EPISODE 270

[INTRODUCTION]

Omar Khan (OK): One of the things that I've always found interesting is that a lot of people who did go into managing, whether it's a business, whether it's real estate, whatever, and the first thing they want to do is cut costs. Because costs are like a sugar high, right? You cut it, you feel a great effect right now and you feel your profit is going up. You're like, wow, I did a great job! Cut this thing, right? Well, the problem is, you can't cut your way to prosperity. You can't just save your way to prosperity. That doesn't happen. You have to be saving for the next 2,000 years. So what you have to do is focus on the top line first. Now, that doesn't mean you ignore your expenses. But top line is where you get your revenue. It’s where you get the bulk of any gains that you are going to get in any business, whether it's real estate, whether it's manufacturing, whether it's private equity, health, whatever. So you got to focus on the top line.

Announcer: Welcome to Elevate, the masterclass where we dissect the elements of exceptional achievement and lifestyle design with a focus on personal growth and real estate investing. Now, here's your host, Tyler Chesser.

Tyler Chesser (TC): Elevate nation, welcome back! This is Tyler Chesser. I'm so thankful to have you here and I'm blessed and grateful to be joined by my friend Omar Khan today. Wow, today's episode is action-packed and value-packed. It is filled with applicable insights that you can apply to your real estate investment portfolio immediately. And I'm telling you, Omar is one of the best of the best. He is extremely intelligent. He is extremely passionate. He's extremely witty, funny. And by the way, I call him the best-dressed man in multifamily. He's looking good. If you are watching today's episode, you'll see that and you'll also get to see some of the tools that he's utilizing in his portfolio. But today's episode is jam-packed with tremendous value.

Today, you're going to learn about asset management and taking things to the next level in terms of your execution, how you can turn a good investment to a great investment or a phenomenal investment. Also how you can really make sure an investment is sound rather than one that loses. And by the way that happens. You know, I mean, there's this is not all sunshine, and butterflies and rainbows and all those beautiful things. I mean, this can be a very challenging business at times, unless you apply some of the principles that we talked about today, you're also going to learn about how Omar is financing deals in today's environment which is vastly different than it was six months ago, especially 12 months ago. And it's always going to be in flux. So, I think a lot of the stuff that we talked about is extremely applicable to today's environment, but it's also evergreen, because, guess what, capital markets are always changing. And so I think you're gonna learn a lot from today's episode and I think it will be extremely valuable for you today. And as you move forward as a real estate investor, whether you are a sponsor or passive investor, I think this is a critical episode.

Elevate Podcast is all about mindset, mind expansion and personal development for high performing real estate investors. I'm your host, Tyler Chesser, and I'm a professional real estate investor and entrepreneur. It is my job to decode the stories, habits and multifaceted expertise of world-class investors and other experts to help you elevate your performance and lifestyle.

Are you ready to take it to another level? It is time, let's raise the bar today. I'm telling you, we're definitely raising the bar today. And you know, there's a lot to be said about the mind expansion that we can step into when we steal shamelessly and improve from some of the best in the business some of the best in the world. And that's why we speak with world-class investors, people like Omar Khan.

I just want to thank you so much for joining me today. If it's your first time joining us and listening or watching Elevate podcast, I am so excited and thankful to have the opportunity to pour into your cup today. And by the way, let's build a relationship together. Let's build a long-term relationship. So, I invite you to check out the library of 270-plus episodes that we have put out for you. If you've been here before, welcome back. Thank you so much for joining us again. And by the way, if it's your first time, if you've been here for 200, 300 times, I just want to invite you to pay the fee. The fee is to pay it forward, share this episode with a friend, grab the link. All you have to do, by the way, if you're listening to Apple podcasts, there's three buttons or three dots in the right hand corner, all you got to do is hit that and hit the share icon. And you can send it in a text message, email, social media, whatever. It's very, very easy to do. And it's extremely helpful for us as we continue to build our community and build this tribe and add value to more people. The only way that we're going to be able to continue to do that is if you continue to share. So, I just want to thank you in advance for doing that by the way. Otherwise, it's 100% for free.

Also, if you haven't done so already, please either like, subscribe, rate and review. Whether you're watching on YouTube, whether you're listening on Apple or Spotify or wherever, please give us a rating and review. It's extremely helpful. And also we want to know your feedback. I want to know what are you loving about elevate? What do you want to hear more of? What is it that has changed your life or your investing experience as a result of engaging in this community. You have the opportunity of never stopping your growth. And that's what we're all about here. It's about continuous expansion. It's about growing your mindset. It's about exploring the limitations that you feel like you owned and maybe you have owned them so consciously. What we're here to do is we're here to explode those we're here to blast through those. We're here to remove those. We're here to set a new watermark for what's possible in your life. Obviously real estate is a vehicle towards creating outcomes that you want in your life. Today is extremely tactical and strategic in terms of optimizing revenue, minimizing expenses where appropriate. Obviously, sometimes you can invest in further prosperity through maybe not minimizing your expenses.

So there's a big nugget there that Omar drops in the middle of this episode. So I definitely want you to listen for that and think about how you're applying that to your personal life and to your portfolio because that is a critical component but I do digress just a bit there. Today's episode is extremely valuable. It can make or save you millions of dollars. I'm not just giving you conjecture there. There's a lot to be said about that. I do want to introduce you to Omar Khan, who, by the way, was a guest on episode 195. So, this is a second time appearing on Elevate. Episode 195 is using real estate investments as a vehicle to live your best life. And by the way, that's what we were just talking about. So definitely go check out that episode to learn more about Omar, his story, his background and how he utilizes real estate investments to live his best life and how he offers that opportunity to others as well in a collaboration.

And also as a result of that I want to give you sort of an insight on Omar. He is a CFA charter holder. He has 10 years of investing experience across real estate and commodities. He advised over $3.7 billion of capital financing and M&A transactions. He has syndicated large multimillion dollar deals across the US and he discusses some of those markets in our episode today that he has syndicated and that he's active in now. He has advised high-net-worth advisors and entrepreneurs on real estate portfolio allocations. He's a global citizen. He's lived in Dubai, Toronto, Calgary, Dallas, and he is one of the greatest people that I know in the space. Somebody that I've come to strongly appreciate. Someone who is extremely sharp, extremely intelligent, someone who is not satisfied with average. So there's a lot of cues that you can take today. So, let Omar rub off on you today. What is it that you want to take from this episode? Set the intention now. What is it that you want to learn from today's episode? Let's go get it. Without further ado, please enjoy this fantastic discussion with Omar Khan.

[INTERVIEW]\

TC: Omar Khan, back on Elevate. Welcome back, my friend. How are you doing?

OK: Thank you so much. I think the last time we chatted you were just about to have your babies right.

TC: That's exactly. How it is…right, man. It's crazy how much time has passed and how much has changed?

OK: Yeah. We exchanged emails but we're still talking over podcasts basically, right?

TC: Well, of course. And, I was telling you right before the show, and you rightfully acknowledged us a very low bar but you are the best-dressed man in multifamily. How does that make you feel?

OK: I always feel good to be the tallest midget.

TC: And if you're not subscribed to Omar's newsletter, you must do so because he's the best writer in multifamily. And that I think, is probably still low bar, but you've well crossed that bar. So man, give a plug real quick as to where folks can get on your email list.

OK: Thank you. For that matter, you can join my mailing list by visiting my website Boardwalkwealth.com. That's B-O-A-R-D-walk-wealth.com. The form is right on the homepage. I mean, seriously, you cannot miss it. And if you join now, I will also give you access to my hidden mobile app. We don't talk about that publicly, with over nine hours of free passive investing courses. Again, not a guru, don't charge for this stuff. So again, that's at Boardwalkwealth.com.

TC: Look, I guarantee you're gonna get value from this. Just because I mean, you bring tremendous clarity to chaos. I mean, there's constantly, you know, the market is constantly in flux. There's constantly movers, you know, whether it's in the capital markets, whether it's in just the actual assets themselves, and how you know, investors are interacting with those data points, but you bring clarity to that. So I guarantee folks who get engaged with you or learn more about sort of your dialogue are going to walk away with value. So I genuinely mean that there's nothing in that for me, there's nothing in that for you. And so I just want to recognize that I want to recognize you. I want to invite the listeners to engage with you.

OK: I'll split you the $100 bill right after this podcast.

TC: There we go. That might not go nearly as far as it did two years ago. It was funny, actually, it was friend of mine, he's not really in this business. He's not super plugged into the space. But it was funny, he posted something on Instagram the other day, he was at an airport and he posted a picture of a cocktail. And he said, hey, delicious cocktail. But this inflation has got to go. This thing was $20. And I just thought it was funny. I chuckled to myself, this inflation has got to go, comment. And you know, it's, uh, you know, that $100 bill you're slipping me under the table.

OK: You say that, I was actually talking to one of my team members, right? We are very lucky. as a household, we make a very decent living. Right. So a lot of this talk about inflation. I mean, yeah, it affects us, but not really on a day-to-day basis. And we're very grateful for that privilege, right? Because we know that's not the case with everyone, right? But just literally less than two weeks ago, I use Instacart because I'm lazy. I just want real food delivered to me, right? Have groceries delivered to me and I love eating steak. Obviously. It was very shocking that I think it was I my wife and I both because we both use the same app on different phones, right. And we both said to each other at the same time when we were filling up our grocery cart. Wow, prices have really gone up now. We didn't know which price had gone up because again, very grateful, very privileged that again, it's a weekly grocery thing. So it's not the end of the world. But my point is even though we were looking at it a lot of times I think okay, we're in such a privileged position. So, what about the average American? I mean, that's gonna be a real pain in the ass especially if your average household you got two kids, you're making $60,000 a year. I mean, that is a significant chunk out of your whatever meager income you're making basically.

TC: No question about it. I had an investor send me a New York Times article earlier this week, it was either earlier this week or last week, and it was about, hey, you know, let's be aware of this. Let's, you know, I want to hear your thoughts on this. And basically, what it talked about was, hey, inflation cuts both ways. I know as investors over the past several years, inflation has been a tailwind to many regards in terms of rent growth, asset valuation, all those kinds of things. So it's been great for many owners. But in many respects, obviously, we recognize that inflation cuts both ways, not only from an operational standpoint, but individuals who are creating, growing or you know, even optimizing sort of their income. And to your point, I think everybody's feeling that. And so let's kind of get the conversation going with regard to multifamily sponsorship, and just real estate investment and so forth. In terms of today's landscape. I mean, obviously, the rise in interest rates has been a function of inflationary environment. Let's kind of start there, man, because financing deals has changed so drastically over the past four or five, six months. And I mean, I've never seen anything like it in terms of the rapid rate of increase of interest rates. So, talk to me a little bit about sort of the difference that you're seeing today in terms of financing those deals that you're seeing today versus what you saw call six months ago.

OK: Before I started the debt, I remember I was talking to somebody, actually he’s on a podcast and a couple of webinars also. Three, four years ago, I said, look, right now, buying real estate is basically like a levered debt on the interest rate being low. It's a levered debt, basically, because if you feel the interest rate is low, just lever this thing up as much as possible. Because whatever, right, you'll be fine. But like you said, it cuts the other way, as well. So leverage is really good when it works for you. But when the tide turns, it can be a real pain in the butt. Right. So what's happening now basically is, and we're seeing this in our markets, Atlanta, Florida, Texas, I'm sure you're seeing it in your markets as well. Like even today, for instance, I was following up on a couple of deals that I mean, we're in my deals, whatever, folder, inbox, and I haven't really heard anything about it. So I just followed up with three, four deals last night, and I got a reply today.

OK: Deals that they were saying, okay, this is aspirational pricing, right? $30, $31 million, $35 million, the same guys are super open to transact at $27 miliion, $28 million. I mean, if you think about it, that's a big chunk, like one of my deals with Brighton farms in Atlanta, just bad timing, We took it out in March of this year publicly and that's around the time when rates started rising. But we did know that look, even if rates rose, we did the math, even if rates rose 200 basis points, we were still able to refinance. So we're like, okay, let's take this game, but let's figure it out. And we were expecting whatever price we were expecting the offers, we were getting, even at the start around April or so we're about seven to 10% less than we were expecting.

OK: So we just took it to the secondary market agencies, we got it refinanced, we returned about close to 50% of investors' capital back in about a year and a half. But we were in a position where for us, we could do both things, right. So, we weren't for sellers. But now you can't just go to the bridge market. I mean, today, I was actually reading a post on LinkedIn about the reasonably successful lawyer, and he was getting this breaking news update that, hey, you know, his clients that are using bridge debt getting retraded. And as a dude, where have you been man? This thing has been happening since March. But how did you just suddenly find out about this. So right now, the bridge market basically is for the lack of a better word, just done. And the reason for that is very simple. Look, if you're a bridge lender, what you do is you are basically let's assume you raised 100, I'm grossly oversimplifying this right, you raise $100 million to lend out, you can get money to find at point 5%, you will lend it out at 4%. And barring some fees, and whatever, you will keep the spread. It's like it's like a bank, right? You keep the spread.

OK: Well, the whole purpose here is if you raise $100 million, you don't just issue out $100 million of loans, and then you're done. What you do is you issue out $100 million of loans, you package them, you sell it forward, now you get money again, say $100 million. Again, you sell those loans, package them, take the fees, sell it forward, right. So all you're doing is taking fees, fees, fees, looks like a bad year, you might have raised $100 million, but you've lent out say a billion or 2 billion whatever your distribution channel is. Now, the reason why bridge lenders would do that earlier is because they could sell it forward. Right? They could sell it into the secondary market as a clo while that market basically has collapsed because the same level of interest rate uncertainty that you and I feel our investors feel okay, where our interest rates really going. The people that are buying Clos, they are also saying the exact same thing. Look out buy this four or 5% coupon from you. But the forward curve says it's going to be 7% of why would I buy it off of you, right? Or if I do buy it off of you. It's like simple barn math, right? Interest rates go up value, price goes down, interest rates go down, price goes up, right?

OK: So, they say okay, I'll buy $100 million off of you for $75 million. Right now, if you're a bridge lender, you're caught between a rock and a hard place because your entire business model was to go sell it, sell packages, sell it, package it, sell it. You can't do that. So for all intents and purposes, again, gross oversimplification. You've only got two The games in town three really, maybe life insurance, if you can go down that path, right? But that kind of depends, right, then you've got bank debt. The good thing about bank debt is some banks are still lending, a lot of them are out because again, they feel the same interest rate bank that by and large is either partial recourse or full recourse, right, which means in case things go right, they have recourse to your personal balance sheet. A lot of people understandably don't want to do that. Because what you don't want to do is work hard for 10, 20 years, and then two bad deals just take you away. Right? So that becomes an easier option. Right now, the only other game that's left which is non-recourse predominantly, is the agency side.

OK: I know everybody's saying right now, oh, we should just get a fixed rate agency loan and somehow that's the greatest thing since sliced bread, and especially syndicators are saying that, but again, syndicators, by and large, are not terribly financially sophisticated, right? So they'll say, okay, I'll stem the bleeding right now. Okay, I'll just take a fixfixed-ratean, because it's easy for me to market it. Well, the problem is, if you read in my email is like Hotel California, you can check in anytime you like, but you can never leave because the syndicator model is yeah, I tell everyone, I'm going to hold it for five years, but I'm really going to fix it up and flip it in two or three years, right? While you try to flip a fixed-rate loan and to save you two to three years, even if rates are going up. Even if your debt is a creative, you still have to pay your maintenance penalties. Right? What happens there, you force the value up, you did a great job you bought right to manage, right? And now when you're exiting, the lender takes all the money from you.

OK: So basically, you're left with no cash. So then the flip side because well do you take a floating rate loan, because with the floating rate agency loan, you can get out by paying 1% penalty, one point on the load after 12 months, the problem there is with a floating rate loan is that rates are going up. So your floating rate will go up so that the floating rate keeps going up. What price, do you buy something and yeah, you're gonna force value raise, right, so all of that stuff. But if you force value by 30%, but you re invert your interest costs go up by 50%, but you're a negative cash flow territory throughout. And then when you try to sell it into yours, what kind of idiot will buy it from you, right for the price that you want it.

OK: So you're caught between a rock and a hard place. And this is why you're seeing that because financing is an issue. This is why prices are being materially affected. So therefore, people that can refinance, and just extend their debt out, right, they don't have to be stuck with a loan expiring next year or the year after they're doing that on deals, you can't do it. You're forced seller, you've got to sell. But this is where SMART operators like yourself, like ourselves. That's where we come in, right? We say, okay, Mr. Seller, you're not gonna get a price you like, but I'm gonna give you a price that I feel makes it worthwhile. And maybe you make money, but at least you don't lose money. So a lot of sellers are still taking a long time to get to this idea. Because, you know, people have told them their friend sold a property for $200,000 a unit, why can't I sell it for $200,000? Right, without necessarily realizing this is the time we minimize risk, not enhance your profit, basically. So that's a long way too long winded way to answer.

TC: There's a lot of follow-ups there. I mean, but one thing just to recognize, and we were talking about this yesterday, I mean, we're looking at, obviously some price corrections in our markets as well, some fairly significant as you kind of alluded to. I mean, you're talking about millions and millions of dollars, in some cases, 10,15 plus percent price corrections from really what was historic highs, I mean, a few months ago.

OK: I mean, so, they're aspirational pricing, somebody just throwing the price out there, with basically the idea was, screw you, here's the price, you want to give it to me, otherwise, buzz off, I got like a hundred people. That script has flipped.

TC: And what's being constrained right now is loan to value. And as a result, your yields are being constrained. And the reason why that's being constrained is because the debt coverage service ratios are limited

OK: Because your interest rates have gone up.

RC: Exactly. So how are you handling that? I mean, you're talking about, you know, floating rate, you're talking about fixed rate, obviously, there's limitation when it comes to fixed rate. And obviously, if you're looking to exit in a few years, but there's also a significant risk and potential continued rate hikes. I mean, really, if you look at an historical context, perhaps we're nowhere near the end of that. So, how are you handling that in terms of your projections moving forward?

OK: Number one, I was not a religious person. (garbled) number one. That's my short answer.

TC: That's a good start.

OK: I'm not a religious person, but I've definitely started praying a lot. The long answer is look, the long answer basically is that we're still taking floating rate loans on acquisitions. Developments is separate, we take fixed-rate loans here because that's a separate line of lending but we buy title rate caps. Now the flip side to this is rate cap costs have exploded right? I just finished refinancing on September 30. A deal Equinox ignite right for the second time in three years. So we did two refinances in three years. That's how good we were doing right. And you're gonna laugh at this time around for the rate cap I had to pay $600,000 - something. So, you say well, that's a lot of money and it is a lot of money. You don't want I sold my rate cap that I bought last year for $25,000 for I sold it for close to $900,000.

TC: I love it.

OK: That was unintentional. It's happened when you have a big enough portfolio. But what I'm trying to tell you is that these rate cap costs. I mean, we lucked out here, right? And these, but these rate cap costs are very significant, but you have to build it into your underwriting. Because our model basically is, hey, I need to have up operational flexibility is a lot more important to us than being stuck at something because we're, a lot of times people don't really get it because they're like, well, the pain stops right now. I'm like, Yeah, but you can either stop the pain now. And if you kick the can down the road, like we did inflation, it comes back many for later on. Or you can take the pain up front, solve your problem in one go, and then not be concerned about this, because what's really interesting to me is how a lot of real estate people have suddenly become macroeconomists, suddenly they know how the Fed works. Hello, firstly, our epidemiologist, they know how all the viruses work. Now, they're Federal Reserve practitioners. And my point is, we all have to pick a lane because we're all good at something, right? Let's pick that lane and try to reduce the amount of noise coming from outside. So this means eliminating the variables that can affect us. So in our case, we're buying tighter rate caps. And what does that mean, tighter rate caps means that if the rate goes up by a little bit, we start getting paid by our counterparty in exchange. We have to pay more money to buy it, it's like insurance, right? You buy insurance with a lower deductible, your insurance is gonna be higher. But the flip side to this is we are already building it into our underwriting. And if it works, then we go to the deal. And if it doesn't, we pass because there's no need to take that risk. There's no need to play with fire.

TC: Well, good for you from finding a rate cap at $600,000 mark because we've seen significantly higher than that even recently, and it sounds like maybe some of the rate caps that you're looking at, you're only mitigating that risk for maybe two years or so. I mean, are you looking at to your strike,

OK: Because a three year becomes exponentially higher volatility as for at least for from our analysis, we're looking, it's all on the front end of the curve. There's not a lot of volatility on the back end. So close to two and a half years, there's not a lot of volatility. It's all the front end, we front-loaded all of the rate hikes, right? So it goes up and then it starts go down.

TC: So do you place a lot of stock in that forward-looking curve?

OK: Well, it's not just me who places that stock, right? Your lenders, your rate capital, everybody's pricing off of that, regardless of my personal opinions of what's going to happen. When your counterparties price off of it, your lenders price off, which rate cap providers price off? That's the price you get in the market, because they're basing their models on that you can take a different opinion, but that's not gonna affect the pricing they offer you.

TC: Yeah, that's fair. So if the CLO market has essentially closed for business, and you're still going after floating rate debt for your acquisitions, where are you sourcing that? I mean, is this local Ben,

OK: Freddie and Fannie.

TC: Okay, agencies got it. Excellent.

OK: Well, that's more leverage. It's much lower leverage, say 55% to 65% in that range. But look where I mean, then the flip side to this also is, yeah, you raise a lot more money upfront, but you also over equities the deal, right? So the chances of failure are much less also, obviously, right? The lower the leverage you have, I mean, you have to be I mean, I don't want this to be famous last words. You have to be a complete idiot to run a deal. That's 60% leverage. I don't want these to be famous last words.

TC: I don't think it's gonna be Omar, but it is we will, we'll never forget this moment. But I have to tell you, man, I mean, the way that you think about this is very helpful. Because, look, I mean, there's a lot of moving parts. And to your point, I think everybody tries to step into various expertise that are outside of their lane. And so let's simplify it. And so when you think about simplifying it, and obviously, some of the things that you just shared are extremely helpful. Obviously, from a leverage standpoint, you're talking about significantly less leverage than previously. Now, to your point, you're talking about a significantly less risky position to be in as a result, are you seeing compressed yields? Or are you seeing sort of an anticipation and an appetite from your investors for a lower yield as a result?

OK: Yes, I know, some investors obviously say this, but part of this is an education process. Part of this also is look, it is congruent with what I have been saying for five, six years now. So for instance, if I had said the exact opposite message, right, my message obviously was look, it's on a deal by deal basis, my message to the startups when it's on a deal number one, all of these things are on a deal by deal basis. Anybody who tells you that this is one solution that fits every little problem you have in life is either an idiot or they do not understand what they're talking about. And they're leading you astray. So having that consistency in message communicating a lot, right? And I still feel I don't communicate enough and reinforcing that message, this floating rate thing I've been talking about for six, seven years now. Right? And I said, look, it's like that saying, right, the Lord giveth and the Lord taketh, right, the market gives it to the market takes. So the market was giving because you were getting no movement in your floating right. So it was essentially a freebie, but the fundamental of why you are doing it is because you need to have operational flexibility as explained to an investor. Look, obviously I'm not a magician, right? I don't have a crystal ball that literally tells me what's going to happen. cuz I wouldn't be in real estate, I'd be really rich, and I will probably wouldn't be talking to you, as I told the guy, right, I'd be really rich, I will not talk to anyone.

OK: So the bet that we are taking is obviously that we can follow a process, we have a good process, we're going to follow it in the markets that we're working in, we've got great experience, but we also have to send back and buy insurance, right? We all buy insurance, and our insurances that for instance, we get into a deal, for whatever reason, either we are unable to operate it at our usual standard, the market doesn't cooperate, or any certain set of circumstances happen, where we don't get to where we want to go, what we don't want to do at that time, is to be stuck in a deal and die by a thousand cuts.

OK: What we want to do is cut our losses and move on. And one that is not the message that the average person gives, because everybody talks about making money, generational wealth, intergenerational, quitting your W-2, whatever, right? The fact is, a lot of times in markets, sometimes you have to maximize your profits. So you got to be a pig. But a lot of times, you also have to minimize your losses, right? The message isn't very good. But sometimes it's better to take a 5% loss than to take a 50% loss. So we're taking the bet that in case things don't go the way we have said or process doesn't work, we can exit the deal. Now, as an investor, you're probably not going to like that outcome because you barely made any money. But it's better than losing all of your money.

TC: Yeah, that makes a lot of sense.

OK: So when you say that for three, four or five years, even during good times, during the sideways time, at least more people are apt to bite on the message that you're sending, right. Because there's congruency.

TC: In long term, obviously, success demands precise asset management, which is one of the things I wanted to talk to you about today. And ultimately, whether you're in great times or sideways times, I mean, from a maximizing profit perspective, or a minimizing losses perspective, asset management can be a central theme of that. And obviously, from an acquisition point of view, what we were just talking about is alright, well how restructuring the capital stack. I mean, obviously, that goes without saying, but now let's dive into asset management. So talk to me about how strategic asset management can turn a good investment from a great investment or a good investment, you know, rather than a poor investment.

OK: Yeah. Or a bad investment to an investment where you break even lose money? Because that's also the case, right? Look, one of the things that I've always found interesting is that a lot of people did go into managing, whether it's a business, whether it's real estate, whatever. And the first thing they want to do is cut costs because costs are like a sugar high, right? You cut it, you feel a great effect right now. And you feel your profit is going up, you're like, wow, I did a great job, right? Cut this thing, right? Well, the problem is, you can't, it's that thing, right? You can't cut your way to prosperity. You can't just save your way to prosperity. That doesn't happen, you have to be saving for the next 2000 years. So what you have to do is focus on the top line first. Now, that doesn't mean you ignore your expenses. But top line is where you get your revenue, it’s where you get the bulk of any gains that you are going to get in any business, whether it's real estate, whether it's manufacturing, whether it's private equity, health, whatever. So you got to focus on the top line.

OK: And a lot of people don't focus on the top line, because a it takes a little while for those effects to materialize. Think about your value, add projects, our value add projects, right? You renovate, say 50% of the units in year one, but really the effects the combined effects of all of these things you really see by year one and a half or two, it's not instantly, but during the process, you know, you've got to suck it up and do it because on the other side, you look really pretty, right. So with revenue, it's a longer drawn out process. It also requires more creativity, it also requires more follow through because think about it this way, if you just tell your property manager, I want this thing done. And then you check out right, you've got to realize most property managers, they're paid like $45,000, $50,000, $55,000. And it's a thankless job, right? I mean, you're dealing with tenants that don't pay, everybody's bitching and moaning at you. And on top of that you got to deal with like capex and most people always cut costs on payroll, and property management. I have never seen an operator putting more people on the job, right? Because they say, oh, my budget is gonna go.

TC: Every property manager wants to flex you to do that, though.

OK: There's a balance there, right? Because look, cut to the bone, the problem becomes, then your property manager can't focus on revenue-generating activities, because they're just so focused on plugging the holes as we speak. So following through becomes a big deal. Because a lot of guys and girls, I see they have these grand plans, where I will raise my 300 grand, you'll do it one, one month, two months, then you're gonna check out why is your property manager gonna kill because she already has 10 million things on her head.

OK: So, having systems and effectively following up but then also showing and training your team? How does these things work? So for instance, we have a lot of internal tools that we've designed, we use ourselves out. So I'm a big copier every time somebody does something, I just copy them right you have to do that's just the way it is. There is no shame in copying from intelligent people. Right? But then on top of that, what we've been doing for a couple of years is we build these things up then we also train our people and the easiest way that I found out training is not by telling them is by also creating like tutorials training videos. Hey, How do you do this? Why do you do this? And what is the process on how to do this, and the litmus test for us is then for instance, hiring more and more people on our team that are just dealing with this task, but then creating very simple SOPs, okay, from last to least, I want you to do these three things, once these three things are done, then you can use your brain.

But if you start using your brain and step one, we're going to stop having a conversation and we're gonna go with somebody else, right, but you have to follow through on that right with, for instance, what we do across our portfolio is we benchmark all the fees, again, not a revolutionary concept, I wasn't the one that created this concept. But when you benchmark your fees, and you'd have all your property managers, once a quarter all the calls, what you can then do is okay, property, one, similar demographics, these fees are being saved 9% of my revenue property do is 15% of my revenue. Why is there such a big difference? So right now, for instance, what I'm seeing across my portfolio is other income is accounting for anywhere from about 10 to 15% of my total revenue, right? So obviously, the people that are at 15, they're doing really well. But we don't want them slacking. We want to keep pushing there. But the people that are a 10, we tell them, Look, this property has a lot of benefits, similar demographics to your property, right? Obviously, you make some adjustments for market, how are we pushing? What are we doing, push, push, push, push, push.

OK: But again, you can't do that if you don't show them data. And you're not consistent in doing this. So these are just some small little items on the revenue side of the equation that you have to manage, then what I also feel everyone should have is at least one person on their team that is really good at accounting, because you have to realize when you're buying, say a $20 million asset, it's akin to buying like a $20 million businessman like if you don't understand how your accounting is done, when to capitalize when to expense, what is below the line, what's above the line, how do you deal with your lenders on an accounting technical basis, you're going to be behind the eight ball. It's just not going to work. You can't just wing it. You can't take a weekend course at some guru who's going to teach you accounting one on one, okay? It's like any other skill in life. You just have to take a couple courses, open a textbook and you learn I mean, trust me, accounting is not the hardest skill in the world.

TC: Hey guys, just a quick word from our sponsor, then we'll be right back to the show. This episode of Elevate is brought to you by CF Capital, a national real estate investment firm founded by myself and my business partner Bryan Flaherty. CF Capital's mission is to provide property investment and asset management solutions to help investors like you maximize their returns by investing in high value multifamily communities. If you are looking for risk adjusted alternative investments in quality apartment communities are seeking tax optimized cash flow with appreciation upside without all the hassles of management, you might benefit from learning more about investing alongside our team, you're invited to reach out and learn more about how you can invest with us by visiting CFcapllc.com. We're also currently offering a free ebook called The bottom line 10 ways to increase cash flow in an apartment complex, whether you're a new or experienced investor, we're confident you'll find massive value in this resource. So go get your free copy today at CFcapllc.com. And now please enjoy the rest of the show.

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TC: So actually, I want to go back to follow through because I think that is a key component. And you talked about some tips and some strategies, you know, training your people and building out SOPs and building out benchmarks. But let's talk about tracking. Let's talk about technology, maybe even some dashboards and maybe even some of those tools that you utilize with your team not only to train, but communicate, share that sort of data and make sure that everybody's on the same page in terms of the directives to maximize revenue. And obviously, we I'm sure we would take that further to managing expenses and so forth and optimizing the NOI. But talk to me about tools, technology tracking for that follow through.

OK: If you allow me to screen share screen, I can share it as well in case somebody wants.

TC: For the folks who are watching on YouTube. Go ahead, I'll allow you to do that Omar.

OK: Yeah, but before I start, I want to tell people look, you have to create whatever you're creating, if you want your manager's input, you want your employees' input, you have to create it for the lowest common denominator. Number one, don't overly complicate because a lot of people eventually want to show off how much knowledge they have. And they may create the world's most complicated mousetrap. And then the problem because it's such a pain in the ass to update that that eventually after a couple of months, nobody uses it. Nobody does that. Right? So it has to be for the lowest common denominator, it has to be super easy to understand, super easy to implement. And you have to be able to do like week after week, bi-weekly, monthly, whatever you want to do it so simple example.

It's just simple master lease track, right? We do this every two weeks is one of my properties pines, you're gonna hear all this basically does is we take the rental, nothing complex, right?

You got the rent roll from the property management software. Again, simple stuff, right? You didn't even tie status mark different than PayPal APR is in place. Right? What's the last release? Last piece is really, really simple, right? I mean, when we got this asset, I think the average rent was 720 in February, I think. And right now I'll get to it. The average around right now is 947. So within five what is it? Five months? Yeah, 5, 6, 7 months, whatever. It's almost eight months. So yeah, eight months, right? I mean, we pushed it 947 divided by seven, two. already pushed up 31% This is in place, right? This is the average we're getting right now, average is a different story just right off the top, we're getting to whatever $220 or something like that extra per unit. Right? Now we're getting to 20. But if you go to 20 times, I don't know, 157, that's $34,000 of revenue, we're getting extra per month. And this is we're getting this right now, don't worry about the last release, we're gonna get that right. So you get the last lead. But you still see we have such a big opportunity here, right? You see all these directories, it's color coded, right, conditional formatting. These are all the theme comes into have over here, various types like water, trash, community fees, month to month.

TC: 35:37

If I may just pause you, Omar, just for a second. For folks who are just listening, we're looking at a master spreadsheet, essentially, that's got, you know, various tabs, and you're just starting with lost the lease, right? You've got to various metrics, where you're measuring where you are for each unit perspective, and so forth.

OK: Yeah. So and this is why I say it's, you always have to see what this table is doing not just copy and blindly see what he's doing. So let's go like this. Yeah, cuz I'm just going to conditionally format it, I just realized I needed something right? See you you're always figuring out things right? Even within things you use all the time. What is the total amount of an entity theory that we do there? Again, this is all stuff that's already on your rent roll. This is nothing, you have to think about no fancy calculation you have to do. When did my lease begin? When did my lease end? Which basically, the reason why I have these is I'll explain it to you in a little while. Don't worry about it. This is the formula and how long what is the term term means how long have people going around here? Now, in my experience, what's typically happened when we've taken over property is that the longer the term as in how long people have been living in some place, typically not always is a sign that the existing sponsor has not pushed rents enough. Now, there is no magic solution here because right, because then you will say the term should be one month, there is no magic solution, it's you have to play it by ear. But typically, when you have big terms, like 90 nines, and all of this stuff, 149. This mean, people just haven't moved. And if they have moved, it can work one of two ways, rents have not been pushed, but the other thing also is people have a lot of buying, which means it is harder for them to leave the community. So if you if you're actually pushing rents for the right reasons, right. I mean, if the market rent is justified, then oftentimes, for instance, people will just pay to the market, right?

TC: Yeah. I mean, it's a similarity in terms of occupancy. If you look at a property that's 99%, occupied, you've got an issue that you're not pushing rents. And that's a rule of thumb to pay attention to and say, Well, wait a minute, we've got something that we can dig deeper into.

OK: Again, this is all live data. By the way, this is not created. You can see this was 10/05. So what is it today? Oh, it's 1005 today, right?

TC: Who's creating this for you, Omar?

OK: Myself. But again, the product and I created a training video on what I needed. But then every two weeks, my analyst updates it, right? Because I don't have to literally update it for every single instance, I just have to use this to analyze along with him. But I have to create the structure and processes and all of this stuff, right? And make sure it's implemented. Basically, we have our floor plans, we have our square footage, the counters, I mean, look, these are all stats here. But the biggest stat here is we see our penetration of various fees, because we keep implementing new and new fees, right. So and those fees are gonna be like if I implemented today, even by Tomas period, I might only have 85% penetration, I have to follow this penetration. Because think about it this way, I can start at 10/05. I can go to 9/21, which was two weeks prior and look at what my penetration numbers are right to say, Hey, are we making any progress here?

TC: Are we on track? Off track?

OK: Are we on track? What are we doing? How can we do a better job it salesy. Okay, look, what is my market rent? What is my average rent? What is my last release last year, really my opportunity, basically, to capture additional upside, some other stats that I can put in, you don't have to put it in, it's completely up to you. What is my average term that we talked about, right? This is still very high. But we also got this property only like seven or eight months over turning over. So we're still on revenue, all revenue efficiently, I can tell you tighter, if somebody mails revenue efficiencies, they have won 90% of the battle.

TC: As we win that battle, you obviously are still simultaneously working on expense optimization. So talk to me about your process there. And what does that look like?

OK: So, expense optimization, the process is very simple. We are basically after doing so many deals, we have basically have all the data for our previous for instance deals. So number one, we're benchmarking all of our data per unit, what is our nm per unit, again, on an M is one of those things where it varies because it depends on what type of property you're buying, we're vintage, even if it's vintage, if it was in a state of disrepair, that it's more of a rule of thumb where you kind of have to know your assets to kind of figure out okay, something is this something is this there is a difference why does that difference exist right? But turnover costs as an example for similar vintage similar profile of assets should be very similar. Again, also, we have a similar level of finish across most of our properties bought in classes vary the class B's and C's are somewhat similar.

OK: So we also know okay, it's somewhat similar on what what the my cat expert interior unit, as an example would be admin advertising would be somewhere similar. Also in advertising, what I found is, for instance, what I've now realized is certain, for instance, probably the fires that are really good for traffic areas or areas where there's just not a lot of supply. We don't have to do about advertising. I mean, we do advertising, but we don't use apartments.com A lot of times, but in certain areas where apartments are calm is really big or Zillow. So like one property Equinox at night that I was telling you, apartments.com isn't really that big of a deal in that market. But for whatever reason, Zillow is like frickin flood of leads, we have apartments are comparable to the lowest possible package. But on Zillow, we buy into the highest possible package, because it's all for traffic, understanding those nuances, right? It's very important, then basically, ideally, once you have a big enough portfolio, you can get on your property managers portfolio, getting on their insurance, oftentimes, that reduces it. And then on the real estate taxes side, which is basically the biggest expense fighting every single tax bill to get, even if it's reasonable, you got to fight it, because if you don't fight it next year, that becomes the base upon which our taxes are calculated going forward.

TC: Man, you read my mind. That's actually where I was going next, managing taxes and insurance. I mean, we've seen rapid rises, especially in insurance. I think we're seeing that taxes is sort of a lagging indicato,r across the board property taxes are going up. So I guess sort of the rule of thumb that you're focusing on is fight it every year. And then in terms of insurance, there are opportunities to leverage a sort of bulk discount through whether it's an umbrella policy through your portfolio yourself or your property manager, your third party.

OK: Yes, yes. But the thing also is insurance costs, by and large, across the country are going up significantly.

TC: So, your benchmark that you had previously is shifting,

OK: Not only is it shifting, what you then have to do is rely on basically like, for instance, I talked to other guys, other owners, I mean, we're not competitors, we've different assets, whatever. Hey, how much are you looking at? I have this problem, what do you think about it? You talk to your property managers as well. And as an example, I'm on certain assets, I'm on my property manager saying certain assets are much better than the average asset that my property manager has, I'm not going to be there. And certain assets, not mine, but from other clients, my property manager has, he's not going to bring all these umbrella policy because they in crime-ridden areas. So the more bad stuff happens on those properties, his insurance rate is going to go up, right? So he doesn't want that. Because with insurance, it's just fighting a losing battle, man. So it's like we talked about right, enhancing returns or minimizing losses. Yeah, but the insurance, all we're trying to do is minimize the loss year over year.

TC: Now in terms of asset management, let's talk about managing those renovation schedules. You know, whether it's interior, you know, renovations exterior, amenity enhancements across the board, talk to me about the optimal approach that you take towards managing renovation schedules.

OK: The optimal approach is meant to be a pain in the ass.

TC: Continual follow up, follow through.

OK: The optimal approach is to be the squeaky wheel that gets the grease. Number one is to have multiple bids, ideally, for all projects. For you, sometimes, it's not possible because you have to, especially in the last few years, you have to balance speed with cost. So that's a big issue a lot of times. So some person might be more speedy might cost more versus somebody could be less speedy but they cost less. So typically, in my opinion, I lean towards speed. Obviously, there are rules there, caveats to this thing, right? And there's certain boundaries to this thing. But speed is more important because everyday we don't a lot of times people just calculate, for instance, hey, what is my renovation cost, right as a cost for renovating a unit, but what they're not taking into account is what is the loss revenue? What is the loss fee income. Like if I don't lease this unit out for a month, it's not just gonna cost me say the $7,000 or $10,000 I put to renovating the unit. It's also the lost revenue, the lost rent and the lost fees. So, maybe those fees are like say $1,500, random fees. So now if you operated something for at $8500 and your fees and rents are $1,500, you should account for it as $10,000 cost not a $8500 cost because one is an implicit cost and one is an explicit cost. So you have to account for them because there's an opportunity cost, right?

OK: And then for instance, if somebody is giving you $2,000 extra on the per unit as an example, but they're doing it in two days versus some guy's gonna give you $2,000 let's do it in a week or a month and a half. Well, how quickly can you recover that money right? So a lot of people don't really do that. Then for instance, so this is something that I've done and shifted my thing on. For instance, lately, what I've been seeing is you know, we had like, okay, we have to have X number of units renovated every month. It doesn't matter come hell or high water,it's gonna happen. But what I'm seeing a lot in my properties now because again, I'm in major metros like Orlando, Atlanta, Jacksonville, San Antonio. What I'm seeing now is that because the market is so tight for renting, it's an interesting dichotomy that what's happened is that we have, across the board, we have residents that tell us, hey, you know what, how about I just pay you the market rent. Don't come into my unit. I don't want to vacate. I don't want you renovating. Just leave me alone. I'll just sign it, give me the market rent and it's cool. And the thing there is basically that initially, I thought this was a one-off thing. So we kind of monitored it, right? Because it's interesting, you don't want me to do anything, you want to pay more money. This seems like a win win. What's the catch here?

OK: But I started seeing that more and more especially on that property whose last lease tracker I was showing you that's linear, we've seen that across the board. We have lots of people that have told us we'll pay you the extra rent, don't want to leave the unit. Don't touch my things. That means that all the money that you could have basically spent now you have all that money. So now you can do even more strategic upgrades. Additionally, for instance, on certain properties where for instance, were like 95%, on average, occupied, but we want to go with 98, what we're doing is if we send a renewal letter out 90 days in in advance, three months in advance, four months in advance, we just might go in and talk to the resident and say, hey, here's for whatever small little thing like less than, say $750 or $500. They say put a USB port or I need like this thing repaired. We're just gonna repair that free of charge, right? So it's like that sales taxes, right? Where you're priming your customer to be more acceptable to what you're going to give them. So when you do something nice, some people are going to abuse the system. But when you do something nice, your customer in this case, your resident is more susceptible to a market rate hike which isn't very much versus you didn't do anything, you send the renewal letter and now there are like daggers drawn. So again, not an exact science, because it's kind of hard to, it's not an exact science, you understand but you have to understand the situation and then act accordingly, basically.

TC: I mean, you've got to be super involved. And your communication has got to be extremely robust. You've got to be pivoting, you've got to be adapting constantly, in terms of well, what are you what type of sort of feedback are you getting from subcontractors and what sort of pricing and timing and all of those different factors.

OK: Timing is a big issue. Timing is, in the past two years even right now, timing is a big issue. That's why I said, you know, ideally, I want three beds but...

TC: So Omar, do you guys manage construction management in-house? Or do you have a third party that you work with?

OK: It's partial. Right now, it's partial. We do a lot of it in-house. The reason why it's partial is because we have a big enough portfolio, so we can benchmark and track. Okay, here it is costing me this much. But you understand that is a financial metric of measuring things. There is a quality metric that we are getting better and better at with experience. And one of my big things for Q1 of next year is to basically hire a full-time construction manager because we are good at managing our financial budgets. We're very good at performing on time ahead of schedule. But now for us, I feel to take it to the next level is managing the financial aspect. But then managing the scheduling the operation and all of that aspect as well.

TC: 100% man. It's raising the bar and taking things to the next level. And at the end of the day, I mean, there's a lot of coordination, when it comes down to managing a large scale renovation project, even one individual project can have many different moving parts. So I think that's wise. And at the end of the day, what we're talking about is implementation of the vision and the execution of the business plan. We come back to asset management. It's daily KPI tracking, it's training your team, it's managing, it's communicating, it's being a pain in the ass. But talk to me about sort of communicating that vision and the business plan to your team and seeing through the execution of that business plan.

OK: So, it's not easy. It's a work in progress. It's a forever work in progress right now, one. Number two, basically, thing is, I'm hiring more and more people as we go along. And we continue to grow. So it's finding the right people, which is a complete pain in the ass again, because you can have somebody that's really talented, but doesn't have buy in, versus somebody who say, not as experienced in the thing, but just a smart individual. Because look, we both know, this is not the most complex activity in America happening right now. All you need basically to be successful, look, 90% of success in this field is merely just being organized and showing up on time. That's it. I mean, you know, this man, I mean, this is not the most complex view they produce. So if somebody is organized, they have common sense that will go way, way, way, way, way further than somebody that is really good, say professionally on paper, at least, and their job. But organizationally, they don't keep your schedule, they don't follow up all of that sort of stuff.

OK: So it's finding the right people, number one. Number two, the process is very templated, as you've seen, just with the last release thing, right? Everything is a template, because the idea here is that look, we do this once we kind of understand this, and the next time around, it's pretty much the exact same thing, right? Because again, we're in a little niche, right? It's not like I'm doing offices and hotels and self-storage. These are all great niches. I'm in a niche. So I have to standardize or bolt towards standardizing as much of those processes as possible. So when my team does it two or three or four times, the fifth time, they basically take control more than I do.

OK: So right now we're closing a deal in Atlanta. My asset manager, which I've trained since the start of this year, he's a very sharp guy to begin with. So it makes it really easy because it is standardized. He's worked with me in a couple of assets. Now he's handling all the grunt work with the property managers off basically where my budget has to be because I've done my own drifting, right. But I want him to get there and tell me how he gets there. And if he can't get there, then give me good reasons why he can't get there. Because his opinion is also very important. Just because I say something doesn't mean it's possible.

OK: So finding those themes, but it's about congruence, it's like what we start about the investor thing earlier, dude, if you keep changing what you're doing, like you're left one day, right, one day up one day down one day, it creates a lot of confusion. In fact, my CEO, Eric, we're gonna talk about this today sent me this book from this guy Jocko is some really famous guy write something in brains, right? Yeah, she looks like a cool guy, right? Where's this picture? Yeah, this guy over here. Looks like a cool guy. Yeah, I don't know him. But I've heard his name somewhere. Anyways, Eric said, You should read this book. And then we should talk about it every like week, when we have our thing. Interesting book, I've read the first two chapters. And again, his thing also is consistency. I mean, but you have to let your team take control. Because if you just show up and do everything, then your team is in, your team can do anything. And then when you go away, your team's gonna collapse,

TC: For sure. And it's the servant leadership, it's showing up every day, it's communicating to do the hard things it's pushing. It's supporting, it's giving the tools that you know, folks need to be able to be successful. But I'd love to hear the difference in what you guys do in terms of, well, in for CF capital, what we do, obviously, is when we identify an investment, obviously, we've set the vision for that investment, we set the business plan. And what we do is we are looking out 3, 5, 7, 10 years into the future. And we're saying, here's where we're going, and then we're reversing.

OK: Sorry, as a company, or as an asset as a company

TC: As a company and per assets. I'm really talking about per assets, because each individual asset has its own business plan, as you mentioned, you're acquiring a business. And so what we're doing is we're setting that future intention, and we're getting clear on Well, what are we anticipating with the market and so forth. And we're reverse engineering that on an annual basis in a quarterly basis. And we're setting goals and we're allowing buy-in from our team or property managers or staff members and all that kind of stuff. How does that differ for you in terms of getting clarity from the team, getting by and getting excitement from the team?

OK: That's a good question. Maybe, I don't know. maybe I don't have the exact answer for this. For me, for instance, what I've set out is basically a goal of like, what we as a company need to do, basically. But that goal is also dependent, that if I don't find the right deals, we don't find the right deals. And I mean, what I'm going to do, right? So there is one aspect of the goal, which is hey, we just want to do this. So one aspect is compensation based because barring on my one of my fundraisers, and my controller, the rest of my team is full of guys. And sick, bam, bam, bam, bam, right? They just look at the money part, right? Which is fine, because that's just the way it is. Right? So one aspect of this is compensation.

OK: But one aspect of this is also trial by error as in finding the right people. So the buy in from the team, I think happens mostly at the start when we interview people, and we tell them look, obviously, they tell they'd look at us, we look at them. And the whole deal here is, look, you're going to be given a lot of responsibility, there's going to be oversight, but you have to take responsibility. And after that, for instance, if we don't do a deal for say, six months, right? The deal, there is an idle flow to your paycheck, everybody gets a paycheck, right? And everybody's getting paid above market, because I have for one have never understood that. How do you extract loyalty from your employees, if you pay them shit, like you can't expect loyalty, you can't expect somebody to be over performing. And then you pay them like crap with an IOU of some future performance, which you may or may never get.

TC: Yeah, you're not going to attract A-players like that. So we're almost out of time. But I do want to wrap up the discussion. I mean, obviously, this has been very wide-ranging. I just want to thank you again for this. But I want to ask you, what are you doing differently today versus what you did one year ago, two years ago, obviously, you're always raising the bar. But regarding asset management in particular, is there anything that you would point to in particular, no,

OK: I think the bulk of the work is exactly the same. It's consistency over like, years. obviously. There's refinements, Hey, you look at something car comes in your head you implemented across the border. But 90% of what we're doing even in bad times, and good times is exactly the same. The bulk of it is my own money, I sign on the note. So in the good times the markets going up, I didn't do a lot of deals because it didn't make any sense. It's just consistency, then we had a little sandbox. We have to play in that sandbox. And if the market is good, it's good. If the markets bad, it's bad we're not going to deviate from that sandbox. We will course correct along the way like financing changes, what type of return metrics you have to buy if something changes, but the little sandbox is not going to change.

TC: Omar Khan, Boardwalk Wealth. The man, the myth, the legend. Thanks again for being on the show my friend tell the listeners again where they can find you, where they can learn more about you.

OK: Yeah, so you can go to our website boardwalkwealth.com. The form is right on the homepage. Really can't miss it guys. If you join now, I'll give you access to my hidden mobile app with over nine hours plus a free passive investing courses. Again, that's boardwalkwealth.com

TC: All right, my friend, the greatest dressed man in multifamily. Again, Omar, thank you so much for being on the show. We'll talk to you soon buddy.

OK: Thank you. Bye for now.

[END OF INTERVIEW]

TC: Elevate nation. Omar Khan dive in deep with us today. if you are wanting to take your investing to the next level, today's episode was so important. And ultimately it comes down to execution. I mean, yes, you can buy right? You can finance, right. And obviously those are critically important to us. But ultimately it comes down to asset management, comes down to execution, comes down to the boring basics, that consistency over time, the compound interests of that. There's so many tactics, tools and strategies that we talked about in today's episode. So I want to encourage you to identify what are your top one, two or three takeaways for your investment portfolio?

What are you going to apply from today's episode? Is it tracking? Is it tools? Is it follow through? Is it the way that you're attracting the right team members, so on and so forth? What is it that you will be applying from today's episode, I want to encourage you to jot those down. I also want to encourage you to have a discussion with a friend, a colleague, a business partner, someone that you'd like to do business with and talk through what you learned today. What was it that was not said what was it that you are doing in your own asset management that you feel like should have been a part of today's discussion? What was it that is not working for you right now? What is it that is working super well that you want to double down on have a discussion at the end of the day, that's how we anchor in our understanding.

Also, by the way, repetition is the mother of all skill today was action-packed, value-packed, you definitely want to listen to this episode twice or three times you're going to learn two or three or more times as much by doing so by the way, I just want to thank you so much for being a part of this. This discussion this episode, this community, Elevate nation. I'm so thankful to have the opportunity to bring people like Omar Khan back into the fold. I'm so thankful for the opportunity to add value. I just want to thank you so much for listening. Don't forget to rate, review, subscribe and pay it forward by sharing with someone else and until next time, Elevate nation. Thank you so much for tuning in and we will see you next time.

[OUTRO]

Announcer: Thank you for listening to Elevate. If you enjoyed this episode, be sure to rate, review, subscribe, and pay it forward by sharing with a friend. Most importantly, take this opportunity to elevate your results by taking immediate action on what you learned. For more, visit elevatepod.com.

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