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Unlocked Episode 86 Stephanie Farr of Maya Luxe - formatted transcript.

In this Episode, the season premiere of *Unlocked Magic Zones* Steph Farr of Maya Luxe walks us through every aspect of her vacation rental business. From owner relations, giving back to the community and thriving during a global pandemic, Steph is one of the most limited edition vacation rental managers we've ever seen.

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Links and resources mentioned in this episode:

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Matt Landau I'm Matt Landau and this is Unlocked season six, Magic Zones. This episode is brought to you by Point Central, the leaders in smart home automation and Breezeway, best in class, property care and automations platform. Today we're talking with Stephanie Farr of Maya Luxe, one of the most limited edition vacation rental managers I've ever come across. Steph walks us through the blueprints that she used to build her vacation rental business owner relations, and managing and monetizing all of her guest experiences. We talked about giving back to the community in which we operate, which in turn generates her more income thriving in and after the peak of the pandemic and Steph's very unique technology stack. And to my property management software friends, I apologize in advance. Let's get into it. Stephanie, far, are you still there, first of all?

Steph Farr Hi, Matt. Yes, I am.

Matt Landau Excellent.

Steph Farr Thank you for having me.

Matt Landau Thank you for being here. And you, Steph, are a pretty remarkable vacation rental professional when I first came across you in your work. I will say that your website spoke for itself, like your website. Is the reputation that I think you want to convey. It is absolutely stunning. And I'm curious, like what did you use to build that website?

Steph Farr Thank you, Matt. We actually just built it based on WordPress, and we built it a la carte custom designed with our own in house team.

Matt Landau It is gorgeous. The layout is gorgeous. The vibe is like this: the style, it's very intuitive. Thank you tell us a little bit about pre vacation rental Mexico. Steph, you're originally from Canada, right? Yes. So what were you doing? What was your life before Vacation Rentals?

Steph Farr I started pretty early in the industry. So pre rentals. I was living in Montreal. And right when I got out of university, I actually started to work for a villa rental company in Montreal. They're probably one of the first companies that are called Caribbean way and focused on the Caribbean, just renting villas in the Caribbean. And so I started to work with them. Just when I got out of university. I just finished a semester in Mazatlan, Mexico, I did an exchange program with them. And when I got back to Montreal, I always knew I wanted to travel or I want to be in the travel industry. I was like what can I do? Where I could continue a lifestyle where I could just travel around the world.

Matt Landau Did your parents like roll their eyes?

Steph Farr Oh, absolutely. I initially wanted to do my exchange program in Australia, but my mom wouldn't let me be moving across the world. So she's like, you could go to Mexico. Not only Little did she know that I moved to the cartels capital of the world, which was so so yes. So I basically after that semester, I had the travel bug and I was like, This is it for me. I know I want to travel, but I want to make enough money so that I could sustain a, you know, a great lifestyle where I could travel around the world. And so I initially decided, Okay, I'm just going to get a summer job. And that summer job, I'll work for a few months, and then I'll pick up and travel again. And I got this offer to work with this company that does Villa rentals. And I was like Villa rentals. Who the heck is going to rent a house, when you could say this is back in 2003. I was like who's, you know, gonna rent a house. And, you know, it looked kind of dodgy to me. But I was like, You know what, I'll give it a shot I was working with. It was a young group of two young brothers working in a loft in Old Montreal and so I'll give it a shot just a couple of months so that I could take off and travel again. Well, those two months ended up being five years and I continued to work with this company. They emerged from Caribbean Way to Luxury Retreats. And I don't know if you know, but luxury retreats ended up being bought out by Airbnb a few years ago.

Matt Landau For like a gazillion dollars. So those were the brothers that all of a sudden got incredibly rich.

Steph Farr Yes. Joe Poulin He's the founder and Chaz his brother, they both pretty much started the business in their basement and then evolved into end up being the largest villa rental company in the world.

Matt Landau So you - this is a very small company when you first started so you kind of got to see the inner workings of what made that company tick.

Steph Farr Yes, I was the I would say I was the seven Employee when I started with them, and they hired me specifically to my role was to expand the villa portfolio and find homeowners that were interested in renting their homes in the Caribbean. And that was really funny because, you know, I would be sending emails to random homeowners I don't know how I found their listings, because it's not like they were promoting anywhere. And I'll never forget homeowners, they had to send photos of their villas through the mail, or on a CD disc, and I was the homeowner reviewing committee where I had to look through these photos, and approve whether or let them know whether or not their property would be approved for our website.

Matt Landau Wait, so you would reach out cold to a homeowner saying, I'm interested in your home, but I need you to send me physical photos in the mail. And by the way, then I'll let you know if we're actually gonna accept it. Exactly. Who actually did that? Who actually said yes?

Steph Farr There's actually quite - I mean, that's how we built our network. So it's interesting because yes, I would find Hoa communities, I find them and I get their email addresses or their phone numbers cold call them, and then they would just be like, Hey, we're interested in renting your property. And even for them that concept was foreign. They're like, no, this is just my home, I use it with my family, why would I want strangers to come stay in my house? And I explained, you know, but if we rent it, you know, you can invest back into your house, you can, you know, we can generate X amount of rental income, and then maybe you could use those funds. But, you know, my consulting for Villa owners started really early by just trying to convince them to Yeah, to send physical pictures, I'd even get letters written letters of what intent what their house entails. And yeah, so it was definitely the onboarding process, maybe, you know, the very least to say, probably took about a few months to get a villa on board.

Matt Landau And in hindsight, the angle or messaging that seemed to really resonate with them that kind of unlocked them, you see what I did there unlock that really helped them, see the value that you're providing or made them want to decide to enter? What was a big learning point there?

Steph Farr It was really about two things. One was the fact that they could generate rental income, and then put it back into their investments. So speaking with a homeowner, really, I

mean, most homeowners that have multiple homes, two, three homes, they're pretty savvy in business. And so when you take the number, you know, when you're discussing numbers with him go back to the route of discussing what would be a solid return for them for their investment, then, you know, they look at it, and they're like, okay, you know, what, or also the other thing is, how to enhance or improve their own property, so that when they go back to use it, when we have renters, they're the ones who are giving their feedback of what you know, they think should be added to a property, what amenities and so when the homeowner goes back to use it, they're like, oh, wow, I've actually upgraded my house in, you know, through leveraging it throughout through my rentals.

Matt Landau And you could give them specific examples, like, Look, if we do this, at the end of the year, we can get in a pool or something.

Steph Farr Exactly, exactly, you know, build up that rooftop terrace, who always wanted or, you know, and so and so a lot of them ended up being receptive to that point of just what it meant to be able to put back into their own property. And also, you know, some of them have their houses on the market. So for sale. And that's how actually, I did find the majority of the homes is just through real estate listings, and they never even thought of renting them. And you know, so that was the other attribute of how to influence them to want to rent it was really about, well, if we can generate traffic into your house, bringing in, you know, guests that want to stay there, you're more likely through that exposure, to be able to sell your house.

Matt Landau And that still that still applies to. And I think that the numbers game here is really important. If you've got a great approach, a great pitch as to why listing your property in this management fleet. If you've got that part down, it's a numbers game. It's like how many cold calls can you make that generate one conversion, right?

Steph Farr Yeah, exactly. And so from there from with Caribbean Way that then became luxury retreats, one of the how we actually would say, we're ahead of the game from the other competitors, because we're there were other companies that started around that time as well in 2004, 2005. was really because we really pushed homeowners to give us real time availability on their properties. And so we would not let a homeowner sign an agreement with us or contract to list with us unless we were able to have access to their calendar and that changed the game. And that's almost 15 years ago that changed the game for the company, because while other competing companies were calling homeowners asking for availability, we were able to get back to our clients real time. And so that's really how we were able to grow as quickly as we did, back then, with Caribbean way. And I took a lot of what I learned there and applied with my business. So when I quit luxury retreats, in 2000, I quit in 2007. And decided I want to travel the world. So I left and traveled the world for a year and a half, and ended up in Mexico, in Riviera Maya, because that's where I actually had traveled frequently to develop the area when I was with luxury retreats inside to come back and just, you know, come for vacation and enjoy the area. And I met up with a villa owner that I used to work with. And she's the one who approached me and said, Hey, why don't we start a villa rental company here. And at first sight, you know, I just got out of the industry. And I was like, Ah, you know, I don't know if this is really what I want

right now. And actually, the idea wasn't so much about Villa rentals, it was really more about concierge services. And because the market was so fragmented back then you could rent you could be, you know, you could rent a house in Mexico for \$5,000 a night, and I'm being excessive in the luxury market. Or you could go to St. Barts and rent a house at \$5,000 a night but you really there's no guarantee of standard of what you're getting. And this is back in the day right before Airbnb existed where we have reviews and...

Matt Landau Although to a degree, this is still true, kinda.

Steph Farr It is yes. Yeah, yeah, you're right. It is still to you, there's a little bit more of a quality control standard. But back then there was nothing, nothing. And so we thought, Okay, why don't we start a concierge company, and basically offering high end concierge services to all the partners that exists out there, like luxury retreats, other wholesale Villa, wholesalers, travel agents, and assure them that we're able to give their clients the standard that they're pitching to their to their clients. So that's how we started our business. And then, in 2008, 2009, early 2009, we got hit with swine flu, ironically...

Matt Landau Ahhh

Steph Farr Yeah, swine flu hit us. And so what happened was basic, well, tourism came to a standstill, here travel, the airport, shut down hotels. And we had Villa owners that in the area, they basically approached me knowing what I used to do with luxury retreats, and they said, Hey, would you be willing to manage our properties, and just get our villas promoted and do what you can to start renting them instead of just doing the concierge service. And so that's how my luck started, it was really just a very small tight portfolio of villas that we took on doing property management rentals. We didn't even have a website for the first year and a half, we didn't need one, we basically just were the ones that were plugging in our villas with our partners. And then only in about 2010 is when we launched our first the first version of our website.

Matt Landau Wow, ok. So you've kind of, by the way, I love how for the first 10 minutes of this podcast in which I asked if we could talk about your life, pre vacation rentals. It's been all vacation rentals. And I think our listeners will appreciate that to the launch of this business that you just left us at. And you've also kind of seated the conversation for our COVID topic in just a bit because this is now your second pandemic. Can you give us an idea of where the business currently what the business currently looks like. And this season, we're focusing on a theme that we call magic zones, which are basically sweet spots that a vacation rental owner or manager can define for themselves, reach and not necessarily have to go, you know, through the roof, just find that sweet spot in which you are comfortable, you are making good money, you are happy. Let's walk through some of the aspects of your business just so people have an idea of what your sweet spot currently looks like. What's the employee situation?

Steph Farr Mm hmm. So, we have, we have over 40 employees in our company. We are definitely I would say sweet spot. We're definitely still in our growth stage. which is exciting because we haven't even really plateaued as a company. There's Especially during COVID, and I don't want to sound insensitive in any way, because there's definitely been a lot of hardships for businesses on personal level health wise and every aspect with COVID. For us COVID I really don't want to sound insensitive saying this, but COVID has been a sweet spot for us. From employee perspective, being in being in the industry for 10 years, actually, almost, well, me personally in industry for 15 years in the rental industry, the company is now 11 years old, as of February will be 11. And actually, I would say, I would say, we have been able to just number one with employees trim the fat over this past year, being able to and when I say trim the fat, it's understanding who we kept on board just for the sake of keeping on board because we kind of just felt bad, you know, keeping them or, and, and understanding that sometimes the company outgrows, our team and the team out grows our company. And how I see success in a sweet spot in a company as well for my business specifically, specifically is setting up my team for success may also mean that they're no longer successful with us. And if they can move on to something new, and even if it's us helping them start their own business or, you know, them seeing them seeing their magic zone, but their magic zone is not in my alots How can we support them when they leave for me that success of a company? And so and so we've been able to through this time to look at our employees and say, you know, what, what are we doing? You know, it's it's, it was a time of recalibration for everyone in our company. Some of our employees have left their own businesses, they're finally able for us to see them shine because yes, we just went through a point where the company outgrew them or they outgrew the company, but we just always felt so committed to one another, you know?

Matt Landau I'm guessing that the same kind of trimming the fat or recalibrating has to do with properties, too, what's your current property portfolio looking like?

Steph Farr We have 111 villas in our portfolio. Trimming the fat also meant and you know, going back to the employees as well, it's the same as how we are with our employees. The same with our fellow owners, for example, we focus on values. And that has that is what shifted from the beginning that I could save until now. Whereas before we would hire, or we'd look at you know, who has the best property or who has the most experience in this industry. But really now shifted to looking at attitudes, looking at who's aligned with us, who's flexible, we've had homeowners through this time of COVID, where they just refuse to be flexible and understand that they're also shooting themselves in the foot. You know, like what happened with Airbnb, for example, where they just decided to refund all the all the, you know, reservations and hosts were furious. But at the same time, we have to work with homeowners that are flexible, and also that are aligned with us. And this is what's going to happen as we move. We have let go of some of our properties, even though beautiful villas. They just weren't aligned with our values.

Matt Landau And our values somewhere clearly stated online or do you present those values to your property owners when you're forming a relationship?

Steph Farr We present them when we're working with our homeowners, we have to give them a presentation. And those values are listed in those in that presentation.

Matt Landau And like what are some of the values?

Steph Farr Growth is one of them, is another service being given back to the community? We love to say like we inject weirdness in what we do. So yeah, and just it's a form of magic and play. And if we can't play with our homeowners, if we're not aligned on that partnership level, then we unfortunately have to say, it doesn't matter how much revenue your house is bringing to us we unfortunately have to let you go. And it's tough. These were these really really, really difficult decisions never asked me 10 years ago, if I ever thought that way, no way. It's like no, this firm generates x hundreds of 1000s of dollars for us per year. Of course we were never let this owner go. And that just ties into who we're marketing to who's our niche who you know, and when you're so strong in a vision, it's inevitable that you're going to lose and you want to basically trim down the ones that aren't aligned with.

Matt Landau And that also for me is kind of a perfect example of a magic zone and in which you've just formed a relationship with a partner. That's more than just a transaction. For a booking, it's like you're in, you're in business together for the long haul. Yeah, so long as you're each upholding, yes, your side of the...

Steph Farr Yep. And I, and I love it. I love that you said the word transactional, because that's how I, you know, when I work with our partners, I say it's not transactional to transformational. And that's on every level with our guests, we like to say this isn't a transaction, it's, it's a transformation. And, and then, you know, and that's, and that's just really how we look at everything in every aspect working with our Villa owners working with our partners to also provide the experiences to our guests. And then with our guests as well.

Matt Landau Real quick, before we move on, the property count has remained approximately the same as a post COVID or has it grown?

Steph Farr It's remained the same because we've let a few properties go. And then we've also added a few.

Matt Landau Got it, love it. Moving forward, the experiences that you offer to guests, this is now something that a lot of vacation rental professionals are more familiar with, because Airbnb has begun their whole experiences side of their business. But a quick summary of what that experience component looks like?

Steph Farr For us, we originally used to call it to start concierge services. And then we pivoted to our having a curator. So if a guest books a villa with us, that reservation, that sale, the sales agent then moves that reservation to the curator, the curators role is basically it's like here I

have a blank canvas, and I'm here to create an exceptional experience for you. And we always like to tell our guests that the villa really should only be 20% of the vacation of the experience. And then the rest of what they do with their time is truly 80% of their vacation. And so while we have our full sales team, that is that is responsible for closing the bookings, really where the magic happens is with the curator, and, and so the curator is in touch with a guest after they booked their property with us, the moment they close, we close a booking the curator is in touch with the guests. And that could be sometimes we have reservations that close you know, six months prior to arrival, or two days prior to arrival. However the amount of time it is a curators role is to basically build an exceptional experience for the guests. And like I said, it's like, here's a blank canvas, and we're here to paint this with whatever we want it to look like prior to your arrival, when the guests arrive, they are greeted by what we call our hosts. So the mylaps host is there to take care of everything on site. We used to have it where the concierge did everything the concierge was in charge of pre arrival and taking care of the guests on site. But what we've discovered is that we're able to just provide a much better experience by being able to have that support 24, seven to the guest prior to arrival. And then the one person, the host, which is responsible for everything taken care of their experience on site.

Matt Landau And has that changed post COVID? Do they just keep their distance?

Steph Farr Yeah, exactly. You know, what's interesting is throughout, you know, in the peak of the pandemic, last year, we did, we kept our distance, but the clients, our guests that were traveling here, they're the ones that are traveling throughout the pandemic, they're the ones they really did want that face to face interaction. So yes, with the distance wearing the masks, of course, most of the time, our guests are the ones that asked us to remove the mask or to ask the staff to remove the mask. So that's actually been a very interesting, you know, initiative just in general of the sanitization and safety protocol.

Matt Landau And experiences could be something in house like a chef, it could also be like a taco tour?

Steph Farr Yes. So we have so we have in house services. And it could be anything from chef service to tequila tasting, or mezcal, even better salsa, salsa dancing, anything you could think of we could bring to the house. And some of our bills already include the services. So some of those already come with a full time chef. Some of those include full time chefs and include all the groceries in the meals. We do. That's another service that we offer is pre stocking. So you'd give us your grocery list prior to arrival. Anything you want in your fridge or in your counter. We'll take care of it. We'll have it delivered to the house prior to your arrival. And then and then yeah, out outside the villa, anything we could possibly think of anything you want to do from there we have a vast array of things you could do here culturally and you know, visiting the Mayan ruins the Sonata is with char sinkholes. This for me is just a magical destination. And if you Want to come here and you know experience as much as you can the destination at least 10 days.

Matt Landau Yeah, for sure. Could do 10 days cenote hunting alone although I don't like the word sinkhole that sounds like a dangerous. Cenote is so gorgeous. It's like what is a freshwater sort of underwater caves?

Steph Farr They can be underwater open water. But yet with all the cave systems here we don't have any above ground rivers. So everything's underground, the entire entire water system is an underground flowing river.

Matt Landau Otherworldly looking. Yeah. And Steph these experiences generate an income stream for the business, right?

Steph Farr Yes. So believe it or not, the experiences, the margins that we generate for the experiences are probably double what we generate for the villa rental. Wow. So capitalizing on the experiences is really an important part of the business. And that's another reason why we really put a curator of one person dedicated to building an itinerary for our guests. Because yes, with our villas, as we know, we make a commission homeowners pay as a commission. But with the experiences, it's really it's where we're able to add on with the margins. And, you know, we always look at it like, it's, it's just, it's a part of business that many people just ignore, don't really put much attention into. But if you could build and it's a win win. I always say if guests come to Mexico or to Riviera Maya, and they've only stayed at a villa at their Villa, we failed, we failed at providing them an exceptional experience, because I can't imagine every guest I tell my team to treat like friends or family. And if I have friends that were coming, and they've never been here, I would not allow them to not see certain things. And I and I understand it depends on the dynamic of the group as a family as friends. But there's just so much to do, and to really capitalize on experience and, and hey, somebody just wants to relax and do nothing. But even so you could still provide an experience for the guests who just want to relax.

Matt Landau And proof of that is it doesn't have to be just ultra luxury like you've got there. There are experiences happening in any given destination. If you need ideas go to Airbnb experiences. Granted, a lot of them have changed a little bit since the pandemic. And I want to just correct myself, I keep saying post COVID. But we're totally still in the middle of COVID. Post peak is a better way of putting it. Yeah, yeah. But this is a good idea for anybody to be thinking about, that your guests are already probably likely to want to do these things. And it doesn't have to be just an ultra luxury experience. It could be a search for a sinkhole.

Steph Farr Yes, just a sinkhole, or just you know, touring and finding the best taco in town or, you know, who makes the best Margarita and having a local guy just take you around. And, and it's true. It doesn't have to be extravagant, I would say, you know, it's always in the most simple moments, that's paradise. It's just finding the beauty and simplicity.

Matt Landau And now a word from our sponsors. This episode is brought to you by point Central, the leaders in smart home automation, but instead of me telling you how

great I think they are, are reading off some kind of script. Here's Karen and John Bobe of Sunset properties.

Karen and John Bobe Point Central no other way we tried other locks and the Point Central locks blow all the others out of the water. We did a test and out of all the tests we did - we did six of every one available. Because we're at the very end of the island, we have limited internet, we have limited as you know, cell service...

Matt Landau Access to teammates!

Exactly and so therefore and then you also have a harsh environment here with saltwater and the wind and you know, all that other good stuff out there. So we want to make sure that our locks stand up to the environment, and that they are always pretty much you know, 90% ready to rock and roll and not losing potential. And Point Central won the competition? Hands down. No connections lost.

Karen and John Bobe

We had attrition on the others in three months. Attrition literally the things were dying? Literally, things didn't stop working.

Matt Landau I could not have said that any better myself. If you'd like to learn more about Point Central head over to pointcentral.com/vrmb they're now accepting property managers with less than five properties which gives everybody the excuse to get a little bit more connected. And Breezeway, a property care and automation platform that solves the challenges of ensuring clean, safe and high quality properties in the wake of the pandemic. Instead of hyping breezeway myself, here's Christina Thorenson, of Chattanooga Vacation Rentals when I asked her, what's the single technology shift that she considers most important to her business?

Christina Thorenson I think there are some folks on the property care housekeeping side that are doing some really cool stuff with confirming sanitizing and disinfecting of properties. That I think we're we're gonna see technology with every housekeeper has a cell phone, and they're checking into their system and checking out when they're done. They're taking pictures of the chemicals they're using and the spaces they've cleaned. And I think that is a technology shift that something that the guests might be able to access directly moving forward.

Matt Landau I like that. Give it let's give a shout out who you talking about right now?

Christina Thorenson Well, I see. Jeremy Gall, Jeremiah Gall and Breezeway does some really cool stuff with that, you know, they're trying to do some things where they're incorporating that tech that's already available in the smartphone, to help increase the guests level of comfort, which I think is good.

Matt Landau I couldn't have said that any better myself. Head over to breezeway.io/vrmb, where you can do a free demo. and secure free implementation, if you decide to sign on that's roughly a \$1,000 value. That's breezeway.io/vrmb. Now, let's get back to the show. All right, moving into the next pillar, but real quick, favorite taco in the Mayan Riviera? Where do you go for that?

Steph Farr Where it depends, are you in?

Matt Landau I want none. No, no, I'll eat any meat.

Steph Farr Well, I would say the best one are on the streets, and they don't have a name. So I would have to give you a Google pin for that.

Matt Landau Okay, Spoken like a true curator. Okay, I want to move into the real estate side of your business very quickly, just so people have an understanding of the diversification going on here. Is this a partnership with real estate experts?

Steph Farr How does that work? No, we just have built it in house. And that just happened organically because we never really intended on going into real estate. However, our homeowners that have been really successful with their Villa rental programs with us basically, like, will we want another one like this? Can you find us another property that you think will do really well in your portfolio. And I think that's what's made us so successful in real estate is that kind of like reverse, we're reverse, you know, we reverse engineer the whole process of the purchase, because we don't just sell for the sake of selling, we will sell a property of what we know will do really well in our portfolio or a villa that we want in our portfolio, because it's going to do really well on the rental side. Whereas most brokers' real estate agents will sell just based on Hey, this is a great property and don't have the true rental history or know how Intel Yeah, yeah, Intel. And so we could have a homeowner that says, hey, I want to put down \$3 million on this house. And then we have another house that's for sale for 1.5. And we're like, nope, put it on that house. And we'll be able to generate a higher return on that property than we could on the 4,000,001. No, so I think that's where the value comes in with us is just that we're able to really put our potential buyers in a position where they know they're gonna have a high return on their investment. So it just happened organically and then guesting at our villas, just like hey, we want to buy, we want to invest in the area, what do you recommend? And that's how it started. But no, we don't partner. We work with other brokers in the sense of sending their clients to us to give kind of like a rental performance of what they think what we think we could generate for a house.

Matt Landau And this is also like, I think if you're listening to this, and you're in real estate, and you want to learn more about vacation rentals, this is the gigantic on untapped opportunity is that most real estate professionals have not spent the time really getting to understand the local vacation rental market. I mean, sometimes they'll spit out

a report from who knows where as a way to get somebody to actually buy the property. But this is a holistic understanding of the process that you bring to the equation and formalizing that whether it's building an in house real estate team or even just partnering and sending a bunch of referrals in the direction of a reliable agent. It's a really nice compliment.

Steph Farr Absolutely 100%

Matt Landau As if your business isn't complete enough, talk to us about them, your magazine.

Steph Farr So the magazine is just, you know, us wanting you know, we're a local company and we also We're here, it's we just, it's our responsibility as that's how I feel, to be delivering local knowledge to our audience. And so it's stories, it's connecting with our community. It's just news, for example of anything that could be going on in the area, but really more so it's in-depth stories connected to our community. And being able to promote the local community here and local vendors, local, you know, smaller businesses, but really, it's just about telling a story, and not necessarily about rentals, but just overall what this destination has to offer.

Matt Landau It's really just a pretty brilliant way of repackaging a blog.

Steph Farr Mm hmm.

Matt Landau Right?

Steph Farr Yes.

Matt Landau Do you actually have a physical magazine that you print? Or is it all online?

Steph Farr No, it's all digital.

Matt Landau I love it. I, I, a magazine just has gravitas, you know, I, I don't think I've ever met a vacation rental professional with their own magazine. But I know plenty of people with their own blogs. I'm sure now people are listening to this getting excited. They're what this kind of brings us into, I want to start breaking down some of the topics that you and I have been discussing lately. And one of them is kind of the role of my Alex, in the local community, also in the local environment, which oftentimes goes at the end of stories, because at the end of like the speech, but you actually have baked it in from the beginning. Tell us about this, the rise Relief Fund first, and then we can go into the future plans for the blue properties.

Steph Farr Rise was born, let's say maybe a couple last year, pre COVID. And it was really about creating an initiative to support our community and our environment. And when COVID hit, we really understood that we had to do something to help our community here, a lot of locals are out of jobs out of hotels, you know where this area is saturated with large resorts 1000s and 1000s of locals, per resort. And so when all the hotels closed, unfortunately, there were families that were left with no no jobs, but also unable to put food on the tables for their for their families, and also unable to even support or pay for their rent their houses or their apartments. And so what we did is we came up with an initiative to just raise funds for the community and deliver food baskets every 10 days. And each food basket had enough food per family for 10 people, so a family of 10 for 10 days. And how we did that we launched our virtual experiences. And we thought if our guests can't travel with us, then we will go to our best homes. And we will have online experiences like DJ sunset sessions at 5pm happy hour in house tequila tasting course or salsa dancing. And so we were able to raise money through those experiences. And we felt really blessed. This is a time where we've really seen our community come together. And when I say community, our community of guests, where as soon as they see what we were doing, they're like, how can we help? How can we know, is there something else we could send, not just money? What can we do to participate more in this. And so that for us was just really amazing to see, again, not not the locals that live here, but just our guests alone that we've reached out to that were really, really helpful.

Matt Landau And I think a lot of vacation rental professionals have guests that have stayed and just created exceptional memories in the destination and really mean something to them and asking them if they'd like to support any given cause. Or perhaps in some cases, it's actually making a small donation to whatever cause upon the booking. It's really a perfect fit for the kind of traveler that ops for vacation rentals. And I've lately started to kind of formulate this little model in my brain, which it almost asks us to choose which of the following two loops, we fall into the first loop. It begins with a booking or a guest coming to stay dollars coming into our business. We as the hosts are somehow contributing back to the local environment, whether it's a donation or hiring locals or supporting causes that in turn makes the destination and the people that live there more delightful and happy to have our guests which is a reinforcing loop. It's a good positive version. As a cycle, and I think that's the one that everybody would choose. But if you're not consciously doing this thing, you risk falling into the second loop, which is the booking comes and the guests dollars hits your bank account - you're not contributing to the community or the environment in which you operate in some way. The neighbors start getting pissed your guests start almost overshadowing everything else if they're not behaving themselves, and that in turn begins to affect your bookings, because no longer will people want to visit. Do you think that your initiatives with regards to the Rise Relief Fund and with this future branding of properties that are environmentally friendly, which I'd like you to describe as well? Do you think those are kind of encapsulated by that first type of loop? Does that logic make sense to your bottom line?

Steph Farr Oh, absolutely. And, and one thing I want to stress too, is I mean, our bottom line is our homeowners bottom line is our bottom line. And so if we want to touch on the sustainability piece, if we look here, in Riviera Maya, for example, I mean, this area is developing and booming so fast with irresponsible development. And this is something like just from a, you know, moral level, what we do with our company, I look at what we do, and I'm like, you know, what we're contributing to the problem. We're the ones who are bringing the tourists. The tourists are then what's creating demand for development, for example. And so we're entering into a phase with the fast development process that's happening here, there's lack of proper waste management. And without proper with without having proper waste management systems, this, our water is going to be polluted, not able to swim the beaches in 10 years from now the great we're going. And so if we want to look at, you know, just the whole ecosystem, from a homeowner level, what's gonna happen to the demand of their property, if it's a beachfront property, and their beaches are no longer swimmable, the waters no longer suitable. So we all have to take responsibility. And that responsibility starts from, I would say, definitely, you know, a homeowner, but they're not 100% involved to that level. Right, exactly. And so then it moves on to our responsibility. And then we have to educate our homeowners, and we have to educate our guests. And from what we've seen it, you know, our guests are happy to know that they're coming here and making a difference. And so there's that intrinsic motivation of it's I'm not here to book a vacation, wow, I'm actually booking a vacation, and I'm making a difference. And it's that feel- good. It's that wow. And exactly like you said, Matt, like you can, you know, from the moment of the booking we have where, you know, this is what we're actually building, you know, for example, a guest can choose to opt, where they want to donate or match what we're giving back. At the time of booking at the time of Checkout, when the guests are here, we have a program called change for change. Nobody likes to travel home with their loose pesos. Who the heck wants, right, you're not going to exchange them, you're going to save them up for your next trip, but then you probably forgot them at home and whatever. So we call it change for change, you could leave your change on, you know, back at the villa. And, and you could choose where you want that change to go to. And, and so that's whether it's the sustainable piece, it's the community piece, but just giving them that choice. And, and so it's the tiny little things that we could do. They're not hard. And, and I really say like, you know, I know our guests feel, they just feel consciously like, wow, okay, I'm doing something good. And it makes them feel good.

Matt Landau And what about these environmentally friendly properties? That's, that's kicking it up a notch. Right? So that's an investment that is yes. Also branded in some way.

Steph Farr Yes. So what we're doing is we're basically creating another tier within our portfolio. We're calling them our blue villas, and these are the villas that are gonna be focused on our sustainable initiatives. So no single use plastics and the properties. We unfortunately like the waste management aspect of it, because the house is already built, that's a little bit different. Which is one of the reasons why we're getting more into real estate as well so that we could go to the root of the problem when we're talking about developing properties. And, but with those that are already in our portfolio, we are developing that sustainable initiative. So it's no single

use of plastics, all the products and the villas, the soap amenities have to be natural, because that's what's affecting our coral as well. All the chemicals and And the other aspect of it is, for example, just again, like I mean, I guess it ties in with no single use plastic, but water water bottles, we also are giving our owners have are using eco bags in their properties so that guests aren't going out and actually using plastic bags or when they go shopping, they bring those bags with them. Um, and so the idea is the homeowners are aligned with us. And then for every booking, the homeowners are also giving back to our sustainable piece, which is, which is us helping on a much larger scale. It's not just the single use plastic aspect of it.

Matt Landau And I noticed that you have filters in property searching on your website, there's an eco conscious option, is that is what that's for?

Steph Farr That's that was just the initial phase before we could actually go forward developing the true blue villas, but eventually, yes, we will have the blue villas that you can even filter as well, which will be the eco friendly properties. But yes, we have that little stamp right now to say that there are taking initiatives either solar panels, or some villas are not connected to the grid, for example. So they do have their own waste management program. They are using solar wind power. And then of course, they're following the no single the no plastic single use plastic protocol in their properties.

Matt Landau And based on your now 15 years understanding vacation rental travelers? Would you agree that this environmental angle from purely a sales perspective, if you're doing these things, and presenting them in a market from a marketing perspective, presenting them in a way that helps people see the impact? Is this like a decent opportunity right now?

Steph Farr Yes, 100%, you're building branding, brand equity. And you basically are filtering to a market that I have to say the ones that are more conscious, more environmentally aware, are the more seasoned travelers. And so they're willing to pay a premium, they will pay a premium, if they know that just by an extra X amount, they're gonna make a difference. And so just from a level as well of values, when we talk about the clients that come and destroy your property, or they you know, you're also filtering on that level as well, the ones that tend to be more, you know, focus on sustainability, or consciously aware about the environment are also the ones that are going to take care of your property.

Matt Landau I like to think of sustainability when people hear it, they think of the environment, they think eco. But sustainability is really just about being able to run your business sustainably, like for a long time, being able to host guests and generate money. And there are if then steps that are required to do that. And back to that second loop that I described. If you are not doing these certain things, your lifespan is going to be limited. Same with, you know, taking care of our bodies. What steps do you use in terms of like, how do you measure or gauge the growth of your business? Because it sounds like there's so many different pillars. And each of them is so nuanced and deep and they all kind of like intermingle in some way. Do you use any particular metrics like

that you look at each morning or week, and say, Okay, we're, we're looking really good right now, or is it just like a full rocketship dashboard?

Steph Farr That's it is a full rock, like a rocketship dashboard. And I mean, you know, obviously, we look at the number of bookings, that we're closing, the net rev per booking, and how much we're closing and experiences. I think the biggest for us is our repeat database, that's really important for us that we're growing through repeats or referrals.

Matt Landau Is that sheer the sheer volume of contacts in that database? Or is that the actual bookings generated? Or kind of both?

Steph Farr It's a bit of both. It's a bit of both. Yeah. And then I would say, reviews, you know, based on what is our what are our customer reviews? I mean, we can have, you know, we can have our growth kind of be, I don't know, 20% increase in bookings this year versus last, but our views have gone down exponentially, you know, and so, are we successful?

Matt Landau Now? What's like a good gauge on reviews that you're getting a review every few few guests are what?

Steph Farr Well, number one, just the metric and itself? Exactly. That is, are we even getting a review? That in itself is a metric, right? Um, and so we incentivize both our team and our guests to leave reviews. And then within the review, if it's, you know, obviously we're aiming for the five star review.

Matt Landau What do you mean your team?

Steph Farr So our team so our hosts when they check out? And so just to just to explain our hosts, when I say host, I'm not referring to the villa owner, get him Referring to the host isn't our team member, they're the hosts who take care of...

Matt Landau The curator or the concierge?

Steph Farr Exactly. So hosts, aka concierge, when they check out the guest, it's their responsibility to collect the review from the client, whether it be through email, we have iPads on site, so they could fill out all the information on the iPad when we're checking up the guest. And then if we don't receive that review, when the guests are checking out, then the experience manager will then follow up with a guest directly and ask Hey, how's your vacation, and we'd love for you to fill out this review. And so our team gets a team meeting the host, they get compensated based on reviews, and they also get compensated based on repeats. So it's in their best interest to make sure that we have our guests want to come back?

Matt Landau So in your system, what software are you using as a CRM or to track all these individual clients along the way?

Steph Farr Salesforce.

Matt Landau I thought you're gonna say like we built our own CRM.

Steph Farr Well, well, technically, Salesforce is like building your own. It's been a love hate relationship.

Matt Landau What do you use for your booking software?

Steph Farr We use Salesforce, everything goes through Salesforce.

Matt Landau Wow. So wait, you're literally not even using a property management software?

Steph Farr Nope, we built everything in house. That's why I say it's a love hate relationship.

Matt Landau But you know, what I love about that stuff is we've been doing a whole lot of research on property management software lately. And the ones that are really accelerating, are the ones that have a really strong backbone of a CRM, and not just like, we're a property management software. And we also happen to have a CRM functionality, but I'm talking like built into the DNA of the tool. Good example is track hospitality software, which we kind of saw a while back was the only one who is really doing this, and it's a game changer. So what I love about what you're doing is that you said, Okay, we're gonna take the game changer, and we're gonna build the rest of the stuff around that. So you can accept bookings, you can track everything through your Salesforce interface. Yes, yes, that is so cool. And that I'm guessing can also track a review if a guest is going to leave a review or if it's been a couple days, since they got home and they haven't.

Steph Farr Yes, exactly. Okay. Every I love this.

Matt Landau Yeah. short side story. Yesterday, I went fishing with my best friend Adam, who's visiting. We went fishing in the Everglades. And it was like the most magical fishing trip I have ever gone on. It was the stone crab capital of the world. And we picked up stone crabs at the local gas station before getting on to the boat. And I found myself sitting there, we caught fish, non stop red fish, just non stop. And I found myself sitting there eating a gigantic, colossal stone crab claw, drinking a beer in the middle of the Everglades catching fish on every cast. And I said to myself, this is like, gonna be the best five star review that I've ever written. And we left and the the guide, he said, when we were leaving, he said, Would you mind writing a review? And I said, Absolutely. And I know, between us, I'm most certainly going to write a review. In fact, it's probably gonna more resemble an essay. But he texted me again this morning, he said, again, that review, which is mine writing the review. So I feel like you have to strike

your balance of not not demanding, too hard, but also believing in the fact that if you create magic people are gonna want to share it, right?

Steph Farr Yes, yes, absolutely. I 100% agree with that. It's very delicate, versus, you know, a, you will leave your review data or you.

Matt Landau Yeah, exactly. No,

Steph Farr I had a, I had a process with my team with the host with a concierge where, you know, if the guests ever offered tip. You know, we always said that they have to refuse it three times before they can accept it, or unless it's in an envelope that that's like it's a case and you can't turn it down. Love that. And we'd always say, you know, the, you know, our motto is really like no, you know, the tip for us is to leave us the review and tell us how we're doing. And that would be and that's how I say we would compensate our team based on getting review because we knew that's a possibility for their tip in order to get that review. But it's just a way to tell the guests You know what, like, for us, it's Thank you so much. I really appreciate that gesture. However, you know, if you can do something for me, it would be this. Right? And yeah, and of course, if they say no, they say no. And then we go into the, you know, the incentivize. Okay, we'll give you 5% off your next stay.

Matt Landau They move into phase two. Yeah, exactly. Steph, we're nearing the end of an hour. But I still have a couple categories that I want to talk about. And if you're okay with your schedule, I think our listeners would appreciate me to flesh all of this out, because the advice that you're sharing here is really amazing. And our new theory on podcast length is that so long as the conversation is interesting, you can go as long as you want. So let's just hammer through here. With regards to technology, you've talked about your Salesforce tech stack, for lack of a better word. Are there any other tools, whether it's a product, a software, hardware, or a service, that is helping you make more money? And ideally, saving time or energy?

Steph Farr We actually just moved to zoom for phone. I didn't even know it existed a couple of months ago. So Zoom Phone we've set up...

Matt Landau And that's for communication within your team, and guests?

Steph Farr And guests, yes. So they launched recently. Yeah, like Voice over IP. Before we had that, but we're using hard phones. So now it's to the software on a computer, and I'm sorry, iPhone, I'm assuming everyone has iPhones and cell phones..

Matt Landau But they're calling a number and it's coming into your zoom?

Steph Farr It's almost very separate from the zoom. Like what we consider a zoom meeting. So it's they set us up with our 800 numbers, our extensions, everything.

Matt Landau Oh, cool. I think I might get a little bit intimidated if I'm booking a vacation and my host is like okay, now we're gonna have a zoom where...

Steph Farr The regular one 800 number.

Matt Landau Okay, got it.

Steph Farr Yeah, yeah, no, that'd be really funny.

Matt Landau And that syncs somehow into Salesforce as well?

Steph Farr That's all synced into Salesforce. So every front wow goes to every what we call opportunity within Salesforce. And so we can go in and monitor and go back and listen to our sales teams calls and amazing. So that's something we just recently implemented. And we use Asana for project management software. So Asana also connects to Salesforce. We use Asana, Slack, Slack is fun. Salesforce just bought out Slack, actually.

Matt Landau And so slack. For those who don't know, it is a collaborative tool for teams. You're not having your guests on there, or are you?

Steph Farr No, no, we don't have our guests on there.

Matt Landau What about your homeowners?

Steph Farr Are homeowners Nope, we don't have them on there. They just basically go into their own login, if they want to go to Salesforce, got it.

Matt Landau Okay, cool. It sounds to me like also, when you identify a problem that you need to solve, you basically just make it yourself. You make the tool?

Steph Farr Yeah, you know, that's what I'm saying. So it's a love hate, because it's the creation when you know, there's customized software out there, you're like, ah, let's just go the easy route, right. But then when we go to the Customize, we realize we're just more sophisticated in where we're at. So we haven't found one software that encompasses everything from, you know, the experiences, for example, there isn't a software out there that connects the experience side to the property management side. And so we're just connecting so many different software's. So we decided, we just have to if we find a software or something that solves a problem for us, what we do is we use it and then we'll basically kind of piggyback and say, Okay, let's just build it into Salesforce, because we're looking to scale up and also launch into new destinations. And whereas most software's charge you per Villa, and not necessarily per user. So when we get to the point where we have like 1000 villas, in the future, when we're different destinations, it's just not going to be scalable for us.

Matt Landau And so on the flip side of that, I'm guessing there's aspects of the tech landscape in our industry that frustrates you. And one thing I kind of heard between the lines there is that our tech industry from the property management software is to the third party, or ancillary software's it, it's a very broken up space. And the integrations are very, very young. So they're not nearly as mature or open as something like a Salesforce, which makes it a little bit frustrating for the advanced property manager to really use all the best tools, depending on what property management software they're using. So that fragmented nature, is that also something that bugs you?

Steph Farr Yeah, exactly. If you're just starting out, it's like you don't know you don't know. And so the customized software's are there to tell you what you need to know. But you know, being in the industry for as long as we have, you know, we we just really are, we're trying to we are as well trying to reinvent as we go. And so that's been the biggest challenge is there really isn't one software for us that can solve everything that we need. And then yes, and then they are fragmented. And you know, the one thing that we do use, for example, the otaa connecting like a channel connector that's super useful. What he is booking Okay, yeah, I think they recently changed their name, that and so but even that alone has made it, it's almost through the otas software's the barriers to entry in this industry are just minimal, it's very easy to get into the industry through these otas software's or, you know, you could plug your any villa in with Airbnb homeaway. But the minute you're in these channel connectors, all of a sudden, your Villa can be on, you know, 20 different platforms overnight. It's crazy for me, I've you know, we don't, we don't really use us as a company, we don't really we only plug our bills in with Airbnb, homeaway and vrbo. But we don't use many of the others, like we don't put on Expedia or booking.com. Marriott just recently launched Marriott villas. So that's kind of been, it's just been very interesting to see how the floodgates have opened through these channel connector software's because you could just sign up with one of these companies and boom, your bill is exposed to, you know, 3040, different OTAS.

Matt Landau And when you talk about growth, you're talking about expanding, you're talking about getting to 1000 properties at some point, back to this magic zones theme, my guess is that you have to set some limits on on growth, like you can't just take on every opportunity that presents itself, you clearly have created a rubric for your properties that you will accept, you've created a process for the right types of employees to hire, is there any other kind of just general like throttles that you use to make decisions in order to avoid going too quickly? Because this is still the hospitality sector in which the little details really matter?

Steph Farr Yes, absolutely. So we go back again to how can we continue to stay aligned with who we are and where we want to go? And, you know, for us, I always say our what is the villas, what we do is Villa rentals, but the Y is actually to create an impact and to make a change. And so if we're going to go to another destination, it's how can we create this awareness of what needs to be done? You know, so like, if we were to go to Cabo, for example, if we want to launch in Cabo or Puerto Vallarta or other areas in Mexico, I'm just talking about Mexico, it's really, you know, is there room for us for our why? And again, that why is when I say we're

going to add villas, we're not necessarily going to start how we started 10 years ago, we're going to start with that, you know, that segment of the villas that are focused homeowners that want to focus on sustainability, that want to focus on impact. And that's really where we're headed. That's our why. And as long as we could stick to that, why, what we want to do, that's really kind of that throttle for growth, and it's not going to be a hyper growth, it's really about and it for us, it's less is more, really, as cliché as it sounds.

Matt Landau Yeah, is still a pretty good motto. Yeah. And I also think that it makes things a lot more manageable, like the conventional world of startups, I try to, you know, train entrepreneurs to grow as fast as humanly possible and break stuff. And we've all seen what happens when companies do that breaking stuff, as it turns out, is not great for communities, right? It's a nice sort of digestible reminder, even if you have one property, and you'd like to grow to two, or even if you only have one property, but you'd like to increase your repeat guests count by 15 or 20%. Next year, it's a manageable thing to focus on, as opposed to just purely going for volume.

Steph Farr And I think it's it really for us, it's it truly is not, it's about it's not about the volume, it's about how can we spread what we're doing here to other destinations, and with intention, for us, it's just everything that we do is with intention.

Matt Landau Like that. Last little subject matter has to do with how this pandemic COVID has affected your business in terms of operations. Now, seeing as though this is your second pandemic, I noticed that you've got COVID updates on the top of the website, which are always up to date and front and center. And that helps to clarify any concerns. I noticed that you also have you're in Villa COVID testing, that you're getting higher in your own supply. They're getting COVID tests every day because you can what other adjustments as a result of this pandemic have you had to make that you think or is worth sharing with others?

Steph Farr I would say just from safety measures. Um, wow, we have to shift our check in checkout process. course which you know sanitizing villas it's it takes a little bit longer than the typical checkout or typical cleaning or turnover process. And so from what we do is just when guests Checkout, we obviously have to give our guests a call, like our little sanitization kit on arrival, trying to avoid the single use plus, well, all in one, it's a little challenging.

Matt Landau Yeah, like, here's a, here's a second hand sterilization kit.

Steph Farr It's already used, don't worry. It's been sanitized, though. Um, so yeah, so I just, you know, just in general, the overall protocol has shifted, and we had to pivot on that aspect, not allowing same day check in checkout. So that's been really hard for us. Just because the turnover time is not enough, in order to truly sanitize our property. testing our team, we've had, we've had a tap I mean, we weren't originally, initially we weren't in a testing schedule for our team, we would just do it if someone got sick. And then we tested everyone around, but then one of our guests, actually, that stayed at our villas was tested positive while they're at our

house at one of our properties. It was just like, wow, what do we do? What do we do when we have one positive guest in an eight bedroom house? With a staff of 10 10%? How do we protect our staff? How do we protect the rest of the guests? And so just to be able to come up with a protocol, you know, in how to handle those, you know, situations that we never really know and know how to handle that, for us has been kind of like one of the biggest out of everything, is how on the fly to handle these situations, because there's still things that are coming up that we haven't experienced, and we don't have the expertise on what to do with it exactly like having a guest that has COVID in one of our houses. So a shift testing our team, keeping them safe as well. Like I touched upon, what do you do when the guests say, you know, we don't want you wearing your mask, you know, and it's that fine line of, Okay, I'm here to provide a service and it's personal, personalized, but we also want to protect our team or staff. And so I would say on that level, it's just been, it's just been kind of coming up with our protocol on the fly. And, and then, you know, the biggest is, is keeping our villas clean and sanitized.

Matt Landau And I think there's a certain sort of binary nature to this, if you are the host, or the owner, or the manager who's putting thought into this stuff. And you can communicate that to guests, you're significantly more appealing than somebody who has not put in any thought, or who has not made any adjustments. And I like to think that as a traveler, like, at least for me, going to a restaurant in this COVID era, if I know that the restaurant is thinking about these things, and conscious of it and trying, I'm much more likely to go and support then a business that is not putting in the thought, right?

Steph Farr Yes. And uh, you know, it's interesting, because when it's funny that you say that because I've been to restaurants where, you know, the staff, the waiters are wearing their mask under their chin, which just cracks me up. When you look at them, and you're like, they're all wearing their masks under the chin, but then it makes you question like, Okay, if this is they actually cleaning out there? It's not even like, pre COVID. What were the regulations? Like, because if they're not following it through at a time like this, when it's mandatory, you know, what was it like before?

Matt Landau Right? Yeah, or what's that? Yeah. What's the kitchen situation? Like?

Steph Farr Exactly. I'm like, Oh, so you know, you actually it starts to create this level of awareness for you. It's not exactly like you said, you know, it just helps you get this appreciation and also understanding of who you want to give your business to based on really who's actually taking care of these little details, because if it's not in this detail, then it's clearly not going to be any others either.

Matt Landau Yeah, well put. Alright, last question. It has to do with exits departing the vacation rental industry, which I know is not in your plans anytime soon. But you and I had a conversation a while back, in which I argued that at the very least having a conversation with somebody who could provide any advice, whether it's on how much the business is worth, some things that you could begin doing now, to maximize the amount at which you sell. I think a lot of folks in our industry have zero intention of selling

their business. Or the properties if they happen to own it. But if you are putting in some basic measures while you're doing the hard work, you give yourself options, and maybe it becomes too annoying. Maybe the challenges become too steep. Maybe it's just not profitable anymore. And my question for you, Steph is after having a conversation Did you Who did you end up speaking with? I can't remember, was it Jacoby? Yes. Jacoby. Okay. Okay. After a conversation with you Kobe. Is there anything you take away from that little exercise? For others who maybe don't have any intention to sell to anytime soon? But could I think about it in the future?

Steph Farr Yes. So number one is what I took out of it if you're looking at, if you want to sell like, even whether it be today, or maybe who knows in the future? Who knows, maybe someone's gonna approach you out of the blue and say, hey, I want to acquire your company. Um, the number one thing is, I would say, for me, the biggest eye opener was just having everything, all your ducks in order. You know, just from the company infrastructure to your finances, if you know, if one day if you need to print out a p&l, are you able to be able to print out an accurate p&l of your company, you know, on a monthly basis on a quarterly basis? Looking at your expenses, that's one of the biggest things I actually was the big eye opener with COVID, as well as holy shit, you know, sorry, part of my friends was, you know, when your business comes to a standstill, where are you at? What are you looking at? How are you able? Is your business able to? or How are you scaling up your company? What can you do? What is the next step? Where do you want to be three years from now? Where do you want to be five years from I would say, five is too far in advance. So I kind of like to focus on three. And, and I would say the other thing is, you know, just finding that exclusive piece in your business model for that competitive edge. And if you can focus on that competitive edge, then you're again, building that brand equity for your company. So at any point in time, if you're looking to sell, you could say hey, well, you know, I also am able to offer this, and, and something else is when investors are looking at potentially purchasing your company, it may not necessarily be what it is at today, but they're looking at the potential of what it could be tomorrow. And so that's why I say the importance of trying to understand where you want to be three years from now, where are you headed? What is your What does the competition look like? How are you staying ahead of the game? I think that's been kind of like the biggest for me with my Alex is just almost having a turnkey, if someone wants to buy like a property, like a villa, if someone wants to buy my Villa, I'm able to say, Here you go, these are the rentals, I was able to generate over X amount of years, this is what you're gonna get when you buy my property. It's the same thing with the business, I look at it the exact same way.

Matt Landau I always like to say build your business as if you will own it forever, but could sell it tomorrow. Yes. And I think that a lot of folks don't have any intention of selling it. But then when maybe you do it's nice to have those pieces in place.

Steph Farr Yep. And also, and I think too, is like, the timing of everything, you know, is like right now we're peak peak in our industry, especially because of COVID where people are wanting to travel in private homes and stay at hotels or resorts. And so, you know, if you do have an exit strategy, or if you are looking to exit look at the timing of things, you know, and and

so I look at it like yes, where we will be in peak growth, but peak growth also may mean is the best time to get the most value for your for your company.

Matt Landau Mm hmm. No, put, well put. It's time for this conversation to come to a close. And I greatly appreciate your time. I think you and I can talk about this stuff forever. Yes. In fact, we have plans for a much deeper dive. We'll just leave that little teaser for our listeners. And I also promised people that we were going to discuss open water swimming. But the simple fact there is that Steph swam around Richard Branson's Island. Is that right?

Steph Farr From Necker to Mosquito round trip so two islands back and forth.

Matt Landau And with Richard Branson's permission, right?

Steph Farr He came with us though, one way and then and then influenced me. I like to use the word peer pressured me to swing back the other way on the return trip alone.

Matt Landau That's a very impressive feat. I can't say I have ever done that. Although I am a fellow open water swimming.

Steph Farr I was gonna ask how your swimming lessons are going.

Matt Landau You're swimming swimming lessons are going great. I go out five to six days a week. It's typically with my my, my fellow swimmers here in Miami, it's, it's my little chance to tune out. I love that. And lately, there has been an infestation of Portuguese man of war. So I've been swimming in the pool the last few days. Miss Steph Farr this was a fantastic conversation. And on behalf of all the listeners, I want to thank you for dropping all of that wisdom on us. And congrats for your work. You are like truly leading the pack. Thank you, man. Appreciate that. Have a wonderful weekend.

Steph Farr Thank you, you too.

Matt Landau Thanks for listening to today's interview. If you'd like to download a full transcript of this conversation, along with links to resources that we mentioned, and perhaps collaborate with our guests, each of whom are members of VRMB Communities, head over to community.vrmb.com and click register. Our community is for folks who don't want to do it the hard way or alone. They want to use the path of least resistance, not reinventing the wheel here just copying the best practices to vacation rental growth that are out there. We'd like to think that we have the most creative vacation rental professionals in the world. all under one virtual roof. That's <https://www.vrmb.com/the-vault>.

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