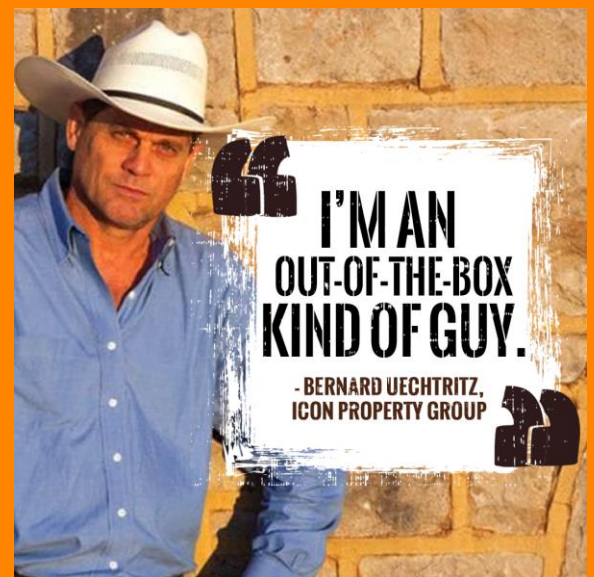


THE **small** BUSINESS BIG **MARKETING** *show*

INSANELY EFFECTIVE MARKETING

Episode #446

Imagine selling a property for \$994 million ... Real estate agent Bernard Uechtritz did - Here's his sales tips



www.SmallBusinessBigMarketing.com

Bernard Uechtritz Interview Transcription

Tim

What took you to the US in the first place?

Bernard

I left Papua New Guinea in the late 80s 88 89 and I originally traveled. I was traveling around the world. I was going to meet a mate of mine in Greece and I got to America and didn't get past go. I flew into Kentucky. Fell in love with it. I fell in love with a girl there fell in love with the horses there started playing polo and 25 years later here I am married four kids and have been really lucky.

Tim

Let's talk you real estate background you've got an amazing history there. I understand that prior to moving to Texas you spent some time in Beverly Hills selling some pretty interesting homes including Jose and Kitty Mendez who were murdered by their two sons. What was the selling pitch on that one?

Bernard

You know truthfully I was more in the Malibu Hills Calabasas area and Jose and Kitty Mendez back in the day they had a compound in Calabasas fairly large compound and they had just moved into it when they were murdered by their sons Eric and Lyle and a world famous case. And unfortunately as bad as it was it pales by some standards today. It was pretty famous and the property had been on the market for a long time and it was stale and it was stagnant and it was stigmatized. Obviously I walked into the lawyer's office one day that was handling the case and it took me two or three months to getting to see me and I went in and I gave him a pitch and the pitch was you know I want a no holds barred way to sell the property and I'm going to do this this this and this and that. If you have any problems with it let me know. Now he stood up and there was a white board behind him and he said he wrote on the board just sell it. Do what you got to do. And that was it. And I had it sold I think about 90 to 120 days later.

Tim

Okay so there's two big questions there because I know myself and my listeners are always so interested in how do you get past the Doberman's. So how did you get that meeting with that lawyer who I'm guessing is just hard to get guy and you mentioned this this this and this is the way you were going to sell that stigmatized property. What were those points?

Bernard

Well to get past the Dobermans as you say it was just constant calling and there was no e-mail in those days so it was faxing and sending packages and just sort of barraging the guy until he agreed to see me.

Tim

You weighed him down.

Bernard

Yeah. And the accent didn't hurt. And it was a different approach and that's always been a little bit of an advantage for me over here. Americans generally like Australians and the door is more often open than it is closed because of your passport and your accent. And so I've been really fortunate in that regard. And with regard to the how I went about marketing it. Look it was a long time ago but I know it went something like I want to put out press releases that say that the estate must be sold to fund the case that the lawyers want their money etc etc. put smell of a bargain in the air and I want to be able to say that if I don't get an offer by X date then I'm going to auction it and auctioning it in this country has a different connotation than it does in Australia. Most properties in Australia when they go on the market they're up for auction and everybody comes by. And generally speaking in bids on the property over here it's a lot different. If you put the property on the market you market it conventionally you put in multiple listing service you know all of those things. Auction is not a huge way of selling property over here and usually signals that the end is near and there's blood in the water.

Tim

Buddy you say the smell of a bargain kind of overcame the stigma of a house that people were murdered in. Is that really what happened who ended up buying it? And did they just not care about what had happened previously?

Bernard

The family that ended up buying it we became great friends with great partners for 25 years. Yeah yeah as luck would have it and the great people. But you know that sales started a career for me in stigmatized properties or properties in the business over here on bankruptcy litigation divorce Estate Division probates things like that and that's really what I built my career on that was kind of the mainstay of the core of my career I mean I've done a lot of other things I've done developing and but what you generally have to do with the property that is stigmatized. You have to level the playing field. You have to be 180 degrees different from anything that was tried before. You have to give it a fresh appeal and

create new angles. You have to campaign that property so that from a marketing standpoint so the opening up new avenues new ideas and widening your centric circle of buying clients.

Tim

It's a common theme on this show the past few weeks and a theme that I love which is challenging the conventions of the category. You know the old saying you know you do what you've always done you'll get what you've always got. So there's such courage in flipping things 180 degrees isn't there?

Bernard

I don't know about courage. There's certainly a lot of fear involved and in my case fear of failure and that goes back to a guy that.

Tim

Less courage.

Bernard

Well yeah I guess that is you have to summon it like the proverbial lion but fear of failure is a great motivator when you are born and raised the way I was and I went to the 10th grade at the Southport School and I did a year out of Longreach college and neither of which really prepared me for America and what I would eventually do so I have always come from a place where I haven't been highly educated I have to create my own path and if you've got the pressures of a wife and kids and survival and to put food on the table you figure it out pretty quickly

Tim

Working in Malibu and Beverly Hills are that part of L.A. You must have worked with some very high maintenance clients. I'm guessing.

Bernard

I did, and I have.

Tim

And you continue to

Bernard

I continue to I work with a lot of celebrities both in front of the camera and behind the cameras here. What makes them high maintenance well very often people that have a lot of money or come into a lot of money quickly aren't always really that well versed in real estate and the buying and selling and generally transacting real estate. And so there's a lot of handholding a lot of coaching and in my early days I would sell what most people in Australia would call mansions you know whether it's in Hollywood or Beverly Hills or on the beach in Malibu or in Calabasas hidden hills that sort of thing. And there is generally a very high maintenance clientele lots of wealthy housewives and they believe that you one to have the house that was just that much better than the next person.

Tim

Do you ever have to pull them aside and say look I'm going to get you because at the end of the day what they want the best price they want to sell their house they want the best price but they're high maintenance getting in the way of you doing that have you ever had to tap them on the shoulder and say hey listen I'm here to do the best thing by you but boy oh boy are you making it hard champ.

Bernard

Well in my younger days I didn't have that many of those conversations but I had some. And I used to bring a lot of people into real estate and teach people the art of selling and marketing and all that kind of thing and I would tell people and take my own advice that the best revenge you can get on a bad client is to actually get the transaction done whether their seller doesn't want to sell or making it harder whether they're a buyer that's trying to find a seller. The best way to stop taking them around in the car and putting up with them is to get them in a deal and close the deal.

Tim

You're a gentleman you'd never have those conversations get on with the business.

Bernard

I've definitely been called other things.

Tim

Well actually they'd excuse you for the accent. Oh he's from down under. Well excuse him. Now listen let's talk Waggoner in your own words. Let's assume that I've got a lazy kind of 994 million dollars Australian in my pocket. Pitched me the Waggoner.

Bernard

The Waggoner is absolutely without question. A once in a lifetime opportunity for a buyer. It's a ranch of historical proportions legendary in terms of the ranch itself the political and social prominence of the families back in the late 18 hundreds and the roaring early nineteen hundreds of twenties and thirties so much legend and awe attached to it. And it is the last of a dying breed it's the last or second last if you will in America of the great name ranch's you know there's lots of lots of big ranches around in America or stations we call them in Australia but this one is really special. Firstly it's over half a million acres under one fence contiguous land. And that's very hard to find. The King Ranch people say oh well the king ranches big. Well theoretically it is but it's also in five stations which are spread apart kind of like the Kidman place. You know it's it's over several states and it's certainly not in one block so this is over half a million acres in one block under one fence. One of the most exciting things about this opportunity is this family has owned it for 165 years. No part of it has ever been sold. They've been a very private family. There's been much said about fighting and things like that but it's not all true. That's blown up by the media. Certainly they for 20 years disagree on various things about how to wind up this state how to liquidate it whether one was going to buy the other out in all those sorts of things but when you have a big family obviously there's lots of opinions and this wound its way through court for the last 22 something years and with some good luck and good timing and hard work. I managed to beat a guy that took the deal down

Tim

Whoa whoa whoa. Says the cowboy. How did you get the listing?

Bernard

Well like I said it was fortuitous, but it was also a lot of hard work a lot of fun as I like to say to people here. At times it was just been sabotaged undercover work. All of those things that go into a listing like this. It was a highly charged environment for a start and had been so for quite some time.

Tim

I understand that you went to the micro detail if that's the right phrase to even sit at the back of the courtroom during the judgements when it was decided should sell should not

sell. Who's going to be responsible like you were just there the whole time in the back room?

Bernard

Well you have the sort of undercover for a year before things became public and like anything you have to act and know what it is you have to research what it is you're doing and then figure out what the angles are. And I was fortunate enough to be asked by first one lawyer associated with the case and then the other to be involved. There was hundreds of brokers over the years that had put up various schemes and programs and proposals but I think that if I could say one thing that got me the deal probably more than anything else was a combination of your tenacity. One I think and just some passion for it I'm very passionate about the ranch I believe in what it is I believe and what it was I want to honor that and I want to believe very much in what it can be in the future and so for me when I say to you that the wagon ranch is the last of its kind and I wax on a prophetic about all its history and legend and what I really mean it. I've researched it I probably know as much or more about that ranch as anybody today and I immersed myself in it. But I think to be to be honest with you and to be transparent about it wasn't some other BS brand that got this deal and the receiver was my client and the shareholders who were sort of secondary clients who will probably tell you that and I think the lawyers will tell you that as well it was about. I think what got me the deal was that I cared enough to really go into all of the reasons why this ranch shouldn't be auctioned because the fact of the matter was that the decision had been made by the receiver to auction it he had interviewed. I know less than seven international name brand companies but this is the kind of a deal that requires you to be fleet of foot and it requires tenacity and requires people skills and it's not a one size fits all deal and I spend a lot of time talking about why an auction was a last resort not a first alternative to this when it had never really been given a chance on the open market.

Tim

We're talking about a property worth close to a billion dollars Australian. Was there a hard business decision that you think secured you the listing did you drop commission have a better marketing plan?

Bernard

There was almost 12 months of meetings at 2:00 in the morning meetings and off location secret meetings with various factions and parts of the equation. But all that really came down to one day in court and we were literally you know Sam and I were negotiating this deal. Then the court hearing was 1:30 in the afternoon and I think we finally finished negotiating the deal about ten thirty that morning it went right down to the wire. I knew that I was sort of in there if you will you know a few weeks before that but there was still the crossing the t's and dotting the i's in certain clauses and things that had to be and

provisions that had to be implemented and it was a big moment not just for me and Sam obviously but it was a big moment for the families. I mean the one thing about that decision which both lawyers reminded me of after the court hearing was the decision to hire a man Sam was unanimous by all the shareholders all the lawyers and all family members involved and that was a first for you know 25 30 years.

Tim

Okay let's talk the marketing you've got the listing who's acquiring?

Bernard

In this country. It's the usual suspects that one would imagine that acquire land of such magnitude and there's a few of those kinds of people there's a thing called the top 100 landowners list in this country. It's put out every year by one of the local magazines here and so it's those types of people that make a career or a retirement career out of acquiring large tracts of land and cattle ranchers or Buffalo ranches things like that. So what I would classify as the usual suspects and then you have entities that are both national and international foreign domestic that are looking at it with different ideas about how to run it and how to leverage the brand and all sorts of things. There's people who are in the oil business obviously the oil and gas business in the energy business and there's people who are in the cattle business and I would say cattle and oil and gas are probably inland inquiries are the top ones but look we've taken this to the four corners of the world which is what I promised when I started this and we've had an incredible number of inquiries know almost 700 inquiries at this stage and there's a lot of dreamers in there but and certainly a fair share of scammers and promoters but there's some real quality people. We're down to a pool of about a dozen people at this stage in their iconic name type people and then there's some people you've never heard of. When you get up into that kind of money you'd be amazed at how much there is out there and what sources it comes from.

Tim

You say you took it to all four corners of the world. How do you actually do that. I imagine something like this doesn't require like some big fan dangled marketing slash advertising campaign I mean you just you quietly make phone calls. What do you do to get it out there?

Bernard

It's a series of things that firstly you know with the Sotheby's International Realty network there's I think 60 it's in 60 countries there's 16000 agents around the world. There's 700 and 50 to 60 odd offices around the world so it's expressing that but then getting out to all those franchises. Of these old locations worldwide. That's number one and that's probably

the biggest then it's my own network of private wealth management people political people celebrities' sports figures land owners people who know landowners all that sort of thing. A lot of lawyers.

Tim

So is it phone calls to these people or is it a letter?

Bernard

Yeah it's a combination. You know I find the best way is an email and a phone call depends on the target clientele as some might get a packet. Some might get an invitation you get a packet some you may not call intentionally because you want to be there. You want them to call you so you'll get your to the area and play that track.

Tim

What's in the pack that you sent?

Bernard

Well in the fact that I've sent as you have lots of pre qualification financial qualifications broker qualifications confidentiality agreements that have to be sent back and then it's a drip feed of information from there. Once people jump through the hoops they can get into an electronic data room they could physically come to the ranch once I say they're okay financially.

Tim

So once you do a inspection with a potential buyer what is it you do it in a chopper do you hop in a car for a week. What's an inspection look like?

Bernard

It's a combination of my truck and or my partner has a Suburban. And we've got sort of a three four highlights of the compounds kind of tour which is sort of a quick zip around during the day get out a chopper for an hour and a half or two hours early in the morning for the most part and then if there's more sort of it there's an eight nine hour tour and there's a three day program as well. So it just depends on sort of the interest level of the buyer and what it is they're looking at the ranch for.

Tim

Now I understand you're looking down the barrel I think I read somewhere of a commission of around seven point two million dollars. What are you going to do when it settles down?

Bernard

Whatever it is it will be well earned as I've said I just keep doing what I do which is more of this. I've got other things that I do. I'm a corporate receiver for another ranch it's nonrelated. I have other deals in the pipeline and things that I syndicate and I'm looking at one or two really special deals internationally at the moment that I'm ready willing and able to take on after I close the Waggoner. But right now the focus is on the way.

Tim

Every guest that appears on the small business big marketing show something wonderful happens they either get some media coverage or to speak somewhere. I may well introduce you to the buyer of the Waggoner you know funny things have happened. Any chance of a cut?

Bernard

If you're licensed and it's legal

Tim

You on Twitter so people can hit you up?

Bernard

No. I really don't. I'm a little bit different I'm a little bit old fashioned. I mean you're talking to a guy when I started real estate in California people didn't use computers. They didn't have laptops. We had a machine that looked like an old type typewriter with a paper roll in it which was our multiple listing service.

Tim

You sound like you miss the days of the fax.

Bernard

Some days I do smell fills up new emails overflowing.

Tim

Bernard thanks so much for sharing the insights into certainly the most expensive product that I've ever spoken about on the show and good luck with the sale.