

REALTOR®



PROfile

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Troy
Muljat
& Joe
Mosolino



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Tackling the commercial world

Despite growing up with his father in the real estate business, and getting his own real estate license when he was just 18, Troy Muljat didn't always know he'd end up in real estate. A self-professed over achiever, he wanted to tackle something bigger.

So instead of joining the family company straight out of high school, the Bellingham native moved south. After earning his bachelor of arts degree in business marketing from Seattle Pacific University in 1992, Muljat took on the challenge of becoming a commercial appraiser—which requires more clock hours than the real estate license, plus a two-year apprenticeship—working for Palmer, Groth & Pietka, Inc., a commercial appraisal company in Seattle.

"I feel fortunate to have been able to get into that industry early on, when frankly, I really didn't know what I was getting into," Troy remembers. "Any time you can niche and get into something like that or at least have that in your tool belt, it is very good."

"With four kids, I just leave the office whether there's work there or not."



Muljat finally put his real estate license to use in 1995, when he got married, moved back to Bellingham and began doing appraisals and selling properties for his father's company. Since then, he has expanded his real estate endeavors even further. Today, while he is still a commercial broker and appraiser for The Muljat Group, Inc., he also owns various investment properties, has found success with developing large-scale mixed-use properties, plus he is co-owner of Landmark Real Estate Management.

"It's really been growing by leaps and bounds. You know, as we do leasing and help developers develop property or even sell properties to people, it's a natural tie-in to then be able to manage their commercial projects. So that's been a big part of our secret to our success."

With all he's involved with Troy doesn't do as much appraisal work these days, still, he feels that background has been exceedingly valuable in all of his real estate dealings.

"At the end of the day, I don't really like doing appraisals, but it has given me such a great background to understand value, how to create value and how the numbers work on investment real estate," he says, "which in turn has helped me be able to sell commercial real estate at a different level than most. That's been the big background for me. A lot of my clients see that at as such a huge advantage."

"If I'm just wearing my sales hat and I'm trying to sell somebody an investment property, to be able to understand where the appraiser's going to come from, how the financing's going to work, I really think

it's an added advantage. It's been helpful." And any advantage you can get is priceless when tackling so many projects. "Our goal is to either be able to develop the property, lease it, sell it or manage it. And I can also appraise it," Troy says. "We like to be able to do every aspect—except for actually finance it—in commercial real estate in Whatcom and even Skagit County."

Despite being involved in every aspect of commercial real estate, Muljat is partial to one area: development. "I would have to admit the development is my most favorite thing," he says. "Really creating a project—whether it's a mixed-use project, a retail project—has been a lot of fun. Clearly it can be the most financially rewarding, it can also have the most risk attached to it. But creating a thing from scratch has been exciting, and also very

trying. But I enjoy that part the most." Realizing a project from beginning to end has its own challenges, but juggling what could be considered the work of several people adds extra stress to the load. These days, the development Troy does on his own takes up half of his life, while the sales and appraisals he does as part of The Muljat Group takes up the other half—but they're both full-time jobs.

"I'd be lying to say that I don't get stretched too thin," he admits. I have to pick and choose. I'm fortunate to be able to turn down more clients than I've taken. I would say that I probably have a few clients that are the same clients that I've dealt with over and over again that are used to certain types of properties—apartment buildings, retail projects, so on and so on. I'll work with them pretty exclusively. And between them and the few developers that I have that I work with, it's really just a short list of clients that I have that keep me very, very busy."

Although you wouldn't know it by looking at his extensive portfolio, Troy firmly believes, "One of the keys to success, is you have to know when to say when."

Troy says he has learned that while he may be able to handle most aspects of his development projects, sometimes it's better not to. "You become too emotionally attached sometimes to your own projects, that it's better to hire someone to do your own project for you," he says.

For example, he recently outsourced the leasing of a project he had developed from scratch, though he has handled that stage with other deals in the past. "That was one of the best decisions I ever made. Hard decision, because when you're in it and you know the industry, it's hard not to go back and do it all. Clearly [it was] the

best decision because it helped me do even more dollar-productive things," he believes.

"I think there's more to life than real estate. That's one thing that I've learned. And you can clearly OD on work—I am a workaholic, I have that mentality of working too much."

Troy says it really hit home when he was working on a large project in 2005. "I was fielding 100 phone calls a day. I was working 15 hours a day, six days a week. And it almost killed me," he remembers. "I think that you have to keep things in balance."

Besides essentially balancing the work of three people, Muljat says he must also balance his faith, his friends, and most importantly, his family. He and wife Heather have four children. Plus, they are in the process of adopting a daughter from China. Muljat says they hope that by the end of this year they'll be traveling there to pick her up and bring her home to Bellingham.

"With four kids, I just leave the office whether there's work there or not," Muljat says that he makes a point of being home by 5:30 every day. Though he says if you ask his wife, even once he gets home he sometimes has a problem disconnecting from work. "I'm physically here, but a lot of times I'm not mentally here."

While it's always a struggle to balance family and a large workload, he doesn't regret how his career has progressed. In fact, he thinks maybe he should have taken more risks even earlier on. "A lot of times in real estate when you're in the industry you tend to maybe not take opportunities yourself, to jump on opportunities," he says. "And there's

probably been a fair amount of those I've had in my own life, even though I'm sufficiently over-committed today, and have been for a while," he says.

"Life's about taking risks. Take 'em when you got 'em," he advises.

But that doesn't mean he believes commercial real estate is for everyone, particularly those people who love the personal aspect of residential real estate. "It's really a formula," he says. "And I'll very quickly pre-qualify them with what their investment objectives are, what type of yield they're looking for...and we're not going to talk about our families or the neighborhood or anything like that. [The client is] looking for the numbers."

Still, he does have long-term clients with whom he's developed friendships. "There's a few select clients that I would say I've gotten to know very well, more so than the average homebuyer working with a real estate agent. But you know, the other half of my clientele is purely driven on return and the numbers."

For those real estate professionals who want to try the commercial side, Muljat has some advice, particularly in regards to education and personal investment.

"If you're going to take commercial long term, you got to take the best of the best classes. And that would be, you know in my mind, the CCIM [Certified Commercial Investment Member] tract," he says. "If you can make it through that set of coursework and get designated as a CCIM, you're one half of one percent of all real estate agents in the country." Further, Troy highly recommends if you want to get into commercial investment real estate, you should own your own

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investment properties. "If you don't own investment property, and I hate to harp on this one, but it's hard to be able to sell it. I mean, obviously most residential agents own their own house, therefore they've been through the process. I think there's some people who want to get in to commercial investment real estate, and when they haven't been through the process themselves a couple times, it's tough for them to really talk fluently in the commercial arena."

Besides exploring the option of buying commercial real estate themselves, he suggests talking to management

companies, joining the Urban Land Institute or the International Council of Shopping Centers, going to the Commercial Forum every year, and just seeking out education and information opportunities.

Muljat definitely knows all about seeking out information and being involved. You'd need more than three hands to count all of his current professional affiliations, from the National, Washington and Whatcom County Associations of REALTORS®, to the Appraisal Institute, Commercial Investment Broker's Association, the Real Estate Buyer's Agent Council, and numerous more. Troy holds several designations, including his ABR, CCIM, CRB and e-PRO.

Plus, he's a certified instructor, a speaker at various events, and has won several awards.

In 2003, Troy was able to refine his leadership skills even further as part of the inaugural class of the Leadership Institute Northwest, a joint endeavor of the Oregon and Washington Associations of REALTORS® aimed at identifying, encouraging and assisting emerging leaders in the association and the industry.

"It was fascinating, some of the lessons you learn," he recalls. "It's a great opportunity to really step back and look at what makes up a leader. I think the thing I got out of it is a leader is only as good as the people you surround yourself with. And that's something I continue to strive to do today. I mean, if I can get people who are better at doing certain things around me it only can make myself look better. And that's the thing that I learned out of the Leadership Institute—great leaders are not just wonderful, great, elite people. They know how to delegate, they know how to organize, and they know how to surround themselves with people who are really better at certain things than they are."

Muljat feels his involvement overall with the REALTOR® organization has been beneficial in many ways. "I think it's the connections and some of the experiences. Anytime you're on a committee...there's just certain leadership skills you learn that help you in day-to-day life, whether it's with family, with potential clients, or with my development, or whatever it may be. It's all positive to be involved."





TROY'S TECH TOOLS

To help keep his business running smoothly and maintain communication with his clients Troy Muljat likes to keep up on the latest technology available. We asked Troy to share with us which tech tools he is using this year and his answers are as follows:

What cell phone and accessories are you using? T-Mobile Dash is my cell phone, running Windows Mobile 6.0. I also use my Plantronics Bluetooth headset which works with both my cell phone and phone system at my office. Essentially, I never have to switch headsets.

What computer do you use? I have a Sony Vaio Laptop that I use at work, remotely, and at home. I have a backup laptop, just in case.

What do you use for scheduling and networking with staff and clients? With two assistants, we run Small Business Server on the back-end. This allows me to seamlessly sync task, contacts, appointments with them and one of my business partners. I can also wireless from my phone add appointments, contacts, tasks... so I am never out of touch.

How do you handle file sharing and storage? I also use an online digital paper system to store all of my "digital files." This allows everyone I work with, vendors, clients, prospects to access files I want them to see. www.digitalpaperoute.com is the website. If I add or modify a document, it instantly notifies everyone on the list for that document that the doc has been updated. Plus, I can access anything on the system from any computer with Internet access.

Any additional software you recommend? Besides Outlook, Word and Excel, I use Microsoft Project. We are constantly tracking projects, deals, and work flow using this program. It will take people a while to get up to speed... but for the busy real estate professional with a team, it has been a great tech tool.

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