

EPISODE 280

[INTRODUCTION]

Tyler Chesser (TC): Only the toughest last in this long game. You don't have to be tough in that you're going to put other people down or you're going to ruin other people, but you're going to protect your own emotions so that you can persist, so that you can be resilient so that you can be creative and resourceful to designing a new approach to getting to the outcome.

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.

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 sitting with you on another edition of Elevate exclusive with Tyler. You got me today. And today you're going to learn the power of mental toughness, and how to develop a thick skin because I think ultimately in real estate, if we want to achieve big things, it is about focusing on the long term and ultimately, resiliency and persistence is going to be critical towards getting there because there's so many different things that can knock us off our path. And I believe that mental toughness is the centerpiece of achieving what we want to achieve in real estate. And of course, at the end of the day, real estate is a vehicle towards creating an outcome that we want in our life or a set of outcomes or designing a life.

Ultimately, that's what Elevate podcast is all about. It 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 and we're gonna dive into this episode, this solo episode today. Before we do that, I want to invite you to pay the fee. The fee is to pay it forward, share this episode with a friend. All you have to do is grab the link and post it on social media or sending a text message and email. If you've

done that in the past. Thank you so much. We just asked you to do that one more time today again.

The only way that we can grow as a podcast is if you introduce us to one other person, and you may be the result of an introduction. And if so, welcome! Super excited to have you. Super excited to pour into your cup today. This is about a transformation. If you listen to Elevate podcast, you are here to transform the way you think, transform your perspective and to transform your results. Ultimately, that's why we do what we do. Because we know how much power there is a shift in perspective and a shift in strategy. And you don't have to learn all this stuff the hard way you can actually learn from others you can learn from deep wisdom that has been true for thousand of years. And that's what we're trying to uncover in this podcast. So I hope you're enjoying it.

If you are enjoying it. Also give us a rating review and subscribe or follow Elevate podcast on wherever it is that you listen or watch podcast that is extremely helpful and important to us. So just want to thank you from the bottom of my heart for doing that in advance. If you have not done that already, please go ahead and take 15 seconds to give us a five-star rating. Give us a review. And if you're on YouTube, give us a thumbs up and subscribe to us there.

So with all that said, I want to dive in and I want to talk to you about the power of mental toughness and how to develop a thick skin, and what that can really do for you in your real estate career, in your investing approach as you develop your long-term portfolio. I want to start with a definition according to vocabulary.com, to be thick-skinned is not to be bothered by criticism and rejection. When you are thick-skinned, you're mentally tough. And they go further to say that it can help you to remember the meaning of this term if you think about it, literally someone with thick, tough rough skin isn't going to be hurt by a little pinch or paper cut unlike someone with thin skin. So thick-skinned people are also unaffected by less physical harm like being criticized or rejected or turned out. If you are thick-skinned, you don't let failure or disappointment get you down. You keep believing in yourself and moving forward.

So, I think that is an amazing place to start. You know, just literally let's think about it. Literally, what is thick skin? One of the things, it was actually a book that I read early on in my real estate career was "Rhinceros Success". And it's a very simple book. In fact, probably half the book is pictures. The central concepts of a rhinceros is that it has two-inch thick skin. And when a torpedo comes towards the skin, it cannot penetrate because it's so thick. And as it's charging forward. Torpedoes continue to try to penetrate its skin but it cannot because it's so thick skin and as a result, it keeps moving forward. And there's a time where the rhinceros who continues to charge forward needs to lay in the mud and relax and recover and rest. But the metaphor of the thick skin really, really stands out from that. And I think starting with a literal perspective of well what is thick skin? What does that actually mean in a physical sense? How can that translate to our mind?

So again, if you're thick skin you don't let failure or disappointment gets you down? You keep believing in yourself and moving forward. According to productiveclub.com, a person is called thick-skinned when he or she isn't offended or hurt by a negative opinion. In criticism, disagreement or joke, the attribute isn't only restricted to words but also deeds. The term thick skin originates from the figurative sense of being more resistant to damage. A person who is easily influenced by the words or actions of others is called thin-skinned and considered more vulnerable to attack. So you know, a couple of different ways to look at this, as you know, from failures, from criticism from rejection being turned down, or by attacks, or words or actions from other people.

They go on further to say that having thick skin is a positive trait, because it allows you to deal with the little nuances of life without stressing yourself, it also helps you face the various obstacles in life head-on without letting minor events affect your mental health. It says it doesn't mean that a thick-skinned person feels nothing when they experience a setback. But thick-skinned people don't react instantly. They don't snap back, they don't argue or they don't hold a grudge. So, I think that is an important distinction is that just because you're thick-skinned, that doesn't mean that you have no emotions, or you don't experience the negative feeling of a failure, of a criticism, of a setback of any of these types of events, it just

means that they have a strategy for dealing with those types of circumstances with those type of failures, and they use it to their advantage.

And you know, at the end of the day, I mean, we've talked about this extensively on this podcast and in fact, we've done solo podcasts about this, problems and adversity are inevitable, especially in real estate. Frankly, if you really kind of take a step back, ultimately, as an investor, you get paid to solve problems. You know, it's not just you know, a lot of times, I think this is a huge misnomer in passive investing, it's, well, it's just passive, you just put your money to work, and it comes back to you. You've got to solve problems, you've got to have a strategy that is out there solving problems, creating value in the marketplace. And along the way, there are problems, there are adversity, adversities across the board, it's inevitable. And so developing a thick skin is what is going to allow you to persist, what is going to allow you to push through what is going to allow you to see through the long-game endeavors that are necessary towards creating tremendous success in real estate. It is not all sunshine and rainbows, and anybody who tells you otherwise is selling you a bill of goods.

At the end of the day, I mean, there are so many different examples that I can share in terms of challenges that we face in real estate. But you know, some things that I've faced are a poor performance from a property manager. Ultimately, it comes down to leasing, it comes down to collecting rent, it comes down to managing expenses, it comes down to marketing the asset, it comes down to the fundamentals of maintaining the asset, you know, doing the right things in terms of maintenance, in terms of repairs, in terms of stocking inventory, and things like that. I mean, ultimately, you know, this can be a very complicated business, but at the same time, it can be a very simple business.

But ultimately, there are challenges when you have poor performance, maybe you have the wrong property manager in that seat. Or maybe that property manager is being hamstrung for whatever reason, but you know, it's a fact of the matter that poor performance by a property manager is something that you may encounter yourself. And maybe you have encountered that yourself. There are other things, I mean, bureaucracy across the board, whether it's from your lender, from your accountants, from the IRS, you know, from your local tax municipality, from

the local city government, I mean, bureaucracy. I mean, that can be a big challenge, that can be a problem, that can be a source of adversity.

Some other examples, could be maybe your attorney or other support team members, or vendors, maybe miss some critical details in a transaction or in a dispute or in another issue. Maybe it's in leasing. I mean, there's so many examples. But ultimately, you know, one of the things that I think is critical if you want to be a successful real estate investor is you can't do it all yourself. In fact, that was one of my biggest first challenges was, you know, my team was me. And of course, that was a huge mistake. And I learned that lesson very quickly. But ultimately, a problem or a set of a source of adversity can be perhaps missing details or inaccuracies from your team. You know, lack of follow-through by your tenant or your residents, that can be a challenge. I mean, ultimately, that many times results in delinquency, it results in bad debt, then results in eviction, which are all costly. And at that point, then you are dealing with a vacancy, which is costly, and, you know, perhaps turns and all those kinds of things. And there's many different cascading effects of lack of follow-through.

And so the question is, are we the victim of that? Or are we the victor on the way to victory, recognizing the fact that perhaps this is a part of the business and there are proactive steps to anticipate these types of challenges. Poor advisory from your accountant, you know, that may be another source of adversity that you are encountering or have encountered, right? 09:56 These are just examples. Lying from your employees or perhaps laziness, lack of follow-through there. You know that that can be very, very challenging, very frustrating. These can be sources of problems, lack of follow-through from your staff, you know, ultimately comes down to, hey, you know what we've got to have a strategic plan, a vision, a path forward, and you've got to get everybody on the same page to be able to execute that. But if you don't have the follow-through, then it can be very challenging to accomplish your goals.

And ultimately, it comes down to that "who not how". But again, it's not all sunshine and rainbows. And when you run into these types of circumstances, the question is, well, what are you going to do? How are you going to react? Are you the victim? Or do you have another strategy, so even the small things on a day-to-day can add up, right? If we're not

thick-skinned, these can set us back from making progress towards our goals. And by the way, I believe that that's really where this all lies, the small things on a day to day, the way that you interact with your team members, the way that you interact with your partners, the way that you interact with your vendors, or your lender, anybody else in your world trying to accomplish big things. You know, it's the way that you're communicating with each other the way that people are sharing information with you the challenges that they're sharing with you, and perhaps the lack of solution-oriented focus that they're sharing with you, you know, that can add up. If you're not thick-skinned. And you recognize this can be a very slippery slope over time, and it will compound. But again, on the flip side, the thick skin and the mental toughness will compound in a much more optimal way for you.

And that's what I really want to talk about today. But again, these things happen. I mean, these challenges that I just described, I mean, they happen, they're a fact of life. And if you are newer in this game, you know, just anticipate and prepare yourself to say, you know what, when these things happen, I can first of all, I can look at them as a gift. And we talked about problems or gifts and how to find the gift and every challenge in a previous solo episode. So, I encourage you to go listen to that. But of course, you know, prepare yourself and recognize also that, you know, I don't believe that we should tolerate mediocrity. If you want to do big things in this business. It's definitely not through tolerating mediocrity, but we must develop a strategy to overcome these challenges rather than just feel negative and ruminate in negativity about them and feel like a victim.

So, let's conquer adversity through mental toughness, or what I would describe as a theoretical thick skin. And so let's own the mindset of being unshakable. And so I think that's where we really started owning that mindset. Again, Elevate podcast is all about mindset, mind expansion and personal development. This is really all three right now. So let's expand our mind through recognizing that we have the opportunity to say you know what I am unshakable in any challenge that comes my way, does not knock me over, I think about when it's pouring rain. And there are jackets that when the raindrops hit your jacket, they just literally roll off they cannot soak in. And that's what the mindset of being unshakable is, is that it cannot penetrate you. It cannot penetrate your thick skin.

So I want to share with you a couple of quotes before I dive into the 'how to' and some action steps. But the first quote is from the legendary the recently late Bill Russell, one of the greatest NBA players of all time. He said that "concentration and mental toughness are the margins of victory". And I don't recall if Bill won 10 or 11 NBA championships one of the two. And let me just tell you that that is the most in NBA history. So at the end of the day concentration and mental toughness are the margins of victory coming from the individual who knows more about victory than anybody else in NBA history. So, there's a lot to be said about that. At the end of the day, there's a clue, mental toughness and concentration are the margins of victory.

Also, another sports figure, actually an owner of a sports team, Robert Kraft of the New England Patriots, and by the way, he's a magnate in business. He said, "if you are running a business anywhere in the world, people who really do well are the people who have mental toughness". So I appreciate Robert Kraft saying that and giving us a clue in this world that mental toughness is the separator.

TC: *Hey, guys, I want to remind you to check out CF Capital. CF Capital is the premier boutique real estate investment firm in the Midwest and southeast region of the United States. We are a national real estate investment firm with a purpose. We provide property investment and asset management solutions to help passive investors maximize returns on high-value multifamily communities. But our investments go far beyond acquisitions, we invest in people. We are in the business of elevating communities and raising the bar for everyone within our ecosystem. CF Capital is a real estate investment firm focused on the acquisition and operation of multifamily assets. We confidently deliver tax-advantaged stable cash flow and capital appreciation with a margin of safety. By investing alongside our team, investors can preserve and grow their wealth without having to deal with tenants, termites, or toilets. Investors come and stay for the outsized returns we create in our deals while appreciating the ancillary opportunity to make a bigger impact that only CF Capital can provide. If you're an investor and want to invest with us, here's how to learn more about CF Capital at CFCapLLC.com or by simply clicking the link in the show notes of this episode. We will see you on the inside of this powerful community. So, let's elevate communities together.*

TC: So I want to dive in, I want to talk about how to develop mental toughness, how to develop a thick skin. So number one, don't take things personally. Don't take things personally. At the end of the day, if your tenant did not pay rent, if you now had to evict your tenant, you can either say, oh my gosh, they are stealing from me and woe is me. These people are, you know, absolutely ruining society. Or you can say, you know what these things happen. And that is a part of the business. That's just one example. But there are other things. It's like, well, wait a minute, if my property manager poorly performed, it may not be an attack against me, it may just be a shortcoming in their personal life, their professional life, maybe they didn't really know or have the tools to succeed. And so shifting things from, wait a minute, it's not about me, there's something else here, maybe consider reframing the situation, realize that the world does not revolve around you. That is a great first step. And now that gives us the power and the space to say, okay, well, if that's the case, then what? So step one, don't take things personally.

Step two, be proactive in regulating your emotions. There are a few examples. How can you do this? Fear setting. This is something that Tim Ferriss talked a lot about, "fear setting". It's considering the worst things that might happen in advance. And this is really kind of a stoic philosophy and understanding, well, wait a minute, if the worst scenario happens, what would I do? What would my options be? And once you kind of really face those fears, and you really get clear on well, what could that all look like? It starts to get less fearful. And that's a very, very powerful approach. Actually, I'll put a link in the show notes as to where you can find Tim Ferriss, I believe it was a TED talk on "fear setting". But this is a powerful practice that you can use to regulate your emotions ahead of challenges fear setting, just an example.

Another thing that you can do to be proactive in regulating your emotions is to make meditation a daily habit and observe our very busy mind from a curious lens. Once you start to recognize that you are not your mind and that your mind is very busy connecting dots, and reflecting and anticipating challenges, anticipating negativity, it becomes really interesting, and you start to, you know, really live a more mindful life. And when you don't get swept up in those emotions, you can be more patient, you can be calmer, you can be more measured in the way that you

interact with challenges. And so again, you know, that's with a curious lens, it's observing your mind. But then there's other things I mean, considering negative outcomes ahead of their occurrence, and then also identify what are those potential solutions before they arise. Those are some examples of what you can find through fear setting.

But also, when you think about being proactive and regulating your emotions, also, as you go through this, you want to challenge yourself to pause before you react. Notice that there is a fight-or-flight response. There's a fight or flight, emotion or set of emotions and cortisol being released in your system. And you can first you can appreciate the fact that is a part of evolution, that is a part of your biology. But recognize that not everything is truly a threat. It's not a threat to your survival. It's not a threat to your longevity, and all of these things. So let's pause before we react. That's not an easy thing to do. And I'll talk about sort of some of the connections and the parallels to this type of mindset and training your brain once I wrap up the how-tos here and really the steps towards developing more mental toughness. But ultimately, I want to just encourage you to recognize that there is an opportunity for you to pause before you react, and take a deep breath.

Okay, so number three, I would like you to think about, remember that everyone experiences failure or rejection at times, you're not alone in this. Maybe a challenge or problem or an issue happened as a result of your own mistake. That happens. Remember that you are not the only one who's made a mistake before it develops the mindset of dusting yourself up and trying again, that is what the most successful people do. And you have to have the power by the way, you have the power to own your own resiliency and your persistence. You get to choose that but ultimately it starts with hey, you know what, let's give ourselves a little credit here. You know what, and making mistakes and causing errors yourself is a part of growth. It is a part of your journey. So everyone experiences failure or rejection from time to time. Everyone experiences negative emotions from time to time. Give yourself some credit and dust yourself off and try again. Because ultimately, persistence and resiliency are the core to being tough, to being mentally tough, to having thick skin.

Number four, remove “yourself focus”. Again, this kind of is similar to “don't take things personally”. But ultimately, when you remove yourself focus, which ultimately leads to you dwelling on your own shortcomings or your own mistakes or problems. But once you start to stop focusing on yourself, you can then focus on your goals and the steps that you need to take to get to that outcome. So again, simply remove “yourself focus”.

Number five, here's an interesting one. I think this is a good one. Assume that others around you are not as thick-skinned as you are, or they may not be thick-skinned at all, not in any holier-than-thou sense but an in an empathetic sense. We all have our bad days. Look, we all have days, when our mind isn't in the right place. We all have days where you know, we didn't sleep well, you know, maybe the day prior, we just didn't drink enough water. Maybe we're dehydrated, you know. I mean, there are so many different things. And that can be the case for other people that are interacting with you. Maybe they're short with you, maybe they acting like you are the problem. And you are the one who has, you know, cause the problems or the adversity of the circumstance but assume that others are not as thick-skinned as you are, and they have not paused before they reacted. They have not been proactive in regulating their emotions, they are taking things personally. You know, remember that maybe they feel like you know, they're the only one in the world who has experienced this failure, this setback, and they're not feeling great about themselves. So, but at the end of the day, we can behave towards others in less than optimal ways as well. But let's forgive others for this and open up your energy forward motion, forward momentum, forward action.

Number six and the last step is, get strategic. Identify takeaways from criticism or failures so that you can do better next time. So what about the situation did not work? What was it that I could have done better? What needed to be adjusted? How can you find a more realistic path to your outcome? Because again, failures, adversities, setbacks, these are feedback mechanisms towards your forward motion. And ultimately, every single thing worth getting, in my opinion, can be very challenging. There's certainly a ton of value in owning the mindset of effortlessness, there's a lot of things that you can do that I think that we do hold ourselves back from saying, you know what, this is going to be challenging, so then it becomes

challenging as a result. So there are certainly times when owning that effortless mentality is extremely relevant and valuable. But also, we have to recognize that the long game that we're playing certainly is filled with challenges and recognizing that you know, what adjustments and getting ourselves up off the mat and making a new plan and adjusting our approach is ultimately what is going to get us there.

So again, to summarize, to recap, how to develop mental toughness, how to develop a thick skin is number one, don't take things personally. Number two, be proactive in regulating your emotions. Number three, remember that everyone experiences failure or rejection at times. Number four, remove your focus on yourself, remove yourself focus. Number five, assume that others around you are not as thick-skinned as you are. And again, in an empathetic sense. Number six, get strategic. Changing your brain, which is really what this is about. This is about changing your brain, it is also pretty similar to learning how to ride a bike. In the beginning, it's frustrating, you fall, you know, you wobble a little bit, you go slow, you tip over, all of these things. You skin your knee, but over time, you get the hang of it. And then if you even if you haven't ridden a bike for years, it's like second nature you get on a bike, and it just goes.

So, ultimately what this is all about is about training your mindset to engage in challenging experiences through using these action steps. And then ultimately, eventually, it becomes your default reaction. And you develop this thick skin that's just on you. It just coats you, it protects you. And it is something that becomes a part of your being your identity. The thick skin you develop as a result will be paramount towards creating the life you want through real estate.

Ultimately, again, this is real estate as a vehicle towards designing your life, beginning with the end of mind having that outcome and recognizing that through that path. It's about overcoming challenges. It's about becoming something different. It's about transforming as a result. This is how you transform. Ultimately, in my opinion, only the toughest last in this long game. And so if you can retain your morals through this process as a result, you know, it's like you don't have to be tough in that you're going to put other people down or you're going to ruin other people, but you're going to protect your own emotions so that you can persist, so that you can be

resilient so that you can be creative and resourceful to designing a new approach to getting to the outcome.

Doing the best for other people, by the way, is a part of mental toughness. Because a lot of times when we're trying to add value to other people, we get knocked off the path and if we're not tough, then ultimately we can't deliver for someone else. And ultimately, I do believe that it does come down to adding more value to other people. That's how you're gonna get to where you want to go in real estate. But you have to be tough, you have to be thick-skinned. And if you're not, this is an opportunity for you to develop that, to strengthen that.

So, I hope this has been helpful for you. I have a couple of other amazing quotes that I think will really change the way that you see this as well. T. Harv Eker said that "Successful people have fear. Successful people have doubts, and successful people have worries. They just don't let these feelings stop them." I mean, are you kidding me right now. So we can recognize that even if we have fear, even if we have doubts, even if we have worries, we don't have to let those things stop us. And it really comes through being tough, through being mentally tough through developing thick skin. Sir Edmund Hillary said, "It is not the mountain we conquer but ourselves." This is a game. Real estate is a game. Finance is a game. Money is a game. But the most powerful game to conquer is the inner game. And that's what I want to challenge you to do today.

If you found value in this episode, I want to encourage you to please share this with someone else. And you know, have a discussion with them about what we talked about? Where is it that you think that you could develop a thicker skin? Where is it that you feel like you have the most room for growth? Where is it that you feel like you know what, man, I'm really, I'm actually pretty tough in this circumstance? Share that and have a discussion. What do you think we missed today? What was it that you think was left out of this conversation? And, you know, I would encourage you to reflect upon that and journal about that or have a discussion with a friend.

I just want to thank you so much for listening to this podcast today. It's been my pleasure to share this with you because I know that this can be transformative. I know that you have the ability to continue to evolve, to continue to grow, to continue to be that next version of yourself. And I want to thank you so much for listening to this podcast today. Elevate nation, until next time, I'll see you then.

[OUTRO]

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