

Success Spotlight – Meet Bruce Norris

Bruce Norris was born in Brooklyn, quickly moved to Long Island until he was 10 and then Lockheed transferred his family to Palmdale. Finally, they settled in Garden Grove where Bruce attended High School, graduated and at 17 was married.

Forgoing college, Bruce began working and in three years was fired five times. Bruce says, “My self image was so low that I would spend my lunch hours scouring the want ads knowing that I would soon be fired. I had given up trying.” Fortunately for Bruce, his wife and now newborn babies, he found a sales job at a hardware store. However, it wasn’t the job that proved to be their saving grace, but Bruce’s manager who refused to give him his walking papers.

My First Mentor

Harold Pomeroy was the manager of a full service hardware and electrical supply warehouse where Bruce worked. Mr. Pomeroy saw potential in Bruce and had faith that if given the right opportunity, Bruce could perform at a high level. For Bruce, opportunity came in a challenge. One day, Mr. Pomeroy took Bruce aside and said, “Even though I may be twice your age, I can out-work you 3 to 1.” This really ticked Bruce off and he decided from that day forward he would work harder than anyone Mr. Pomeroy had ever seen. The results were fantastic.

Bruce says, “I found that I enjoyed work again. My whole attitude changed and in 12 months I doubled my income. As it turned out, my job at the hardware store became the foundation from which I built my real estate fortune. We had everything and in a few years I really became knowledgeable in the building industry.” Bruce also learned an important life lesson, the power of persuasion. He found that meeting the needs of his clients was the key to making sales. Bruce says he learned to ask questions and listen. Bruce added, “Life became fun again.”

His sales calls took him out of the office and Bruce found that he loved the freedom of being outdoors. Bruce had moved off the trading block and on to the most wanted list. He was now making a good living, which enabled him to buy his first home. Little did he know where that purchase would lead.

Home Sweet Home

At 23, Bruce and his wife Marsha had already been married for six years and had two of their eventual four children. His family needed a larger place to live. With five hundred dollars from savings they bought their first home in Mira Loma, subject to the previous owner’s loan. Not long after they moved in, Bruce and Marsha were out driving and came upon a 3-bedroom home that peeked their interest. It was selling for \$38,500. They put their house up for sale and in one day had a buyer. At the close of escrow Bruce was handed a check for \$9,000, this was the most money he had ever had. He was struck by the awesome power of leverage. His mind raced and he asked his wife rhetorically, “What if we put down the minimum for our new home and bought two others at the same time? They did just that and entered the world of rental ownership. Satisfied with his success, Bruce did nothing in real estate for the next three years.

Out of His Comfort Zone

In 1980 a friend suggested that Bruce start selling houses. Bruce says, “I didn’t want to hear it. My life was comfortable, in my world I was doing great, at that time my world view was so small.” This challenge made Bruce uncomfortable. How could leaving his current situation benefit him and his family? After all, he was doing so well. However, the feeling persisted and Bruce soon found himself taking on a second job buying homes for a small company.

In his first week he received training from another salesman in the office. Off they went to their first in-home foreclosure presentation. Bruce’s assignment was to watch and listen. The meeting with the owner went badly. She was not interested in their offer and asked them to leave without the sale. Back in the car, Bruce mentioned that he had recognized what the owner’s true need was and asked if he could give it a shot. His co-worker would receive the full commission, so he agreed and back they went to the front door. Bruce convinced the owner to let them in the house again and soon they were sitting down and signing the papers. Bruce had learned two valuable lessons. He says, “I realized I was not just an electrical and hardware supply salesman, I

was a salesman.” The second lesson he learned was that his co-worker in the real estate business was making twice as much money per month as he was.

In his first month, Bruce bought 10 homes for the company while the rest of the employees averaged two. Bruce says, “I had something to prove again. I was working harder than anybody else in the office. I didn’t wait for the leads to come to me, I called every expired listing.” One night Bruce attended a seminar given by Jim Rohn. Bruce found that there was something different about Jim. His primary interest wasn’t in selling his services, but in teaching his students. Bruce quoted Mr. Rohn saying, “If you’re not maximizing your abilities, you’re cheating your family.” This really hit home for Bruce. Bruce added, “Here was a guy who was more interested in telling the truth to his audience than making friends and I was impressed.” Four months after starting, Bruce quit his job at the hardware store and devoted his full attention to real estate.

Real Estate, Real Estate, Real Estate

Bruce was now on his way. He was making all kinds of deals. Soon his boss directed him towards larger homes. It was during this period that Bruce sat down and wrote out his goals for the first time in his life. One of his goals was to become a millionaire in seven years. Bruce quoted Jim Rohn again saying, “When you write a goal, the achievement is secondary to who you have to become to achieve it.” In the next three months Bruce made three years worth of his hardware supply income. Only seven months after starting with the real estate company, Bruce decided to go out on his own.

Alone at Last

Because Bruce knew little about fixing up houses, he would buy a home and hire out a crew to do much of the work. Bruce wanted to focus his energy on new deals, which is where the money was, not on changing light fixtures. Bruce found that with enough guts and sincerity, there wasn’t a question he couldn’t ask a homeowner. Bruce says, “I would try and figure out the other person’s situation. I wanted the best thing for them, even if it meant not selling their property to me.” Bruce added, “Listening is the key to understanding people.” Bruce negotiated on what motivated the seller.

He once ran into an owner with many free and clear properties who was uncomfortable with a mortgage. The owner sold the property to Bruce for cash at a discount rather than waiting out an escrow. Bruce says, “He just couldn’t live with debt.” Another owner was renting one of his homes to a “high maintenance” relative. The pressure of dealing with the relative was the selling point. This owner was willing to take a discount on the home to get out of the situation. Bruce found that once the need was recognized, the service of purchasing the real estate could be provided and the seller’s were thrilled. Bruce has purchased multiple homes from the same person by meeting their needs. Bruce says, “Investors buy homes as is and for cash and that’s why we are desired.” By 1986, Bruce had purchase over 100 properties.

Finding His Passion

In 1986, Bruce was asked to speak to a group of investors. He had never given a lecture before and was naturally very nervous. Intrigued by the opportunity, he went forward and found that he enjoyed teaching his craft to others. In fact, he discovered that it was much more rewarding to teach than buy and sell real estate, so he began giving seminars.

Over the next seven years Bruce continued investing and giving seminars. In 1993 the market changed and like most other investors, Bruce was caught off guard by the drop in prices. Fortunately he circled his wagons, survived and through the setback learned to adjust to the changing market. During the previous seller’s market Bruce would advertise or call expired listings, but now that the market had flipped, he developed a system of checking first day lender owned listings on the MLS. He would do this three times per day. The market got so bad (or good) that Bruce was buying properties from lenders at fifty cents on the dollar.

In 1996 Bruce’s colleague Alexis McGee suggested that he start giving 3-day seminars, called boot camps. Bruce loved the idea, however he’d been working at home for the last 10 years and needed an office, so he found a building, purchased it for \$84,000 and 30 days after of the close of escrow had his first boot camp. The format of the boot camp was in-house training, role-playing on the phone and outside property searches. Soon after, Bruce also started a loan

business with his long time lender Craig Hill. This new service offered his clients financing for their properties.

All the while, Bruce was in the process of writing his first book called The California Comeback. During the down cycle, Bruce purchased a property without any other bids for less than the cost of his son's new Honda Civic. This was scary. Had the market fallen so far that it would never recover? Bruce decided to start searching for answers. Knowing that there were always ebbs and flows in the market, Bruce's desire was to find the triggers that would enable investors to anticipate market shifts. To his surprise, there was little information to be found. During an 18-month period and with thousands of dollars of his own personal finances for research, Bruce compiled data that changed the real estate industry.

The California Comeback

To say that a down market would double in the next eight years was a bold prediction indeed and if wrong, a prediction resulting in a career change. Bruce, however, was right. Bruce looked at decades worth of statistical data, researching affordability rates, foreclosure rates, unemployment figures, etc. His conclusion was that houses would double in the next eight years, which proved to be accurate as we have seen a remarkable increase in property values through 2003.

Current Projects and Predictions

Bruce is currently working on a project of 93 lots near Lancaster. His goal is to have it completed and sold by the end of 2004. He has become a recognized speaker and instructor and is working on an update to his book that he hopes to have out soon.

When asked what the future holds for the California Real Estate market Bruce responded by saying, "I never want credit for being optimistic, I want credit for being realistic." He adds, "I am 1031 exchanging out of the California market. It is my opinion that we will see a downturn sometime after 2004 and relive 1991 through 1996. As an investor, I see this as a euphoric time for buyers and I understand that it is hard not to buy during euphoric times. If you are comfortable with a 25% loss on your properties then you have nothing to worry about. For instance, I know that I will give back some of my gains on my personal residence, but I am not selling."

Final Thoughts

Samuel Benson was Bruce's grandfather. He was a successful Wall Street businessman who retired at 60 to devote his life to church ministry. People who knew him called him the nicest man in New York City. His kindness was so renowned, that CBS interviewed him when he was 90. When talking about his life Bruce says, "My grandfather lived about the perfect life. Excellence was his passion and I would like my legacy to reflect his." When asked to offer any advice to the readers Bruce answered, "What's your passion? Real estate was a means to an end for me. It has afforded me the financial freedom to pursue my passion of teaching." Bruce's family, colleagues and students are the beneficiaries of his found passion and are grateful to him for his devotion to excellence. Certainly that praise makes Bruce a very rich man.