was an entrepreneur growing up. He owned various, he had really sales organizations. So I don't think I ever told you this, Ron. But he had a magazine company, you know, big call center, cold callers, and they would sell magazines and the renewals and then later on they sold credit cards to people who recently got rejected for credit cards, right. So talk about...

Ron: I mean, this is I did not know this about you, but this is really cool because this, what I do know about you is that you are like the sales dude. I mean, everybody knows Todd Toback. Todd Toback is like the sales king. He knows how to build sales organizations and he sales, negotiation, all that stuff. I mean that's Todd's, that's where you live, right? You grew up that way, right?

Todd: Well, we grew up that way and, you know, it's funny because my dad at one point said, you know, I kind of want to get out of business and he wanted to get

involved in ministry and so he then started hiring managers to run the organizations and, you know, he took those businesses to kind of as far as they could go. And I kind of watched him, you know build these things and really get things done through others, right? I mean, he used to tell me always that you've got to hire leaders and pour into them and work with the sales guys and train the sales guys and role play and do it again and again and again and again and again until they got it right, right. And then you'd step out of the office and, you know, you'd recharge and then you'd come in and sometimes they were off kilter.

Todd: You bring them back on your role play back again, again, again, again, again, again. And he used to have these massive parties. And this is something that I got actually, that I, this is bringing me back for his people, right. Once or twice a year, used to have them big restaurant and handout trophies to everyone in the loudspeakers and you know, dance contests and...

Angela: Oh my gosh, that reminds me of Michael Scott with the Dundee. That's awesome.

Todd: So that was my, you know, growing up, I saw my, you know, my dad do that, but the most powerful thing was that, you know, we grew up in New York Jets fans in football and my dad, we used to play football, you know, in the summers, you know, probably for a couple of hours, like every day during the summer and just passing the ball. And all the other dads were stuck commuting to New York City and my dad, his business has gave him the freedom to be able to, to hang with me.

Angela: Oh that's so cool.

Todd: That really left an imprint. And so this Friday it's funny. I went camping with my family and it was a Friday afternoon, it was like 4:00 o'clock, you know, and, and we were throwing the ball back and forth and he's just a couple hours earlier, but a lot of the dads were getting to the campsite at like seven, eight at night, you know, it was kind of getting dark and I was already, you know, they're throwing the ball with my son. So it kind of, you know, made me feel a lot of gratitude a lot of gratitude.

Angela: Oh, that's really cool. Thanks for sharing all that. You said you kind of made your way to California. How did that come about?

Todd: So I went to college in Michigan and, you know, there's a lot of snow, right? Grand rapids, Michigan, four years got my degree and I just love the ocean so much. I was like, hey, I want to come out to California and be a lifeguard all year

round. Of course you're 21 you're like, oh, this is a great idea. So I drove out to California, I had \$300 in my pocket, had my 12 year old Labrador retriever and Mercury Cougar and I, and my mercury cougar. I remember driving over the Colorado mountains.

Ron: That's a sweet car, dude. I had one too.

Todd: I mean that's what my friends call it, right. So we're driving over and this is my wake up call and I haven't told this story very often. I'm driving over the Colorado mountains and you know, my transmission starts acting up and I'm like, that does not sound good. Well of course, like when you're in your late thirties or forties, you're like, I'm not going to try to continue the rest of the journey. Well, when you're in your 20's, you're like, Hey, I'm just going to floor it and you know, I don't care what sounds the engines are making, I'm going to make it.

Todd: So eventually I made it to California with half a tranny in this cougar. But the funny thing was I got out here and you know, the beach patrol, you know, I found out like they only hired once a year, right? And of course 20's you don't really do a whole lot of due diligence before you drive out, which was, and so I came out in January find out I wouldn't have a chance to get on in the summer. And so I'm like, okay, I've got to get a job and I've got to get a real job because I've got this \$2,700 transmission and to pay rent out here in San Diego, it's going to cost me like at least, and this is back in 2001 right? At least \$500 for like a studio. So I'm like, this is going to cost me real money so I'm going to get a real job. And so...

Angela: Okay, Todd, is that, I don't want to interrupt you here, but I read something online about you getting started in real estate investing from selling Viagra. Does that tie in right here?

Todd: That ties in. So one of my buddies said, hey, you should check up pharmaceutical sales. And so I got a book on how to get into pharmaceutical sales. Like there's an actual book written on them.

Ron: This is fantastic.

Angela: And I did that too. It's so funny.

Todd: You were a drug rep?

Angela: Yeah. Yeah.

Todd: Okay. This is funny for me. I had this, you know, my city degree, so I wasn't exactly like attractive on paper. And so it's like just hang out in the doctor's office's find the reps and they get referral fees for referring you. And so I started hanging out and I caught some drug reps and my dad had bought me a suit before I came out to California and I caught a rep. He hooked me up with his manager. We hit it off, his name was Derek Clark and great mentor and he hired me. He hired me and hired me to work for Pfizer when Viagra was just launched, right. When this was like a dream job. I'll spare the jokes, the Viagra jokes.

Angela: I can only imagine your training because I had to study up on my painkillers.

Todd: So it was a ton of fun. There was a movie out there, I forget the name of it, but a movie that came out about by Viagra when it first came out and everything in the movie was kind of true. And so a lot of fun, great. But the, you know, all the Viagra jokes aside about sales being, you know, the competition being stiff and sales being way up. The training that they gave me there was just phenomenal. I mean, this company was not a pharmaceutical company. This company was a marketing and sales company. I was also selling Lipitor. They weren't even, they didn't even invent Lipitor, right?

Todd: They actually just market this company called Warner Lambert had the drug, right? And they were just a sales machine, but Pfizer got all the credit. So they poured into me when I went in there, and I remember I was two weeks in Irvine, California. Then three weeks in New York, and we worked a week in the field, two weeks back in Irvine, another three weeks in New York. Then we worked six months in the field. They sent us back to Irvine for another week and then a year later went back to New York for two years, right. And so, I mean, two weeks. But the thing about them is they had as role playing constantly and the video cameras and they're like, training never stops. It never stops. And they, and they really ingrain that in you from day one.

Ron: You know, Todd that's an interesting thing in business learning never stops, training never stops for anybody, right? I mean, I think that somehow out there, people think that once you own a business, you're good, right? Everybody else needs to learn from you, but you can stop learning now or something like that. I don't know where people get this notion that somehow you at some point you just make it and you know everything now. That's not the case, man. I know people at high levels and they're still spending, you know, big, big money on training and knowledge base and all of that stuff. I know you do. I know I do. Angela does, we all trying to level ourselves up constantly. And I think that's ingrained in a lot of us because of our past, you know, like the three of us have a

pretty similar past. And that's really, really interesting. How'd you get into real estate from selling Viagra to real estate?

Angela: Yeah tell us how you went from selling Viagra to selling real estate?

Todd: Well, you know, I had a fantastic mentor, right? And by the way I really I think going back to the training really quick, you know, I think sometimes we get out of structure, right? And so we hit a certain point of success and then we get complacent and that's a really dangerous place to be. At Pfizer I really thrive because of the structure. Well with structure and the size of organizations sometimes comes and you know, it sometimes the bigger the organization it becomes a lack of a wall, a glass ceiling that you're not going to be able to break out of. So, long story short, I'm up in living in Santa Barbara a small town called Carpenter Rio. And you know, I looking at what I'm making and I'm making good money, but I'm like, hey, I want to make a lot more.

Todd: And through a series of events, I talked to my boss, I'm like, hey, I want to double what I'm making now. And Angelica you could probably, what company did you work for Angela?

Angela: It was called Stella Pharma.

Todd: Okay. Well it might've been, it might've been different depending the size of the company, but I was like, I got to make, go ahead.

Angela: No, sorry. It's the same thing, it's corporate. I'm laughing because I came from a complete corporate world district manager for Abercrombie and Fitch and then Stella Pharma. And so I know you're going to say, I'm sorry.

Todd: I was like, hey, I want to at least double what I'm making now. How do I do it? And so Derek who loved me and trained me and poured into me, he's like, hey my man. And he kind of put his arm around me and was like, you just don't understand like the way the corporate world works. Like I don't want to submit this request. Like, you're going to look like an idiot and I want to protect you from getting too big for your britches. And that was his intention. But unlike, hey man, like I appreciate you looking out for me, but this is where I'm going, right. And I didn't say that to him. I was really embarrassed, right. And I was like, I felt like he, you know, kind of took me down a couple of notches and he wasn't trying to do that, but he was just telling me the way it was.

Todd: Well I got in my car and I was driving home and the one on one freeway I was kind of, you know, angry, frustrated, depressed, and I see a Barnes and Nobles

on the right hand side of the freeway and I remember cutting across three lanes in Oxnard, California everyone was honking at me and gave me the finger. Something drew me to the bookstore. I walked into the bookstore and I saw this one book. It's called the Multiple Streams of Income. It's right on my shelf here. Have you seen it?

Ron: Yeah, great book. It was like my third book I read.

Todd: So Multiple Streams of Income and there's a chapter in there on just sending out letters to homeowners, right. Sending out letters to homeowners and finding a motivated seller. Now this is going to be a really, really cool story if anyone knows anything about direct mail and finding motivated sellers. So this is back in 2001 or 2002 and lists pulling a list online did not exist, right? So it said, find an out of state owner, find someone lives out of state and find them where and if they own their property out of state, there's a chance that they will be motivated to sell. So I had to go down to the county and literally go through this book of like Microfish to find out of state owners.

Ron: Dude your dating both of us right now. Most, I don't think most people in real estate have ever even been to a courthouse and been through the books or the Microfish or whatever else.

Angela: If the internet died tomorrow most of us be like, what the hell did we do?

Todd: So here's the thing, the obstacle is the way, right? Because I went down there and it's funny because technology helps us, but sometimes it hurts us. So I went down there with some bagels and some cream cheese and the lady helped me and literally opening this book, there was so much dust in there, it was like that scene out of Ghostbusters when they open the book and they blow and all the dust comes off, right? So this is like a total miracle. So I get like, it was like 30, 30 to like 60 names. I don't know how many I had, but I literally hand wrote a letter. I photocopied it, you know, I made like 60 copies. Hand wrote the letters and I remember praying over the letters before I sent them out. And out of the 30 or 60 letters that I sent out, I got two phone calls.

Todd: One person wasn't, one person was kind of unmotivated and another person was, they sounded pretty motivated. So they came down, I met with them, they told me about this condo that they had in the same complex that I was living in. That was the one I targeted specifically. And they were selling for like \$385 at the time. So they agreed to sell to me for \$280. Didn't have any money, didn't know what I was doing, you know, working at Pfizer for six months. And I asked a bunch of people in my family, they said, no, I'm not going to fund you. The real

estate market was about to crash, right. This was in 2002. And finally my brother in law agreed to do fund it. So we did the deal. We bought it, we sold the condo 30 days after we bought it, sold it for \$380. I took home \$40,000. He took home \$40,000. And that was my lunch into real estate.

Angela: That's so cool. That's such a cool story. Wow.

Ron: You know what, I love that. And so many people fail because they just never start. You know, they read the same book, Todd, and I mean how many thousands of, I don't know how many, tens of thousand. Hundreds of thousands of people, millions of people who have read that book or any other book, right? Robert Kiyosaki's book. Well you named the book and they say, man that was a really cool thing. And that's pretty much it, like they don't do anything.

Angela: Now I know your dad probably had something to do with that. Because I mean, was it scary at all to you that, I mean, I know you were kind of mad at Pfizer and everything because of the corporate structure and not wanting to give you that huge raise and, but was it hard for you to kind of let go of that? Did you see that as security that you were letting go to go into real estate?

Todd: Well, you know, let me talk about something, because to get started, right? We all have this inner hustler that we have to have right now. A lot of people have that's fire, if they're going to be like go, go, go, go, go. And you need that to start a business, right? You need that to start a business. And I'm going to talk a little bit about, look, you can't, hustling is not going to get you to really where you want to go, but when you're getting out and you're starting, you need this like crazy inner crazy man, right, to get moving, right. And so I remember like reading the book and going into county courthouse and then running to staples and getting the envelopes, I remember the envelopes for too small. I don't like folding them and then folding them again and then folding them again and licking and writing and the stamp and then, you know, and I'm running down to the post office.

Todd: Like, you know, I mean, that guy was crazy, you know? And that's a good thing to get it started. And, and if you're doing your first deal and if you're listening to this and you're broke, you're going to have to find that guy right. When you want to get to the next level. It's important you have that guy, but that guy has to do different kind of hustling activities, right. Not the same kind of hustling activities. So that being said, I had my salary, I did some deals. But now I had that \$40,000 K in the bank plus my salary. It actually kind of made me fat and lazy for a couple of years.

Angela: Oh yeah. Okay. Interesting.

Todd: Yeah. I didn't go full time until four years after that.

Ron: What was the spark that made you do that, man? So here you had you had inner crazy man and went out there and did this deal because he's pissed at Pfizer he's not ever going to get to, you know, make what he wants to make. It's very clear that's not going to happen. You go out and you, you hit what most people would consider a home run, at least a triple on your first at bat, and then you get lazy for a couple of years. What's the spark that gets the crazy man fired up again? How does it happen?

Todd: Well I got, you know, I was married and then the okay. So here's the spark is that I went actually got a job in medical device sales, right? I got a job in medical device sales and I started making like a \$150, right. And I'm like, okay, this is cool. And I was hustling and I was like, you know what, like I'm not going to make what I want to make. So there was some also issues at the medical device company and I'm so thankful for these opportunities, but there was issues of back orders. So I was really, really selling right. And doing a driving up until five o'clock in the morning, the El Centro from San Diego and Fall Brook, which is like an hour and two hours away.

Ron: Yeah, that's a long way.

Todd: And making it happen. And then what happened was the company was there was some back orders and I realized, hey, you know what, like if I'm really going to break out, like it's going to be up to me, right? And so I was leaving too much up to other people in these larger companies. And so, and then I had a baby coming on the way and I'm like, you know what? So that was the one catalyst is my wife getting pregnant. And of course, I knew that the real estate market was about to crash. So, hey, that's a great time to quit your job and go into real estate.

Ron: So Todd, we've got, everybody has their start. Everybody starts story's a little unique, but they're all really cool. You know, they're pretty, I mean, that's a pretty cool story. Everybody in here has heard mine. But how do you get from the dude that does a deal and the crazy man hustler too really to be a business owner, which is what it takes to do a thousand deals. I mean, that's, I hope everybody on here goes, holy crap 1,000 deal. That's a lot of deals, Todd. I mean, you know, most of the mom and pop folks out there are going to flip, you know, maybe a deal a month if they're lucky a year, right? So to do a thousand that takes infrastructure, that takes a lot of, it's a different deal than your first, you

know, house or your second house or whatever it is. So tell everybody this is The Get Real podcasts, right? So everybody, what does it take from crazy man status, which you alluded to, everybody's got to have to start to get to running an actual business where you can, where you can do that many deals and actually make a lot of money?

Todd: Okay. So I've had a really, really great insights. So I run a coaching program called Next Level Wholesaling. And a lot of these people are that one man operator, and they're looking to get to that next level, right? And so everyone's thinking, okay. So first of all, you're right. You cannot do it by yourself, right? But you first have to make the commitment to say, I do not want to do this anymore right? You're like, I cannot be this guy anymore right. And to get to where I want to go, I cannot continue to do the same things I was doing before and expect different results.

Ron: Yes, absolutely.

Todd: That's the key. And so for me, there was a turning point. I remember I was in bed with my wife and I was stressed out and I was doing deals. The estate market was turning, or it was very crash, but it was like still going down. And I looked at my wife and I was like, I don't want to go to work today right? But I own the company, right? I was the one man operator. So from that point I decided I made the commitment. I am going to not do this myself and I'm going to bring someone on and I'm going to pour into them and I'm going to let go of all the fears that I have, right?

Todd: So here's some of the fears. If you're listening to this, I'm going to have a fear that they're not going to do it as good as me. I have a fear that they can't close. I have a fear that I'm going to create competition. I have a fear because I don't want to train them. I have a fear that they're going to like ruin my reputation right? I don't know if it's going to work.

Ron: And Todd, these fears they're talking about Angela and I know these fears we've talked about them.

Angela: Like it's really just with hiring. Yeah. It's with everything. Every time we share anything, you have the same fears, right?

Ron: So are they legitimate fears and if they are, what do you do with them?

Todd: Well, here are the fears. First of all, I guarantee you that if you remain a one man show all those fears about hiring someone or actually going to come true because your competition is going to eat you alive.

Ron: So you're going to die, not by attrition you're going to die because you're not growing. Compound effect is taking you down.

Todd: You are a, there's going to be attrition. It just that you are going to wear yourself out right?

Ron: Personal attrition.

Todd: Personal nutrition. So it's funny because I see a lot of people struggling who start out really strong and wholesaling. There that one person crazy man, and I can diagnose this in like two seconds Ron. They're like, oh my gosh, my direct mail is not working. Everything's changed, right?

Ron: Right. It's always the market, right? So it's the market. It's not the same as when you started Todd, you started in different market conditions and the stuff you did doesn't work anymore. The mailer stopped working. My salespeople suck. It's always a whole host of other people's faults, right? That something's not working.

Todd: Well, look, the market changes, right? I mean that does right? But the one thing I can say from that right, is that something shifted well I'm like, well do the calls still come in? Yes. Well, did you answer them? You know, in a reasonable amount of time. Well, no, because I'm busy doing this and I'm busy doing that. I didn't send out the marketing because of this, right? And so all these other factors, like you expect sales to work when you're the salesperson and you're the marketing person and you're the closer and your administrative assistant. And eventually like you're going to start to go up, right? And you're making all the money and you're keeping all the money and you're feeling great, but all of a sudden you're going to start to crash, right? And so now you go in the reverse. So when I had this, taking it back to the story, Ron let me know if we're going over here, right?

Todd: Is that when I made that first hire, I made this decision and I started looking for people and through word of mouth, and I found this guy, Brian, who came to work for me, right? And I'm going to take away every excuse anyone has here not to expand and work with somebody else, right? Because you don't have to have an employee, right? You can partner with someone, you can JV with somebody, you can, you know, work with a company who can help you,

whatever that is. But you can't do it by yourself. So Brian came on, I was a one person show, I had a 400 square foot office in the worst part of San Diego that I spent \$275 a month for. And there was a homeless guy in the back that pretty much like throwing up every sing day you could hear me hacking. But what I gave Brian was a vision.

Todd: And I said, Brian, I'm going to teach you. I'm going to coach you. I'm going to pour into you, I'm going to show you how to close deals. So he came in and the only desk that I had for him was this picnic table that I got from Costco, from my garage. I opened it up and there was literally a barbecue stain on the table, right? And I was like, don't worry man, we are moving fast. I got it and I scrubbed it real quick and, and I cleaned his desk and we got on the phone. I was like, move, move, move. And my passion was there. So when you've got passion and you're willing to pour into someone, they feel that you can do a lot of stuff wrong when someone knows that you are fighting for them. And that's what I did for Brian. And so the first three weeks we trained, we role played.

Todd: We went back and forth. And that first three weeks, you know, the first two weeks was rough because I didn't know how to really train right. That third week though, I started becoming better. So everything that you suck at being a leader, you actually get much better at being the leader by leading, right. Which is great. So all this stuff that I didn't have the confidence about, right. Like I just blasted through. So I found, and by the way, my hustler started to die in between that time that I first did that first deal, right. Until the time I hired a Brian. So like I got soft and I didn't want to answer the phone. I didn't want to do things and I was clouded. As soon as I made that shift and had that courage again, the fire was back, right?

Todd: That third week he locked up a deal. I ran up there and it was a hoarder house and we made like, I don't know, you know, this is The Get Real podcast. I was going to say \$47,000. It might've been, it might've been \$13,000.

Angela: Thank you for that honesty man.

Todd: It might be \$37,000. Here's what I know. It was in the high, it at least the high \$30,000, it might've been in the \$40,000, right? So, you know, that and that changed everything. That changed everything. And so I knew from then, by the way, after that deal, I locked up probably six houses since Brian locked up that deal, right? Then goes like, go ahead.

Ron: Because it feeds itself, right? I mean, you're pouring into him and then his success pours right back in you. It's a reciprocal thing. And when you're, when

you're building your team, I think the other really key thing, Todd, is you said something that was really, really important is that you're pouring into someone to help them, to build them up.

Angela: That's where I was going to go, Ron, you took it from me.

Ron: Right? You can't use people. There's a big difference between using people to benefit yourself and pouring into someone to benefit them, which in turn also benefits you, there's a big difference there. And the people can feel it. And that's what you were talking about, Todd. Like Brian can feel not only your passion, but most likely you're genuine desire to help him grow. And that is a reciprocal relationship that works really, really well. It's, yeah, just symbiotic. It's fantastic.

Angela: So one more note on that, Todd, you said you were pouring all that into Brian and giving of yourself. I'm just guessing here, I don't know what your next level wholesaling and you're closing secrets are and all that, but I'm guessing you poured a lot of that into your customers to, right? Into the people that you were buying houses from. Is that a part of your system and did that help lead you to success? You know, building up the people that are actually, you know, your customer?

Todd: So we deal in a lot of distress. I mean a lot of distress and so San Diego is hyper competitive, I mean it is nuts. So one of the ways our niche that we found was the only reason it's gotten more and more and more and more and more competitive is The Get Real podcast, right? So our direct mail was like, our return was going down at one point. We were marketing like 20 times where we make, right? And now it's down to like five of what we make, right. So it's 20% of our marketing budget, right? But even five is good. Well, one of the reasons why we've done is that you'll work with people for eight months a year and a half. And so you'll close deals that you've stuck with, right. And so we've poured into those people and been patient with them. And so you've built trust and rapport during that time. And so we've gotten deals by sticking with it and taking the long view on those, so yes.

Angela: That's great. Yeah, that's what we try to do as well. It's awesome. Sorry, go ahead, Ron.

Ron: Sure. You're also very, very good probably because of this and what you learned through building your business. You're really, really good at helping other people figure this stuff out and pouring into them and you've created a business around that to tell us a little bit about the business that you've created. I mean, I'm, I follow it and you know I comment online on your stuff, it's fantastic training. A

lot of it you just give away. But I know you have a one of a group where you're helping entrepreneurs who want to do this business, actually figure out how to do it in a shorter amount of time. You're compressing the learning because you've had of these years experience of actually helping people do this and now you have another company that actually does, is tell us a little bit about that and how it works and you know, the success that you're having because it's a big, big deal. It's growing like crazy right now.

Todd: Sure. Well, I think though, the biggest thing is I have found that there's education associated with it. It's called NextLevelWholesaling.com. By the way, if you go there and you have a current wholesaling business and you're listening to it, or if you're thinking about getting into it and you're like, hey, I don't want to be that one man operation, right? This teaches you how to become a leader from day one, right? And so a new hire before you think you're ready, right? So at first, you know, when I first started coaching is just like when you start coaching, you're not that good, right, you know, and so at first we were not that good.

Ron: The Get Real podcast, right?

Todd: Yeah. And so you're like, hey when you're ready and when you have \$50,000 K in the bank, then you're ready to make your first hire. Like at first we were treating everyone with like kid gloves, right? And then we're like, you're like, you're struggling because you're doing everything yourself right now. Hire someone right now, pour into them and give them everything you have. And you know, it's going to work if you give them 100%. So ironically, the first couple of weeks we have them cut we tried to get them to cut 60% or 70% of the marketing expenses, right. Because most people are wasting that. They're not looking at the numbers. Get Real podcast, right. I spent a number of years sloppy, right?

Todd: So we teach people how to do that. And then after they cut, you know, 50% 60% of their marketing budget, we teach them how to hire somebody right away. But the most important part though that I realized that helps people get success faster than anything is the environment is the environment being around other people who are doing the same thing. So if you're like, hey, I want to build the team, but you're in a room full of hustlers, it's going to be very difficult for you to now and go hire people very difficult because you have no social influence, no pressure. It's easier for you to get sucked right back in your comfort zone. In Next Level Wholesaling, right? And we have a couple things, a little terms that we're developing, you know, we call them line leaders and line habits, right? We're always recruiting you feel this upward pressure now to not do anything yourself.

Todd: If someone's like, hey, I hustled out to this house where like, what are you doing there, right? And so the environment that we've created now is a bunch of people who now know that they need a new skill, a new level, and now become a leader instead of a hustler. And so the way that you have to hustle now is I need to be out there, I need to be podcasting, I need to be doing Facebook Lives I need to be spreading my message. So now that I can attract the best people into my world and pour into them and now we can expand out together.

Ron: And Todd, you and I have had conversations ad nauseum about my loathe for the whole hustle and grind thing. I think, I mean there is a time and a season which you have clearly stated, which I agree with man. When you first start a business, if you are not hustling and grinding, you will never ever make it work. I mean you have to be the crazy man like you described it. But there is a point where the hustle and grind just wears you down and you become like a robot or you just get out of the business because it turns into hell. And I can't stand that there is such this push on social media to just be the hustle grind 365 dude. It's refreshing when there are people like you who are out there teaching the, this is the real side of business, that hustling grind thing that's not real. And unfortunately for a lot of people out there, it's their reality right now and they don't know how to get out of it, Todd.

Todd: Your not even effective. You're not even effective for 14 hours a day or 12 hours a day. I don't even think 8 hours a day you're affective

Ron: And let's get real for just a second. All these people who say that they work 18 hours a day, seven days a week, that's just such crap. Half of it you're wasting on whatever because you're right Todd. No one can work that many hours and be...

Angela: Hey Todd, you haven't read Hustle and Float have you?

Todd: No I've, not.

Angela: Okay. Ron hasn't either. It's not an audio book yet I'm sorry it's new, you actually have to like read it. Which is crazy.

Ron: Well Ron won't. This is The Get Real podcast folks. I'm not going to lie about it I'm not going to read it.

Angela: I know, I know. There's all these studies in there though about how the eight hour a day, you know, work schedule was created for physical laborers. That's how long you can go in a physical job. But a job where you using your mental skills and creativity, it's more like three to four hours and that's with breaks in

between the, you're actually affective. And so increasing our productivity is more about how to create the right balance between hustling and floating, hence the name of the book. And most of us aren't in those physical type jobs. So you have to figure out how to be the most effective with your max three to four hours of creative time that you really have. So anyway.

Todd: So let me say this. So we just hired a new sales rep, right? And, uh, we brought her in and we had like two days blocked off, right. And so I felt like we were kind of hustling, right. We got there early and we had breakfast and we did the role play and, you know, that is draining, right. But it's very, very, I felt like we were hustling, right at that time. But at the end of the first day, I mean, at like 3:00 o'clock, as soon as I saw the energy, you know, wearing down, I was like, hey, we're going to take, you know, a 45 minute break and we're going to hit it for the next hour, right. And you know, the same thing, like there's a time to hustle, right. To move and to make that happen and to take action, let's say on hiring someone in training. Like that's okay to hustle. But I think you also have to learn, like when you're hustling, that can be in short periods of intense time.

Angela: Yeah exactly.

Todd: Like right now, I feel like we're hustling. Like we're moving. There's a lot of energy in that.

Ron: For like 30 to 40 minutes, we can do this. If it goes any longer than that then I'm going to, I'll go to sleep over here somewhere.

Angela: And it's just a really interesting topic. So thanks for sharing about that. Real quick...

Ron: Todd how do you get past? I'm sorry, go ahead Angela.

Angela: No, I was going to switch gears if you're still on the same one, you better ask yours.

Ron: No, go ahead. I was switching gears to you better switch wherever you're going or I'm going to switch them.

Angela: So I don't know how much we have to say about this, but I saw the term of virtual wholesaling somewhere on one of your websites and I was just curious if you could tell us what that is.

Todd: Sure. Well, virtual wholesaling and I don't care, you know really, you know how you coin it, right? But one of the things when you talk about virtual is I haven't been out to a house that we've bought or sold in years, except if I was doing it for marketing purposes, to like to talk about our coaching program, right. So like I have not met with a seller I haven't sold met with our buyers, right? Because most of it now the speed of business, you don't need to do that, right? So our sales reps have locked up deals in person, right? So you can call that virtual because I'm not doing it right. But on the other hand, we've got locked up deals in other markets without seeing the house ever right. And so we've set up systems to be able to do that.

Todd: So in San Bernardino and Riverside, you know we never went out to those houses. Everything was locked up over the phone. And so we set up systems to buy the houses and then sell them without having to do that, right. We did the same thing in Cleveland, in Ohio. We decided not to stick in those markets for a number of reasons. We stayed in California, but all that, when we learned how to do virtually with sales reps over the phone and building the right team. So if you want, I can take you through that process real quick on how we did that or take the interview in another direction.

Angela: Yeah. What do you think, Ron? Do we have time for that?

Ron: Let's just really quickly, like tell us how you would tell us how the structure is for that Todd.

Angela: Like, where are you teaching where can people?

Ron: Because here's what I know, Todd, and I think you will echo this is that, if you're a person who wants to go to the next level, like you said earlier, you're going to have to level up who it is you're hanging around. In other words, you've got to get around people who already know how to do these systems. I mean, we could, we could do probably 10 hours on this online over several days and teach all of the aspects of this, but no one's really going to go do it unless they're hanging around or they're in some kind of a of a group where they have other people who can associate with their problems and their challenges because there are different than the crazy man challenges.

Ron: You know, it's a different deal to create all of the systems and everything that you're talking about and then run them and then manage them. That's all different. There's a complete different thing from building a business like you were talking about from where it goes up and then in order to keep it going up, you have to learn how to manage to put in systems and then managed systems.

Just really briefly kind of talk about the systems, talk about what it takes to actually do this, because I think there's a lot of people on here who think wholesaling is this crazy man thing and then a lot of them are probably doing crazy man and they're thinking right now they're going, okay, maybe I could do this business thing, but what does it look like and how does, how does one actually go about making the transition into that? Walk us through that real quick.

Todd: Yeah. Well I think the biggest thing is like when we talk about like the crazy man wholesaling, right? You could stick the word crazy man in front of any business owner, right? So you can be like the crazy man doctor, crazy man carpet cleaner, crazy man hotdog stand owner, right? Yu know, all of those things. And so A there's got to be a decision that you're like, hey, I don't want to do this anymore, right? Two is the acceptance that I need a new set of capabilities, right? I need a new set of capabilities. So the beauty of this, this is one thing I really had to learn is when you're a one man show, you don't answer to anyone. And so if you're not leading in the best way, nobody sees that, right? And so the only one who's affected as your bottom line, right?

Todd: And so the other thing is that the whole leadership thing is your people are watching you, right? They are watching you and they will do what you do, not do what you say, right. And so that one was a really, really hard one for me to learn. So you know, so part of that is number one, is bringing people on and casting a vision, right and showing them what they want. Number two is pouring into them and letting them know that you care for them. That is huge and they feel that right. Now does not mean that you have to be there an hour, eight hours a day, nine hours a day. But when you're bringing on key people, right? They want to see you pouring into them a half an hour to an hour a day initially, right? Your giving them some of your juice, right?

Todd: Because there's a reason why they're coming to you. There's a reason why they're not opening up their own company. They want a piece of you and it's your job to give it to them. Now at some point, there's going to be a new level where you're like, hey, I, you know, I can't hire these people. I can't train these people, right? Well then at that point, that's, but you better pour into the guy that's going to do that for you, right?

Ron: I don't if everybody caught that. But that's three levels, right? We have crazy man level and then you have business owner level is right.

Todd: The team building level.

Ron: And then you've got business owner level, right? So there's three levels there. And each one of those takes a different skill set.

Todd: The wealth creator is four, by the way. Wealth creator is four. That's on the outside. So, you know, we can end there if you want.

Angela: No, that's great.

Ron: How does a person, how did the people who are listening to this go okay, I am this person and I'd like to make the commitment to actually do this, but I need some help. That's what your company does is help people like that. And that's where you've built this community where people support each other as well, which I think is phenomenal.

Todd: NextLevelWholesaling.com is right now we're working with wholesalers. There's been some talk about possibly expanding that out down the line, but right now our niche is working with wholesalers, people who want to either start out a wholesaling business and know from day one, right that they want to operate a business and I don't want to be hustling. They have to have that mindset. There's no like, hey, we're going to teach you how to do your first deal yourself. Or people who have an existing wholesaling business and want to get out of that hustle and grind immediately. So NextLevelWholesaling.com there's an assessment that you can take a totally free, it'll spit out a score and the four core areas of your business, marketing, acquisition, how you get the properties, disposition, how you sell them, and then cashflow and accounting, right.

Todd: How much money you're actually keeping. Now that's all in the podcast.

Angela: That's awesome. I'm sorry, what's your podcast called again?

Todd: Go to the NextLevelWholesaling.com. I'll send it to The Get Real podcast.

Angela: Oh, thank you. Cool. And then, Todd, I want to wrap up, actually, could you give everyone listening to this like three quick action items? Like what can they do right now besides visiting your website, of course, which is awesome. What action items can they take if they want to level up?

Todd: Right now make a commitment to make your first hire. So what I would do is take a look and say, hey, where is 80% of my or even if you've tried to hire some people and it hasn't worked out right, it's your fault. If you're listening to this, it is your fault. It's always your fault, right? So either you made the wrong hire or

you didn't train them well enough, right or you didn't put them in a position to succeed or both.

Todd: And I've done all those, so don't worry, I'm not judging. That's the only reason why I'm qualified to speak on this topic because I've made this mistake many, many, many, many. But go out there and make that commitment. Number two, this is the probably something that I wish I would have done very, very early. You want to set out crystal clear expectations of what you want this person to do. What do you want this person to do right? And then what I want you to do is word it in a way. And I learned this from Dan Sullivan, okay? I'm getting coached by him now and he talks about, okay, this person would be my hero if, and you write down five or six things, and this like pulls the emotion now, right? I would get really frustrated if, and you list those, right? Our end result after six months would look like X, Y, Z right? We're using that tool in our business and it eliminates like 75% of meetings. So, you know 75% of meetings.

Ron: And I don't know if everybody should rewind right now and listen to that tip. That tip alone is worth a fortune. Having been through a ton of hires and doing it wrong. That is brilliant.

Angela: That is a gold nugget.

Ron: The second thing Todd said there that everybody should take away is that, you know, Todd who's done thousands of deals is a fantastic, is a phenomenal builder of human beings and of businesses, has a coach. I have a coach, people who are, I mean people who are at the top of their game have coaches and if you want to level up, you've got to get one too. And I mean there's, there's four nuggets right there that are really, really solid. Todd. Man, it's been a packed...

Angela: I know, was that number two or did we get to number three?

Ron: I think there was three and I added four.

Todd: Yeah, I mean I have three is if you're worried about like the cash flow in the money get resourceful and make it happen. Because I guarantee you if you don't do it and you're feeling the pain, you're going to have a cash flow problem, right? And it's going to be way worse than the one of hiring this person, right? So, you know, and that's the case in 99% of this, right? Either partner or get someone to work on commission or you know, take a chance and pay a base out for a few months, right? You're going to see the return if you pour into that person, right. Do it. The number one investment that you could ever make is in people.

Angela: I love it. Thanks Todd. Thanks so much for being here with us. We really loved having you and everybody that's listening thanks for listening. And once again, Todd's website, if you want to go check him out, is NextLevelWholesaling.com and then also you can visit us on, GetRealEstateSuccess.com. Let us know your feedback on the show, any questions you have and any future topics you may care about or want to hear about. Thanks guys. See you next time.

Ron: Todd, appreciate it.

Todd: Bye.

This has been The Get Real podcast to subscribe and for more information, including a list of all episodes, go to GetRealEstateSuccess.com.