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LENDER LIMELIGHT

**Michael
Mikhail
Wanderlust
Gave Him
Focus**

LENDER LIMELIGHT WITH MICHAEL MIKHAIL



A Model for Success

Traveling and living internationally helped Michael Mikhail “find himself”—and gave him the mindset to discover his calling.

► by Katie Bean

F or some entrepreneurs, the ultimate goal is creating a company that can run just as successfully without them as with them. Michael Mikhail, founder and CEO of Stratton Equities, sees his business completely differently.

“I’m never absent. I help on every single loan. ... I haven’t taken a vacation and I won’t take a vacation. I think we would lose the quality control that makes us what we are,” he said. “This company is my life and my lifeline. I wouldn’t know what to do with myself if I wasn’t here.”

Mikhail has put all of his energy into running the company since he started it in June 2018. Within six months, and as his company’s sole employee, he had brought in \$1 million in gross revenue. Since then, the company has expanded to nearly 10 team members. Mikhail wants to continue

to add to those numbers. Stratton Equities offers real estate investors direct hard-money and nonqualified mortgage loans. Dealing in direct private money, the noninstitutional lender works with parties in a real estate transaction, loaning money that is usually secured by an asset. With fewer

underwriting requirements, loans typically close faster, in as quickly as seven to 14 days. Stratton Equities offers a variety of mortgage programs, including fix-and-flip loans, new construction, cash-out refinance, bridge loans and foreclosure bail-out loans, to name a few.

A WINDING ROAD

Mikhail's route to his current success has been a circuitous journey rather than a straight road.

His father flipped homes "before it was the cool thing to do," Mikhail said.

He got a taste of the real estate industry at 19 years old, buying an investment property. He honed his entrepreneurial skills by starting and running a car wash. But real estate appealed to him, and he continued in the industry—until the Great Recession hit.



"After 2008 happened, a lot happened in my life. I lost a lot of money," Mikhail said.

The experience left him questioning how to move forward.

Mikhail said he took a nighttime hike to clear his head and ponder his next move. Sitting on a rock with a cigar and a

nightcap of scotch, he decided he had to go away for a while.

He was down to his last few dollars, so he pawned gold wrestling medals and jewelry, coming up with \$3,900.

He traveled around the world for five years, visiting 19 countries. He was nomadic

and homeless, couch surfing and sleeping on floors. During a stint in Dubai, he worked as a trainer, capitalizing on his expertise from competing in physique body building.

Among his realizations from that time: "It's hard in other parts of the world to do what you can in the States, to start an LLC and build a business from the ground up," he said.

During his journey, Mikhail said, there wasn't much to

worry about. "I had no problems, no stress. Wake up, go to the beach, go to the gym, hang out with friends," he said.

But in 2017, he decided to close that chapter and return to the U.S.

Back in New Jersey and "dead broke," as he described it, he lived at his grandmother's house until he could get his feet back on the ground.

He took a job at a nearby mortgage lending firm and

THIS OR THAT

CALL OR EMAIL? *CALL. I TELL EVERYBODY, YOU HAVE TO DO IT OVER THE PHONE. IN EMAIL, YOU'LL NEVER GET THE FULL SCENARIO.*

ANDROID OR APPLE? *DEFINITELY APPLE.*

SNEAKERS OR FLIP-FLOPS? *ARE WE ON THE BEACH? NICE LEATHER SANDALS IF I'M ON THE BEACH; IF NOT, THEN SNEAKERS.*

~~**POOL OR POKER?** *NEITHER. I AM THE ONE MAN ON EARTH WHO DOESN'T LIKE ANY SPORTS.*~~

NIGHT OWL OR EARLY BIRD? *WHEN I WAS YOUNGER, I WAS THE EPITOME OF A NIGHT OWL. NOW, I GO TO BED BY 10:30 AND WAKE UP BETWEEN 4:30 AND 5:30. BY WAKING UP THAT EARLY, YOU GET AN EXTRA MONTH OUT OF YOUR YEAR. I GET SO MUCH STUFF DONE THAT I WOULDN'T HAVE AT 8 O'CLOCK IN THE MORNING.*



quickly realized the company's shortcomings, especially in lead development. He decided he could do better himself.

FOCUSING ON THE GOAL

Around the time he decided to start Stratton Equities, Mikhail took a lesson from nature.

He was driving around, he said, and began to notice the squirrels. They spent 100 percent of their time on the essentials: finding food and water and building nests.

"They have 24 hours a day. They're very efficient. They're not watching TV, they're not on Instagram. They're able to accomplish their goals because that's all they focus on," he said.

GEARING UP

Though Michael Mikhail spends most of his efforts on building Stratton Equities, he does have one hobby.

"I'm a big car guy," he said.

Earlier this year, he ordered a BMW M8 Competition, the fastest car BMW has made. He also has a BMW M6 and a Mercedes-AMG GT R.

And that's what he did as he started the company: He was hyperfocused on building the business. He didn't go out or pursue relationships. Those sacrifices contributed to his success, Mikhail said.

The company is beginning to scale, although it hasn't been as fast as he'd like.

"Hiring is the hardest thing. I'm picky about who I bring on board," he said.

Though he receives a lot of resumes for potential loan officers, Mikhail said he's not interested in remote workers. He's only hiring those who can work full time, on-site at the company's Pine Brook, New Jersey, headquarters. With as many specialized loan programs as Stratton Equities offers, Mikhail said it takes about three months to fully train his loan officers.

"Our customers have an issue, a problem that needs to be solved," he said. "They come for programs that you can't find outside of our company."

His current staff helps him solve both customers' problems and business challenges. He said the employees he's assem-

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— MICHAEL MIKHAIL

bled are "like the A-Team," all bringing different skills and personalities to the table.

Mikhail said he also finds it rewarding to see his team achieve, which helps support their families and grow the business.

"We all need accomplishments. It's human nature," he said.

He is also gratified that Stratton Equities helps all types of borrowers, many of whom have had bad experiences elsewhere.

"We don't have upfront fees, other than appraisal fees. If we can't close a loan, we don't close a loan," he said. "We have a stellar reputation. You won't find anything bad about us online. It took a lot of work to get there."

'I DIDN'T LAND HERE'

To Mikhail, it's important that people recognize the work that went into the venture.

"A lot of people look at me now. People think I just landed here. They think I don't know what it is to be broke or struggle," he said. "I didn't land here. I had to work up to here."

He sees Instagram posts where people guess how soon they can become a millionaire.

"They want it overnight. They want to snap their fingers and become a millionaire," he said. "It's a false way of thinking."

Mikhail also remembers advice he heard from a

billionaire when he was 20 years old: If you want to make it, you have to be a bit selfish and give people a limit.

Mikhail said he has to say no if friends or family ask for money, and it's not because he wants to be mean. He wants to preserve capital to continue investing in the business. He also sees the value in working toward a goal, like he did.

"This company completely changed my life and turned it around for the better." ●

ABOUT THE AUTHOR



KATIE BEAN

Katie Bean is a former newspaper and magazine editor who loves telling the stories of businesses and great leaders. She is based in Kansas City.