

EPISODE 916

*“**EC:** You know, you find your home, you buy it, you sit at the closing table, you get your keys and for me, I didn’t even go straight to the house when we bought our first home, I went to the liquor store and bought a bottle of wine. The only box I had prepared to unpack for the first moment when we walked in that door was the one that had our wine glasses in it and the only question I asked about the neighborhood I was moving into was where do I get take out Chinese food?”*

[INTRODUCTION]

[0:00:58.3]

FT: Interested in buying a home? Well, welcome to So Money everybody, this episode’s for you. Our guest is Eric Chesin who leads strategy for Realogy. Realogy is the leading provider of residential real estate services in the country. You may have heard some of their brands which include Better Homes and Gardens Real Estate, Century 21, Coldwell Banker, Sotheby’s International Realty and many others.

Eric oversees the development and execution of Realogy’s corporate strategy as well as their projects and partnerships and the company just announced in collaboration with Amazon, the launch of Turnkey. It’s a new home buying program that simplifies the process of finding and settling into a new home, there’s a lot of overwhelm right? Before, during, and after purchasing a home. You can check out Turnkey at [Amazon.com/turnkey](https://www.amazon.com/turnkey).

With Turnkey, Realogy is matching home buyers with top agents and upon closing on their home, Amazon provides a move in benefit. Connecting those buyers with services and experts in their area to help make their house a home. This includes a selection of Amazon home services like deep cleaning, a handyman who assembles furniture, mount a TV to a wall, curated side of smart home products, all in all, the products and services are valued at 1,000 to \$5,000.

Now, as a self-described real estate enthusiast, that’s me, Turnkey actually reached out to me to help them spread the word and share the campaign so very grateful for this partnership. I think we’re going

to learn a lot. Eric and I talk about how Turnkey can benefit buyers who often experience that overwhelm, timing your purchase right and Eric's got a pretty cool travel hack that I think I'll be implementing very soon.

Lots to unpack in this episode, here is Eric Chesin.

[INTERVIEW]

[0:02:50.8]

FT: Eric Chesin, welcome to So Money. It's great to have you on the show.

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EC: It's great to be here, thanks.

[0:02:55.4]

FT: It's an exciting week. We're talking about Turnkey today which is a new home buying program that simplifies the process of finding and settling into a new home. Thank you so much for having me be a part of this exciting announcement and you know, everyone listens, they know I'm a real, real estate nerd, this is totally organic and a very natural partnership.

Wanted to talk a little bit more about this collaboration between Amazon and Realogy, what Turnkey really is all about, how it's benefiting home buyers.

[0:03:41.7]

EC: Sure, of course. Happy to geek out on real estate with you in this podcast or any day. Again, thanks so much for having me on. That's right, Turnkey is a new collaboration between Realogy and Amazon. Now, Realogy is not really a household name but our brands are, you know, we're the company behind

Coldwell Banker, Century 21, Sotheby's International Real Estate, Better Homes and Gardens, ERA and a number of other brands.

We're in the business of residential real estate. Providing terrific real estate agents to help people find, buy and close on their homes. And what Turnkey is a new home buying program that really marries up all parts of the home buying journey because I'm not sure if you've ever or how often you have bought and sold homes but you likely know that the process of buying a home doesn't end when you close on the home at the closing table.

I like to think that the word closing is one of the biggest misnomers in the English language. Because you're not closing anything, you haven't even opened your front door yet. A program like Turnkey was designed to solve, not only the problem of getting a great real estate agent to help you often in the new town or in the new neighborhood where you don't know anyone.

But also, after you close on your home, to help you settle in and turn a house into a home and that's where the collaboration with Amazon really steps in. The program is super simple, it's named Turnkey for a reason, it one, helps to connect you with one of the top real estate agents from the top brands in real estate which are the brands that I named earlier. Then, after you've closed down your home, that's where Amazon steps in to help you with what is between a thousand and \$5,000 dollars of free Amazon move in benefits.

Provided to you as part of the program to help you from anything to getting a deep clean done on your home to hanging up that heavy flat screen television that you need to hang. To putting the furniture together. The kinds of things that are the stressful moment when you move in that you don't quite think about two days earlier when you just bought the house and now you're stuck with. We try to design a package and a benefit. That really carries you through to turning the house into a home.

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FT: I mean, if you think about it, makes so much sense because if you look at only our monthly bill, so much of our expenses are derived from Amazon and I can only imagine when you're moving into a new

home and all of the rooms you have to furnish and all of the gadgets you need to buy and all the equipment that Amazon – it will be the go to destination for these items.

It sounds like a really natural collaboration. Were there actual data points suggesting that people were having a hard time either hooking up with a qualified agent and/or, making their house a home?

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EC: I'll tell you. One, even real estate trends aside, because I get this question a lot, is it a hot market, is it a soft market. When's the right time to buy, what program should I step in to? The truth is, in the softest of markets, there are still millions of people who, because it's the right moment for them, are going to buy and move into a home.

When we look at solving a problem like what Turnkey solves, we step far away from the nuances of what's happening in the local market today. Instead, look at the problems that a home buyer faces in what is truly a long and arduous journey that starts from, how do we even know where to move and ends with what do I do in this empty home to make it feel like a home and that was really the inspiration for program that we developed.

It's funny, we realize in designing this that we kind of happened on something we call the day two dilemma. I know I lived this. I don't know if you have ever had this experience but you know, you find your home, you buy it, you set up the closing table, you get your keys and for me, I didn't even go straight to the house when we bought our first home. I went to the liquor store and bought a bottle of wine.

The only box I had prepared to unpack for the first moment when we walked in that door was the one that had our wine glasses in it and the only question I asked about the neighborhood I was moving into was, "Where do I get take out Chinese food?"

There I am on day one with my legs crossed, sitting down across from my wife, we actually left the kids with my parents because that would have been a disaster. Sat and drank some wine and celebrated this new home we're in. There's romance in that, it's beautiful and then day two happens.

It gets pretty stale at that point. If there's any leftover Chinese food, you don't want to eat it, the wine glasses are dirty and you can't even find the soap to clean them and you're staring at an empty house and a whole bunch of boxes and an overwhelming moment of what do I do next?

You're very often in a neighborhood where you don't know even who to call or where to start. Above anything else, that was the inspiration for a program like Turnkey. For a company like ours in the business of real estate. We've gotten really good at serving a home buyer to help them find the right home, understand how to make an offer, understand what to do with the closing table and how to manage the process of buying the home.

We hadn't quite cracked how to help that home buyer at this other big moment of stress and difficulty. That's why we're so excited to collaborate with Amazon because I mean, that's a company that needs no introduction for a company known for their happiness guarantee, I'd love to instill a little happiness into the moment for home buyers after they move in the home.

Hence, where we've landed with Turnkey.

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FT: What would be your advice for buyers right now looking to pair up with a real estate agent. I mean, to your point, it is of course about, does this house fit our needs but will this home and this home and this neighborhood match our lifestyle and I know for us, you know, we're considering a move to the suburbs one day, it's just eventual, it's just what happens, I'm just going with –

[0:09:38.8]

EC: Don't fight it.

[0:09:39.2]

FT: I'm not going to fight it any longer. We've had a really great run here in New York City and it's not coming to an end, not an abrupt end, we're just kind of mapping out our plans but we're looking ahead and we're thinking about -

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EC: Just don't call it the suburbs, call it the country and it changes your whole outlook.

[0:09:54.8]

FT: But that sounds even more depressing.

[0:09:58.6]

EC: We're different people.

[0:09:59.3]

FT: Yeah, I know. I mean, that's very glamorous in some ways but also, I need amenities, you know. I have a grocery store across the street, I have laundry downstairs and also in my building.

I guess you really need to find an agent that understands not just what's going to make you happy when you walk through that open house but like, the second day and the 20th day and the 500th day. How do you really find an agent that kind of gets you?

[0:10:29.1]

EC: Really good question. I of course have plenty of answers from that in the course of my job but I mean, I'll tell you my own personal experience. I'm an odd beast generally but specifically to this question because the first time I went to go buy a home was after I had taken the job I have now.

Here I am working for a real estate company with 200,000 real estate agents roaming around the country and it's time for me to move to a new town where I don't know anyone and find a real estate agent in exactly the same way that we've built the Turnkey program which was I didn't show up in an open house and happen to meet someone and hope they were the right person for my needs.

I didn't ask the local barber the name of their cousin who happens to be a real estate agent. I went to a company that's in the business of real estate and had them assign me the best agent for me. That's just because I had a – it was an employee benefit, it was pretty random at the time but now, with Turnkey, that same benefit applies to anyone at least in the 15 cities that we've just launched in who is buying a home.

I'll tell you, it was terrific. I didn't know very much about the town we were looking to buy. As a matter of fact, when I first got assigned to my real estate agent, I didn't even know which town I liked so much as it was an area close to where I was working.

The fact that with my needs, with what I knew I wanted with my budget and other things, I was assigned to what became basically the top real estate agent in my area that knew the price range that I was looking in and the towns that I was looking. Made me a leg above anywhere I could have been on my own to get the advice that I needed.

You know, stepping back, the advice is be very thoughtful and selective when it's time to work with a real estate agent because the advice you get, no matter where in the journey you step in to look for a real estate agent, whether you really like looking online for homes on your own and feel like finding the right home is something that's very personal to you, that doesn't involve the real estate agent.

Or, whether you need your real estate agent to literally teach you about the town and what the right pricing is and what the right neighborhood, what the right block is in the neighborhood. That right representation is just – I was new to the real estate industry at the time, I didn't quite understand the Sherpa level of a role that a real estate agent can play and this is the most expensive and often stressful purchase of your life.

It's one where that kind of personal support and representation is just so crucial in the few years that I've been in this business. I've come to really value and appreciate that part of the business that we're in and that moment that we're able to help home buyers and sellers with that kind of support.

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FT: Yeah, you're right. It is often the biggest purchase we will ever make and I think that there's overwhelm before you buy, during the process, afterwards, I think part of what causes overwhelm in the beginning is, especially if you're a first time buyer. You sort of try to time your purchase in that you know, we're reading all these headlines now about potential interest rates dropping and you know, maybe we're entering a recession, I don't know.

Is it a good time to buy and I loved your perspective, we were talking earlier before we were recording about how to frame your mind as you approach the buying process. How it's important to kind of tune out a little bit. Why do you think that?

[0:14:08.5]

EC: Let me at least acknowledge the irony of my advice. Because I work in strategy for a real estate company and swim every day in the data of what's going on in the real estate market across the country with mortgage rates and inventory and home prices. My advice is to ignore all of that.

One, because no matter what economists advice you get, there's no macro answer that will tell you the right answer locally. Two, because I just think personally, you don't time life choices by trying to time the market. Whether it's a real estate market or the stock market or anything else.

I know it may sound repetitive but it's a part of my job that I believe in so deeply. The best thing you can do is get the advice of a local expert which is a job of the real estate agent. Because no matter what's happening nationally, it doesn't tell you what the prices should be or what the questions you should ask on that block in that town, in that state where you're looking.

The local market is just so the center of what real estate really is no matter how national you go with it. That's coming from you know, me who works at a company that stands for national real estate platform. It's just such a local thing and such a personal thing that you know, for me, it's just get that advice to do it right but time it around your own life choice and not because that – you know, it's so hot right now you got to buy.

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FT: Yeah, I mean, I can just speak personally just in New York City. Sometimes it just comes down to your building and what is – is your building a hot building, is it an attractive building, does it – I mean, again, because I'm in the process now of strategizing but also, really keeping my thought process limited to just like what is going on in my neighborhood, how many other three bedrooms are there like mine.

Because that's going to necessarily determine how much I sell it for and then you know, whatever. I think that your home is not an investment, right? You don't time it like – I wouldn't tell anyone to go buy stocks today just because the market is having maybe a low priced day. You really have to think about our home as a long term asset.

[0:16:28.5]

EC: Yeah, exactly. I mean, that's advice that I remember I had gotten well before I knew anything about the real estate industry which is just – don't step in and buy a home that you already know you're going to need to move out of in a year or two. Over the long term, you should focus on where you want to live and a monthly expense you can afford.

Rather than the right investment so that six years from now, when you sell it, turned out to have only cost you 80 bucks a month because of how much the home appreciated. It's such a game you can't time and so you know, you really shouldn't try.

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FT: Yeah, I always say it really comes down to what is the story you want to tell yourself five years from now. You know I sold an apartment five years ago that now has appreciated even more and if I only held onto it but guess what? Selling it afforded me the opportunity to buy something that was more important to us as we were growing our family. So it is really how you look at it. As you said, where are you in your life stage and how will this serve your needs.

How will buying or selling serve your needs? Speaking of your past, let's dip a little bit to our So Money questions and start with the very popular question, which is, what is a memory from your childhood Eric that told you something about money?

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EC: So yep, you warned me that these questions were coming so that I could –

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FT: Nobody escapes them.

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EC: Yeah, I heard so I am prepared. So I do, I have a memory from my past. It is a lesson that I learned from my parents that I do think is relevant and I found that as I have told others about it they seemed to liked it. So I'll try it here and tell me how it stacks up. When I was growing up, my parents had their group of friends who they like to take vacations with and each and set up a single bank account, I don't remember who ran it.

But each contributed every month on a regular basis a fixed amount of money into that one bank account. I think it was four families did and every two years or so, took a vacation that by structure was fully paid for. What I loved about it and I do it now, so we have our version of our group of friends and I ran that group account and we have been doing it for enough time that we started out with one monthly expense everyone puts in and we have upped it a little bit.

To try to increase the quality of vacations every few years or go on vacations slightly more often but it's that budgeting for the thing that would otherwise feel like you are dipping into savings for. That is easy to skip but that is so important, which is for us it is vacation. Just the luxury of doing something. It started out before we had kids, now it's with our kids and traveling as families. That little technique really served us.

Because I'm certain I have taken more vacations as a result of being forced to because I was sitting in a bank account with other people's money and we had to spend it rather than having to plan for it and wondering if we had the budget for it and spend it all at once.

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FT: That's a great idea. How did these conversations go ahead of time as far as how much are we contributing? How do you decide on that? I think that is a really great technique.

But I think that some of us might still be wondering, "Well I know that the automatic contributions sort of make everything easier." But you still have to have a conversation about what everybody can afford and some people might be able to afford less.

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EC: So true. For us, it's let the time last longer and have it be less per month so that it really doesn't feel like a painful contribution and also it starts with as many of you sitting around, a round table with a glass of wine as a start to we should all vacation together conversation because that helps everything. So that was actually the origin of it. We had already had I think one or two glasses of wine.

We were with our tight group of friends and something came up about how my parents used to do it and someone, not me or my wife actually I think said, "Oh my goodness, we need to do that too." And I realized I have this old bank account. I forget why I had some old bank account that had no money in it and everyone set up an auto pay into that bank account by the time we finished the bottle of wine.

And so we started out with what was a relatively low amount of money I think for everyone on a monthly basis and it took us, it was the first time I think three years before we took the vacation and then that filled the next one. So again, you didn't call out the more sensitive topic. It is not even about how much everyone needs to contribute. It is about who gets to choose where we go and what we do.

Way harder, way more awkward debates on who chooses the destination than who creates the budget.

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FT: When is the next trip?

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EC: I don't know. I am not the one in charge this time but I took the first one.

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FT: Where did you go?

[0:21:17.0]

EC: We went to Jamaica and that was the other one, at least the first time we went it was an all-inclusive place, which made it even easier because literally you made no money based choices or decisions from the day you started your vacation until the day it was over and the bill had already been paid and it was paid out of something that was in a bank account that no one saw anymore and it really helps you feel like you're splurging without you having to worry about the budget because you have already budgeted for it.

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FT: And they say the best things to spend on are experiences and to do that with your friends, I think that is such a luxury but really, a way to use your means to deliver more happiness in your life. It's been

proven, the science doesn't lie. That is actually a fact so I love that tip. I'm going to think about maybe implementing that myself. I bet a lot of us could.

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EC: I am very proud, I will tell my parents.

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FT: Yeah, do they still do it? Do they still participate in this group vacation?

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EC: They do, same four couples. Yep.

[0:22:25.8]

FT: This questions from one of our sponsors, Chase, and it is about financial goals. So what is one thing that you do with your money Eric that helps you achieve your financial goals? Is there a system you have in place? Is there a habit?

[0:22:38.9]

EC: I am also prepared with this question because you warned me and the truth is I am a one trick pony. So it's a related answer but I just keep separate bank account for stuff. So I have another bank account that I use for all of my fixed expenses that I know well in advance. I have mortgage and student loans and those kinds of things and so I waddle contribution to that account and then out of that account is auto paid, those kinds of monthly expenses.

Which kind of forces and allows me to understand what is left in the account that I love out of and so I do the same, I force fix a contributions to the savings, force fix contributions into those auto expenses and what I am left with is a little more visual view of my monthly spending that might fluctuate, which

helps me managed. I say me a lot but to be honest, my wife is a big part of both these mutual decisions and structure.

And is frankly just way better at it than I am but you asked me the question so I realized I am speaking in the first person but just I would repeat everything to be more accurate.

[0:23:50.5]

FT: That is nice I like that. I do that too. Don't trust me, it's just – yeah, I think when you get married, I don't know what you guys did with your finances but my husband and I still keep things pretty separate. That is just us, we do have a shared account but I think it's sometimes important to remind yourself that you are team because it can feel a little like I am doing my part and he is doing his part but really you are all working in cooperation.

You work in real estate now Eric, which given your background, you have a JD and an MBA from Columbia. Is there where you envisioned, kind of implement like putting to play all of your academic background and do you feel like this is a natural progression of where your careers led you?

[0:24:34.6]

EC: Well I mean now I do, only because here I am. I don't know if you found this too but the roller coaster path of wherever you end up, you never quite predicted in advance. So now I would have, I knew nothing of real estate when I joined when I joined this firm and wouldn't have expected that I end up in real estate just because it wasn't on my radar but oh my god, I love it and it turns out as I learned more and more about this industry that it is so –

What's the word? Inspiring to me to be working in this space. I am sure lots of folks will like this but for me having that noble purpose and passion is so important for me to want to get out and work every day and the thing that I wouldn't have thought about in real estate, it's almost like a double whammy of what gets me excited to get up in the morning. One is the core of what we do, which is help people experience the joy of home ownership.

Help people buy and sell their homes, help people through like we said, what could be the most expensive and often most daunting transaction in their lives but there is a whole other side to it, which is the entrepreneurial spirit and role of a real estate agent. In the business that we are in, it's the brands that we manage and the brokerage that we run. That really means that our customer, who we serve as the real estate agent.

Ironically, my father in his retirement became a real estate agent. He's with Corcoran out on Long Island and Corcoran is one of our brands at Realty and that was about a year before I happened into this role but before that, I had very little experience. I hadn't bought a home yet, very little experience with real estate agents. These are the epitome of entrepreneurial American spirit, the skill and the talent to be successful in that business is so impressive.

But also so accessible, hard work really can create something amazing out of nothing and so, I just – the opportunity to create the platform for really driven entrepreneurs to create a business and then grow that business and to watch the success breed from that is so inspiring and I think it is at the heart of what I think about as the American dream, which is ironic because you think about buying a home being part of the American dream and so being in the business of real estate you get to touch both.

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FT: You know what is inspiring to me is your dad becoming an agent, a real estate agent in retirement. That is #goal. That is something I want to do so.

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EC: I'm sure he could coach you in that. My father was made for this role. It takes a very particular type of talent to be a successful real estate agent especially out in Eastern Long Island where he is and he loves every minute of it.

[0:27:48.2]

FT: Yeah, I mean you're right. As an agent you really have an opportunity to befriend your clients too. I remember growing up, we move so many times. What was constant though was our real estate agent, Aileen and she would drive us around all the different neighborhoods. I mean it was years of working with her and eventually it just became a friendship and the only sad part of leaving the state. Eventually we moved states was parting ways with Aileen but I will never forget her.

And I think that is who planted the seed in me to really appreciate like real estate and negotiating and all of those adult conversations that she let me in on as a nine year old. I think gave me a maturity around just what real estate can do for you and have the excitement around buying and selling, so thank you Aileen.

[0:28:38.6]

EC: Thank you Aileen. It really is amazing how many times I've heard some version of that story too, since I have joined, since I have been part of this industry. I think I used the term before but 'sherpa' really is the right way to describe the role of a real estate agent. It is so all encompassing. We often think of it as it is your trusted adviser and really important and what should be exciting but could be difficult moment in your life.

That's the inspiration for a program like Turnkey too not to bring it back to the program we just launched but I'm at least doing it with integrity because I really believed in it. The ability to provide that trusted adviser to someone at the right moment and do it with the backing of real benefits, real support. We've got a whole bunch of really amazing Aileen's out there. It is not always easy to find and it's great that you and your family were able to make that connection.

And I don't know how many other Aileen's you might have met before you landed on this one and the right one and the right one for you and so that is a big part of what Turnkey is designed to do. I think there is a great hook in a really valuable benefit. We use the dollar amount, a thousand to \$5,000 of value and benefit because it is enticing and it is exciting and it is a really big part of this program but the truth is, I think the most unique part of the program that we've launched is for both sides of that stressful moment.

Both finding and buying and closing on a home and then settling and moving into a home, we provide you with the peace of mind to the right support network, the right team, having the right agent, having the right vetted professionals that you know are going to be really good at painting your home. Really good at hanging your TV and not screw up installing your new ring doorbell that kind of stuff is super important too.

When you are making a decision like where to live and then how to set up your home, you can't afford that advice. Turnkey was named Turnkey for a reason. It is supposed to be that stress free easy way to handle what could be a stressful difficult thing and going to a home buyer or a would be home buyer to provide that kind of peace of mind is perhaps the most exciting part of what we've designed.

[0:30:49.9]

FT: Well thanks for bringing it home, Eric. You are doing my job for me. You're an ideal guest here. You are wrapping things up so beautifully. Everyone, check out [Amazon.com/turnkey](https://www.amazon.com/turnkey). This was the inaugural launch this week. So we're really excited to be sharing this and if you are in the market, anyone listening to buy a home this year in any of the 15 – is it 15 now, 15 cities?

[0:31:14.7]

EC: That's right, 15 metro areas. I like to say it is not just a city. It's very easy to miss that if you see Washington DC but you live in Arlington, if you are along that pretty broad radius we'll cover you.

[0:31:27.2]

FT: Awesome.

[0:31:27.3]

EC: All 15 cities are listed on the website. I can name them now if it is not too stressful.

[0:31:32.3]

FT: Well 15 is a lot.

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EC: Well are you ready? I can do it quickly. Ready?

[0:31:37.2]

FT: Okay, yeah, you need to go, go for it.

[0:31:38.5]

EC: We have been designing the program for a while. So San Francisco, DC, Chicago, Dallas, Forth Worth, Seattle, Phoenix, Houston, Atlanta, Denver, Tampa, Orlando, Minneapolis, St. Paul, Charlotte, LA, Sacramento. Did you count? Was that 15?

[0:31:57.5]

FT: Fantastic. I didn't count to be honest but I trust your word.

[0:32:00.4]

EC: Or metro area if you're nearby those cities and interested, please come to amazon.com/turnkey and find out if they neighborhood you're looking for is eligible. We'll be hopefully looking and expanding into both more markets and outside those markets as soon as we can.

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FT: Eric Chesin, thank you so much and congrats.

[0:32:18.3]

EC: Thank you.

[END]