

## Matt Theriault

**Announcer:** Welcome to the Eventual Millionaire podcast – with your host, Jaime Tardy. Real talk and real advice from real millionaires, with a sharp focus on you – the Eventual Millionaire.

**Jaime:** Welcome to Eventual Millionaire. I'm Jaime Tardy and I'm excited to have Matt Theriault on the show. He wrote a book called "Your Do Over", he's an entrepreneur and also a real estate investor and a whole bunch of really cool information has come out of him. I've read some of the book, I've read some amazing reviews on it and I'm so excited to have him on the show. Thanks so much for coming on the show today, Matt.

**Matt:** Thanks, Jaime. Thanks for having me; I've been looking forward to this.

**Jaime:** Me too. A mutual friend introduced us; I'm so lucky to be able to be introduced to amazing people like you, and it was really amazing because I started reading your book, reading the words of it, and I thought "Your Do Over" was ridiculously impressive, especially based on the story that you had. So why don't you get everybody else up to speed on what your do over was and why the heck you needed to do it in the first place?

**Matt:** Okay, sure. When I got out of the Marine Corps I spent the next 13-14 years of my life in the music business. I had this small, independent hip hop label but we had major label distribution and I figured out a formula to make a profit from just selling 30-40,000 units, which by music industry standards would be considered a failure and they would drop you from your label in a second. But I figured out how to make that profitable, so as long as we had a consistent release schedule it was a very dependable, reliable, not to mention a very fun business. In the last few years we were doing six figures a month, just myself, out of my bedroom, with a couple of friends. I didn't think anything could go wrong or anything could change, I thought I had life figured out, it was very easy, it worked. Then I noticed one particular month that we didn't sell our typical 30,000 units that was so dependable – we sold 25,000 and I was scratching my head because it was the same record, the same formula. The next month we sold 20,000 and the next we sold 15,000 so it was quickly diminishing. We decided to throw more money at it – just run the same formula with a bigger impact but it didn't make the slightest bit of difference. Then we realized that all the major music stores were going out of business or were filing for bankruptcy, so Tower Records and Virgin Megastore and Warehouse and Blockbuster and everybody was going out of business and what was really going on was that the digital download was creeping into the music business and it was really stealing market share, but what was happening was, as we were this little, independent hip hop label, and it didn't matter what genre it was, but if you were a small, little, underground independent, whether it was rock, dance or hip hop, whatever it was, that audience was embracing the digital download before anybody else, so it essentially put us out of business before the general public even knew what iTunes was. So there I was at age 34, I filed for bankruptcy, got divorced and I went from six figures a month to \$7 an hour bagging groceries.

**Jaime:** That's insane.

**Matt:** Yes, it was a pretty humbling experience.

**Jaime:** I have tons of questions on this before we get to your eventual rise again, because this is the epitome – it's sucky, where you are at this point, especially because it wasn't your fault. This was your whole industry collapsing on you. It's not as though you could have predicted it or anything like that. How did you feel? Did you blame everybody else? How did you recoup from that?

**Matt:** Looking back, there are certainly things that I could have done but at the time I was totally blind to those options and the alternatives. I had a six month long pity party and I put my head on the shoulder of anyone who would give it to me and I bent the ear of anyone who would listen. It was 'I'm 34 years old – why me?' That was it, constantly – 'What am I going to do now? I've been doing this for 15 years, I'm not prepared to do anything else, I don't have a Plan B.' I submitted some job applications at this point, trying to get a job, and there wasn't a whole lot of demand for an out of work music entrepreneur and I was like 'I've got to eat so I guess I'll just go bag groceries until I figure it out,' and it took me six months to figure it out.

**Jaime:** Especially making six figures a month, which is not something that a lot of people even imagine, and then going to work at a \$7 an hour grocery job – would you go in pissed? What was that like for you, emotionally?

**Matt:** My lunch breaks were with 16 year olds. I actually drove to my job to bag groceries in a Mercedes, so that was weird, and people would look at me and they would scratch their heads and they're like 'What's going on here?' I was barely holding on to it and I eventually lost it. I was bitter, I was very bitter, absolutely.

**Jaime:** How do you switch that mindset? Because a lot of people get stuck in the negative, especially when it's not your 'fault', so being able to do that 'Why me?' pity party stuff, how do you eventually come out of that?

**Matt:** There was an outside influence. There was a very specific moment. There was a day that they were short on checkers so I was promoted that day from bagger to checker, I felt very accomplished! I remember there was a day that a lady came through the line and she was just dressed to the nines. I was working in Manhattan Beach, California – I don't know if you know where that is, but it's an affluent neighborhood, a yuppie neighborhood, lots of soccer moms but yuppie soccer moms – and she came in wearing her exercise gear, her hair was perfect and she had all the jewelry on, she was pushing the \$700 stroller and her kid was in there and he was dressed up and she was on the phone so she wasn't paying me any attention and when it came to per her bill she opened up her wallet to pull out her credit card and at that moment her ATM receipt had fallen out of her wallet onto the counter and I couldn't help but sneak a peek to see what the balance was and there was \$256,000 in her bank account and that just hit me. That was significant to me because that was the number in my bank account when I was in the music business where it triggered a transfer and I was thinking how long had it been since I had seen that balance in my bank account and how it was probably definitely not going to happen again doing what I was doing. I think that moment hit just at the right time because I had had six months of complaining and crying and being angry at the world and I was realizing that that wasn't getting me anywhere so if I was going to recreate myself or recreate that lifestyle that I had become accustomed to, that I had fallen in love with, I was going to have to do it myself. I felt nauseous at that moment so I dismissed myself, went out to my car, put my head on the steering wheel and just started to cry. I prayed and I was just like 'What am I going to do? I have to do it. I'm better than this, I just have to figure something out,' and that was the turning point. Of all of the strangest places that could offer that hand up, it was when I walked back into the

supermarket, the grocery store manager was like 'What happened to Matt?' He was waiting for me to come back and he was like 'Are you okay?' and I was like 'Yeah, I'll be fine.' He said 'No, you won't. Come up to my office.' So he took me up to his office and I told him the story, the same story I just told you, and he said 'You know what? If you want your life back, the last and final frontier for the average person to create great wealth is through real estate.' I didn't know if that was true or not but I didn't have any alternative so I thought 'That sounds good to me. Let's figure this out.' He had worked at the grocery store for almost 30 years and he said 'In two years I'm going to retire and I'm going to have my pension and while I've been working here I've been able to acquire all of these apartment buildings and this is what my retirement is going to look like,' and that looked cool to me but I had no idea what I was going to do so, that night, I grabbed a bottle of wine from the supermarket, went home and just starting Googling everything real estate and that's where it started. I discovered that I had an aunt that I hadn't seen in a long time and she was the number one real estate agent in the city next door so I sent her an e-mail that night, we had lunch the next day and within 24 hours I was in real estate school to get my real estate license.

**Jaime:** This is cool and I definitely want to go deeper into that side of things but the one thing I want to ask you before that is what advice do you have for somebody who is in a pity party right now to try to make it go faster? Because six months is a long time, and there's probably somebody listening right now, feeling really negative and down, not necessarily in the same situation but just in general, so do you any advice for trying to make that come up, instead of waiting for a sign like you had?

**Matt:** I think it would be a really tough dose of reality, because you're going to find no shortage of books and podcasts and programs and gurus and seminars that offer great advice. There is no shortage of people that are going to pat you on the back and say 'It's going to be okay, your thing will come around.' You can get all of this encouragement, you can get all of this great advice but you've got to realize that no one is actually going to do it for you. Everyone says 'You can do it! You can do it!' I was hoping someone was going to give me a break, I was like 'Please someone just help me – throw me a bone!' and nobody ever did and I don't think anybody really will. Certainly there are some exceptions but I think, generally speaking, for most of us, you have to do it yourself. Until you come to that decision and you actually make a decision about what you're going to do, nothing is going to change for you.

**Jaime:** Thank you so much for making that distinction. It makes perfect sense and I think that's the thing that we don't like to look at, because when you're feeling pity or when you're feeling crappy you look outward – no one wants to look inward at that point because everything sucks so we push it out. So having that self-responsibility, which is really hard to do, especially when you're in that state, is also ridiculously important. Unfortunately, in the day and age we live in, not many people would be like 'You're down and out but I have faith in you – let me give you cash or let me support you with more than just words or encouragement.' But we do want to support the people that are really doing well, so the only way that you can bring yourself up there for those other opportunities is to climb and kick and scream yourself. Nobody wants to hear that stuff but I really appreciate you saying that.

**Matt:** At the time I didn't see where I was at fault or where I could take responsibility, but in hindsight, it's crystal clear.

**Jaime:** It's funny how that works out, right?

**Matt:** I created my own situation.

**Jaime:** Tell me what that was – tell me about, when you were in that pity party of your own, what you thought was the truth and, in hindsight, what was the real truth?

**Matt:** What I thought was the truth was that this damn master just kicked me out of my business and they're stealing from me, and an element of that was true but what I can see now are two things – one, I was an entrepreneur who was trying to do everything themselves, so I wasn't delegating anything, I was a total control freak and I didn't want to let anybody in. That was one part where what I've done now is I've hired people that are much smarter than me, which is a huge benefit, and the second thing is that I was just closed minded to outside ideas and progress, so to speak. This was a time where I didn't even have a website for my record label. I was like 'Internet, schmineternet.' I didn't want to do it, I thought this thing would pass. So those are two things where I was really closed off. A third thing, which was a biggie, was that I had one single source of distribution – I had one single source of income, and that's a single point of failure and that's a lesson that I certainly brought into my new business and I've eliminated all points of failure. There are other ways I could have generated revenue but I was totally dependent on the distributor.

**Jaime:** Because, like you said, it was nice and everything was good and you weren't thinking about what if it all came crashing down. Now, of course, you're way smarter and you have two podcasts – you said 'Internet, schmineternet' back then but now you're embracing technology.

**Matt:** The irony!

**Jaime:** That's so funny! At least you learned, right? So being able to see how far you've come is really impressive. We had a guy called Joshua Dorkin come on the show and he owns a company called Bigger Pockets which shows people how to do real estate investing – we don't talk about it too much on this show but tell me what your journey was going through that. A lot of people listening might think that business is the way to go but it's not like we can pick only one avenue. You can be a successful entrepreneur and then take some of that cash and invest it in real estate too. So tell me what your progression through that learning was.

**Matt:** As soon as I got my real estate license I did exactly what I did in the music business. I'm very committed and very disciplined and that worked to my benefit in my first year – I got Rookie of the Year in my office and I did better the next year and better the next year. I was doing better for myself, certainly better than that \$7, but I hadn't replaced that music industry income. There was one Saturday where I had an appointment with a client, he was my favorite client because he gave me repeat business over and over again, and one Saturday afternoon I was waiting for him and he came in about 20 minutes late and I had been sitting there for half an hour, I had prepared, I had laid all the documents out waiting for him to sign, I was there in my suit and tie and he came in wearing jeans and a t-shirt, 20 minutes late, signs the paperwork and takes off. I'm stuck there to process the paperwork and then I had to go and hold one of his houses open, on a Saturday, and he's out there enjoying the weekend. That's when it clicked – I remember what the grocery store manager said, where real estate was the final frontier for the average person to create great wealth, and I thought 'If that's the case, I think I'm sitting on the wrong side of the desk. I need to have real estate agents working for me.' It wasn't through being a real estate agent. So I made that shift – at that moment I made the decision to educate myself to become an investor and I eventually let me license expire and I built my own real estate portfolio through some creative strategies and now, today, I've got a portfolio of over 200 units that I hold on for myself. That was the progress there, or the transition of how that happened, from agent to investor, but just like anyone that had ever experienced any sort

of success, your network, your associates, your family, your friends, they all notice what's going on in your life – there's a change in you, you might have new toys, new things, you might have an elevated spirit, and they ask 'Hey, can I take you to coffee or lunch and pick your brain?' We've all heard that a million times. So I came to realize that there are a lot of people that did that – I had a lot of free coffee and a lot of free lunches sharing what I had done, so teaching just seemed like the next evolution of that whole process.

**Jaime:** I have a couple of questions on the real estate side. The one thing that comes into my brain is music industry, crash, and when did you get into real estate? Because I know what's coming, there was this huge housing crash, so when did you start this? Was it before the crash or after the crash?

**Matt:** It was before. I became a real estate agent in late 2001.

**Jaime:** Perfect timing, right?

**Matt:** Yeah, it was great. As a real estate agent, the good markets and bad markets are tough times to make money because when it's good, it's ultra-competitive so it's all about speed, who can get to the deal the fastest and get their offer accepted and hopefully you do it before any other agents find out. That was a tough way to make a living but it was a good environment to learn. What was the question, sorry?

**Jaime:** I was just wondering when because I was assuming that the housing crisis was coming up so how did you mitigate that? Because if the music industry crashed and it all burned for you, why did that not happen with real estate as well?

**Matt:** Well there are two ways to invest in real estate. Most people, when they hear 'investing in real estate', they think about what they see on TV – flip this house, flip that house, you fix it up then you sell it as fast as possible for a profit. Where people got hurt was when they were buying property and expecting market appreciation to carry them through and they would cash out at some point and it could only go up for so long before it did crash. That was most people, who had that strategy of acquiring as much as they possibly could, they were probably putting as much debt into it as they possibly could so that they could get market appreciation, and when the market shifted and there were no more loans and everything started to depreciate they were all stuck and they all got burned. I'm a very different investor – I'm a cash flow investor. I buy property for the sole purpose of renting it out for more than what I'm paying for it. When that's your strategy it doesn't matter if the values go up or down, you're going to hold onto it, your exit strategy is not to sell it, so it constantly makes money whether the market is good or bad. That was my strategy and that was how I survived and made it through.

**Jaime:** That's interesting, so you had a lot of renters. As a renter, you must worry about not having people to fill your space because then you're losing cash.

**Matt:** Certainly. We had tenants that lost their jobs and so we had a shuffle there but I was fortunate enough to get a really good education and from what I hear a lot of people spend a large amount of money on real estate education and I always feel really lucky – there are a lot of different choices out there and they're not all good choices, so I'm glad that the first choice that I made was a great choice. I wouldn't say that I was prepared for the crash but I had bought the right way so that I could sustain myself if times got rough. Times got rough and I pulled through. It wasn't easy but I pulled through.

**Jaime:** Did you ever find yourself in that pity party again? Because you had had that happen once before, and then you saw everything crash, so did you ever think ‘Oh, shoot, I don’t want to go through this again,’ or were you totally stable in what you felt?

**Matt:** That’s still a fear even today. I’m constantly afraid of what’s next, what is the next outside influence that’s going to disrupt what I have going on right now. The lesson that I have taken is that I have to eliminate all possible points of failure in my business. So I have multiple property managers, I’m in multiple markets, I have multiple types of property, so I’ve done all of that, I’ve created an income through the education side, I’ve created an income through helping other people do the same thing, so now I’ve got three sources of income all based around real estate but from three very different areas. I didn’t have that then but my portfolio was diverse enough for me to be able to sustain.

**Jaime:** Nice. That’s smart – learn from your previous mistake of having one point of failure. Which is pretty much like having a job, too – one point of failure and you’re done. Now you have three, which is a triple threat compared to what you had before. Fast forwarding to now – how long did it take you to build up those three streams? Because I think that’s something that a lot of people, especially when they’re first starting in business, find really hard – getting that first one up and going before they have a bunch more. How did you systematically start adding and did you know the whole time that you were going to try to do multiple streams?

**Matt:** Yes, I knew that was going to happen, I just didn’t know what they were when I started. I got the first stream set up before I even looked at a second one and I acquired around 40-45 houses and I had just read the book “Rich Dad, Poor Dad” and that’s when I really got the concept of passive income. He had a new definition of wealth – it wasn’t having a lot of money and having a big bank balance, it was having enough money coming in consistently, each month, to pay your expenses. So I made a commitment to get out of the ‘rat race’, so to speak – that’s how he puts it in the book – and that’s where you get your passive income to exceed your monthly expenses. So that was my first goal, to do that to become financially independent. That was my first level, so it was 45-50 houses that allowed me to do that and that’s when the teaching bug came in. I wrote a book, that was “Your Do Over”, that was my story, going from music to bagging groceries to real estate investing, and from there I started the podcast. I self-published my book and I was looking for different ways to sell that book and I started this podcast and I had no idea what the podcast was going to create for me. My first 20 episodes were just me reading the first 20 chapters of my book.

**Jaime:** Really? That’s interesting.

**Matt:** It wasn’t even designed to me a show. I just put it out there and then I led each episode with ‘This is where you can get the book.’ By the time I hit about episode 12 or 13 the downloads were noticeably increasing and by the time I hit episode 20 I had a fan base and I thought ‘I’ve got to keep this going because it’s growing. I don’t know where it’s going to stop,’ so for episode 21 I had to write a new chapter. I had to take it seriously and treat it like a show. From the e-mail correspondence, the interaction I was having with my audience, there were a lot of real estate related questions. My experience was either music or real estate and I had a lot of real estate questions but I didn’t want that podcast to be a real estate podcast so I started the second one and that’s really where everything started to come into play. I created an online business where I teach real estate investing, I started a coaching program from that podcast, that’s where our currency operation, where we sell

these cash flow assets, started. That all started from there and I would not even have thought of that if it wasn't for the podcast so now I've got the three sources of income all pretty stable.

**Jaime:** That's awesome. What year did you start the podcast?

**Matt:** I started the Do-Over podcast in late 2009.

**Jaime:** So a while ago, in podcaster years!

**Matt:** We were just adding that up the other day – this is 2014, that was five years ago. About six months after that I started the real estate podcast so they've both been going for a little while.

**Jaime:** Tell me the history of it. I've been podcasting for only three years, so I'm a newbie compared to you. Tell me what you've seen change and where you think podcasting is going. You weren't one of the totally early adopters but 2009 was a long time ago, so where has the trend that you've seen been and where do you think it's going?

**Matt:** Well it's certainly more popular. It's congested, there are a lot of people trying to compete with each other, doing the exact same thing, a lot of people competing with each other with the same guests and the same formats. It's more difficult to get noticed. One thing that has always been challenging for podcasters is to attract an audience other than people that are already listening to podcasts. Now, podcast audiences have so many more choices so you have to be on your game a little bit more, I think your production value has to be higher, I think your concept has to be better. If you are going to have guests, you definitely want them to be unique, or at least a good portion of them unique and special. I hope that the industry continues to advance. I would really love to see this as a staple inside of cars, like satellite radio in cars, I think that would explode, and I think that anyone who's into it now would really benefit from that type of exposure. But there are a lot more people doing it, that's what I've really seen.

**Jaime:** I'm glad to hear you say that. I'm keynoting a podcasting conference in August and so I'm trying to get data, so it's great that I have you here, who's been in it for so long. Everybody comes to me and asks me podcasting questions and I'm seeing very similar things to you, so it's really interesting now, but looking to the future, I love that you're saying that nobody knows what a podcast is outside of iTunes, but in the future this is just content, so it's a different way to get content, so if everybody else can start embracing it. I know we have some podcasters in the audience, or people who want to become podcasters, so do you have any tips for people to get people who don't listen to podcasts to listen in? What is your staple and how do you get more people to listen to your podcasts?

**Matt:** I haven't really figured that out yet.

**Jaime:** Thanks for being honest!

**Matt:** Sure. One tip is to be yourself. I'll back up – don't start a podcast unless you're going to be consistent and take it seriously. Otherwise you're going to spend the next three or four months spending all of this time and possible money investing into your show and you could find that nothing happens. It's a commitment – you need to begin with no end in sight. That's my opinion. So a big tip is to be yourself, 100%, be authentic, be transparent, be honest. I think that's the new business model, there are so many great examples out there that have proven to be extremely profitable by being vulnerable – there's a lot of profit in being vulnerable. Be consistent – I think the

audience, since they have so many more choices right now, if you're not consistent, they may like you and they may like your first three or four episodes but if it takes you a while to get that fifth episode out their attention will go elsewhere and you've lost them. So I think those are biggies. I think you should treat it as you would a relationship with a friend because you're creating a relationship with an audience and be prepared to give a lot before you ever receive. In 2012 my podcast was a seven figure business and in 2013 we almost double it and 2014 is incredible – but that was three years in the making before that actually happened.

**Jaime:** That's insane; I have chills. As I'm listening to you say all of these things, these are really important marketing tips in general, not even just podcasting tips but people are really looking to have people that are real. Who knew? Not this conglomerate corporation, a faceless thing – you want someone who you can really connect with and build that relationship with in any area of marketing. Podcasting is just one of them – as you were going through, I was thinking these are perfect tips for any type of marketing that we can do, not just podcasting. I really appreciate that. We have to wrap up in just a minute and I didn't give you a heads up so I'll warn you – I usually ask the same question at the end of each interview and normally I would give you a heads up at the beginning. I didn't for you, so don't look like a deer in headlights, I'm totally putting you on the spot, but what I'm looking for is one action that listeners can take this week to help move them forward towards their goal of \$1 million? You've had failures and successes and amazing things for you, just in general, and if you could pull out one thing, like maybe someone is down and out right now or maybe business is okay, but what's that one thing they can do this week that will really help them be successful?

**Matt:** I think the biggest shortcut to a success is to identify somebody who has already done what you want to do, who already has what you have, and study them. Research them and study them. Maybe it's someone you have access to personally and you can interact with them or maybe it's someone that you have to study virtually from afar, but find out everything you can about them and mimic them. Mimic their presence, mimic their business, mimic their actions. Find out everything you possible can. I really believe a great reason why my podcasts are doing as well as they are right now is because two or three years ago I was at New Media Expo and during the podcast awards they gave away the award for best podcast and that went to Adam Carolla's show. I went 'So what does the number one podcast even sound like?' I had no idea, so I went and learned everything I possibly could about Adam Carolla. I didn't learn so much from his actual show but I learned from him being interviewed on other shows about podcasting and I mimicked everything that he did, or everything that was applicable because we have different formats, but everything that was applicable I did and here I am today – it's a seven figure business and it's a blessing. The great thing about podcasts is that they're essentially free. I spent \$50,000 last year on search engine optimization and every time Google came out with a new algorithm I had to start from square one. 95% of my business has come from this free, wonderful source of podcasting. So find a role model that's doing what you want to do and mimic thing.

**Jaime:** I love how you're an example of that too – not only from that Adam Carolla story but right before we got on the call you were saying you heard me talking to somebody about mastermind groups, a good friend of mine, David Hooper, and you reached out to him because you want to be doing more mastermind stuff in the future. So you're doing it and doing it and doing it and I love not only hearing the advice but realizing that you consistently do it too. I really, really appreciate that,



Matt. Thank you so much for coming on the show. Can you tell us where we can find out more about you online and your products and coaching and all of that fun stuff?

**Matt:** Sure. If they're listening to us now they obviously know what a podcast is so you can search for me at Do Over – that's my personal development podcast – or Epic Real Estate investing – that's my real estate podcast. We can get to know each other there and you can decide whether you want to follow me further or not and I'll give you instructions there.

**Jaime:** I love that. You're like 'Here, have some free stuff.' That's great. So everybody listening to this are podcast listeners. We already know it; we're already looking for really amazing podcasts and as he already told you, he researched the heck out of being a really good podcast so it's got to be a good one to check out. Thanks so much for coming on the show today, Matt. I really appreciate it.

**Matt:** You bet, Jaime. I had a blast. Congratulations on your book and congratulations on what you're doing. I think you're really making a difference in the podcast world yourself.

**Jaime:** Thank you so much, I really appreciate that. Have a good day.

**Matt:** You too.

**Announcer:** Thanks for listening. You can find out more great information like this on [EventualMillionaire.com](http://EventualMillionaire.com).