

ROD:

You gotta take that first step. Dr. Martin Luther King said, you take that first step in faith, the next step will be revealed. That's the way it works. I get a lot of analytical people that are extremely successful in my business, because multifamily real estate and commercial real estate is primarily empirical.

It's primarily numbers. So the analysis is a big piece of it. But if you're listening and you know how you have to check off every single box before you make a move, you can't do that, okay? You gotta recognize that you may not see the whole path.

CORWYN:

Good morning. Good morning. Great morning, guys. Welcome to another fabulous episode of [Exit Strategies Radio Show](#). Hey, I am your host, Corwyn J. Melette, broker and owner of [Exit Realty Lowcountry Group](#) in beautiful North Charleston, South Carolina. Guys, if this is your first time listening to this show, you, sir, ma'am, are in for a treat.

That is because our mission here is very simple. That is to empower our community through financial literacy and real estate education. Guys, we are legacy building. That is what we do. So I'm super stoked and excited today.

I always gotta give a shout out to those who listen to us so faithfully. Pastor Van a bit, I've been seeing his wife, the wonderful Ms. Sandra Evans, the LeCues family, my folks out in Hollywood, my mom out there in Moncks Corner man. Look here, my folks in Marion and Mullins, thank y'all so much for tuning in. So today I'm super stoked and excited.

This one, look here, if we had platinum carpet, we would probably lay that one down right around here today. So I'm gonna ask you guys a question. What would happen if you lost like almost everything you built? Would you know how to start over? Would you have the mindset? That's our key word today, relationships and resilience to rebuild. For many people, financial setbacks become the end of their story. That's over.

That's it. We wiped out. Look here, it's over. We're taking our toys out of the toy box and going home. But for the real estate investor and entrepreneur, **Rod Khleif**, losing 50 million dollars became one of his greatest teachers.

So today, Rod will share the lessons he learned from rebuilding, the mistakes that quietly destroy wealth and why financial success is about much more than money. So I want to take liberty here to introduce Rod. He is a real estate investor, best selling author, entrepreneur, kindred spirit, and host of the Lifetime Cashflow Through Real Estate Investing podcast. I want y'all to go find that and make sure you subscribe, which has surpassed 20 million downloads. He owns and managed over 2,000 properties, been involved in approximately 26,000 multifamily units and has built more than 1 billion in assets under management.

So after losing that 50 million we talked about during the financial crisis, Rod rebuilt his business and has since dedicated himself to teaching others how to create financial freedom through real estate mindset and intentional living. So today he joins us to discuss, hey, that resilience. Rod, man, how are you doing today?

ROD:

I'm fabulous, brother. Let's have some fun. I'm excited.

I love that music. I love the- you know, I am a legend in my own mind. Okay. Just so you know, ask me anytime you like.

CORWYN:

Well, look here, I will make sure that I do that.

And look, I'm so serious about this platinum carpet, man. If we can drip it or drape it on the walls, that's what we do. We have curtains up and everything because we're super duper stoked and excited to be here. So I want to set this as I get you to tell us who you are, but Rod, our show focuses on legacy. And after everything you built, lost and rebuilt, we want to make sure we hone in on that lesson that every family, every investor, every person should understand about how to create financial freedom and lasting wealth.

So Rod, if you don't mind, tell our listeners your high level overview of who you are.

ROD:

Sure, sure, sure. So I'm going to go back a ways because it lends some credence to what we're going to talk about. So I'm a Dutch immigrant, think wooden shoes and windmills, and immigrated when I was six with my brother, Albert, my mother's Vansha. We ended up in Denver, Colorado, and we really didn't have much.

In fact, I remember we shopped at an expired food store, believe it or not. They had those back then. We drank powdered milk with our cereal in the morning. This is cheaper than real milk. And trust me, it sounds better than it is.

And I wore clothes from the Goodwill and the Salvation Army, hand-me-down clothes all the way through junior high school until I lied about my age when I was 14 because you had to be 15 to work at Burger King so I could flip burgers and get my own freaking clothes. And I know you've got listeners that had it harder than I did, or maybe even have it harder now with all the craziness out there, but I knew I wanted more. And luckily, my mom had an incredible work ethic. So she babysat kids so we'd have enough money to eat. With her babysitting money, she was an entrepreneur.

She invested in the stock market successfully, but she also invested in real estate. So her first real estate acquisition was housed right across the street from us, bought from a family named the Jewels when I was 14 for about 30 grand. So she paid 30 grand. Then when I was 17, she

told me she'd made \$20,000 in her sleep. And this is when 20,000 was a lot of money, mind you, 1977.

And I'm like, what? You made 20 grand, you didn't do anything? Screw college. I'm getting into real estate. So I went out and got me a real estate broker's license right when I turned 18, which you could do back then with education. Now they got smart to have your own office. You need to have a little experience.

But I was smart enough to go work another broker. And my first year in real estate, I made about eight grand. My second year, about 10 grand. But my third year, I made over \$100,000, which back in 1980 was some pretty decent change. So what happened between year two and year three that caused me to 10X my income? Well, you touched on it.

The broker that I worked for taught me about the importance of mindset and psychology and how 80 to 90% of your success in anything is your mindset and psychology. Fast forward to today, I've owned over 2,000 houses that I've rented long-term, like you said. I own thousands of apartment units. I'm buying senior housing now in a big way. And in 2006, my net worth went up \$17 million while I slept.

And that's what I did too. I said, wow, I got a head so big I could barely fit it through a door. I thought I was a freaking real estate God. You know when that happens, God or the universe will give you a nice little smack down? Well, that was an update. Like you said, I conservatively lost \$50 million in 2008 and 2009.

So what I'm known for talking about in my podcast, and as I mentioned to you before we started recording, I'm blessed to host the largest real estate podcast really now in the world for commercial real estate. And what I'm known for is talking about mindset and psychology, the mindset it took to have 50 million to lose in the first place. And probably as important, if not more important, the mindset it took to recover from that, that's what I'm blessed to have today. And I'm happy to drill down on some of that with you if you want, Corwyn.

CORWYN:

Well, yes, by all means.

So you touched on two things that I want to unpack a little bit, because you had to have a certain mindset to make it to that point of accumulating a net worth of \$50 million. But to be very, very blunt, a lot of people having experienced that much loss, that would have been it. It would have been over.

ROD:

You know, you said something before we started recording that I wanted to flag. Listen, and this is so important.

If you're going to buy a business, start being an entrepreneur, you can never allow your vehicle to be your identity. Okay? What I mean by that, if you buy a business, it's your vehicle. It's not who you are. I call my failures seminars, okay? Because they're only a failure if you don't get back up or you don't get the lesson. I have built 30 businesses so far in my career, okay? Several worth tens of millions of dollars.

I've got two right now that are. However, most were spectacular flaming seminars, okay? Because we fail our way to success. But I've never allowed my vehicles to be my identity. Let me tell you something. If you have your business be your identity and it fails, you're a failure.

If it's your vehicle, your vehicle failed. People kill themselves if they identify with their businesses. You know, people jump off buildings. They did it in 2009. They did it in the great crash.

Hell, that Bitcoin guy shot himself in his Lambo about a year ago. I mean, if it's your identity, that's not good. So don't allow it to be your identity. I just wanted to flag that because you brought that up. And so if it's not your identity, you realize you're not a failure.

The business failed. Big deal. Get back up. I've had 30 of them. Most of them failed.

Big deal. You move on. And there's so much freaking opportunity right now, Corwyn. There's 10,000 people a day turning 65 in this country. Every single day, 10,000 people.

A lot of them own businesses. Sell those businesses. There's a meltdown right now in commercial multifamily. There's apartment complexes going south, right, and left because operators got adjustable rate debt or they just didn't know what they were doing. Expense ratios have gotten really high.

Expenses have gone through the roof. And it's a meltdown. There's incredible opportunity. I'll give you an example. There's a 300-unit apartment complex next to my 200-unit in San Antonio.

Sold for 43 million in late 21. Bank got it back. Dropped it to 28 million, 43 to 28. I wasn't interested unless it went to 24. I really wanted it.

It was right next door to the one I own. Somebody else bought it somewhere between 28 and 24, but that's what's out there right now. My SEC attorney that does my syndications for my apartment complex purchases said he got six apartment complex foreclosures in one day. So my point is, if there was a time to get in this freaking business, it is right now. It's very exciting times.

And so much opportunity. So many people are afraid with AI replacing jobs and things like that. There's so much freaking opportunity to buy a business, to buy real estate. I'm buying senior housing facilities for less than they cost to build, a lot less. There are apartment complexes out there you can buy for less than they cost to build, a lot less.

So again, I want to remind you of Warren Buffett's famous quote, be fearful when others are greedy. It was a lot of greed in 21, 22, 23. The side of that quote is be greedy when others are fearful. There's fear now. Now's the time to be greedy.

Now's the time to get excited. With crisis comes opportunity. And so anyway, I kind of went on a tangent.

CORWYN:

No, no, that's perfect. So you touched on a couple of things about over-leveraging and people.

ROD:

No, no, no. I wasn't over-leveraged by the way. I was at 30% of the value.

CORWYN:

Well, not you, but all the stuff that's coming up.

ROD:

Oh yeah, yeah, yeah, yeah, yeah.

Oh yeah. People overpaid if they bought in 22, 23, they overpaid because the cap rates were so low. Low cap rates means a higher price and people overpaid, myself included. I bought a couple. Thank God I got good debt on them.

I'm okay. But hell, I just saw literally today, somebody with a 40, just got texted from my SEC attorney that somebody with a \$400 million fund, Scott Everett in Texas, none of the investors are getting their money back. And these are apartment complex investors. I'm telling you, there is so much opportunity. These deals are being sold for a fraction of what they cost to build.

Anyway. Wow. There you go. That is awesome.

SPEAKER 3:

We've been talking about what happens when the market changes, opportunities shift, and you have to make smarter decisions with your money.

That brings us to an important part of building lasting wealth, having a strategy for what you do with the opportunities in front of you. More on that after this.

AD:

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up. Simple. You bring the deal. We bring the money. Visit mellifundcapital.com or call **843-619-7038** to get pre-qualified today. MelliFund Capital, we fund what you build. So let's talk on and speak on that.

CORWYN:

Sometimes people make what we know to be emotional decisions, right? They don't take the time to do the diligence, so that means they're lacking in education. So what do you advise?

ROD:

How should people approach- That's a layup for me because I do virtual boot camps about buying apartment complexes, and I'm going to brag for a minute. I feel like that's all I've been doing. But my coaching students, now we know they own 305,000 units. We think it's probably closer to 350 because not everybody responds.

So under my tutelage, they own 305 for sure because we're counting, which is more than everybody else that teaches this combined. Now by a lot, but here's the thing. We only know about one lost deal so far. Knock on wood, knock on wood. We only know that about one deal that's been lost.

So because I teach people to be conservative, raise money for operating reserves, don't get adjustable rate debt, do this right. And so yeah, I do a virtual boot camp pretty much every 30 days and it's 25 bucks to come. And I don't sell anything there. So two days of training, 25 bucks, nothing being sold. So no excuses.

You want to learn what I do, there's no excuses. Yeah, that's at rodslinks.com. That's my link tree. A bunch of free stuff there, but rodslinks.com. And if you're driving, text links to 72345. That's how you get that. But anyway, yeah.

CORWYN:

That is awesome. So we'll make sure we pull that out, Rod, so you guys can get that in case you're buying the steering wheel. So you do a virtual boot camp. You said how often?

ROD:

I do it about every four to six weeks. It's a two day boot camp. I do it here in my studio in Sarasota.

It's live. I have panelists on probably about 4 billion in assets represented by the panelists to answer questions. They're all my students. And we go through every aspect of the business. I mean, you'll leave knowing how to find deals, how to underwrite them, how to evaluate them, how to finance them, how to raise all the money you need for them, how to syndicate, joint venture.

I mean, listen, if you want to learn the business, get your ass in my boot camp, okay? Because I mean, it's 25 bucks. And I give like \$6,000 in bonuses with the 25 bucks. The bonuses are

insane. So anyway, I don't want to make this a sales pitch, but I have to mention it since you said, how do I teach people how to do this? And that's what I do. And I'm blessed to be the biggest out there.

CORWYN:

So let's talk about this accumulation, because this is going to kind of tie into why does sustainable wealth take time? That's the question that I want to answer in this buildup that you did initially. Matter of fact, let's talk about the rebuild. Let's talk about the rebuild and stay at the climax. The same strategies.

ROD:

They're the same strategies, honestly.

By the way, I have four and a half stars on my podcast instead of five, because I interrupt too damn much, okay? I get hate. Shut up and let your listeners, let your guests talk. I'm like, okay, anyway. But anyway, so they're the same strategies. If you're sitting here listening and you're not where you want to be, you know you need to go do something.

For God's sakes, don't be in the same place you are right now, a year or two from now, unless you freaking love where you are right now. And here's what you do. The first thing is you got to get clear on what you want. If you come to my bootcamp, the first thing we do is goal setting on steroids. Even if you're not interested in real estate, at Rod's Links is my goal setting workshop.

It's an hour. It's down at the bottom. There's a guide you can download. Not going to try to sell you anything. Go do your freaking goals.

People spend more time planning a freaking birthday party than they do designing their lives. Doing your goals is designing your life. And have your spouse do it. If your kids are over 10 years old, have them do it. Again, it's at Rod's Links.

Do goals. That's the first thing, because you got to create enough hunger or burning desire, like Napoleon Hill talks about in his book Think and Grow Rich. You got to create enough of that to push through fear, to push through limiting beliefs, or maybe to get uncomfortable. We know the comfort zone is a nice, warm place, and we know nothing freaking grows there. Right, Corwyn? You got to get uncomfortable and make it happen.

It starts with goals. That's what I did. When I lost everything, I reassociated with my goals after I hid under a rock for a couple of months, but then I got up and reassociated with my goals. And then the next piece is you got to make a decision. And the Latin root for the word decision means to cut off.

I mean, it's not dipping your toe in the water. It's not one foot in, one foot out. It is freaking done when you make a decision. And a great analogy for a decision is if you're going to attack the

island, you burn your ships because you're going to have to take their ships home. That's a decision.

Then you got to take that first step. Dr. Martin Luther King said, you take that first step in faith, the next step will be revealed. That's the way it works. I get a lot of analytical people that are extremely successful in my business because multifamily real estate and commercial real estate is primarily empirical.

It's primarily numbers. So the analysis is a big piece of it. But if you're listening and that's how you have to check off every single box before you make a move, you can't do that. You got to recognize that you may not see the whole path. Here's a great analogy.

You can drive all the way across the United States at night with your headlight only seeing 50 feet in front of you. You know you can make it. You know other people have done it before you. You may have some obstacles, but it can be done. It's the same way in this business, but you got to take that first step.

I could keep going here if you want to hit me. No, that's good stuff. All right. Well, the next piece is to play to your strengths. Don't try to build your weaknesses.

What we do in my business, commercial real estate, multifamily, apartment complexes, senior housing, mobile home parks, industrial space, all of that, my students own tons of all of it, is it's a team sport. You're not going to do it yourself. You're definitely going to do it with other people. And so you want to play to your strengths. Your strengths are your greatest assets because if you're playing to your strengths, you love it because you're good at it and you never work another day in your life.

And when you're playing to your strengths, you're passionate and passion is required to influence people. And you're innovative. You have more innovation when you're playing to your strengths. If you hit a bump in the road, it's just a bump. It's not going to paralyze you because you're excited about what you're doing.

So play to your strengths and hire a line or partner for your weaknesses. That's the most successful partnerships I see in my business. And by the way, if you go to that Rod's Links, there's a free book section and there's a book there about the questions you should ask before you get in a partnership. Because a partnership, like a marriage, is easy to get into and hard to get out of. Ask me how I know, okay? In fact, I say that so often.

Ask me how I know. One of my students gave me a shirt that says, hashtag, ask me how we now have printed for my live events. Because I say, don't do that. Ask me how I know. So play to your strengths.

The next piece is get around people that are doing this. The reason that my warrior coaching program is so freaking successful is that rising tide lifts all ships. Here's the problem, Corwyn,

you know this. People, they hang out, their peer group is they're people they went to school with or the people they work with. And some of those people might have their own limiting beliefs and fears, and they may be afraid of losing you if you succeed or feeling less than if you succeed.

So I'm going to tell you, and sometimes it's family. I'm going to tell you, love your family, but proactively choose your peers because you show me your three best friends, I'll show you who you are in every aspect of your life. Your health, your happiness, your relationships, definitely your finances. So choose carefully. And that's why, like I said, a group like my warrior coaching program is so freaking successful because they're all praising each other.

They're not afraid of success. They all want success. So get in a group like that. Go to your local real estate meetups, look into my program or a program like it, and get around people that are doing this because that's one of the biggest secrets to success because this business is a team sport. Let's see, peer group, and don't fear failure.

What is fear? F for everything and run? That's what a lot of people think it is. False evidence appearing real because what you fear is the emotion of fear rather than what's causing it. And then I really believe the right acronym is face everything and rise because everybody faces fear. The most successful people on the planet have fear. Now, we entrepreneurs, we call it stress, but it's fear.

And so when you can push through in spite of it, it's extraordinary. And a lot of people have limiting beliefs as well. When I immigrated this country, I didn't speak English. I got thrown into school, found out what bullies were for the first time. I got my ass kicked occasionally.

And then my mom, proud Dutch woman, that she just thought it'd be a great idea to send me to school in wooden shoes and those leather shorts the Germans wear for Oktoberfest. Oh yeah, major ass beating. I was like crack cocaine for the bullies. So I came up with this belief system that I wasn't good enough. I used to ask myself, how can I show them I'm good enough? Now, a lot of people have these limiting beliefs.

Now, if you're consciously aware of one, sometimes you're not aware of it. But if you have one, like I'm not good enough, I'm not courageous enough, I'm not smart enough, I'm not analytical enough. That was another one of mine. If you're aware of them, drag it under the daylight. Look at it with your adult rational mind and recognize that it's not real.

There's a reason the acronym for belief systems is BS because they are BS, but we believe they're real. So if you're aware of one, drag it out, deal with it. Okay? Super important. Oh, let's see. What else?

CORWYN:

That is good stuff, Rod. That's good stuff.

ROD:

So I can keep going, but anyway.

CORWYN:

So let's kind of get, this is, we're quickly getting to the end of today's show, but the importance of education and the building of confidence. What should people be doing? Because I mean, it's kind of- Rod Karrasso Education.

ROD:

You just said it.

You just literally said it in one sentence. Confidence comes from competence. Competence comes from education. So if it's real estate you want to learn, get your butt to my bootcamp. If it's buying a business, go learn how to do that.

If it's investing in the stock market, go learn how to do that. Starts with education. Go to YouTube University. I mean, my thing's 25 bucks, so there's no excuse there, but whatever it is, go learn it. Because again, you need to have that competence to be credible with people you're going to raise money from, people you're going to work with, but you got to have that knowledge base, right? You got to be congruent when you're speaking.

You got to sound like you know what you're talking about. Initially, you got to fake it till you make it. Okay? That's how it works. You got to act as if. Michael Jordan did, LeBron did.

They all started with, they didn't know how to do it when they started. They just practiced and they got it. Same thing in business. It's the same thing. But competence comes from competence.

Competence comes from the education. So figure out what vehicle you're going to use. The opportunities are incredible right now. I mean, I don't think I've ever seen the opportunities that we're seeing right now. And I've been around a long time.

I've been in business 48 years. And so just don't let it go by because like I said, there are businesses you can buy and they're businesses that people will very often finance you on because they can't sell them. You can get into them a little or nothing down. Real estate. My God, I show you how to get into real estate, nothing down.

I mean, I'm talking apartment complexes, nothing down. Okay? I'll teach you how to do that, how to raise the money for these deals. These deals take money, but it doesn't have to be your own money. And so I don't know about you, Cor, but I'll take 20, 30, 40, 50% of something, over 100% of nothing, anything. Exactly.

Exactly. And I'll teach you how to do that. But don't sit idle right now because a lot of very wealthy people are saying this could be the greatest transfer of wealth we ever see in our lifetimes. But you got to suck it up. You got to push through a little bit of fear.

Got to get a little uncomfortable. That amazing, incredible life of your dreams, that life where you're taking care of your kids, their kids, and their kids requires you to get a little uncomfortable.

CORWYN:

That's huge. So Rod, let me ask you this. I want to make sure that you kind of get your contact and how can people get connected and all that stuff out again.

So if you don't mind.

ROD:

Yeah, no, it's Rod's Links. Rod's Links is the best place because all my free books are there. My podcast link is there. Check it out.

You'll love my podcast. I'm humbly and very proud of it. It's the largest really on the planet for what I do. And Rod's Links has my goal setting workshop. If you're not interested in real estate, go do the goal setting for God's sakes.

Have your spouse do it. Have your kids do it. You'll leave so motivated, you'll be coming out of your skin. And my bootcamp site is there. And it's like I said, 25 bucks, two days of training, nothing being sold.

And the bonus is, hell, you get my 15 module multifamily wholesaling course. You get my courage and competence course. You get my finding deals course. You get my document library. You get my deal evaluator software and my bestselling book for \$25.

Okay. Tell me your excuse.

CORWYN:

Look here. You don't have one. Not for sure.

Yeah, man. Yeah. So Rod, I want to thank you for taking time out to be on the show today. I really appreciate it. And you have come in here, look here like a fireman with a fire hose and just let them have it.

And I appreciate that because we always are talking about mindset on this show. You got to overcome those limiting beliefs. You've got to take a step. You've got to, because most times I literally just sent this to my agents within the last few days of oftentimes they can't say they won't move because they can't see the full picture.

ROD:

Massive freaking action.

My most successful students aren't the smartest. They're not the ones with the most money. I've had NFL players, NBA players, famous actors. I've had very wealthy people. My most successful students aren't any of that.

They're the ones that just freaking did it. Okay. And kept doing it. And that's it. That's the secret.

Massive freaking action.

CORWYN:

That is huge. That is huge. So Rod, again, I want to thank you so much for taking time out to be on our show today. And, you know, I want to drop a couple of key takeaways and stuff for our listeners.

So first for our listeners, guys, you know what we like to do? We like to give you quote unquote that action wrap up, right? So for our listeners, financial setbacks don't have to define your future. Wealth is built through resilience, through disciplined relationships and long-term thinking. Now, my takeaway from what Rod has said today, success is not about never failing. It's about getting back up, learning the lessons and continuing to move forward. You know, my closing thought for our listeners and Rod, financial freedom rarely happens overnight.

It's built through intentional decisions, through resilience, during setbacks and a discipline to keep moving forward no matter the obstacles. So Rod, again, thank you so much for taking time out, for being part of the [Exit Radio Show family](#). I really appreciate it.

ROD:

Thank you, buddy. It was a lot of fun.

Of course, I did all the talking, which made it a little fun for me.

CORWYN:

I love it. So for our listeners, guys, look, y'all know how I feel. You know what I say? You know, I put two of those things together and I deliver it to you this way, which is to tell you that I love you. I love you.

And we're going to see you guys out there in those streets.