

How to Make Good Business Decisions

Gwenn Aspen: On this episode of Bootstrappers, we're going to really dig into how to make good business decisions and talk about the future of the property management industry with our guest, Jordan Muela, who is an entrepreneur of all things property management. Super excited about this conversation. That's on this episode of Bootstrappers.

Announcer: This is the Bootstrappers show for property management, powered by Anequim, a podcast where we have real conversations with industry experts that you can apply to your life and business.

Gwenn Aspen: Welcome to Bootstrappers where we talk about topics that are important to real estate and property management entrepreneurs. I'm your host, Gwen Aspen, here with my spouse Jeremy, and today I am so excited about the show we have Jordan Muela on. Jordan is known in the industry as a serial entrepreneur. He is the CEO of LeadSimple and has been for over 10 years. He's a co-founder of Profit Coach, has the longest running podcast in the industry, the Profitable Property Management podcast. He's the co-founder of Rent Scale and the PM Grow Summit, which is one of my favorites. And Jordan is one of the most interesting people because he's a voracious reader and intellectual always knows the latest of what's going on. And today we really want to just dig into his brain and how he decides which partnerships to get involved in which projects to get involved in and when to get out of a project. Because I know in the property management real estate industries, there are always deals that can be made. There are always things that we can do. It's easy to get distracted and it's hard to always know which opportunities are the right ones to invest our time and energy. So I thought we could dig into what Jordan has to say and learn more about how he makes those decisions.

Jeremy Aspen: And Bootstrappers is powered by Anequim. Go to Anequim.net right now to download a free e-book for processes and procedures, because having

excellent processes and procedures is imperative to even being able to have a successful company go to an Anequim.net today.

Gwenn Aspen: So, Jordan, welcome to the show.

Jordan Muela: Hey, thanks for having me on, guys. This is fun.

Gwenn Aspen: Yeah, I just am so interested in this idea because I think last year, did you sell your ownership in Rent Scale?

Jordan Muela: I did. I got out of Rent Scale last year and out PM Growth the year before.

Jeremy Aspen: So actually, can I back up a little bit? Can you give us a little bit of a background about the companies that you've had and just some snippets?

Jordan Muela: Yeah. Here's the cliff notes. In around 2007-2008, I got mentored by an entrepreneur that ran a venture-backed HOA company called Real Manage. I did that for about six months. It was heavy mentorship. This guy was like really paying it forward in a very intense and deep way. I would work like a dog during the day and in the evenings I would go over to his house and read Harvard case studies and just do all of the things to give you a good start in business. He pushed me out the door after that time and said, We need to just start. It doesn't matter what it is.

Statistically, it's probably going to fail. Get it out of your system and see if you have this in you. So he did. I started a lead generation company called Manage My Property. It was like a smaller version of all property management. Did that for a while, kind of got it to a place of some level of maturity. And then it took a big hit from the Google algorithm changes. And I realized that the search volatility in that region play wasn't for me, so I pivoted into CRM.

Jordan Muela: We were already generating leads. Now we're helping people take the leads and close them. Did that for a couple of years, was fun. I tend to work in two to three year sprints and then I get a bit bored. Eventually, we did PM Grow as an event to help people learn how to grow their businesses, did that for a couple of

years. It was a ton of fun. I got really curious on what happens when you grow and you're not making any money. Is that possible? Could it be or the financial reality is? So we did a benchmarking study, went under the hood, understood the financials, and out of that birth profit coach, I met prop coaches, consolidated full stack financial services for property management companies from corporate to trust, etcetera. And then I met Jeremy Pound and he had the sales bug and gene, and that had always been a big hole in need for my clients and customers. And so we partnered and built Rent Scale and had a fun journey there. So just kind of just followed as I've seen a combination of need and good timing.

Gwenn Aspen: Well, one of the questions I have is, it's my understanding. I don't know if this is true or not, but like Jeremy Pound lives in Florida.

Jordan Muela: Yeah, Boca Raton.

Gwenn Aspen: And Danny, who runs Profit Coach, I think he's in Colorado. How do you meet these business partners of yours?

Jordan Muela: Yeah, that's that's a great question, so I know have known Danny for probably 15 years at this point with Jeremy. I had an initial conversation with him that went nowhere. Somebody made an introduction. I got on the phone, loved what we were doing. Great call. I was vibing and then I hung up and it was like, Well, that was fun. Moving on, you know, you got to have the sense to know when something has the potential to go somewhere. So it took a year for me to go back and get in a position where I thought about it more and has clients that had to lead, and so I referred him. Ninety nine percent of his debt goes nowhere and it's a complete waste of time, which is why you're going to be guarded. But the small one percent can really be worthwhile.

Gwenn Aspen: So did you just call up Jeremy later and you were like, Hey, I remember that call we had and like, did you bring the opportunity to him?

Jordan Muela: Yeah, totally. I called him up and I was like, Hey, I know this is a really felt need if you're willing to do something verticalized and really learn and master

the industry, I think that there's a significant need here, and I have clients that could really benefit from it. And we just kind of went back and forth and we got clear early on that it was more about like essence over form. That's how I tend to think about partnerships. Essence, meaning are we vibing? Do we think about business the same way? Are our values aligned and the form will figure itself out. But if you start with form and you're missing on the essence, you're forcing something inside your work.

Gwenn Aspen: Interesting, and then when you start a partnership, and I've gotten better at this as I've been in business longer, like I've hired consultants and I'll say on the front end like consulting relationships are born to die. Like there's going to be an end to this relationship, and I don't want it to be painful at the end. So I want to talk about the end at the beginning so that we can still be friends and care about each other and be really honest with one another. Do you do the same thing with your business relationships?

Jordan Muela: Yeah, I've had to learn that over time, and I completely agree. That's a hugely underrated skill set, and it can feel morose. I think it's the equivalent of a prenup.

Gwenn Aspen: It is.

Jordan Muela: A little awkward to discuss the potentiality, but really, it's an act of kindness. Clarity is kindness. Britney Brown says that, I believe it. And so if you meet somebody that refuses to go there, it doesn't want to have those conversations. It's either a flag of business immaturity or what it's going to be like them emotionally to consider and a through hard conversations, and you need to be in partnerships with people that can have hard conversations.

Gwenn Aspen: So is that advice you give to people when they get into a partnership, discuss the end and have those hard conversations?

Jordan Muela: On the yeah, my discuss my advice on partnerships is a couple of things and one to realize that business in general is not about making money. I find

that that's a misnomer is that it's like this purely financial exercise. For most folks, they're able to meet their basic financial needs somewhere midway through their career. And then from there on what's it about, it's about trying to occupy yourself with meaningful work. And so, when I think about partnerships, these need to be people that I want to be spending time with. If that's not there, there is not a financial proposition that's going to make it better

Jeremy Aspen: Funny, I had a conversation with one of my friends who's an entrepreneur this weekend we went out for some drinks and a cigar and we brought this up. And there is a little bit of a difference, I think, with this entrepreneur realm that we operate in where that is true, at some point our basic needs are met and then we kind of get into a higher level, now you really can't ever lose your light. But in the corporate world, they don't have that and they're answering to their shareholders, which is a different set. And they have different values because it's codified that the board needs to operate in the best interest of the board, right? The stakeholders, the shareholders, specifically, we're in this entrepreneurial world. We get to work on ourselves. We get to get our company up to a point where it's operating efficiently, where we're making some money. Now we're making some real money and now we get into the fun part which is give it back. And that is what I've seen in this entrepreneurial sphere that we operate in. That's ubiquitous. That's the whole thing. That's like the whole point at a certain point that it is fun to wake up to.

Jordan Muela: Yeah, I agree there's honesty and freedom in that to acknowledge that it took me a while to get to that point, and there are people that I look up to in terms of economic persuasion. I lean more towards an Austrian mindset rather than Keynesian, and there are some Austrians that will tell you that the corporation has no obligation, a duty other than profit.

Jeremy Aspen: That's a yep, yep.

Jordan Muela: It is some kind of rational framework. You know, I'm a market kind of guy, so there's some sense in which that makes sense to me. But when I really reflect deeper, I know that for me, profit cannot be the chief and only. And if it is,

then you're OK with externalities that hurt people to some limited degree, because it's all in the name of the greater good and it'll wash out. And I'm looking for some immediate fulfillment in knowing that I'm helping people become more than they hoped for and more than they thought possible. And that is that's bigger than just the dollar. So I want to be in business with other the people that share that value.

Gwenn Aspen: I totally agree. And I always say when there are problems in the business, I'm like, I don't get up in the morning to screw people over, right? Like, Yeah, that's not why? Yeah, I wake up in the morning to to suck the marrow out of life and give back and the best way I can contribute. For me, that's helping small businesses grow and providing amazing middle class jobs in emerging markets. That's why I wake up in the morning not to make a killing.

Jeremy Aspen: Yeah. Well, and so speaking of killing, this is where I think like what you had just brought up about kind of that cutthroat mentality or where you've just the number one objective of a corporation is to, you know, extend, you know, make profit for its shareholders, what they end up having to do. And this I'm just testing this as a thought experiment. But what I think they end up having to do is refer to the world, to this business world in a Darwinian kind of way, which is more of it's not mutually win-win, it's zero sum. And that I mean, obviously, it works in in terms of being able to have huge corporations and having corporate minded people running them. And there's something to it that works, but there's also something about it that is completely dissatisfying. It is like when an entrepreneur goes into work for a large corporation. They would rather die because it's not, it doesn't bring those other dimensions of you. Almost it is almost a liability to give a (...) about somebody else if you're in that corporate environment and that is that is that is soul destroying, whereas when we get to do in this, in this business realm of entrepreneurship is kind of realized, OK, I made it, and now I get to help someone else like in your case where you had that mentor. That is one of my main goals. I want to be able to do that for somebody because that is (...) cool.

Gwenn Aspen: Well, and that that brings us to our next point. So we just talked about partnerships and you were saying that you like to vibe with people first and then talk about form second. We talked about how you sometimes want to have

those hard conversations with the end in mind, but now evaluating opportunities. So you've had a level of success where I'm sure people come to you on a regular basis with their opportunities and their ideas. How do you determine in a world of abundance and so many different opportunities and ideas which ones you really want to go for?

Jordan Muela: Yeah, that's such a good question. Thank you for asking that. I'm still I take the opportunity regularly to continue to reflect on that because I feel like it changes over time. But off the cuff, I would say a couple of things. I'd say What is the strength of the business, the underlying economic model? What I tend to contribute to partnerships is not domain expertise. I'm a part of an accounting company. I'm not like an accounting wizard with the sales training organization. I care about sales. It excites me, but my level of acumen is not what Jeremy's is. So what I'm contributing is reach and connection to the market. And what I love is this thought of how do you monetize the core asset that you have? If you look at YouTubers just as an example, you take 10 YouTubers, they're all going to have 10 million followers and they're all going to make some money. They're going to cover their bills, but they're going to monetize in radically different ways. One of them is going to start a makeup and beauty line. Another one is going to do a pop-up cheeseburger stand. Another one is just going to sell merch and the delta in how they monetize is extreme. It's not like one guy is two or three times better. It's like one of those monetization models is one hundred times more efficient than the other.

Jordan Muela: So the first question I'm always asking is when something someone is coming to me is what is the strength of the monetization of this business model, how much demand is there for, from my audience, like if it's not, I'm about obvious opportunities, right? This needs to be obviously a good idea. Not like, yeah, I could probably convince people to do that. If I don't think it's just like an obvious no brainer, then I'd rather not be a part of the process of figuring out whether or not there's any need here. The quality of the people that I'm interacting with, are they a true domain expert? Are they willing to be in the trenches and grind? That's an absolute necessity. And then how much of business maturity do they have? Am I going to be playing the role of the peer, the mentor? Am I potentially going to be

learning from them and they they're carrying more weight? Those are some important things to go in, eyes wide open. And then the last thing I would add is just what do I know about the situation? Do I have? Do I have other points of contact? What do I know about the reputation? How can I vet what their professional background has looked like up to this point?

Gwenn Aspen: And that's super helpful and very interesting. And then the other thing is, since you do these other ventures, but you're CEO of Lead Simple. Do you define like your time commitment on the front end? Because we, Jeremy and I have a lot of friends in opportunities and we have people who've been super successful in one realm and then they have all these successful entrepreneurs in their own realm, and then they try to come together in an opportunity where they're all doing it part time. And we've seen absolutely amazingly successful people fail catastrophically because nobody is fully invested in this new venture. We've seen it oftentimes and REITS , REITS are a big one and development projects locally. And so how do you ensure that you don't have that massive explosion of very successful people because no one's focused on it?

Jordan Muela: You have to have someone, at least one, if not multiple partners that are in that role, I think when I've been in that situation. When you have a discussion about something really important that needs to get done? And then it's kind of like a standoff of like staring at the other person like, well, now that we're clear what needs to be done, like, who's going to do it? Yes, because I don't want to. Are you going to do it? Am I? I don't want to do it, you know? You have to have someone where it's just the default assumption. Like this guy, this guy is the guy who is going to do it. And we just know from day one. So that's about role and the contribution that people are making. You can contribute your capital, you can contribute via channel, you know, distribution channel or you can contribute expertise. And if you're contributing expertise, it's likely that you're the guy. Yeah, right. The trenches run on a day to day.

Gwenn Aspen: So that has to be defined on the front end.

Jordan Muela: Oh, absolutely.

Gwenn Aspen: And you know how that can get tricky sometimes because especially with entrepreneurs who get bored there, maybe they commit to you and then they're like, Oh, but yesterday or last month, I decided that I was going to get into this new venture and you're like, Ah, no, no. That was not part of the agreement on the front end. So I think having those conversations are really important.

Jordan Muela: Yeah. Should be tied to that. If you're drawing a salary, if you are that guy, you should be drawing the salary. And if you're drawing the salary, it is connected to your time. Profits. That's what can be connected to no effort whatsoever. You spent five minutes and you created a million dollars with value, but salary that's directed to your butts in the chair and you're doing the work.

Gwenn Aspen: Interesting. Yep, exactly.

Jeremy Aspen: We kind of had an example, which is, yeah, we I brought an idea we were going to do this idea and a person that probably wasn't supposed to be the person to take it on, did take it on. And of course, it didn't go anywhere. And that's what we're just like. We got we got to kind of bail on this venture. It's just we don't well.

Gwenn Aspen: And so that's the evaluating the partnership on the front end that we were talking about. So are there besides the vibing? Are there other there other things that you would recommend before someone jumps in a partnership with someone that they vet that person?

Jordan Muela: Yeah. Well, I would. I would say they're understanding the business maturity, the person that you're getting into business with. There are absolutely levels to business. There's just no doubt about it. There's high school, there's NCAA and there's Pro and people have the skills somewhere along those lines and there's no judgment about it. But you really need to understand the level of business maturity of the person that you're dealing with. And if it's the same, you know, my suggestion would be that in general, you're looking to operate with a peer. And if it's not a peer, you need to go in really eyes wide, wide open and expect to do the

lift and expect to be very careful and somewhat more literal in how you navigate that with your documents need to be tight. The expectations really need to be clear, and they need to have the self-awareness to understand that we're not peers. You're kind of the person with more experience. They're looking to you. And if they don't have that level of self-awareness, I would say avoid that. And the ideal scenario is where you're partnering with somebody that has way more experience than you and they're giving you the defaults and you're really you're kind of benefiting from a level of wisdom and maturity you haven't been exposed to before. That's the ideal of my mind.

Gwenn Aspen: I think, yeah, if you're dealing with someone with less business acumen than yourself, there's more risk in the possibility that this becomes a time suck. So you may be going into something thinking you're going to spend 20 percent of your time doing it and it's going to turn into 40, and you have to be aware that there could be a huge variable there and the amount of time you're going to have to work on this particular topic to get it to where you want it to be. So then I want to talk about getting out of an opportunity and when that moment is where you decide, OK, I've done all I can or what? What is your thought process on leaving something that's been great for you? But now it's time for me to move on.

Jordan Muela: Yeah, so I think it's important to bear in mind this distinction between being an operator, being a board member and being an owner. These really are three separate roles, and for most small businesses, it's conflated like it looks the same, but you can chunk these things out and you can move in transition between these things. So when you think about getting out, sometimes the impulse to get out is a reaction to interpersonal drama like, I'm not happy, I'm not getting along. And sure, there could be just sitting in a corner is not trying to be in the boardroom, arguing with someone, not always, but that that is a potential less dramatic exit. The solution could be to sell outright, and sometimes that's driven by fatigue, not interpersonal stuff. But I'm just tired, particularly if the business isn't mature enough and you haven't figured out how to delegate. And it could be that it's opportunity cost and at least in the example of rent scale, that's what it was for me was it was just focus and opportunity cost. What I, when I was doing these other opportunities, I was stepping back from Lead Simple a bit and being back in

that seat now and experiencing some really significant growth. I just needed my focus and my time back, and it was hard for me relative to how the previous position I was in. In terms of how active I was, it was hard for me to turn that off. Sometimes it's hard to not care if you're in that kind of word oversight level, and it's the emotional bandwidth. It's not really about the 40 hours of time per week. It's about this finite amount of emotional bandwidth. How many employee blow ups, how many angry customers can you deal with? And that's going to consume what you have, and I needed to preserve that emotional bandwidth on some of the projects,

Gwenn Aspen: So do you focus on your energy usage as a human? Are you like are aware of where your energy is going and then try to manage that aspect?

Jeremy Aspen: And maybe we could segway this into the work life balance?

Gwenn Aspen: Well, yeah, but, that kind of what your calculus is, is the energy?

Jordan Muela: Yeah, that's definitely a big part of it, for sure. I try and be buffered from problems that are not worth me trying to solve for. There's always this question of Am I winning the wrong game?

Gwenn Aspen: Oh, Am I winning the wrong game? Can you talk more about that?

Jordan Muela: It's like the idea of encounter. I heard somebody articulate the concept of encounter rate, which is to say that you could focus on getting really good at solving ugly, hard problems. Or you can focus on not participating in unwinnable games where the prize for winning is just not worthwhile. And that's really attractive to me, is to me is to manage my encounter rate. So like what's in front of my face and what my consciousness is focused on is a problem where I'm like, if I soften this, there's going to be a great prize at the end.

Gwenn Aspen: I love that. So that's really where when people are evaluating opportunities that come their way, that's really the true question, right? Is this the war I want to win? Is this the opportunity that I want to spend my time doing? Is this

the legacy I want to lead? I mean, those are the questions you have to ask yourself before you dive headfirst into an opportunity that's going to take a significant portion of your time.

Jeremy Aspen: And at some point you end up having to, you can only take on so much new stuff, and at some point it starts to encroach in on your life like the rest of your life outside work. So how about yours? How about your work-life balance? I mean, you've got plenty of industry and you've got companies that you own operate. So what's that look? How do you get the work-life balance thing figured out or?

Jordan Muela: I'm trying to figure it out every day. Two thoughts on the last thread. One is, I really like the idea of your thinking being fixed. You cannot increase the rate of your thinking, like your ability to think in a week. It's finite and fixed, and when you realize that you realized you have to manage from that constraint. Warren Buffett has the concept of punch cards, which is to say, if you knew you could only have 20 investments over your entire life, how would that change the quality of your thinking about what you choose to invest in? Operating out of constraints has been like low key, life changing, for me, I did this in my last annual planning exercise where we operate off of EOS, so we have our two days, all the back and forth come up with the rocks. But what we've started doing, it's incredibly helpful, is we take those rocks, we break them down into individual tasks that each are small enough that a reasonable amount of effort can be approximated for each. And then we sum up on a weekly basis how much you drop will take all of our other tasks. And then in total, we figure what percentage of 40 hours does this occupy. And there were multiple people who were like, 170%, 180%. That was so clarifying to then pare that back down to something more manageable, like one hundred and twenty one hundred and twenty five percent. I think that relates to what you're asking about in terms of the home life.

Jordan Muela: People that don't scope their work and are just in the hard work mindset suffer from being on this constant treadmill where you're confused about what's happening. What is that? What do I do? I know I worked hard. I was really out there. I was attacking it with vim and vigor, but I'm just not sure what's happening,

to me that is connected to scoping your existing commitments, what you're trying, your goals and what is required at a granular enough level, you can really participate in understanding where your time is going. So in terms of how that relates to home life, I have three little girls that I love and mean so much more to me than work, and my wife means way infinitely more than work to me as well. And I'm doing well enough that I can't. I can't make up excuses to my wife, like, no honey. Like, I have to be doing this so I can put food on the table. It's just this disingenuous at this point. So there's some honesty in me needing to say, I'm doing this because I enjoy it. Let's be clear, I am here working. I'm going to be leaving. I'm going to be away from the kids because I'm enjoying what I'm doing. Me owning that has been really clarifying and me having kids that don't care anything about any of my professional accomplishments, right? Incredibly helpful. There's nothing I can say. There's nothing I'm going to tell them that's going to get any level of care.

Jeremy Aspen: No, but I made another one hundred and fifty dollars because I was good.

Jordan Muela: Yeah, right?

Jeremy Aspen: Oh, that's great. Yeah, I'm super impressed. So I have a question. How do you love your wife? Just kidding. Just that's an important

Jordan Muela: Huge thing, but that's a whole.

Jeremy Aspen: Got it. We got to get through this one. You got to share that one. I know my wife.

Jordan Muela: So the can I entertain the question?. Yeah. I'd say how I love my wife has changed and evolved so much because we're changing and becoming a different person, particularly as an entrepreneur. That's like the goal, right? Is like to grow to max out your potential. What keeps me in the game is the belief that I'm operating like 10 percent of my potential. If I thought I was at like 80 or 90, I just want to be on a beach. The idea that I'm at that 10 percent is very stimulating. So I'm trying to become a new person. I married somebody who's also in their own

evolution journey. The evolving journey of change, etcetera. Getting back on the same page and having hard conversations about what's working, what's not working and where I'm afraid like being dramatically more vulnerable than I've been in the past has brought so much more unity and connection with my wife than I ever thought possible, as opposed to just doing what you're supposed to do.

Jeremy Aspen: So like a much more profound love. It's deeper than that.

Jordan Muela: How long have you guys been married? Eight years?

Jeremy Aspen: Awesome. So we're into what is ours. We're seven, 17 years and it is. It is cool. It's the best person you've ever met or anybody has ever met. I get to live with that person.

Gwenn Aspen: But it does evolve over time, and I think if you are becoming more mature as a person, bringing that to your relationship helps a lot as well.

Jeremy Aspen: So I want to if I could just divert a little bit because we're all in the private and the property management industry to some extent, and in our industry, there have been some changes, there's been some consolidation, there's been some, you know, technological advances. There's still mom and pop shops that can't seem to figure out how to type. And there's a there's a role for that, but where and there's companies that operate that way, which I suppose it's just fine. But where do you think the industry is going? And that question is buttressed by, you know, Profit Coach you've seen since Profit Coach came up, which I highly recommend property management companies get into, get involved with or reach out to them because it really is kind of game changing. But the last year is that since profit coach has been around, you've probably also been able to see a change in the numbers because the industry has been changing and it has been consolidating. So I don't know, is there any stuff that we can glean from the information about what what the prospects for the industry are? Maybe it assuage the fears. Maybe it makes more fears because it is a part of this industry, we know, but everyone's a little bit confused about where we're going. So I'd like your input on what you where you think it is.

Jordan Muela: Yeah. You know, you guys have been seeing the same thing. So I'm curious how this kind of arc lands with you. But my observation was that when I got in the industry, it was way sleeper. It felt like way more SMB kind of skill focused, right? If you're a great operator, he who knows the most about property management must be the most successful. And there's been this renaissance around realizing that entrepreneurship is the game and entrepreneurship is agnostic of verticals or industries, and being great in this one is the same thing that would look like being great in 50 other industries, which is to say, a combination of talent and awareness and focusing on the business model and having a vision and inspiring people. I feel like macro that increasing awareness that property being successful in property management is way more than just understanding property management has been really encouraging to see, and it's been fun to participate in that on some level, the trends that I see would be we had this wave of two competing but complementary priorities, fee maxing and lowering costs. And they're both great. They both lead to wider profits, a healthier business model. But my observation is now being over that hump and fee maxing being obvious and managing your labor costs being obvious. I think now is the time for some self-reflection to ask yourself how sustainable of a business priority and agenda is that? It strikes me that it is both necessary, but very much not long term thinking like what you do with those profits and whether or not you choose to reinvent them to get better and improve the quality of your service offering versus sucking that profit out and just consuming it. Radically different tonality. One of those feels like long term business strategy. The other, it feels very short term. How does that sit with you guys? You feel similar down there?

Jeremy Aspen: Yeah. So I would the last comment you make about, you know, sucking the profits out of it, there are companies that do that, and there's I think they tend to be the smaller mom and pop shops where I liken it to rental properties kind of in what we would all consider to be the hood where there are some financial investment if you want to call it that strategies that are to acquire single family homes. I guess probably multiplex is also in these harsher, harder kinds of neighborhoods. Rent them out, and not put any money back into them. And then so they really do get to cash flow those properties now, today and their exit is giving

the property over to the city for the city to demolish for ten to fifteen thousand dollars. And that's kind of like what you just brought up. I see a lot of these property management companies, you know, if they're stale, if they're stagnant, that is effectively what they're doing. If they're not, if they're not putting something back into their quantity, then they're necessarily dwindling the long term prospects of that asset. And what I've seen in this industry in the last couple of years is that I think property managers are now aware that there is an alternative that they that there are some things they can do like the fee we call it lovingly nowadays, when they go too far, fee (...) but or and that they can reduce their expenses a little bit. But there are ways to tweak their operation to spit out value to all of the stakeholders, the owners, the tenants and the property management company themselves. So I think that's just a long winded way of saying it's becoming more sophisticated and people are prone now to do it more so.

Gwenn Aspen: But I like the way that you kind of defined it to Jordan, where we are in this entrepreneurial space. And it's really kind of maybe in a creative, exciting phase where we really don't know what that entrepreneurial heart and where people are really going to go with like this next? You know, what is it? Property Management 3.0? There are some larger outfits that are really putting some Silicon Valley money in it. What is that investment going to do? How is that going to change the game for the smaller players? How can the smaller players maybe improve their customer service so they're invaluable and people want to stay with a smaller player that knows the local environment? I think we're in a creative space where there's some insecurity because people don't know where it's going, but it's definitely matured past landlord-ism, which was what it was when we first got started in it. And then it went to being a profitable business where you had to be organized and have general good business practices. And now we're in a space where it's like, are we tech pros or are we, you know, like, it's kind of that next very sophisticated business model, and we're really not sure how that's going to shake out. Would you agree with that kind of...?

Jordan Muela: Yeah. You know, I see some early predictions happening, which is that the mid middle of the market is going to collapse. You're going to have your boutique and you're going to have your big roll ups. I don't really buy into that

premise. I think the biggest macro trend that I see is that the nature of the work is changing. I feel like that's what we're trying to do at Lead Simple. We're building tech for the next generation of knowledge workers. Let me give you a quick example. So we provide workflow automation software, people get into it and some of the time they sign up and they set up on the basis of technology and training and fun and they get into it and they're like deer in the headlights at some point and they're like, Oh, no, I spent 30 years mastering getting great at property management only to get told I'm an idiot and I can't use this technology? Like there's some level of incompetence that is felt because the skill set that a lot of folks have cultivated is not congruent with where the skill set is heading. Another example would be using technology like Zapier, you guys familiar with Zapier? Yeah. Great piece of really useful technology. For a lot of folks it feels like this like having like Zapier, man, I can't believe I'm going to have to learn that, the new knowledge workers that are coming into the market into this, into the labor market now are going to look at something like Zapier. And it's just going to be obvious that that is their job. Not that that's some extra credit value added thing, like the focus and the orientation between a single task orientation of doing one thing for a property versus orientation around building the rails that the work runs on. I think that there's a huge shift in the modern skill set within Property Management is changing, and I don't know what to say, you know, the nerds are going to inherit the Earth, I don't know how to put it, but what property management is in terms of the actual work is shifting. That excites me, and I think that that is going to reinvigorate the middle of the market. And therefore I think people managing five, six, seven hundred properties, I don't think that they're going to go away. I just think it's going to be reinvented the core nature of what the work is in those organizations.

Gwenn Aspen: So I guess the key question is, does the entry of technology excite you? And if it does excite you, this is a space you should be playing in. And if it doesn't excite you, maybe this is a time to sell

Jeremy Aspen: Go sell rugs at your local retail shop

Gwenn Aspen: Or maybe you sell. I mean, maybe you do something else. I don't know. I mean, maybe that's the decision people have to make right now.

Jordan Muela: We're in a twilight period right now. When I see this right now with my own self reflection, where we can sign somebody up and Lead Simple doesn't work for them. And I can say, well, the product must be broken or it can realize we have a window. I don't know what it is five 10 years where people are going to be able to escape and sell and retire, and they're never going to be have to be hassled with this technology. After that, the table stakes, the table stakes are slowly climbing. So there will be an inflection point where this is not optional. But we're still in this twilight period where plenty of folks that are like, I've been doing this for 30 years, there is no way that you're going to tell me that I have to learn this technology and they're not wrong. But the people that are coming into the industry now, it's a different game and this shift is coming, but there is still a little bit of window right now where people can opt out and not have to get over this hump.

Gwenn Aspen: That's so, that's so true. Well, this has been such an amazing conversation. We could talk to you. We'll just have to have you on again. Jordan, right?

Jeremy Aspen: We will

Jeremy Aspen: I'll come down to Austin. I'm going to come to do it.

Jordan Muela: You come into my studio. You, I'll have you on my podcast.

Gwenn Aspen: Oh, that would be lovely. I'm coming. Lovely. Well, we want to thank you so much, Jordan, for your Thanksgiving show.

Jeremy Aspen: Yeah thanks a million, great to meet you virtually.

Jordan Muela: It's a pleasure. Yeah.

Gwenn Aspen: And Bootstrappers is powered by Anequim.net- Go to Anequim right now. Download your free e-book on creating processes and procedures. Having excellent processes and procedures is a requirement for your business to grow and

flourish. Get the free, quick and dirty guide to creating amazing documentation at. That's Anequim.net today. Thanks again, Jordan.

Jeremy Aspen: Thanks, Jordan. Appreciate it. Pleasure. Have a great one!

Announcer: This is the Bootstrappers show for property management powered by Anequim. A podcast where we have real conversations with industry experts that you can apply to your life and business.