

# CREATE YOUR OPPORTUNITY AND THE REST WILL FOLLOW

“Chance favors the prepared mind” – Louis Pasteur

BY BETH O'BRIEN

**I**t was early January and I was hastily plodding through two to 3 feet of snow in lower Manhattan trying to make it to 85 Broad Street before the 7:30 a.m. global call.

The city was paralyzed by a horrible storm, making the subway and a slog the only option. I was panting from the effort, but I had the leader code, and the physical books and printouts were likely on my desk. There were no BlackBerrys yet, and we didn't get email on our desktops until 1997. I made it to the conference room soaking wet and cold, but I opened the conference line and soon heard the familiar beeps of Hong Kong, Paris and London on the line. And then, one by one, everyone who was traveling and

all the New Yorkers dialed in from home.

Should I have stayed home that day? Probably.

Only the traders made it to committee in the room. Everyone else dialed in. But it was a new job that I had been in for only a few months, and I knew they had taken a chance on me. I didn't think it was an option not to show up. I was chief administrative officer to the Whitehall Street Real Estate Funds. And since (in my mind) I was still figuring out real estate, I made sure I had everything else, such as a conference call, perfectly nailed down.

## A JOB WITH NO DESCRIPTION

I should back up a bit. I was a corporate lawyer for three years doing what associates do—working

on high yield junk bonds in the early '90s, an occasional initial public offering and some corporate disclosures. When I had the chance to move to Goldman Sachs in a legal/strategy role, I jumped at it, but the group was disbanded in less than a year.

I was one of a handful of people encouraged to interview internally, although it seemed like another big risk. A job in Real Estate Principal Investments looked interesting to me, but I had never worked in real estate. I had lots of skills they needed in the real estate group. I could write, I was organized, I was curious. The group was growing quickly and needed someone to run things so the acquisition people could get back to acquisitions.



Interestingly, each person I interviewed with described the job differently because they each just wanted to lose some of what was on their respective plates. It seemed like a great opportunity to shape my own job since no one had ever done it before.

#### **WHY TRYING SOMETHING NEW LEADS TO GROWTH**

I could have gone back to a law firm and a comfortable job I knew how to do when the first position fell apart. Instead, I took the job that had no formal job description—other than run the meetings and the calls, get out the annual reports, handle investor relations, help raise the next fund and eventually have all the analysts and associates report to me

for work flow, reviews and compensation.

It turned out there were things I was good at that I never would have discovered had I stayed a lawyer. Over the next 10 years, when we entered new markets and needed servicers set up from scratch, I went. When we had an investment overseas that was too large for the funds to take down, I worked on structuring the consortium for the bid. Our small team won the firm's innovation award for a servicer in Paris by pulling together business plans, a corporate governance structure, a review of tax implications and interviewing scores of people in a foreign country to do the work. I sat on the board of a joint venture in Thailand and worked

on the due diligence of a distressed bank in Korea.

But, before all these things, I walked in as I did that snowy morning, worked hard and made sure the calls went off cleanly, the books were always accurate and the annual reports were well written. I did what I knew how to do and then leaned in to the other projects. Looking back, I would never have had the chance to expand had I stuck to my comfort zone.

#### **THE PREPARED MIND**

I've worked at only three other places since that snowstorm. The last two times also involved taking jobs that no one had ever held. And in all three cases, the positions were in niches I had not worked in before. I was able to grow my skillset enormously by

delivering upon skills the companies needed, while personally developing the expertise. It is often said that women are promoted based on recent performance and men on potential. Creating opportunity, however, almost always demands stretching for jobs that require personal growth. Getting to growth almost always means being hired on potential. It requires risk taking, but it can and should be a calculated risk.

A mantra that has stuck with me since I was a biology major in college was "chance favors the prepared mind," presumably uttered by Louis Pasteur on why so many scientific discoveries were noticed by accident. I believe opportunity also favors the prepared employee.

### BE RESPONSIVE

After Goldman and a hiatus to raise two small children, I was hired by Citi on the residential mortgage desk. I had no residential experience, but I did have a deep understanding of servicers and transactions and how to manage distressed real estate.

It was 2006 and within a year, I was the only one on the desk with work out experience when the subprime crisis hit. It was there that I also learned how to securitize.

Eventually, I was hired away by Auction.com to start an online residential loan platform. Neither of us had ever done it before. Shortly after arriving there—and while I was building the

new business—the idea was percolating that we should also start a private money lender to facilitate auction purchases.

I had never originated but saw the opportunity. I needed to know who the investors were, what their capital sources were and structurally how we could make it work. I went to the live auctions. I sat in registration and counted in the money that bidders brought to the venue in cash and cashier's checks. I talked to everyone as just a person in the crowd. Then, I spent countless Saturday mornings watching the online auctions. Again, I used my time figuring out who the bidders were and scraping the closing data for the capital sources.

Keep in mind that, most of the time, if something is a new opportunity, no one else knows the answers either.

### INNOVATE AND ITERATE

So, develop a market theory and test it. The idea for a platform may be great but without direct market knowledge, the structure could be wrong. Address the need you see, not some hypothetical. In fact, we restructured the entire way we dealt with investors after a few months of my shadowing them and learning what they needed to do to accumulate assets on the platform. We had to change many of our systems and suppositions, but we were able to

significantly affect investor volume. We started the private lender and an investor VIP group and started covering buyers as well as sellers to develop a real marketplace before it became a buzzword.

Always bring your skills to the table, but look for ways to innovate and build adjacencies. My ideas would have been useless in a vacuum. The raw research informed the entire project.

### FULL CIRCLE

Eventually, I was asked to join Colony to start something from scratch again. This time it would become a fully integrated private lender in the residential real estate investment space. Everything had finally come together in the same job. ■



**Beth O'Brien** is the founder and CEO of CoreVest Finance, the leading lender to residential real estate investors. Under O'Brien's leadership, CoreVest has closed over \$5 billion in loans and has issued approximately \$2 billion in single-family rental bonds, including the inaugural deal with Freddie Mac.

Previously, she was executive vice president at Auction.com and was resident of AuctionFinance.com. O'Brien also held positions at Citigroup and Goldman Sachs.

Combined, O'Brien has over 25 years' experience in almost every aspect of the mortgage industry, as both a principal and an advisor, and has overseen more than \$20 billion in transactions.

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