

# Get Real

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Get Real Podcast Episode: 033

## *“Why Being Afraid of Stuff Will Make You a Crappy Investor”*

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 to The Get Real Podcast. I'm Angela Thomas and I'm here with Ron Phillips.

Ron: We're here, we're here.

Angela: Hey, Ron. We are here. And you've probably all, if you've been listening to us for a while, I always say I'm excited. So this one's actually kind of personal. I'm not sure I'm excited. We're going to talk about something that you know, holds back most people in this world from being, being everything you can be to get cheesy here.

Ron: Fear.

Angela: I know. Sorry. So we're going to talk about fear. And I actually, this is a good moment. I have fearless written on my arm right here. So I know because...

Ron: If your committed to watching this.

Angela: Yeah. If you guys are on the podcast, you can't see it. But yeah, it's not written on, I guess it's a tattoo. But, this is really important to me because I mean, it's really, really easy to let fear stop you from doing everything you want, to do. Everything that's important to you from being successful, from sharing your opinions, from singing. I love singing, but it scares me to sing in front of people. And you know, letting fear hold you back kind of ruins your life. It makes it so you're not really living. So we're going to kind of talk about that a little bit today and give some examples.

Ron: And we're going to try to have fun with it because, you know, fear is a heavy topic. But we don't do heavy very well. So we will be light heartedly talking about fear and if you get offended by that, so

Angela: Yeah. Yeah. So first off, fear is a good in certain situations, right? If you don't have, you know, a little bit of fear you'd probably, it'd be a lot easier to accidentally hurt yourself or die.

Ron: Yeah. You mean you'll end up like the dude that was jumping across buildings really, really high and then missed. Now there's a reason why you get scared for things like that. That's because you could die. And we're not in any way in this show suggesting you should do things that are stupid that you would be scared of, you know?

Angela: Right. Yeah.

Ron: Yeah. I mean, the fear does exist for a reason. There is a natural reason why we have fear. And you know why we don't go pet lions? Some people don't have it. I just watched on Facebook the other day, some moron out in Yellowstone, I think they were getting really close to a buffalo. Did you see this?

Angela: No, I missed it. Tell me about it.

Ron: The buffalo starts to charge them and the parents bail.

Angela: They leave their kids?

Ron: Left their kid there and the kid gets thrown. I don't know how far in the air, right.

Angela: Oh my gosh.

Ron: The fact that you're not scared of a buffalo that is right next to you.

Angela: Yeah. I mean, you know.

Ron: Sometimes this whole notion of let's get rid of natural selection and put...

Angela: Oh man, now we've got you on natural selection.

Ron: All over everything so that we saved stupid people so that they can breed I think is maybe a problem. I don't know. I don't know. This is the lighthearted part of the show. Ron does not believe that we should spay or neuter a human beings just because they're stupid. Although sometimes...

Angela: That was a joke, okay.

Ron: Although sometimes when I'm out in public, I feel like that it should be done.

Angela: Yeah. Okay. People die in the, in the running with the bulls, is that what it's called in Spain? So, you know, have, have some respect for buffalo geeze.

Ron: Or bear.

Angela: Bears. If you don't know how to pick up a rattlesnake, don't do it. That's a bad idea.

Ron: There's just, some things you probably should listen to the fear about is what we're trying to say, right. And for goodness sake, if you have a child with you and you're not scared to be scared, at least for the child, and then don't be a punk and run off and leave the child there to be hit by the buffalo.

Angela: Oh man, I'm sorry. I should have more sympathy for those parents that were terrified, but who leaves their kid there? I mean, that's horrible.

Ron: I mean at least push the kid out of the way first.

Angela: Yeah. Geez. Okay. Oh man now I'm all upset about the buffalo.

Ron: Someone's going to make an angry comment about me.

Angela: I know.

Ron: Making fun of one of the people that ran away from there.

Angela: I know someone's going to say we should have more understanding for the poor parents, but, oh man, I don't, so I'm sorry. Okay, so that makes sense though. Physical fear, if there's something that could kill you, you should be scared, that makes sense. But you know, a lot of times it actually helps me to think, you know, what's this thing I'm scared of? Like what's the absolute worst thing that could happen if I get up and speak in front of a room of a thousand people, am I going to die? Probably not.

Angela: Yeah. I mean, unless somebody, you know, unless I'm a horrible speaker and someone throws something very heavy at me, there's very, very small chance that you could get hurt up there. So I mean that really does help you in most things to kind of look at it and say, am I being my being ridiculous here? Is there actually danger. Because your body gets all, you know, fight and flight response on all kinds of dumb things that aren't going to hurt you. And it's very, I mean, it's very common. I mean, fear of public speaking is actually, I think it's the number one or number two fear.

Ron: I believe it's number one.

Angela: Is it the number one?

Ron: Number two is death.

Angela: Oh, well that's funny. Death should actually be first. Come on.

Ron: It should be.

Angela: Yeah. Yeah. I actually liked public speaking, but...

Ron: It's an irrational fear, but it's one that everybody has, nonetheless, most people have.

Angela: Most people know I'm more scared of singing than speaking. So, you know, I'm a weirdo. But if there's nothing actually there that can physically hurt you, it really does stop and try, you know, it helps to try to be logical about it. And we have all kinds of fears that, you know, fear of public speaking and fear of singing in front of people, fear of speaking up in a classroom setting or, you know, mastermind, whatever. Those are kind of illogical fears, but there's some that you know, won't actually kill you, that are real fears. Like, I'm afraid I won't be able to support my family, you know, that won't technically kill you. But that is a real personal fear that most of us have felt, right?

Ron: Yeah. I mean it's not a whole lot different than the other ones you just mentioned, but, um, there is potentially a whole lot worse that could happen to you if you, for whatever reason, can't provide for your family, right. So, yeah, so it's a real fear, especially, I mean, it's a real fear for a lot of people because they've been through it. And now, now it's even more of a fear because they've lost their job or whatever the case may be and they're in a situation where that is a real, that's a legit concern, right.

Angela: Okay. I don't want to get too heavy here, but Ron, I know you've been through that.

Ron: Many times.

Angela: Okay. Recently in 2011, I actually witnessed it because I was kind of part of it.

Ron: Yeah, it was scary. I mean, I had a partnership that blew up and, you know, I was facing, you know, head on into, do I go get a job, do I start my own business and how do I do that with no money? You know, but you know what I mean to spare everybody the details, I just I didn't have any money, right. It was...

Angela: It wasn't like you got to take half the business and you had some, or you didn't even get the severance. Like people that get fired, you know.

Ron: I didn't have any seed capital. Right. So there was no money and so it was very scary actually because I was staring this decision. On the one hand, could I go get a job? Yeah. I mean probably, you know, I had a bunch of experience. I could probably go get a job and make decent money. Didn't really want to that. But on the other hand, there's this, there's this voice that says, you know what if you try it and you and you fail, you don't have, I mean, I didn't have any runway. I mean, it's not like I had six months of, you know, runway where I could just try it out and see what happened.

Angela: Well, and you'd been working for yourself for so long. I mean, you would have, it would have been hard to find the right job anyway. You probably would've had to do a sales job and hoped that it worked out and all commission. I mean, that's a huge risk too. So.

Ron: Yeah, I mean, that's basically being in business for yourself anyway. You're just selling someone else's stuff. So yeah, it was very scary and it was real. I mean, just, it happened. I'm sure there's people listening who are going, yeah, I've experienced that. Either they got laid off from a job or you know, their business was failing or you know, whatever the case may be. And they've felt exactly that. And you know, so I guess there's all kinds of fears that we have. A lot of them are real, some of them are contrived, but even the real ones really quick, we need to point out, Angela, I think that there's this lunatic in our brain that tells us about all of the worst possible outcomes that can happen on any given situation, right.

Ron: I mean, everything, it's constantly there and it's constantly telling you all of the things that could go wrong with everything. The problem is that we listened to the lunatic and we don't listen to the other side that is telling us all of the things that could go right. And it drowns it out. And you got to figure out how to not listened to the voice cause you can't shut it down. And the other thing you need to understand too is that it's not actually you. It's, I call it this lunatic that's talking to you.

Angela: Yeah. If you haven't read *The Untethered Soul*, it's a great book that talks about this very thing. And as funny I was talking to somebody about this yesterday actually, that if you get too wrapped up in what that lunatic as Ron calls it, you're voice that's talking to you all the time and interpreting the world. If you get wrapped up in what that saying and let it get to you and believe it, you don't have any room for hope or positivity in your life, you know. You get so wrapped up in the fear that you just feel anxiety and depression and fear and there's no room for anything good to come in. You have to find a way to, you know, ignore that or stomp it down enough that you have room for the good things in life. And to let good things happen and to, you know, have hope, right to actually get out of it.

Ron: Or you'll never get past the fear because all that does is magnify the fear. It's how many possible ways could you fail at x. Or it's the same like in the book talks about, you know, just some, stupid thing that happens, right? You get irritated at somebody and so you run over and over and over in your head like a million times what you're going to say to this person because the first time that you practiced it in your brain wasn't enough, we're going to do it 20 times and every time we're going to layer something else on there too.

Ron: And then in addition to that, we're also going to prejudge what they're going to do, what their reaction is going to be and how horrible this situation is going to be. And we're going to get ready for that. You know, I guess if you're caveman, this is probably good because you do have to get ready for, you know, what if saber tooth comes at you. But in our world it's not really necessary because Aunt Jane or whoever it was that you got irritated with is probably not coming at you with a knife. So.

Angela: And you just blew the whole thing out of proportion. And the best way to handle, you know, your disagreement with Aunt Jane is to act like everything's fine and to just love her. So, right.

Ron: Yeah. So going back to going back to the fear of other things and the lunatic, it's really easy to go, okay, if I start this business, there's a really solid chance it's going to fail. And statistically speaking, that's absolutely true. And it should be a concern. I think what you're trying to say, Angela, is that you can't let that stop you from taking the chance or taking the risk.

Angela: And real quick, actually, there's another book I read called The Worry Trick. And it kind of goes along with The Untethered Soul really well, because one of the suggestions in there, if you're a chronic worrier and you're scared of everything and you have this lunatic always talking to you, is to take what your inner negative thought is, what your worry is, and to blow it completely out of proportion so far that it makes you laugh, that it's ridiculous. Just make fun of that voice in your head.

Angela: So, you know, as an example, if you're like, I'm going to start a business and that voice is like, your business is probably going to fail, you've failed at a lot of things before. How can you make that ridiculous? You say like, yeah, and I'm probably going to end up homeless and my family is and everyone's going to hate me. And then, you know, and then I'm going to live in a tent and get hit by a car. I mean, how far can you take it? I'm sorry, I was flying off the seat of my pants there, but...

Ron: I think living in a tent and getting hit by a car is pretty far.

Angela: Okay. You think that was good? Yeah. So...

Ron: In the grand scheme of things, I think that's pretty far.

Angela: okay. Yeah. So like taking your worry and just you, you almost can make fun of it, have a sense of humor about it and you know, it takes away the power of that worry. So that's just a little trick.

Ron: There's power in, there's power in just confronting it with the veracity that you know, that you would need if you meet the saber tooth tiger, right.

Angela: That's true.

Ron: I mean it's either you're going to get eaten or you're going to fight, right. One of the two, because you can't outrun it. And I think a lot of people when they hit this fear in the face, they cower in the corner instead because it's easier to do that. And I guess what I'm trying to say is in order to overcome fear, because you can't get rid of it, you can't just ignore it.

Angela: Say I'm not going to be scared. Yeah.

Ron: What you have to do is you have to annihilate it. And the only way to do that is to hit it head on and go full bore at it.

Angela: Real cheesy here, like Batman, you know, surround yourself with those bats if you're scared of bats, right? So if you're scared of public speaking, you've got to figure out a way to get in front of people and speak because the more you do it, the less power that fear has. And same with Ron, like, you know, you talked about not being able to support your family, but you know, you had that fear of not being able to support your family. What did you do?

Ron: Well it was really cool. I actually went and talked to my family about it. And wouldn't, you know, my biggest support system came from my family, including my kids who didn't get Christmas that year, right. Or not a very big Christmas, right. A really tiny Christmas. We didn't have any money. But it was fun for us to all get together and take on this challenge together. And I had a bunch of other friends too that I talked to about it and, and I got them all on my team.

Ron: And how much easier it is for you to attack something and annihilated when you've got a whole herd of people with you. So the other thing is that when we hit something that we're scared of, we usually don't tell anybody about it either because our pride gets in the way and says, oh, well if you can't handle this by yourself and you probably shouldn't tell anybody about it, well that's the opposite of reality too.

Ron: Because if you tell your actual friends about it, you get more people with you, you get more people on your squad, right? And now you're going to go in and, and the thing, the challenge seems less at that point because you've got people on your side. But you got to take fear and you've got to attack it like you've not attacked anything before until it becomes, until you've either conquered it or it becomes minimal to the point where it's a manageable thing or it's not really that big of a deal like you were talking about with public speaking. And we did that first year we were in business, we absolutely attacked it and annihilated it. And the fear left.

Angela: Oh yeah. Yes we did. With the help up that support team, like you said, because it took, it wasn't, you know, if you had had to do that all by yourself, it would have been, it would have been a little harder. So.

Ron: Well we talked about this in previous episodes. The reality is does any of this by themselves and the people who say that they do and beat their chest about the fact that they do, then you just look around and they have a lot of people actually who are supporting them. You know, they may call them employees, they may call them a spouse, they may call them family or friends or whatever they happen to be or a bunch of all of the above. They didn't ever do it by themselves ever. And to say that they did is disingenuous at best.

Angela: Yeah. And mean to all those people that helped them, you know, they should get some credits. So the other thing, you know, people have fear with that, you know, that is a legitimate fear is, is fear of losing. You know, we talked about failing, you know, when starting a new business and the loss of version psychology theory, you know, is that fear of loss is stronger than the joy of gain. And we've all heard that before, right?

Ron: Yep. 100 percent agree with that.

Angela: So loss aversion. So most people would rather not lose, you know, to use an example, not lose \$5 then to gain \$5, right. So this is a huge problem when it comes to, you know, starting your own company like you did Ron or investing since that's what we talk a lot about here. If you are absolutely terrified of losing \$5, you know, or whatever the amount is you're going to have a hard time being a good investor. You're going to be a crappy investor, right?

Ron: Yeah. And a lot of times in trying to not lose, you've completely lost based on opportunity costs. And that's what I think we talked about in the last episode about stepping over dollar bills to pick up nickels. Everybody gets so bent out of shape about the tiny little nickels and they're not looking at the grand picture, right? They're not looking at the entire thing. And because of that they just get paralyzed by fear.

Angela: Yup. And then you end up keeping your money in your, you know, savings account making less than 1%.

Ron: You end up losing money.

Angela: Losing money because it costs more than that. So, yeah, so yes, I mean, you know, there's obviously a fine line here. We're not saying you shouldn't have any, you know, loss aversion. Obviously there are risks that you need to watch out for. And we've talked a lot about those. There's a lot of scams and you know, hype and stuff out there that you shouldn't be listening to and you should be careful of when making investment decisions. But having the fight or flight mode, you know, freaking out about it and letting those fears take over. I'm operating from a place of fear is not going to make you successful. If you're making your decisions based on fear, you're going to miss out on an opportunities that would have brought you success and joy and freedom in your life. So a much better way...

Ron: Financially speaking, you should not be leaping buildings either.

Angela: No. That's what I'm saying.

Ron: So I mean if your entire net worth is \$50,000 and you're going all in on a particular investment, you are officially leaping buildings. That's what you're doing. All right.

Angela: It's like pushing it all in on red, you know, in gambling.



Ron: Yeah, you can't do that. I mean it's not quite that bad because you can vet the deal and everything like that, but things could go wrong and then you know, you're, yeah. And then all of your money is gone because you went all in, right. So just understand that because we're talking about fears and that you should overcome fears, doesn't mean that you should jump from one building to another building when the buildings are 10 stories in the air. You should not do that. And you shouldn't do that financially either.

Angela: No. Like Ron said when he was going through his, you know, fear of not being able to support his family. You know, he had to find a team to support him, people he trusts, and then take logical action. You know, but you got to take the fear out of it a little bit, but we're not saying to, you know, lead buildings, like you said you got to have a good team that you trust that you can bounce decisions off of and logically look at the pros and cons and the numbers and make sound decisions and leave yourself enough money to not, you know, lose your shorts if something goes wrong. So.

Ron: Yeah. And then if you're backed up against a wall, like I was like, we were. Then you got to attack it with the veracity that is required when your back's against the wall. You can't go at it halfway and expect that you're going to get really good results when you are backed into a corner you've got to come out swinging like your life depends on it. And it's really, really important that we, there's two different things, right? We're saying don't, don't jump buildings, but if there's a dude chasing you with a gun and the only way you can get away is to jump the building, you jump the building. That's what I'm saying, right? But if you're first sport jumping buildings, you're a moron, right? But if you're trying to get away from somebody who is going to try to kill you, you got to jump the building.

Angela: That's true. There are cases.

Ron: So where was I? I was being chased by the guy with the gun apparently, right. So I came out swinging and that's what you have to do in order to survive in those scenarios. You know, when that, when that happened to me I like shut everything off. Everything I could shut off in my life, financial I shut off, sold cars. I mean I did everything I could do financially to eliminate expense while I was at the same time doing everything that I could do to generate income or generate revenue. And I mean, Angela, you remember me?

Angela: Oh yeah. Oh yeah.

Ron: We worked really, really hard. And we did so for a long time, months. But when you hit something with that kind of veracity, it's really hard to not succeed, you know, and you can see it if you like, you know, fighting, if you like MMA or boxing or any kind of sport like that, you can see it in the person's eyes. They don't even have to be the most technical person. Sometimes the most technically advanced fighter doesn't win because their heart's not in it because they're not, their back isn't against the wall. They don't have something to prove. You know, they're not, they're coming at it from a different

angle where the other guy is coming at this and it's all on the line, right. So that's what I'm saying. When you get into that particular point, you've got to use the fear as something that you need to attack.

Angela: Heck yeah.

Ron: And then you can overcome it.

Angela: That is so true. Fear can also be I mean you have to push out enough that you're not paralyzed. But like Ron said, fear can be a great motivator and it can give you the energy and veracity you need to take something on. So it just needs to be used correctly and not, you know, you can't let it paralyze you. And that applies to every area of life, including investing in life we talked about. So, you got to push fear out enough that you can see the opportunities and be confident seizing them. So.

Ron: You got to do the things, like with investments, Angela, you've just got to do the things that are going to make you have the ability to overcome the fear, right? So if you're scared of investing out of state, take a trip, right? If you're, if you're scared because you don't understand the numbers, well then learn the numbers, figure it out, whatever it is that's scaring you and keeping you from moving forward with something that's going to benefit you and your life. Figure it out. It's not that hard. Anybody can do it. You just going to have to again, attack it and make it becomes a strength instead of a weakness or a fear that you have, right.

Angela: Exactly. Exactly. Yep.

Ron: We hear that from a lot of our clients, right. That were really scared in the beginning and then really scared on property two and probably three. But you know, after four, five, six, it becomes old hat. It becomes something that now it's a known commodity. There's no reason to be scared of it anymore, right. Because they did something, they acted and...

Angela: Yeah. Action is the best way to get over fear always.

Ron: I'm telling you.

Angela: It is. So. All right. Well thanks everyone for listening. If you have any comments or suggestions on other topics you want to listen to, or you just want to subscribe to our podcast and tell us what you think, check us out on, [GetRealEstateSuccess.com](http://GetRealEstateSuccess.com) or I'm on Facebook at Get Real Podcast. We'd love to hear from you and we hope to see you next time. Thanks Ron.

Ron: See you.

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