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Jaime Masters: Welcome to Eventual Millionaire, I am Jaime Masters, and I am excited to have Karen Briscoe on the show. We met at Hal Elrod's Mastermind, which was amazing. She has the 5minutesuccess.com and 5 Minute Success podcast, and puts everything in bite-sized chunks – I was lucky enough to be on her show. She was also in the top 250 real estate teams by the Wall Street Journal, which is ridiculously impressive. Thanks so much for coming on the show today.

Karen Briscoe: Oh, I'm thrilled to be on here, and I love the idea of all of us being on the road to being millionaires, eventual millionaires, and then there are those of us that are.

Jaime: Well, exactly, when I met you, you're like, "So, I am." I'm like, "Female entrepreneurs are so hard to find, can you come on my show?" Because it really is, and I love your story. So I want you to walk me through, sort of, the story, because I know you didn't start in this – you know, as a bright eyed, bushy tailed 13 year old learning everything. So you tell me how you actually got into entrepreneurship?

Karen: I actually had a father who was very entrepreneurial, so I think I have the genes. I was in commercial real estate when I got out of college, and then met my husband, married, had our two children – actually, in Dallas, Texas – and then his career took us to the Washington, D.C. metro area of northern Virginia. And really, for the first ten, 15 years, I invested in our children. My husband's career was very demanding and required a lot of travel, and I have so much empathy for single moms, and what they – because I felt like a single mom, but I had a husband, and at least he did come home, and also was a breadwinner.

But as – when my kids started getting a little older, as a lot of women do, I wanted to reenter the workforce, and I wanted to get back into commercial real estate, but that is challenging with – coupled with, still, my commitments to my children and my family. And so, someone suggested residential, and that's how I kind of fell into the residential side.

And even though I did it part time in the beginning, I became successful pretty quickly, and became partners with – at the time she was number ten in the nation, and so we became partners when the market was in that amazing run-up period, and then – you may

remember if you were in Texas at the time, but actually this was nationwide – we had the financial market crash in '08. That was the same month that she passed away. So I took over a business in a crashing market, with no business partner – with losing my business partner, and so, set about rebuilding.

Jaime: How old were your kids at that time? Were they out of the house already, or...?

Karen: Actually, that was – my – it was 2006 is when we became partners, is when my son graduated from high school, and that is when I went back to work full time. So I like to tell people that you can start later in life and still achieve at a high level, because I'm proof. So all of this started in 2006, and really if you think – if you factor in the crash and my business partner dying, I really have accomplished all this in ten years, because I had to recover from the financial market crash, and rebuild the company, and then went on to achieve the Wall Street Journal status. So all of that has happened in the last ten years.

Jaime: How do you deal with some – well, a massive emotional side, by the way, if your partner passes away – but when you're dealing with, "Oh, we just got into this. I'm two years in, yay! Oh crap," everything crashes, and you don't have the help, how do you deal mentally with all of that, and try and rebuild?

Karen: So, the benefit of me being in Texas during the '80s – I was in commercial real estate during the savings and loan crisis. So I had a lot of muscle memory about markets when they're shifting, and what they feel like, and so I actually started putting into place some key aspects that are what led to me not just surviving, but then going on and rebuilding and thriving, and that is I recognize when the market is shifting, and I was able to also make some changes to the company, because we had pretty heavy advertising, and we are predominantly in the luxury market, in the upper brackets in northern Virginia and McLean.

And so shifting to more saleable homes – I didn't really get into short sale and foreclosures, that wasn't really our market, but I did move the market to more, you know, what I call bread and butter transactions, even though I still do – I mean, my biggest transaction this year was five and a quarter million, so I still do upper bracket homes, but I also sell \$300,000.00 condos, and more traditional homes in McLean are probably around a million.

So that was one of the things. I also made some pretty significant changes to our overhead in terms of staffing, the advertising, other overhead, so I got lean really fast. What Gary Keller would call the red light, green light, I stopped all of the bleeding as fast as possible and got as lean as possible, and then went to the market that was – of the moment, what was working, what was selling, and went to that, and went after that in a big way.

Jaime: Okay, I wanna go into, just a second, how you actually get to the 250 real estate team. But before we do that, when you had your kids, and you weren't really doing what you had planned on doing after college, right? Do you feel guilty, or do you – because there's this whole mom guilt thing where I went and – so part-time, I work part-time, but I'm like, "But I love being with my kids, but my business won't grow fast," and it's a – you're getting pulled in every direction, and it's fun, so how did you handle all that stuff?

Karen: Well, you know, I think that women, first of all, are – really, we're way too hard on ourselves, so I think, you know, give yourself a lot more love and compassion. And the other thing about it is that I think that it's really an individual – and I really am careful and mindful of – it's like, "Oh, well, you did it this way and that's the only way," or, you know, whatever. So for me it was important to me to stay home. My mother worked, and I wanted to stay home. It was the gift I wanted to give my children and myself.

However, I never consider myself the stay-at-home-mom type of mentality, because I really am a businesswoman at heart. And so it really was outside of my comfort zone almost the entire time, and I was just chomping at the bit to get back. And yet, I had this, you know, going inside of me both ways: I wanted to be with my children, and yet I wanted to get back in the business world.

I will, just from this perspective, go – I think a lot of times, women think they're losing ground in the business community, and that they won't be able to catch up. And I – I'm just going to say, I think you can. I mean, I'm not saying it would necessarily be easy, but I think you can, because I've proven you can. So I know you can do it, so if it's important to you, and then make that decision, and be there then. Because the one thing I find is it's the regret that is what can be really – impact not just yourself, but your children and other people around you, so be where you are.

Jaime: I love that! My mom worked all the time, and I swung the other side, like, "Well I'm gonna be with –" And a lot of my friends did

the same thing. We didn't assume that we would feel so much, but I really want to work. And I do work, probably 20, 30 hours, 30 hours a week now, they're in school. But there's this "I wanna do everything all the time" piece, that we forget that we live – well, hopefully we live a lot longer, and we can actually do it later, right?

Karen: And that is the story I wanted to share, is because it was a real epiphany to me in the sense that my grandmother lived to be 90 something, and I'm in much better health, so I'm probably gonna make it to ten0. And that means I still have 40 more years, so it's not like I don't have any time, and so I want to give people the permission, particularly women, to make choices that they – and I would say, in terms of me, I wanna make choices that I won't later regret.

And so I do not regret the time I spent with my children and my family. And yet, at the same time, right now I am putting full force into my career and my entrepreneurship endeavors, and I am excited about the future and all the things that it holds.

Jaime: So how – when you first started, when you were like, "Okay, kids, now they're out of high school, I can now – ", you were chomping at the bit like a horse getting ready to go, so how many hours a work did you week, what did you – how many hours a week did you work, and what did you do to prioritize it? Because when you are that wanting to do everything and be successful, I'm sure it's a hard to manage, right?

Karen: **[Crosstalk]** Yes, absolutely. Oh wow, okay, so that time period when my kids were home – the fortunate thing is, is with residential real estate, is that most of it happens at night and on weekends, and so the benefit of that is, is my husband was mostly at home at night, on weekends. And so – and they were of the age when they were basically doing their own homework. So it was mostly dropping them off and making sure everybody stayed alive.

Jaime: The number one goal of moms everywhere. Which is true. Totally true.

Karen: **[Crosstalk]** Absolutely. Alive is always the first priority, and then you go from there. So I really – the juggling, in the sense of what I found is that as long as I put that first, then I could figure out everything else from there. And I find that my clients – and still to this day, I set parameters for when I'm available. I don't ever say

I'm not available, I always say this is when I am available.

So I'm going to Dallas this weekend for a family weekend, and so it's Columbus Day weekend, and so that means that I'm losing Thursday, Friday, Saturday, Sunday, and I'm in real estate, and guess when people wanna look at houses? And so the parameters I'm setting are, "And I'm available starting Monday at noon." And then I start providing them dates and times that I am available. If they come back and they need something that I'm not available, then I – that's the beauty of having a team and other people in my life that I can rely on.

I had this one situation that I'll never forget, it was a client, it was negotiating a contract – now this was in the working full-time part – and I was leaving to go to Russia with my husband for a business trip, and I'm on the plane, and they're closing the door, and they're like, "Everybody off the phones." I negotiate the contract, I text my business partner and tell her what's going on, and then I just – I found that when I'm out of the country, I really cannot get in the middle of negotiations because I just muddy things up, right? Time zones and everything.

And so Lizzy took over from there, and I got back about ten days later, and the client said to me, "You know, the strangest thing is, I had this feeling you were out of town." And I was like, "Why's that?" And he goes, "Well because every time I would call you or email you, I would hear from Lizzy." And I said, "And I'm here now, and can I help you? Are you – do you need anything?" And he never once knew I was in Russia.

So, those kind of strategies for – but you have to be – not have to, I had to learn to ask for and accept help, okay? That's key – ask for and accept help. And recognize that they're not gonna do it, probably, the way I would, and yet if you're in business with people that you know, like, and trust, then you have to trust that it's gonna be okay.

And I'll tell you a story – it was my 50<sup>th</sup> birthday celebration in Italy, my husband and I had gone on this bike trip, we love to travel. And I'm getting fired – I'm on this back of this gorgeous setting, I had an amazing day, and this client is firing me, because she's not happy, the market's bad, she's telling me all the reasons why I'm not doing what I should be doing. And I'm like, "I'm really sorry to hear this." I'm thinking to myself, "I'm only turning 50 once and going to Italy once, and you're gonna fire me, and

other people will probably fire me, and I will be okay.”

And so I let her go, and I came back, and when I got back, I just said, “Can we have coffee and talk?” And we did, and I addressed her concerns. She rehired me, I went on to sell that house plus several other ones. So, in terms of investing in myself, and first, you know, really truly – I know it’s a cliché, that whole airplane thing, about putting the oxygen mask on first, but what I’ve found is if I invest in myself, I have so much more energy and reserves and wherewithal to invest in my clients.

Jaime: How did – okay, how do you do that? Because a lot of people, emotions of getting fired in general at all, right, because they’re like, “What did I do – ” right, and then they turn it inward, could have ruined your entire celebration, right? And your husband could’ve been talking you off the biking ledge, right? “Please, you’re fine!”

Karen: **[Crosstalk]** Yes. I will say I’ve gotten better at it, I mean, it’s like any skill, you learn by doing. And you know we have this kind of saying around here, you put on your bulletproof vest. Nobody’s died yet from being fired, nobody’s died yet from having a client upset, we’ve all lived through it, and so, learned to help them through, so there’s a lot of emotion in our business, and so we’ve learned good skills of helping them.

There’s this wonderful script of Feel, Felt, Found, and sometimes you just say it over and over again. You just say, “I understand how you feel. Other people have felt that way before. What we have found is this.” And help them work through it, because most people just want you to know that you understand how they feel, right?

I’m sure you’ve heard the Zig Ziggler quote of, “People don’t care how much you know until they know how much you care.” So they just need to know that you heard them, and once you’ve acknowledged it, and – what we tend to wanna do, and this is learned, learned behavior, we tend to wanna do an objection, or say – or excuses, say, “Yeah, but this was going on, and this was going on, and this was going on.” They really don’t, they don’t really care. They don’t wanna care that I’m in Italy for my birthday. They really don’t, I don’t tell people where I’m going anyway.

They do not care that it’s my 50<sup>th</sup> birthday and I’m only going to Italy once, all right? Or anything. They don’t really care. And so

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you have to understand that that's where they're coming from, and then, I think that for me, by doing that, I don't take it as personally because I understand it's probably about where they are in their life and situation.

Jaime: That is golden, though, how did you – because that's the other thing, in business everything means something about you, right?

Karen: Particularly when you're an entrepreneur because it's your business, right?

Jaime: Or a female, because you're like, "I think they didn't like me." Or whatever the – right? Or whatever those pieces are. How do you unpack that emotionally?

Karen: Okay, so watch the movie You've Got Mail, it's the best. Watch it over and over again, that's what I tell new real estate agents. Watch You've Got Mail, because it's not personal, it's business. And really truly, it's about the professional recognizing that, because it really is our responsibility, it's not their responsibility.

And so we – we, I say the collective we – we have to recognize that it's not their responsibility for us to be happy or content in our own well-being itself. So do the things that you need to do to keep your mental and emotional and physical health energies up, and don't allow – back to the bulletproof vest, that's about when I start putting on my bulletproof vest, and I realize this is about you, this is not about me.

Jaime: **[Crosstalk]** Buckle up buttercup!

Karen: We do a lot of divorces, I'm telling you, it's not about us. Or, you know, a lot of times it is – there's a lot of reasons why people buy and sell houses, but a lot of them are traumatic. You know, they're death, or divorce, or financial reversal – we did a lot of when the market was crashing. And so working through that with people and helping them understand that it really doesn't have anything to do with real estate, but if you don't address their emotional needs, they can't get to the real estate.

Jaime: How do you deal with that? Because you said, "Ask for help and then learn to let go." That piece that really does make a difference. But how do you do that with your team, especially if you've got team member that doesn't totally know to put on their bulletproof vest, how are you mitigating them and the client, right? Give us

some tips on that.

Karen: Well, so, actually, that's how my book Real Estate Success in 5 Minutes a Day, and the 5 Minute Success came about, because people kept coming to me, "Well how are you doing this? How do you do that? How do you do that?" Over and over again, because when you achieve success at a high level, and particularly when you do it at a pretty fast level, then everybody's like, "Okay, how did you do that?"

And so, I like stories, I really do, like that story of being fired in Italy, and they're like, "Wow, really?" And I'm like, "Oh yeah. However, I went back and sold her houses." So I did find a way to reconnect with her and help her with her situation that was bothering her, that was causing her to do that at that time, and then go on and to serve her needs.

Now, I could have taken that personally, and there was a day when I would have, there was a day when I would have. And yet, that is what I – that's a learned behavior, and those things are – they come out of the stories of the examples and how you can use certain scripts and dialogues like the Feel, Felt, Found. How you can give yourself love and compassion, you know, unconditionally love and accept myself. Well, whether you do it or not, that's your work to do. You don't have to love and unconditionally love and accept you. Now, I can help you through your situation. That's what our job is in our professions.

Jaime: I wanna know more about this too, because I love the wisdom that is the repetition of skilled, learned behavior. So you're like, "Ooo, so I know to do this tactic or technique," that Feel, Felt, Found. That was really cool. How do you implement that as a habit, though? Because you're – no offense, but in general, humans have negative self-thought that would go **[airplane noise]** right? Crash and burn. Do you just go, "Someone told me that I should do Feel, Felt, Found"? Or how does that – ?

Karen: **[Crosstalk]** Yes. Absolutely. It was a coach, actually, because we were doing some – you know, here I'd done all this sales but I'd never actually had sales training, so I was like, "Oh, maybe it'd be a good idea to get some sales training." And that – I was giving his an example of what was happening, and he goes, "Oh my gosh, you need to be using Feel, Felt, Found." And I started using it, and it was like magic.

And it even works on husbands, it works on lots of situations, I'm telling you. In fact, one thing that's really – when my husband started using it on me, I was like, “Woah! Woah woah woah!” It was really mind boggling, but it worked, because I felt like he actually heard me. It was his normal mode of operation – as often is the case with men – is they wanna go straight to solution. They're like, “Okay, okay, okay, enough talking. Let's go to solution.” And what the Feel, Felt, Found does is that you – he, or whoever's acknowledging how you feel so it's valid. You're finally being validated. Oh my God, finally somebody is saying that they understand.

And then you don't feel like it's you're alone, because that is the other thing that I find, that people are like, “Okay, I must be the only one that feels this way.” But when you find that other people have felt that way – But then you do move into solution, because we are not therapists, and I guess that even therapists should be moving into solution.

So when you said how did I do it – a lot of coaching, a lot of executive coaching. I've had multiple coaches, all different types. Business coaches in terms of growing a team, and that is a completely different skill set than sales coaching and training, and then, now I'm really more at the executive level, because what I've discovered is that my business improves to the degree that I, myself, improve.

And that's why, you know, the Quantum – like Mastermind with Hal Elrod – and truly, ultimately – and this is a Warren Buffet quote, but there's one investment that supersedes all others, and that's invest in yourself. And that – it's like going – you know that – Maslow's hierarchy of needs?

Jaime: Yes.

Karen: If you start actualizing yourself, you don't really – you'll find that everything else starts to work out. So I'm just going straight to the top now, and not even – you know, the other ones all seem to work out, because as I improve, everybody else's lives improved. And this is something I find with women, is that they feel like it's selfish to invest in themselves. And I used to feel that way too, you know, talking about Feel, Felt, Found, I used to feel that way too, I really did. I thought, “I'm taking away time from my team, I'm taking time away from my family.”

What I've found, though, is that everybody else's lives improve around me as my life improves, from a personal perspective and a business perspective. And as I have – I now have more opportunity to offer people. I mean, I think about how many people I employ, and how much opportunity is created, and even just the people in our – you know, if you look at the pebble, right? So you see the pond, and you throw a pebble into the pond, right? And you see the ripples?

So think about, I'm the pebble, and all those ripples – and when I see all the people's lives that I impact and improve by investing in myself, I recognize the fact that it's really a great gift that I'm giving to everybody, it's not selfish at all.

Jaime: That's amazing to be able to say, especially, like you said, for women who are like, "But if I'm gone, then they're – I'm going to feel guilty, and I'm not going to enjoy myself anyways," or whatever the thing is. I'm going on a meditation retreat this weekend, and part of me is like, "How much is too much, though?" Right?

Because I love the self-actualization, figuring out about yourself, but then kinda also sometimes have to do work, right? So where is the line of having a coach, or having two coaches, right? Or having – so when you start getting a little successful, and you're realizing that you do put time and effort into you – besides just reading books, but actually really investing in yourself – where is the line of too much?

Karen: Wow. I do hear what you're saying, because that is one of the amazing things, is when you find out what's out there, then you go, "Wow! And I could be doing this, and I could be doing this, and I could be doing this."

So that reminds me of the whole time, in terms of many people say they don't have enough time, right? And if you've heard about the Newtonian philosophy, which is scarcity thinking, or scarcity perspective on time, and then the Einstein perspective on time. And the idea of one minute on a hot stove or one minute doing something that you don't like to do or don't want to do is like forever, and one hour doing what you love to do or with someone you love is gonna just fly by, right?

So I would say that – put those things first, it's kind of like – and I'm using lots of analogies, but it's kinda like that big rock

analogy, you know, where you have a bucket or whatever, a jar, and you put the big rocks in first, and then you put in the next. And I think it's a constant adjustment. I – this past year or two, I decided to focus and deep dive into one – and I really wanted to go as deep as I could go.

And a lot of other opportunities come up, and I'm going, "Yes, and I said I was going to focus and deep dive." So it's more of a, "not now." It's more of, "that will be next," or "that will be one of the next," and I put that in those buckets. And so, that's how I allocate time.

I try to look at every quarter – I don't know if you've heard the 12 a year, but I try to look at every quarter, and I try to say, "Okay, this is what's happening in this quarter: I've got so much personal development, business development, so much travel," which is important priority in my life, "so much other things," and I put them in there, and then I go, "Okay, so now everything else fits around it." And so I – but I really do calendar out first the things that are –

Jaime: [Crosstalk] So you objectively look and go, "While time is a created thing, we still have a calendar here that we have to work with here," right?

Karent: Right, but I do find that when I – and I'm not the only one that'll say this, because – well, you talked about – we talked about the Big Leap, and Gay Hendricks – when you do more of the things you love, and that are in your zone of genius, then you will be operating at a much higher level, and you really actually do accomplish more. And you really will figure out how to do the other things, because then you'll have the space and the energy to do it.

I find that more people do it the other way, and I'll say I've had that in my – I mean, this is just a couple of years in on me, first, you're talking way ahead of me, but the more I do it, the more I recognize it's kind of like the investment in myself, the more I recognize that it actually is a supremely better way to live.

Jaime: Right? You actually enjoy it too, and it's so counterintuitive, and I – everybody, just so you know, Karen just interviewed Gay Hendricks from the Big Leap, so everyone should listen to the podcast also, because it's so counterintuitive that we're like, "No, but we have to just keep pushing harder on the task, or be more

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productive.” And in my head, I’m like, “I don’t wanna be more productive, I wanna create – I wanna Einstein time, I wanna create time and make it feel as best as I possibly can.” That being said, where is the line of, “Oh crap, I have to buy the dog food later, because nobody else is gonna do it but me.”

Karen: **[Crosstalk]** Well that’s what Amazon is for!

Jaime: **[Crosstalk]** Seriously, I know it’ll be right on my door. I use that, I could actually order it right now in one second, right? But it’s still on my list.

Karen: **[Crosstalk]** I think life is like – it’s amazing, because when you really take the time to think about how you can create the time, then that is where it – because I think back, there was a day when you couldn’t do that, right? I mean, we all – we used to really did have to go to the grocery store, and I used to be like, “Oh, you know, I got my coupons and I’m gonna save \$1.00,” or whatever, and I don’t know if you’ve ever done that calculation of what your time is worth and saving that \$1.00. And what I can create with that time, I can do so much more. Right?

So it’s making those adjustments, and it’s an art, I wouldn’t call it a science. And I think it’s constantly changing too, because your children, you know, are in different places, you’re in a different place, and – but that’s what makes it interesting. I mean, think how boring it would be if it was exactly the same every day. Jaime, you’d be bored out of your mind.

Jaime: I totally would, I’ve done that before, I worked for somebody else doing the same thing every day. Boring as all heck. I was like, “I want change!” Then I got into entrepreneurship, and I was, “This sucks crazy also!”

Karen: **[Crosstalk]** But the thing is, is the ability – your ability to create value is your greatest asset. I mean, you wanna talk about a \$1,000,000.00 asset, Jaime? Your brain is a \$1,000,000.00 asset. The ability to create is the greatest wealth creation, truly.

Jaime: And I don’t think people give themselves – or, I didn’t give myself – I was a coupon clipper back then, thinking, like, “You know, I’m just trying to do what I can with what I’ve got.” And it was a total different mindset shift. But what you said, which I found very interesting, is – we use Instacart now, so we don’t go to the grocery store – now, I’m like, “I wanna go to the grocery – let’s go

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get pumpkins for the kids!” Because it’s fun now, right? And the weird –

Karen: **[Crosstalk]** Yes, because it’s not a chore anymore, so you’ve had a paradigm shift. And that’s the beauty of when you can see things from a new way. It’s the same thing, but you’re not the same, and so you’re seeing it differently. And that’s what this whole Einstein and Newtonian, scarcity and abundance, mentality is.

Jaime: I had just spoken to Chase about that exact same thing, so I love that you brought it up, because I don’t think I’ve ever said it on this podcast, or not for a very long time. And the reminder of that is extremely important, because we think it is, “We make the widgets, we make the widgets.” Or “we make the videos” or “we make the things,” and it’s not about that at all.

It’s very flexible, and I don’t think we – just because we’ve done it like this for a long time, does not mean it is inflexible and we can’t just move things around, and you can actually enjoy more of your life every day. Do you enjoy working with the team instead of being the one doing all of it? Or, I know you started a podcast, how do you decide what you really love when you haven’t done some of the stuff before?

Karen: Ah, well, the podcast actually came out of – the book came first, so I wrote the book, and then what happened is, frequently when you have – you’re an author, then people wanted me on podcast. And then I had this epiphany – well, actually, my book had the epiphany, and it told me on its birthday it wanted a podcast, because it said, “Well, just think about all the people you could talk to if you had a podcast.” And I was like, “Oh my gosh, I could interview people like Jaime Masters! I could interview Gay Hendricks!” And look, it’s happened, ask and you shall receive. And so, you’ve interviewed Jeff Hoffman?

Jaime: Oh yes. Amazing.

Karen: Okay. And I’ve heard Jeff Hoffman speak. And he is very much the same way, right? So he creates the life – and this is Hal Elrod’s affirmation – create the life you love, love the life you have while you create the life of your dreams. So that’s how he created so many of his companies, because he’s like, “Well, I would really like to have that, so I’ll just start creating it.”

And there was obviously market data to support it, and that is –

and that's how the podcast came about. I was like, "I would really like to have that, I believe there's an audience, a message, and the book has a format." And so that's how that came about. So, in terms of team structure, our income is predominantly real estate, building it for these creative endeavors to also bring in streams of income, because I'm really working to create passive income and streams of income, because in terms of being any sales professional, when you stop doing it, the money stops coming in.

And so I would like to have the option and the opportunity. And so I had one particular – one of my staff members, Molly, is just really creative, she has a creative side. And I was like, "I think you would enjoy this." And that – when I was talking about how, me making decisions about the ideas and improving my life have benefited other people, it really truly – that's an example, because Molly's doing much more creative work than she was when she was working in the real estate aspect of it.

So we've done just some staff adjustments, and it's turned out to be better, because when we're – not that we're slow right now, but whenever we're slow in the real estate side, then, you know, everybody kind of does some things related to the book and the podcast and the creative endeavors, and then when we're busy on the real estate side, then I can kind of transition people and move them over to the real estate. So it's really actually been better, because it used to be, we would have some slow seasons, and I'd be like, "Okay, what're we gonna do with all these people?" But I really needed them when we were busy, right?

Jaime: **[Crosstalk]** Seriously. Yeah, and you don't wanna let them go if they're good, you're like, "No, someone's gonna take them!"

Karen: **[Crosstalk]** I mean, because you'd need them when February rolls around, everybody decides to sell their house, you'd need them. And so you – you know, if you had a slow season in the fall, or winter, or whatever, or late summer – even though we haven't had any slow seasons in a while, but that's all good – but you still have to be prepared for that, back to I still have that muscle memory of the bull market, and the bear market, and how to recognize those shifts and how to adjust.

Jaime: You're always on the ready. So now, before you were ready, chomping at the bit, but now you're like, "Okay! Okay!" But every business owner sort of has to do that, but a lot of it is internal too, like, "Where are we now?" You're always taking out information

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from the market or from whatever and trying to process it internally. And you could have been one of those people that goes, “Ahh!” and just hides in a corner. And thankfully you weren’t, because you get to teach us all the wonderful, amazing learnings that you’ve learned along the way.

Karen: **[Crosstalk]** Well, there were a lot of people that didn’t survive. I mean, I would say there was less of us that survived, obviously. And there was some benefit to the having the market corrections, because it does do some things. But, you know, now we’re more in a bull market, at least in our area, and so then I’m looking at it going, “Signs for – okay.”

You know, I always say, “Don’t confuse brains with a bull market. Just because we’re selling houses doesn’t mean we’re so smart here, maybe it’s just because we’re in a great market.” And so, what should we be looking for to be prepared? Because this is when people overextend, and they do things that then later is harder to adjust from.

Jaime: Which is why I love that you have a podcast then too, because you’re like, “I’ve been on the ups and the downs.” Instead of the internet marketers that are all like, “Oh, by the way, it’s all great. We made all our money in the last two years, everything’s perfect. Great.” You know?

Karen: You’re going, “That may not last.” Back to “don’t confuse brains with a bull market.” Because if it’s just you hit the market at the right now, it may not be that way. I mean, I’m sure you could come up with a lot of examples of – you know, I was in – when I went back into commercial industry, into the business, I was with Nextel, which – technology company, I realize some people don’t realize what Nextel was, but it was these really weird phones before phones. And the tech bust had just happened, and what happens in busts? Disposition. You know, you’re disposing of assets.

And you know, you tell people, “Oh, there was a tech bust.” And they’d go, “Really?” And I’m like, “Yes, there was.” You know, law of large numbers, things just keep going up, they aren’t gonna just keep going up, something’s gonna – likely to happen, it’s just a natural for markets.

Jaime: It’s natural, and predictable. Not always super predictable at the beginning, but it’s gonna happen eventually people, don’t know

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what to tell you. And that's the thing we, unfortunately, especially newer entrepreneurs, go like this, and, "If I don't look at it, it won't actually affect me, hopefully." But you've learned very, very well, that's it's really bad.

Karen: **[Crosstalk]** Always. Yes. Yeah, you gotta look at it. And if you have to – at least for me, because I'm probably more on the conservative cautious side, I have to be, you know, keep not having the governor on all the time, I have to, you know, put the – let the accelerator go. But I recognize when markets start to shift by watching supply and demand, and I do it on a quarterly basis and really stay very close to it, because that's where I find that people that don't, that just keep thinking it's gonna keep going up, that's where they often – that's when they get caught.

Jaime: So you actually get – is it only quarterly metrics on those things? Because I'm going, you also don't wanna be one of those, "Ahh, the sky is falling!" right? But you wanna be really informed. So how often do you look at those metrics, and how do you make your decisions based on that?

Karen: So quarterly, I do. I do the metrics for our market quarterly, and I actually even publish a report in the local newspapers, and I have for over a decade. And the thing is, is that it's looking for which direction the market is going, right? It's kind of like the Wayne Gretzky quote, you know, he goes to where the puck is going, you pay attention to where the market is going. And the way you can know in real estate is – well, really you can know in any market, but – is supply and demand. And so what you're looking for is where it is in the cycle.

So in our situation, when we have a build-up of inventory, and it continues to build, and continues on that trajectory, then you know you're going into a market correction. And sometimes it can be a tale of two markets. Sometimes it can be low inventory, often low inventories in the lower brackets, and then high inventory in the more expensive because there's just less buyers, right? Supply and demand.

So sometimes you can have both of them going on at the same time, and we actually do have that going on in some markets. And so that's how I inform myself, and then work to inform my clients and obviously our team members. And I, you know, sometimes I miss the call, but generally watching the trends, I have a pretty good sense of where we're going, and if it continues on that

trajectory, that's when you need to start making adjustments.

Jaime: Well, and I love it, you have ten years of past data, also, to go back and be like, "Look what happened here, look what happened there."

Karen: In fact I do actually use a ten year mark. So I'll do year over year, and then I'll do the ten year, and I'll go, "Okay, so we're not crashing, like we were in '08, but we are correcting." I mean, we're nine percent down year over year, even though we're having a very good year. And everybody else is going around going, "We're having a great year!" And I'm like, "Yes, we're still nine percent down from last year." So we need to be paying attention to what, you know, is selling and focus on that, because what you focus on expands.

And it can be tempting to go to these other areas, because they feel like easy, low-hanging fruit, and, whereas, when you look at where the market's going, they're gonna be challenging. And it's almost always the case. And just taking all of those factors in and then making the projections. Some of that's based on the numbers, science, and some of it's art because you just have experience and you've seen it.

And if you do it long enough you'll – and you can do it, even if you're new. I would sometimes have people, "Oh, yeah, well, you've got all this experience." Well, you can do it too, because when I'm going into new markets – every once in a while, somebody'll have me come in and say, "Well, I wanna know about this," and it's kind of out of my normal market – it doesn't take me long to do the stats and figure it out.

And I – it's like, I use the New York, New York, the Frank Sinatra, if I can make it there, I can make it anywhere – if you can look at fundamentals, and go, "These fundamentals are what applies here." And then you look for the fundamentals in the next market over, and find out what it is that's causing the value or not, you can usually – if you spend a little time – you can figure it out in most markets. If you look at the data, you can still figure out the trends.

Jaime: That's amazing. Well, and it's improving your skill set and art that is doing it no matter what, right? So the more you run, the better you get anyway, which is that self-improvement stuff that we were talking about before, which I really appreciate. Because everybody looks at – I shouldn't say everybody, but a lot of people are like,

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“Oh, well, look at this, ten years is so long, I’m on year here.” Right? And – but like you said, it’s a skill set, and you can keep doing it and learn the art of it, and the sooner you do that, more than likely, the sooner you’ll keep your head above the water no matter what happens, just like you did.

Anyway, we have to start wrapping up right now, so I’m going to ask the last question that I always ask, and it’s, “What’s one action listeners can take this week to help move them forward towards their goal of a million?”

Karen: Well, it’s a repeat of what I’ve already said, because your best investment, your true \$1,000,000.00 asset, is yourself, and your ability to create wealth in whatever form – there’s lots of ways of wealth creation. But ultimately the one investment – so, invest in yourself this week.

Jaime: I love it. Thank you so much for coming on the show. So tell us where we find the podcast and all the stuff about you so they can follow you and get that Gay Hendricks interview, or the interview with me, and all that fun stuff.

Karen: Yes, because you’re gonna be episode number ten0, which is coming up, so be sure and stay tuned to listen to Jaime Masters. I wanted to have a woman on for the hundredth show, so I’m so excited to have you.

So, the number five minute success, wherever you get your podcasts, Stitcher, Overcast, iTunes, etcetera etcetera. The website is the same, the number five minute success. We of course have a Facebook group, which please do join, because there’s lot of – lots of great content that’s provided: more about the book, online courses, and where I’m speaking, and that type of thing, and we’d just love to connect with anybody.

Jaime: So, so, so appreciate meeting you at Hal’s event, and that you came on the show, thanks so much for coming on today.

Karen: Well, thank you, and here’s to your success, Jaime.

**[End of Audio]**

**Duration: 46 minutes**