



Broker-to-Broker

Contrarian decisions let broker grow through downturn

Chicago real estate firm @properties grew quickly during the real estate boom. It grew even more during the bust, thanks to a couple of contrarian decisions.

In their most important move, founders Thaddeus Wong and Michael Golden decided to add offices when most companies were shrinking.

“In 2009, when we were in the abyss, we decided to expand,” Wong says. “We were in the downturn, and everyone was shuttering offices and implementing fees. Most brokers were battenning down the hatches. We decided it was a good time to move against the grain, knowing there would be a turn someday.”

In another, less important move, @properties continued to advertise in newspapers and magazine, a decision that Wong says helped the company grow.

Thanks to its continued investment in the business, @properties has grown to nearly 1,100 agents in nine offices. In recognition of his professional achievement and community leadership, Wong recently received the Damen Award from his alma mater, Loyola University Chicago.

Wong talked to *Real Estate Broker's Insider* about his career path and business philosophy.

REBI: What was your first job? What did you learn from it?

Wong: I worked my way through college as a clerk on the Chicago Mercantile Exchange trading floor while I went to

Loyola at night. The trading floor wasn't for me. I did not enjoy going to work every day. I was more of a people person and a relationship person. One of my biggest fears was getting into a job where there was a lot of redundancy — no new people, no new situations. I thought real estate would be a good fit.

REBI: Can you point to a defining moment in your career?

Wong: Growing our organization during the downturn. Our company had a choice in 2008. We had a choice to follow larger corporations, which many would look to as leaders. I was always very used to taking risks. I was very comfortable being a contrarian. But that was a big risk. Opening five offices from 2008 to 2011 was unheard of. My partner, Michael Golden, and I decided to grow into the storm. We had always been profitable, so we were in a position of strength. It's easy to take risks when the market is growing, but they're very, very hard decisions to make when the market is contracting. Although it felt good, you wonder how much substance there is behind it. It turned out there was a lot of substance.

REBI: Are there a few principles or concepts that have guided you?

Wong: When I started in real estate in 1996, a lot of the things I worked on weren't the things most people focused on. I tried to work on the relationships, and I tried to work on personal develop-

ment. I thought that if I worked to make myself an attractive person, other people would be attracted to me. Back in the 90s I read a lot of books by authors like Deepak

Chopra. I wasn't focused on the money at all; I was focused on enjoying what I was doing. That was a turning point for me; I began to get incredibly passionate about real estate. I also tried very hard to be a good listener. A lot of people think they're good listeners, but they're not. Most importantly, I worked to educate myself on the market. I spent a lot of time reading about the national market, the local market, the economy, architecture.

REBI: What's your favorite thing about the real estate industry?

Wong: People. I don't know much about psychology, but there are two

things I know: Everybody is different, and any time you play tennis with somebody the first time, they're going to tell you the last time they played. Some people are similar to you, some are not similar to you. You've got to make sure everybody likes you, that you're attractive to the majority, that you're able to work with all shapes and sizes.

REBI: What's your least favorite thing about the real estate industry?

Wong: Complaining. I'm not a big fan of listening to complainers. Everyone has a lot to be grateful for, especially the people who are practicing right now. Choosing to take the energy to complain will get you nowhere, especially about things you can't control.

REBI: What is the most successful thing your company is doing right now?

Wong: The most successful thing by far is education and training. Over the past few years, we spent a lot of time and money focusing on education and training.

A lot of classes on how to help agents with their communication skills, their listening skills. In the downturn, a lot of agents got scared, and they didn't know how to communicate with people, because they weren't confident in the market. They weren't confident in themselves.

And we're still doing a lot of advertising in newspapers and magazines. The prices for ads have gone down because demand has gone down. People say it doesn't work, but that's just because they can't afford it. I attribute a lot of the growth in our company in the last four years to print advertising. How are you going to build a brand online?

REBI: What's the biggest mistake you've made in business? What did you learn from?

Wong: It's hard to say, because every single mistake we've learned from. Each mistake ends up not being a mistake; it ends up being a learning point. Every one of those decisions is a mistake in hindsight. Maybe that bad decision led to me making good decisions. Everyone always asks, 'What's your biggest mistake?' My biggest mistake would be focusing on mistakes.

There are things I wish I'd done differently. From an internal accounting perspective, as we were growing in our first seven years, we got to the point where we were doing \$1.8 billion. From the accounting side, we could have been a more sophisticated organization. If we would have invested in software early on, we might have had some metrics that would have showed us how to approach the market.

REBI: What's your most fearless prediction for the future of the real estate industry?

Wong: The industry in the past had a lot of small players. Real estate at one time was a great business for mom-and-pops to get into. Unless they're outrageously well funded, that's no longer going to be an option. There's too much expense in investing in technology, and there's too much demand for market share. I think you'll see more mergers, and more franchises. We'll continue to be an independent company.

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Broker Bio

The Broker: Thaddeus Wong, @properties.

Success Strategies:

Education and training for agents — they lost confidence during the downturn.

Print ads even as many brokers have stopped newspaper campaigns.

Smartphone Choice: iPhone.

Favorite App: "The Starbucks app lets me pay for my coffee without taking out my wallet. And Uber. I have yet to use it, but when you need a car, it brings a town car to you," says Wong.