

**EPISODE 273**

[INTRODUCTION]

[00:00:32]

**FT:** Hey everyone welcome back to So Money. I'm your host Farnoosh Torabi. This is gonna be an episode to top episodes. He's a regular on Bravo's Million Dollar Listing Los Angeles, and co-founder of the Altman Brothers Real Estate Group. You probably know him, Josh "The Shark" Altman. He's a real estate power house and top producing agent with big name clientele. He has sold over — get this — a billion and a half in real estate. What!? I'll let that sink in for you..

Josh prides himself on the fact that he knows every aspect of real estate. Prior to appearing on Bravo's hit show, he was a successful property developer who flipped for profit properties all over LA. And now he and his brother Matt have closed some of the biggest sales in LA County history, and he talks about some of them on the show including, for example, the recent sale of a home in Beverly Hills for over \$20 million, which will go down as the biggest sale in Beverly Park South history. And he just came out with a new book at the end of last month, which is why he's here with us today. It's called *It's Your Move: My Million Dollar Method for Taking Risks with Confidence, and Succeeding at Work and Life*. In it her reveals his trade secrets and offers aspiring entrepreneurs and professionals tips to help out smart the competition.

Three takeaways from our time together: becoming a millionaire by age 26 and losing it all the next year. What happened? I asked Josh, "What drives you? The money? The power? The prestige?" We talk about how he uses Starbucks as his number one hotspot to find new clients and then he goes down memory lane sharing the time he met Tyler Perry at the gym and convinced him he could sell him his house. And guess what? He did, in the same day!

That's Josh Altman. Here we go.

[INTERVIEW]

[00:02:26]

**FT:** Josh Altman, welcome to So Money! I think you're a living, breathing So Money persona in the flesh. I mean you're So Money literally, you're So Money just metaphorically. I mean come on, right? You embody the So Money spirit.

Welcome to the show!

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**JA:** Thanks for having me. I'm not gonna lie, that's two of my favorite words right there: So Money!

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**FT:** So Money! I like how you say it. Well, congratulations on your latest achievement, *It's Your Move: My Million Dollar Method for Taking Risks with Confidence, and Succeeding at Work and Life*. I wanna talk all about that, but before, gotta talk about the show "Million Dollar Listing LA", it's one of my favorite shows. I was watching the episode last night and give us something that viewers don't know, like a behind the scenes something. Give us something!

Cause you know, we all watch the show and we always wonder how these shows get created. Is it really all real? What's going on? Is there a formula? Give us something fun or interesting that's behind the scenes that most people don't know about the show.

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**JA:** Yeah well I'll tell you this, what most people don't know is, or what they think as they watch the show they think real estate's the greatest thing in the world and that we make \$100,000 an episode in commission, we close deals in an hour. And the reality is that this is a show that we tape 10 months out of the year, which is longer than any other reality show out there. A lot of these deals that you see, these aren't over night. I mean we're taping these sometimes for six, seven, eight months. So it's never as easy as it looks!

You know, I get inundated with emails of people saying, "Oh I wanna be in real estate, I wanna make money like you." And I constantly have to remind people, "It's not that easy!" It took me six months to close my first deal and I failed my real estate exam twice before I passed. And this is 12-13 years of coming up to LA and really grinding every day to get to where I am today. So it's never as easy as it looks.

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**FT:** I'm an East Coast girl, from actually Massachusetts too, like you. What made you wanna go out to LA? Cause it's such a difference out there. You know, the people, the culture. What made you wanna go out there? Why not sell amazing homes on the East Coast? There's a lot of beautiful properties here.

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**JA:** Well for me it was, one of the reasons was cause I wanted to be in business with my brother. It was really tight family that I grew up with and Matt was out here, and so that's why we started the Altman Brothers. And also to be honest with you, I had lived in New York City for about a year and half after I graduated Syracuse University. And for me, I was always drawn out here cause it's beautiful, the sun, the fancy cars, the nice big mansions with the beautiful lawns. There was a lot more for me that appealed as opposed to New York City.

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**FT:** Although I read on BostonGlobe.com you said that the East Coast mentality is more aggressive, it's "take no prisoners" and that actually was great that you were raised there because then going out to LA it's allowed you to be very competitive.

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**JA:** Yeah, yeah. I totally agree with that. I love the East Coast mentality, which a lot of my friends are in New York and Boston still have obviously. And I always tell them, I say it's so different out here. It's a great place to come out and bring that aggressiveness. And you know

listen, that's kind of what helps us get to where we are today. You gotta realize, when I moved out to LA I didn't know anybody, I didn't have any money, my brother and I, we lived in a fraternity house on one of our friend's couches and we weren't even part of the fraternity. I couldn't afford a car, and I rollerbladed to the mailroom every day to make \$7 an hour.

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**FT:** [Laughs] I love that!

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**JA:** So you know, when you watch the show you're like, "Oh he probably had it handed to him, or this or that," and it's not. Which is one of the reasons why I wanted to write this book was, not only to tell people my story, but also to teach people. Hopefully they learn from my experiences and my mistakes as well. And you know, working our way up and it's a little bit of what people like to say, "Well you just got lucky." But what I like to say, which I talk about in my book, which is talking about calculated confidence and the "ready-fire-aim" mentality and choosing to be lucky.

There's this story that I talk about where I'm at a Starbucks and I meet a guy in line and I drive him to a house right after we're in line, and I sell him a \$12 million house. And a lot of people say, "Well that's just lucky. That's just because you were in the right place at the right time." And the truth is...

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**FT:** Well you drove him! You drove him to the house. [Laughs]

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**JA:** Well yeah, you know what? The truth is is that I go to that same Starbucks every morning for the same reason. It's not for the coffee, it's because I know the type of clientele that I'm trying to go after, and I know that all the rich people in Beverly Hills go there and all the

celebrities go there. And so I'm putting myself in a situation where I choose to be lucky. It's not just random luck, I put myself in situations like that. So there are lots of stories and examples of how you can do that too in any business that you're in.

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**FT:** And what I also like about your book is that while you are this real estate guru, it's not just for real estate, entrepreneurs that you can actually take the steps and the secrets from this book and implement it into your own professional life. Whether you are an entrepreneur in real estate or elsewhere.

What's one example of taking a risk with confidence, as that's part of the subtitle of your book? What's one thing that people can implement perhaps even as soon as they get off this podcast?

[00:07:55]

**JA:** Yeah so there's a story that I talk about in my book, which is when I meet Tyler Perry at a gym at 7 AM in the morning. And I go back and forth if I'm gonna talk to him, you know I'm a little nervous, he's a billionaire but obviously an ideal client for me. And I say, "You know what? I'm just gonna do it." I go up, I talk to him, by 10 AM I'm showing his house, by 4 PM I got an offer, by 5 PM we have a deal for like \$11 million on his house all in the same day.

And you know, people in situations like that, majority of people will say, "Ah forget it, I'm not gonna do it." You know I live by this mentality, which is this ready-fire-aim mentality, which is you gotta realize when there's an opportunity in front of you, you have to capitalize on that opportunity, and if you mess up that's okay you just gotta redirect and finish strong.

And that's a perfect exactly of that and calculated confidence is I knew what I needed to do, I made sure that he knew what I do and that I'm very good at what I do. You believe in yourself, you trust your gut, and don't second guess yourself, and do it! And that's a lot of what I talk about in the book and examples like that on how you too can be that way.

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**FT:** How did you break the ice with Tyler?

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**JA:** [Laughs]

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**FT:** What'd you say?

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**JA:** I told him I know where he lives, so that was a little weird!

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**FT:** [Laughs] Scary!

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**JA:** [Both laugh] But then I said, "No, no, I know where everybody lives. It's my job, I deal in high end real estate, this is what I do. I know your house is a beautiful house, I have lots of clients that would love to see it. Is there any chance you'd be thinking of selling for the right price?" But it wasn't just saying it, it was saying it with confidence and then allowing him to understand that I'm just not some random fan at the gym that's coming up to him, that I mean business.

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**FT:** What motivates you Josh? Is it the prestige? Is it the power? The money? I mean if you had to rank it, what's number one?

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**JA:** So for me the way that I'm wired is I'm the guy who'd rather be closing a deal than sitting on a beach on a vacation. That's the way that my brain works. I hate being in places that are slow, I love the fast-paced environment, I love wheeling and dealing, negotiating in a board room, or having millions of dollars on the line. It's not the money, it's the process of the deal. It's the art of the deal, it's the rush of the deal. That's what keeps me going. You know there's gonna be good times and bad times in any business, especially real estate. And you know listen, I was a millionaire by the age of 26 — by 26, and I lost everything by 26 and half. So you know...

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**FT:** How? How did you, let's talk — can we stop and talk about that for a second? How did you lose that money and speaking of failure, you talk about failure in your book — not to interrupt you cause I didn't want you to stop, but I am really curious to hear what caused you to lose the money?

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**JA:** Yeah so I had, my brother and I, we saved our money that we had while I was working in the mailroom and he was working somewhere else. We put 10 grand, which was five each that we had, and we bought a place for \$400,000 with 100% financing and that was the time when you could do that. And we actually flipped the house and made \$200,000, which was at that moment I knew real estate was for me and I was never gonna do anything else.

We kept enrolling that money into bigger and bigger properties until 2007-2008 when the economy collapsed and I ended up getting stuck in a house that I couldn't move, and I had lost all the money that we kept enrolling into the next, into the next one. And for me that was a very tough time. I was depressed, I thought that I'd never be able to get back to where I was.

But now looking back it was one of the best learning experiences I could have ever had and it shaped me into who I am today. I learned I'm never gonna be that person who's buying stuff that I can't afford, who's reaching to get something done, that there's different ways to think about

how I approach businesses now. So that was a great learning experience for me, now looking back. But that made me into the type of person that I am today.

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**FT:** What's your number one money habit Josh? We talk about financial habits on this show, you know what you do on a consistent basis that helps o keep you financially healthy and keeping the money coming in and managed well.

[00:12:15]

**JA:** Well I think that's a very important question because I think a lot of people are sometimes unfortunately only gonna learn when it's too late. But what I've learned is, the second I get a cheque, I take half of it and put it into a separate account, that I cannot touch, that goes to taxes. That's right off the bat. There's so many people, especially in the County of LA where everybody's trying to "froth" let's say, or show off that spend money that's not really theirs that they gotta give to the government. So that's my number one rule, so I don't even think I have more money than I have because it's already in a different account that I don't even look at.

But also I think it's important when you invest, you invest in something that you know. Personally I like to invest in real estate because I'm an expert at real estate, I like to drive down the street and see my investment, touch it, you know what I mean? That's what I like to do. And also when I invest in something it's gonna be something that I use. If I like Colgate toothpaste, then I'm gonna invest in Colgate. You know what I mean? I don't invest in things that I don't use. That's my investment strategy personally, it's worked for me and so those are some of my secrets.

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**FT:** What did the real estate crash teach you, if anything? I mean was it just an unfortunate circumstance? Or did it teach you that real estate is not really something that should be considered to be like an "investment" that you should buy what you love and plan to live in it? I mean what was your takeaway, your biggest takeaway from that economic calamity?



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**JA:** Yeah so, well y biggest takeaway's that nothing's a home run, nothing's a sure bet. But what I did personally take away was that I now, whenever I buy real estate, I only buy prime real estate. Because in good markets or bad markets, you always have to look at what your exit strategy is in a worst case scenario. So when I buy a property now to develop, I don't go off of the number of whatever body else's saying it will be worth. I go off of the number that I know that I can literally get rid of this property tomorrow for this price if I fire sale it and I need to be okay with that.

So that's one of things I learned, and also as far as real estate goes, if you have an option to buy a house in a better location or get more house that's not in as good a location, I always say, "Go for the smaller house in the better location," because location is the single most important thing. And if you do have to move it, you'll be able to move something in a good location a lot faster.

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**FT:** Location, location, location!

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**JA:** That's it! That's true.

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**FT:** You sold a property, I read, for \$21 and half million. It was a one bedroom?

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**JA:** Yeah that was a famous house that I sold, it was the Dick Zanuck Estate who's one of the most famous movie producers of all time in Hollywood. Yeah it was an incredible property, it was a one bedroom cause he built it for himself.

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**FT:** I saw that episode, yeah! Beautiful landscape.

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**JA:** Yeah, we had fun. Yeah it was a beautiful place, unfortunately it no longer exists.

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**FT:** They wanted — they just bought.. [Laughs] So I can only imagine the commission after taxes. Would that classify as your So Money moment? I always ask guests, what's your So Money moment? [Both laugh]

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**JA:** You know when I feel So Money, to be honest with you? Is at the end of the day when I come home to my beautiful fiancé, my three little dogs lick me, and that's when I feel So Money. Of course when I was younger it was all about how much money I have and how much money I'm making. I'm not really at that spot anymore because you realize that there are more important things and happiness and balance in life and your health.

So yeah, I mean you know, you have different moments in life. Right now I'm very happy where I am and just building my company and trying not to stress myself out too much.

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**FT:** Well yeah, and you're planning a wedding right? That's kind of stressful.

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**JA:** Planning a wedding, a go around the world doing speaking engagements, we've got the book that just came out, taping the TV show, and trying to sell a million dollars of real estate a day. So I got a full plate.

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**FT:** Is that the goal? A million dollars of real estate a day?

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**JA:** Yep. Yep that's what my brother and I are on track to.

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**FT:** So how do you come up with that goal? Is that just a fun thing to throw out? Or I mean is it really hard to achieve? What's the idea behind that?

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**JA:** Yeah no, you know it's very difficult to achieve for sure. And you know we've been top 25 in the country for three years in a row now. It's a goal that we thought was do-able, but was gonna be very difficult. My brother and I always like to make big goals, not just stuff that we think we're gonna be able to achieve. But even if we do miss, we're still gonna be happy with the results. But we're all about "go big or go home". There's lots of opportunity right now in real estate, but there's lots of opportunity in other businesses as well.

And I think the most important thing about the book that you can take away is the tips for having more confidence in your decisions that you make, that you gotta take chances, and you just gotta — no one's gonna give it to you. You gotta go out and get it. Listen, I have interviews every day that people come in here wanting to work for us. And everybody thinks that they're just gonna land on some plush job, these kids getting out of college, and that they're gonna

make a lot of money or that luck's gonna happen. It's not! I find that people are a lot more lazier than they used to be. If you want it, you gotta go out and get it, you gotta take no for an answer.

One of my top agents who started as an intern saw me on the street driving one of my classic cars on a weekend, and he literally pulled up to me — and I drive pretty fast — and he said, "Listen, I wanna work for you." I was like, "Sure you do buddy," and I sped off. And then he caught back up to me again and said, "No, no. I'm serious." I said, "I'll tell you what, here's my office phone number, get my email and send in your resume." He ends up showing up at the office for about two months straight, every day sitting outside my office hoping that I was gonna meet him. I eventually said, "You know what? I'm gonna meet with you cause I don't want you coming into my office anymore."

I ended up hiring him, he's now one of my top agents. He went after it, okay? Most people would not have done that, they would've left after the first or second day. He said, "I want this, I know this is something that I want and I'm not gonna stop till I get it." And all I can do is respect that because it's the same type of attitude that I had and now obviously it worked out for him.

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**FT:** And he's one of your top sellers, that's amazing!

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**JA:** Yep! Yeah he came on the show.

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**FT:** Yeah I think I remember seeing him.

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**JA:** [Laughs]

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**FT:** And who knew he was gonna get a TV appearance out of it too? That's pretty awesome.

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**JA:** Yes, exactly.

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**FT:** Let's do some So Money Fill in the Blanks, I start a sentence and you finish it, first thing that comes to mind.

[00:19:06]

**JA:** Okay.

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**FT:** If I won the lottery tomorrow, let's say you win \$100 million — let's make it even bigger cause I know maybe that's small potatoes in your world. Like \$365 million, cause let's say you meet your goal for the year — first thing I would do, of course after paying my taxes, is \_\_\_\_.

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**JA:** Oh you know what? I would call up my entire family, I'd get a global express plan, go pick up everybody, my family and friends, and we'd go get on a mega yacht in the Mediterranean and just drive around for a week.

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**FT:** Nice! Excellent. The one thing...

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**JA:** And by the way, I would give 25% of it away cause it's so much money, you don't need that money.

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**FT:** It's too much! Yeah. you don't need it.

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**JA:** 25% of it would go to charity.

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**FT:** You could change lives, yeah. You could definitely change lives.

Well one thing that I spend my money on that makes my life easier or better is \_\_\_\_\_.

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**JA:** Well actually I always over pay all of my assistants, and that's what I spend my money on. Because I think a happy work environment is super important, and you have to have people that wanna be there and trust you. So I always spend my money on my employees.

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**FT:** One thing I wish I had learned about money growing up is \_\_\_\_\_.

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**JA:** Money is for lending, not for spending. Hard earned money lending, leveraging your money is super important and you could really make a lot money off of your money.

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**FT:** Investing, absolutely. When I donate I like to give to \_\_\_\_ because \_\_\_\_\_.

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**JA:** I have a couple, a few charities that I love. One of them is Wounded Warrior Project, which takes care of wounded soldiers. That's one that's near and dear to my heart. Also anything that has to do with rescue animals. I rescue dogs and they're my favorite things in the world. So those are two that are important to me.

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**FT:** And last but not least, I'm Josh Altman, I'm So Money because \_\_\_\_\_.

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**JA:** [Laughs] Because I am the hardest working persona you have ever met, and I'm self-made baby.

[00:21:13]

**FT:** I love it! Congratulations Josh. The book everyone, *It's Your Move: My Million Dollar Method for Taking Risks with Confidence, and Succeeding at Work and Life*. Hey, wishing you the best. The show this season is better than ever and I know you've got a lot on your plate. Give our best to Heather, congratulations to the both of you and thanks for coming on the show.

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**JA:** Thanks so much for having me. I had a great time! Talk to you later.

[END]