

**About Alex Rodriguez:**

*Alex Rodriguez was a Major League Baseball shortstop and third baseman for 22 years. He's also the Chairman and CEO of the Arod Corp and the Chairman of Presidente beer. He's a 14 time All-Star and considered to be one of the greatest baseball players that ever played the game. He's a broadcaster for Fox Sports, and a regular guest on Shark Tank, a member of ESPN Sunday Night Baseball broadcast team and host of CNBC's Back in the Game.*

**On being in 10X:**

"It's awesome to be here. I'm a huge fan of what you're doing. 10X is awesome. 10X means a lot to me but I just love what you're doing. And you're inspiring so many people and you're building bridges for people to have a great life. Thank you for being here."

**On his roots:**

"So let's start with the baseball...I [played] 22 seasons. You know, I just wanted to spend one day in the big league. I wanted to make 1 million, I wanted to hit one home run as a kid coming from Miami with nothing but a lot of pride, a lot of dreams."

"My mother had two jobs, she was a secretary in the morning, and served tables at night. She could never come to my games, not because she didn't want to but because she couldn't just pay the rent. And that's when I started first having my dreams of being a landlord and not a tenant because we had to continue to move every 6 months every 12 months, every 18 months because we just couldn't make the rent. We couldn't pay the rent. And I remember that. I was about 10 or 11 and Dad left when I was 10. So he left mom in a tough situation and I just saw this woman get after it so hard. And it really upset me as a young man and I didn't even know it was upsetting me that my mother never had an opportunity to invest in great deals. You know, I was upset that all the great deals went to all the white rich men. That's it. Women weren't at the table, minorities weren't at a table. If you didn't have a big time college education, you weren't at the table. And what I love what you're doing is... you're democratizing investing. And I wish my mother had a Grant Cardone to get that opportunity. If she only had 5, 10, or 15 thousand. Whatever she had. Why couldn't you be at the table investing her money? Because 2x, 3x, 4x, on 10,000 is pretty damn good."

"I had two dreams when I was 10, the two B's—baseball and business. Now my father before he left, he was incredible with numbers and he was a pretty good entrepreneur. And when I was born in New York, my first four years, we had a shoe store at the house. And he was well-known for never having to use a calculator. And you know, of course in the late 70s, you didn't have iPhones, it was all in your head. Yeah, we count the money and all that. He was a baseball player as a catcher. So in many ways, I got a chance to live out my two dreams. I wanted to be a major league baseball player and I wanted to run a business."

"I probably started using my first bat when I was like 2. Yeah, I grew up hearing the Yankees game and the Mets games in New York, so born in New York and then raised in Miami. And then I started playing baseball with the Boys and Girls Club in Coconut Grove. And it's a small Boys and Girls club that really changed my life. In my case, it became the second parent and it protected me. It taught me discipline. It taught me baseball, I could do my homework, and I could be in a safe environment. We've had over 25 Major League Baseball players come out of one program."

### **Baseball or Business?**

[Interviewer] If you had a choice to be a businessman or a baseball player which would you pick?

"I would have to say a Major League Baseball player. You know why, because I mean, I played for almost 25 years of professional baseball. Average is five and a half years. It's insane. Why do players go bankrupt? I'm going to tell you why. Right now there's three reasons: One, average careers five and a half years, two you make 92% of your life income between age 20 and 30 and three of the 750 players in Major League Baseball today only...buckle your seatbelt, only less than 5% have a college degree...and I mean undergrad not business or masters. So with those three data points, it scared the living crap out of me, and I said I do not want to be one of those negative statistics and be broke. So I started buying my first apartment when I was just 22. That little boy who had that dream...a landlord 12 years later. I had an opportunity right here in South Miami. And I bought a duplex for \$250,000 and that was it. And I was off to the races."

## What separates good from great?

"I was never in an honors class, you know? So great entrepreneurs are people that have failed a great deal and just keep getting back up...keep getting back up. I know you're tired. I know you get complacent. It's hard, the world is in a tough place right now. But man, Chuck Noll, The Great Hall of Fame Head Coach of the Pittsburgh Steelers...I'm gonna date myself a little bit...he's a champion of champions. Not because he does extraordinary things, it's because he executes the fundamentals better than anyone else. **And the two things in my career that I've noticed...there's two things that separate the good and the great, the boys and the men, and the pro and amateur...two things in baseball: one is fundamentals and two is confidence. The same two are true for business.** So if you want to be great at business, study, be a fundamentalist, and then you got to grow your confidence and you grow your confidence by starting small."

"How important is it just to get on base? It's everything. You want momentum. Yeah, I wake up every day, no matter what the challenge is and I say, 'Man, today is gonna be the luckiest day of my life.' I said that this morning. You're an average of the five people you surround yourself with most: winners hang out with winners and losers hang out with the losers. End of story."

## Three things to becoming a champion:

"Has anybody heard of the great George Steinbrenner? Of course, George Steinbrenner bought the New York Yankees in 1973 for \$10 million. Today, the New York Yankees legends and the network combined are worth \$10 billion. Dreams can happen. And everybody said George you're crazy for buying this team. Let me tell you the greatest owner, the lessons that I learned from the greatest owner alive (not alive anymore, his son now runs the team now, he passed away a few years ago). But when I played for the Yankees, **he taught me the three most important things to winning the championship: 1. team, 2. team, and 3. team. And you can do great things with average people right? And I rather have a good player that wants to play seven days a week than a great player with a poor attitude wants to play twice a week.**"

**On vision:**

**"You have to have the vision and the vision has to be clear. At Arod Corp, we believe, and write this down, 'V, C, P: vision, capital, and people. Grant and I have vision, we collectively have the capital, and then Grant and I go out and find the greatest people in the world to buy into our vision, our dedication and discipline. So with VCP you can scale. We're a \$2 billion business today, we have over 1000 people that work in our organization. We own over 40 companies. We're taking seven public this year."**

**How to handle the "haters":**

"There's two things I didn't want to do when I was a parent. I gotta tell you how smart my daughters are and they are the best. I didn't want to be that parent. And then I didn't want to be like, 'hey remember when I hit that grand slam in 1990?' The way I've accomplished so much in my life is through great failure, nobody's failed more than me. Nobody's been embarrassed and humiliated in public more than me. And I just keep getting back up. And people say ignore haters. Embrace them. Find some haters. That means you started to do some good things. Yeah. And the haters, they just go away. Just keep your head on the ball. Do they go away or do they just go hate on something else? They after a while will say we just leave that man alone, let's leave him alone, let's go get somebody else."

**On discipline and routine:**

"You just cannot you can't play baseball when you're 75. But you can still do business. But I'm just still that little nerdy boy that just loves baseball. My first love, got it; and I got to work pinstripe. And granting me the greatest gift that I have. I'm grateful for everything that I have. I wake up every day and I thank the good Lord. And I'll tell you what, if you're grateful, and you're disciplined, and you have routine, I'm gonna teach you one or two things I do every day every morning and every night that you can do when you get home that will help your career: if you have a vision, and you have faith. One of my daughter's going through a hard time in math. And I sat down with her and we did it for 90 minutes. Let's do it again. Let's do it again. Let's do it again. Let me tell you about my failures. Let me tell you about my failures. Your a champion. It's in your blood, your DNA, spending time with repetition. We have to be resilient... obsessed with process. Let's do it again. Let's do it again. The same way I will get up at five in the morning and do 500 back ends because it was my weakness and then it became my

strength. Do it again, coach. Do it again. Do it again. Explain it to me like I'm a third grader. Explain it to me like a third grader. Do not be embarrassed men and women, boys and girls. Don't be embarrassed. There's never a dumb question."

"But here's the great thing. It's not enough to practice, you got to play from age 20 to 30. Forget about what they're paying. You find a boss that you like, that you respect, that will mentor you... that will bring you to the table. It's not enough to read a book. It's not enough to come here. You need a mentor. Get at the table and learn with me and I'll teach you how to win."

### Opportunity or money?

**"Opportunity or money? Forget about money. Get the opportunity. Get the mentor.** What's going to define your success when sitting out there at the golf course talking about the good old days will be determined by a few things. One of them will be who are your five mentors. And those five mentors are going to be in your ear giving you positivity, telling you not to quit. Keep going and try this way. **What we're looking for are shortcuts. I don't need nine people that are average. I need one person that can cut the line. You're here cutting the line, you're looking for opportunity.** You could be at the beach while you're here. So you're putting into the universe that you want to win and you will win. Champions win and that's what you are."

### Ph.D. in failure:

**"Actually I'm fifth all time in the history of baseball, in strikeouts. That means there's four people in the history of mankind and those are in the history of mankind who have more strikeouts than me. Now, that means I have a Ph.D. in failing. But I also have a Master's in getting back up.** Well, it is the truth. I'm not proud of it. I'm embarrassed to say it but it took some courage. I'm fifth. All time. Lead with the truth. Lead with it. You know I struggled. I made mistakes. I did performance enhancing drugs. I served the longest suspension in MLB history and people thought I was dead. My mom, my daughters and I thought I was dead for a minute but then I got back up. People wouldn't return my emails. They wouldn't. When I was in suspension, I was a pariah. They wouldn't pick up my calls. It was hard. But it was heartbreaking. Heartbreaking, but I did it to myself. So I had to pull myself out of myself. And what happened was, I went into therapy and I started thinking about

why am I making these mistakes? And what I realized was that a lot of it was embedded when my father left a 10 year old boy. I thought that was my fault, and then I thought I wasn't enough. So I had to do therapy and I've got my therapist to monitor three hours because it's continuous, virtuous work and I'm a flawed man but I will continue to work at it everyday. But half the battle is knowing that you're a flawed person, and are you willing to stand up and work on it every single day."

### **Assets and liabilities:**

"You know, one of the things that a lot of athletes and entertainers and people, folks that grew up like my mother, you know, do not understand the difference between a liability and an asset. And it's counterintuitive. Whatever you think is an asset is a liability and whatever you think is a liability is usually an asset."

"And people say, 'Alex I'm buying real estate' but you have nine homes, and each one of them cost you a million dollars a year, so you have \$9 million of negative cash flow. Grant and I own a building, 500 units and it puts \$1,000,000 in our pocket every year. So when you perform that out of your forecast at over 10 years, that dealt is about \$25 million? And you do that for 25, 30, 40 years...you buy real estate, you hold on to it, you never sell, you refinance it, sometimes you have to sell for strategic reason. But then you land and today we're about 8,000-10,000 apartment units."

"I have two regrets in real estate: I didn't buy enough and the one I sold. But it's okay. You have to sell sometimes. You got to get a double not everything's going to be a home run. There's no need to be greedy, take a single, take it off the table. And we wanted to prove ourselves right, we've put hundreds and hundreds of millions of dollars, we bought well over a billion and a half dollars in real estate in the last 10 years. We had limited partners. And we wanted to put money in their pocket. We wanted to build that track record. Now they're coming back to us and they're saying, 'Alex, don't give me this money back. Keep giving me the cash flow.'"

"The great Jerry Reinsdorf who built his great fortune. Most of these owners, owned apartments, probably a third of them. And Jerry said to me, 'Alex, if you're 100% full, your rents are too low."

If you're 85% full, they're too high. In the middle of a pandemic, we received 90, we collected 94% of our rents in the middle of a pandemic, and we implemented programs: computers, teaching, because a lot of people are going through difficult times. They're homeschooling, which is very difficult for these young people. I mean, imagine us having to do zoom for high school or junior high. What a terrible situation for them. So you feel for them. So we're going into our communities and we're giving back and we're putting computers in place so they don't fall behind."

"All you want is you want pro business, right? I mean, as business people, we employ so many people, we give so much opportunity that we've had a lot of success. We buy about \$100,000 a door and our rents are from \$800 to \$1,200. We hold for 10 years and we just refinance every 10 years."

[Interviewer] Just so you guys understand you guys. [Alex Rodriguez] gets a bonus for \$40,000 he could go spend it on a watch. He's got a big watch collection by the way. Back in the day he [took that] \$40,000 and leveraged it to buy \$200,000 in real estate.

"I could I never spend any money...because I would just take it and dump it all into the real estate. I'm always broke."

**Get the team and the vision right:**

"Every day, I feel like I'm gonna go broke tomorrow. It's just the fear that keeps me kind of hungry. Keeps me away from staying complacent. I am obsessed with process. Not so much results. **Results come and go. But if you get the team right, if you get the vision right, and then you get the process right then over time, you will be successful.** And so many people want to jump to the conclusion. [They] want to get the best deal. Don't worry about getting the best deal early, but [get] in the room. How do you get in the room? How do you get in the conversation? Today I get on the phone with folks. And we raise \$2.5 billion to buy the New York Mets, I will say we were the second winners. Steve Cohen offered. We offered 2.4 billion. He offered \$2.45 billion so by 50 million, he took the team, but we got a great experience. We have all these partners out there that all trusted us to put in \$100 to \$100 million each in this deal. Well, when you build credibility, when you scale, the funny part

of our business, it gets easier if you get the fundamental part right up front.

[Interviewer] How important how important is it to collaborate and partner with other people and not trying to do it by yourself?

**On collaboration:**

"It's everything. You know, if you try to do it by yourself, it's gonna take you 100 years. Everything I've done to really screw up I've done it by myself. Anything great that I've done has been with great people. You got to hire them. You got to find them. You got to pay them well and you have to be aligned. You got to retain your great people. And how you do that is to respect them. We don't have bosses when I hire people, we're teammates. We have a reverse engineer mentorship program, which means seniors mentor freshmen, but more importantly freshman mentor seniors. So you have to surround yourself with great people. **Why we were champions in 2009 with the New York Yankees? It wasn't because they had a great cleanup hitter. It was because I was a small cog of a great championship team. You have Andy Pettit, Mariano Rivera, Derek Jeter... it's a great team and attitude is everything. George Bernard taught me one bad apple can ruin our clubhouse. So if we have one bad apple, let's get their ass out of there.**"

[Interviewer] How do you do that? How do you at this stage of your life continue to filter people out. Maybe it was a good relationship, maybe they've been really loyal to you but now they're a bad apple. How do you [say] this has got to end here. How hard is that for you?

**Bad Apples:**

"Yeah, it is hard, but you start with communicating and everybody should know where they stand at all times. We have Monday morning meetings, and I break it down and I'm very serious. I don't hold back and everyone is crystal clear where they stand, right. And then you meet with your team quarterly. And then you'd meet with them at the end of the year. And here are the three things you did great. And here are the three things you do bad."

"We have a system that I implemented about 20 years ago. It's called green, yellow and red. Let me start with the green. Fantastic! Always on time, great energy, your emails. I love it.

Even if you're busy, you reply. I'll get back to you in an hour. You're very responsive. Love that."

"Yellow, you got to watch your tone of voice. Sometimes the way you speak to people. I know you're stressed, I know you're busy. Watch that. Not quite a red but something to watch."

"And then the red, you got to put your seatbelt on when you drive. And do me a favor, no more zooming and driving. We don't do that."

"But what happens is you structure the mind that you know a green, a yellow, and a red is coming because people never want to talk about red. But if you know it's probably problematic, then you know it's coming and actually not start looking forward to it and then you put up a plan in place to get more greens. It's awesome."

### Managing Fear:

**"I think fear is something to manage. You know the great Winston Churchill said 'Fear is a reaction, Courage is a choice.'** And I gotta tell you, towards the end of my career, I was going out to the line. I was coming to bat. It was 10 minutes before the game I was wearing pinstripes and I didn't have butterflies anymore. And I called my mom and I called my brother and sister and I said I think the end is near. And then I retired on a summer night on August 12 of 2016 in front of a packed house. As I sat almost depressed in my dark theater at home and I said I can't believe that I started when I was two. And now I'm 40 and is over. And then three teams called and said, 'Hey Alex you need four home runs to get 700.' And it took me about five minutes and I said, 'No thank you, no thank you.' Because what I realized for me, 696 as a New York Yankee is greater than 700 anywhere else."