



SEASON 3 EPISODE #21

**SETH WEISSMAN**  
URBAN STANDARD CAPITAL

**Moderator:** Welcome to The Rainmaker Podcast with your host, Gui Costin. The goal of this podcast is to give listeners a unique look into sales strategies from top industry executives. We introduce you to the heads of sales and heads of distribution, who will help you understand the inner workings of the successful sales organizations, from philosophy to execution. This podcast is essential for sales professionals seeking wisdom from the best in the field. If you're not familiar with Dakota and their Dakota Rainmaker content, please check out [dakota.com](http://dakota.com) to learn more about their services.

**Gui Costin:** This episode is brought to you by Dakota Marketplace. Are you tired of constantly jumping between multiple databases and channels to find the right investment opportunities? Introducing Dakota Marketplace, the comprehensive institutional and intermediate database built by fundraisers for fundraisers. With Dakota Marketplace, you'll have access to all channels and asset classes in one place, saving you time and streamlining your fundraising process. Say goodbye to the frustration of searching through multiple databases websites, form ADVs, and say hello to a seamless and efficient fundraising experience. Sign up now and see the difference Dakota Marketplace can make for you. Visit [dakota.com/dakota-marketplace](http://dakota.com/dakota-marketplace) Today. What is up, everybody? It's Gui Costin, founder of Dakota. Welcome to the latest episode of The Rainmaker Podcast. You're going to love this one OK. It's Seth Weissman from Urban Standard, the founder and CEO. As an emerging manager, this is absolutely the detail you're going to want to listen to, because just in talking offline, OK, how you've gone about the approach to building your business and raising capital as an emerging manager is pretty remarkable. So welcome to the podcast.

**Seth Weissman:** Thank you, Gui, for having me. It's a pleasure to be here. I went to school in Philadelphia, so it has a soft spot in my heart. And it's always nice to be in Philadelphia.

**Gui Costin:** Yeah. And we're a couple blocks down from Wharton. So welcome to the podcast. Seth Weissman is the founder and managing member of Urban Standard Capital. Seth manages several investment funds, including core-plus, value-add, and debt strategies. Previously, Seth worked in the real estate private equity group of Perry Capital, a multi-strategy hedge fund, and for Goldman Sachs & co. in their investment banking division. At Perry capital, Seth worked on equity and debt investments across multiple asset classes, including more than \$400 million worth of transactions, representing over 2,000,000 square feet of office, multifamily, hospitality, and retail space. In 2008, Real Estate New York named Seth one of their 30 under 30 rising stars of commercial real estate, and in 2011, The New York Observer named Seth as one of their 50 most influential LGBT leaders. In 2021, Crain's named Seth one of their notables in real estate. Seth earned his BS in economics from the Wharton School of Business at the University of Pennsylvania. As an emerging manager, give us a history of the firm. Go back

just a little bit. Where did you grow up, give us a little background, and what led you to founding Urban Standard.

**Seth Weissman:** Sure. So, I grew up outside New York City, in Westchester. When I was younger, I wanted to be an architect, and I did, in middle school, a project where it was sort of career day, interview somebody in a profession that you're interested in. There was a project near my home, I met with the architect of that project to hear about his story and his career, and he promptly told me, you don't want to be an architect.

**Gui Costin:** [LAUGHS]

**Seth Weissman:** He said, you don't control the project, and it's a very cyclical business and you don't make that much money. I was 12 or something, so that was--

**Gui Costin:** Amazing.

**Seth Weissman:** --an unexpected reaction, but a helpful one. I think I asked, who does control the project? And he said, the developer. So, I said, tell me more about that. Fast forward, I went to Wharton, majored in real estate and finance. After school, went to Goldman doing investment banking--

**Gui Costin:** In real estate, or no?

**Seth Weissman:** So, I was in the industrials group, which actually covered homebuilders. I was a TA for a gentleman who was a professor at Wharton named Peter Linneman when I was there and then went, after Goldman, to Perry Capital, working in their real estate private equity group. But I'd always wanted to do something entrepreneurial. Real estate, for me, is the intersection of a lot of areas of personal interest. It's design, urban planning, architecture, finance, entrepreneurship rolled up in one, and it's tangible. I remember Peter telling me during class at Penn, he talked about every building has a history, has a story, has a business story, has a personal story. And I was just really drawn to that concept. And I liked being involved in properties where you could positively transform it and change things. So, I think it was 2008, went out on my own, started pursuing value-add opportunities, sort of-- who do I know that can write a 25 or \$50,000 check that might be interested in what we're doing, and was off to the races. And that was my first experience on the capital raising side of things. I had been on the investing side at Perry, and I was, admittedly, very naive about what would go into fundraising. And I joke about that now with the people who ran capital raising at Perry at the time, but I learned a lot. And I would do breakfast, lunch, dinners, coffees, to talk to investors, anybody who was on that list of people I thought could write some check. And I loved it, because I could hear about how they thought about risk and return and what their objectives were.

And at the time it was Excel where I would track everything. And when I was then ready, and I had identified an opportunity that I thought was interesting, I knew who to go to. It wasn't this cold outreach starting at the time of finding a project. I had those conversations prior. I think it's really important to talk to other smart people. And you learn a lot from those conversations, and I still do.

**Gui Costin:** And so, you founded Urban Standard in 2008?

**Seth Weissman:** So, I started doing this in 2008. I officially incorporated Urban Standard in 2014.

**Gui Costin:** OK.

**Seth Weissman:** I didn't really think of myself as being in the investment management business, in the beginning. I thought of myself as a real estate investor. So, I liked this project, 123 Main Street LLC, and I would raise for that. That's actually something I try and highlight to clients and younger folks that I meet with, is that you are in the real estate investment business, but you are also in the investment management business. And those are two very different things, different skill sets, you have to decide what you want to be. But prior to incorporating Urban Standard, I was sort of doing things as a one-off sort of syndication kind of deal, not as a platform, as an investment manager.

**Gui Costin:** OK, so give us the structure of your team right now, especially the investment team, as well as the fundraising team.

**Seth Weissman:** Sure. So, we have, I think, it's eight people on the investment team now. Our model is a little different than most real estate credit platforms. It's typical in the industry to see an originations team separate from an asset management and execution team. We have an investment team where the folks who are underwriting and originating deals take those deals from that stage, through execution, and asset management and servicing. The reason I've done it that way is I think it's really important to have continuity of information and continuity of relationships between our borrowers and the people that they're interfacing with. I also think it's important to align compensation so that everybody participates in benefits, not just when you originate a loan. It's great to lend somebody money, but you got to get the money back.

So, we structure it where people participate in the overall success of the deal and of the company. And having two or three folks per deal on each team that are with it through the life of the investment helps align those incentives and that performance. Additionally, it's been a great business development tool, because when you go from being an originator to a separate asset manager,

there's a loss of information, but you're also not in touch with that client in the same way. For us, we're talking to our clients-- our clients, in this case, being the developers or borrowers-- on a weekly or every other week kind of basis. That helps provide information about what else they're working on. Are there other opportunities for us to participate in what else they're working on? It also helps us understand the risk profile. Are they spread thin? How might that impact our investment? So, there's a lot of information that comes from holding those relationships. I mean, it's super high touch and very involved.

**Gui Costin:** Well, you know what's fascinating about that? Real estate people are old-school phone people. Leaving voicemails, you know what I mean? It's old school, but it's like you guys are like-- there's no you don't need to plan a Zoom call. It's just call people, have conversations. Unpack that a little bit. Communication then becomes everything and learning and you're not waiting. As I always say to our team, when they're like, oh, man, we're having a tough time booking a meeting with the team, just internal. I'm like, well, I know everyone's available at 5:15 every day.

**Seth Weissman:** Yeah, yeah, yeah.

**Gui Costin:** [LAUGHS]

**Seth Weissman:** That's true, that's true.

**Gui Costin:** Let's not wait till Wednesday. Let's do it now. Get the answer now, right?

**Seth Weissman:** Yeah.

**Gui Costin:** So that level of communication seems like you run-- especially as we're going to get into your fundraising approach-- that runs through the entire business, that level of constant communication.

**Seth Weissman:** It does. And it can be informal. Text messages, Slack, what have you. I mean, we're in regular touch with our investors, with our borrowers. I mean, it is-- I mean, we definitely do want to be mindful of a work-life balance, being available, being responsive is really important in managing these relationships. And for us, almost 80% of our loans are with repeat clients or direct referrals. We just closed last month, alone, that was our 27th loan with that borrower. But a lot of groups, we've done 5, 10, 15 deals with. Part of the consistent feedback I get of why people come back time and time again is that we are responsive. And, I think, we're pretty good or very good at communicating, being transparent, and making sure that people felt heard and responded to and valued.

**Gui Costin:** Wow. Absolutely love that. So OK, I want the audience to hear the structure of your fundraising team right now, and then we'll get into some of the other questions related to as an emerging manager.

**Seth Weissman:** So, we have Rachel Markus, who's our director of investor relations. I'm very involved in the fundraising. I think as an emerging manager, one thing that's very consistent is investors want to hear from me or senior people on the investment team.

**Gui Costin:** Do you what a big deal that is? I talk about it all the time. Investors need to meet the wizard. And if you're not willing, as an emerging manager-- because we get the questions about, how much am I going to have to travel? I'm like, well, do you want to build a firm or not? Then the people that want to build firms, they get in front of investors on a consistent basis. And there's always-- are the best managers we've worked with for 19 years, not one time in 19 years that there's ever been a question, why are we going here? What are we doing? It's just where and when.

**Seth Weissman:** Yeah. And it's been great because we obviously work with Dakota. I travel a lot for site visits, we're lending across the country, I work with Rachel. We use Dakota doing the city search as an example to make sure that if I'm doing site tours in the morning, in the afternoon, I'm meeting with prospective investors. I might have, five, six meetings in a day. Going back to my initial raise when I was doing breakfast, lunch, coffees, dinners, it was 9, 11, 1, 3, 5. I love it. I really-- the work-life balance question, I mean, I really love what I do. I feel very blessed.

**Gui Costin:** And I don't think we should feel guilty about that either. I think it's great.

**Seth Weissman:** Yeah. I'm just more sensitive to it. But I think even in our company, everyone is really passionate about real estate and these relationships. There's no-- it wouldn't work in a small business, there's a little less than 20 of us, if we weren't having fun every day. And that's something that I feel, I think people in the company feel. Anyone on our team could go work at a major investment bank or private equity firm. As an emerging manager, one big difference is the culture you create.

**Gui Costin:** I love that.

**Seth Weissman:** And our borrowers feel that our investors feel that. We have fun.

**Gui Costin:** That's great.

**Seth Weissman:** And so, I do think that helps with the work-life balance.



**Gui Costin:** Yeah, we have very similar approaches to-- I talk about fun all the time with the team. So, I do want to come back, because Rachel mentioned something before, we started, which I thought was awesome, about pretending you're big, how you think about fundraising. So, I just want to make that comment, because I couldn't agree more. I always think that you have to have infrastructure, thinking like you're big even when you're small. And that's going to make you big. But let's get back to site visits, which then drive fundraising.

**Seth Weissman:** Yeah.

**Gui Costin:** I mean, it's kind of brilliant, because one of my buddies called me like a month ago and they're a subscriber. He goes, I'm going to go to Boston and a couple of Fridays for a wedding, and I'm going to book some meetings. I go, Sammy, I built two businesses based upon the wedding-- [LAUGHS] the wedding business. So, I know you're going to be in town, then you go into the database, that's where I have it set up that way. I'm going to book some meetings when I'm doing a site visit. And then you book around, so you're going to make massive use of the time. And it gives you a great reason to reach out. I'm going to be in town. I'd love to introduce myself.

**Seth Weissman:** Yeah.

**Gui Costin:** I mean, can you comment on that? Because I think that-- that is-- because we always want to have five cities on the calendar at any given time, even if we don't have a wedding or a reason to be in that town. We say, we're going to be in town. We'd love to meet.

**Seth Weissman:** Yeah, I mean, for us, I travel a lot. As I mentioned, our team travels a lot. I find that investors appreciate-- especially if you're in a secondary or tertiary market that may not get a lot of managers coming through town. I mean, we're based in New York, obviously, big cities tend to be natural fits. But if you're going to a smaller market or you're in the suburbs, I think people appreciate the outreach. Even if they don't have time to meet, you can then set up a Zoom. But there's so much value that's created from that connectivity, and you're planting the seeds for these relationships that might take years to come to fruition. They may not come to fruition, but you're constantly learning. You're getting introduced to other folks. I think as an emerging--

**Gui Costin:** Because I don't want to miss this point, because you mentioned this in the pre-call discussion. Walk me through-- because I couldn't agree more with this, but I want the audience to hear it. Because as an emerging manager, people say, well, I don't have a three-year track record, I don't have this AUM, I don't have this. And I say it doesn't matter. Just get out in front of

the people that you know, invest in your type of strategy, and introduce yourself. And the sooner you can introduce yourself and get on their radar, the better. You obviously did that. This is one of the key takeaways, I think, for the audience to hear. Walk me through your thinking around making sure you were getting in front of those investors immediately, without having all that noise in your head of being young or I don't have a track record or just a fun one.

**Seth Weissman:** Yeah, it's interesting. I never felt the sensitivity to rejection or somebody telling me, no or not now. I always heard it as, let me understand why. Let's track why that is. Maybe they don't have allocation. Maybe they don't have liquidity at the moment. Maybe we're too small. Maybe they're not focused on credit, they're focused on something else. That's valuable information. But once you've established that relationship and that introduction, ideally, it's a meeting or a Zoom, that's the official start of that relationship. And now you're using your CRM, hopefully, to keep in front of them. It could be general information about the deals you're doing, the performance, market color. And Rachel really does a phenomenal job with that, helping us frame and organize stuff. And that's taken time. And we've certainly made many mistakes along the way, but being willing to get out there and make the ask, if you don't ask, you don't get. Yes, you're going to experience rejection most of the time, it's not really--

**Gui Costin:** Do you hang out in our office upstairs? Have are you bugging our office?

**Seth Weissman:** Yeah, yeah. But that's what--

**Gui Costin:** I couldn't agree more. Yeah. We talk about it all the time.

**Seth Weissman:** And you're listening. Again, I never saw rejection as, I don't like you, Seth, or I don't think you're talented or what you're doing. It was maybe just not the right fit. And it's a totally valid answer to say, you're too small or we don't like this part about the strategy. I don't take that personally. Move on to the next person.

**Gui Costin:** But what Rachel's doing, it's utterly brilliant in its simplicity. Because I would say to everybody, during COVID, we're not going to make any sales calls because small value is out of favor, because small businesses aren't doing well. I'm like, what? I said, you don't understand.

**Seth Weissman:** Yeah.

**Gui Costin:** It's April of 2020. OK? Three dogs, three kids in a house, all they want to do is get in the driveway on the phone.



**Seth Weissman:** Yeah.

**Gui Costin:** OK. And don't try to sell them on your strategy. Just say, hey, I'd love to give you an update on what our manager is seeing in the small cap value world.

**Seth Weissman:** Yeah.

**Gui Costin:** Or what you're doing is you're informing. I mean, the entire fundraising process is an educational process. It's a consultative sale; it's not a transactional sale.

**Seth Weissman:** Right.

**Gui Costin:** So, the more you're informing of what just what's going on. All the stuff that you just reviewed, their market commentary, what you're seeing in the market, what types of deals you're doing, that all informs someone and they get more and more-- it's a game of familiarity. And why is that? I would say every conversation is a de-risking conversation. You're just de-risking people. As they become more and more familiar, the risk level goes down in their brain. Because you're asking someone to take career risk every time you ask them to invest in your fund.

**Seth Weissman:** Yeah, absolutely. Absolutely. And I think that relationship, which takes time to cultivate-- I mean, I've seen time and time again how it's sort of been ultimately successful for us. Our GCM Grosvenor relationship, we just announced a \$135 million joint venture with them.

**Gui Costin:** Congratulations.

**Seth Weissman:** Thank you. We're really excited about it.

**Gui Costin:** And tell us how that relationship started and originated, how long it took to get to where you are today.

**Seth Weissman:** I think I got an email-- I was in a sort of an honor society at Wharton, and I got-- I'm on their email list. Somebody had changed jobs to join GCM. I reached out to that person to introduce myself. I think maybe we had some other connectivity, but it was basically an initial outreach. This was two, maybe three years before they ultimately made an investment. And what did I do? We met with them. We explained our strategy. We walked through examples of the deals we were working on. They wanted to see continued performance and track record. We had built the firm with a foundation that would ultimately allow institutional investment, so we always had audited-- the funds were audited. We really made sure that we were trying to live bigger than we were and really learn from people who had success before us. But we

put all those pieces in place, and we were continually talking to GCM. Actually, the person who we ultimately who I initially spoke with ultimately ended up moving to a different firm, but I had that relationship. And that relationship then turned into a \$75 million joint venture, which is now almost doubled in size. That's a 30-second backstory for what was a five-year process.

**Gui Costin:** Wow. So, if you were giving advice right now to an existing emerging manager, because I think your fundraising philosophy as an emerging manager is A+. I mean, you're hitting on all the right points. It's clear why you've been so successful. What advice, if I was sitting here saying, OK, I worked at Goldman, too. I've launched this fund that we're rolling. So, what are some myths that you might think you'd want to debunk in my mind? I don't want to call them until I have a three-year track record. I don't want to do this. I shouldn't do this because, because, because.

**Seth Weissman:** Yeah, I think if you're not willing to make those calls and have that outreach and understand that-- and be comfortable with that fact that you might have some things that are not perfect, I mean, you're not Blackstone. But there are benefits that you come to the table. It might be the market segment you focus on. For us, we're focused on the sub \$75 million middle market for lending. That's because that's below the institutional radar. And your Fortresses and your Blackstone's of the world are not investing there. I don't really want to be investing in the same place that Blackstone is investing. So that's attractive to our LPs. So, I think emerging managers need to know, yes, there are things that they may not have or boxes they're not checking, but they need to play to their strengths, understanding those weaknesses might be a moment in time weaknesses and they should track that. So, they should then reach out when they're maybe a little bit bigger. But you have to be comfortable with the no and with reaching out. You do it in a tailored way. You work and you utilize platforms like Dakota so that you're not emailing, or ideally not contacting groups that only invest in a different strategy. For me, it's like a diner menu. Your steak might be delicious, but if you're a vegetarian, it doesn't matter how delicious your steak is. So, you really got to find the people that are looking, generally, for what you're offering, and then tailor your message accordingly. So, my advice is don't be shy about the outreach. I mean, we really try and do it in a mindful and respectful way. We're not calling them every day and emailing them. It's general updates, keeping them on our mailing list, having regular conversations. If you're in town-- I was in-- we have a bunch of projects in California. I was in LA two weeks ago. A group that I've been talking to for three years finally grabbed coffee in Brentwood, because I happened to be in Brentwood at the moment.

Just these bonds get stronger and stronger and stronger. And the other piece of advice I would offer is open minded to different deal structures. The holy grail is committed discretionary fund capital. But if somebody wants to do a

co-invest with you or a joint venture structure, get something on the board, that's really, really important. We had a-- recently, actually, a co-investor, who put in half a million dollars on a project we did in Miami. We were very successful. That turned into a \$4 million fund investment. He wanted to experience and dip his toe in the water with us before writing a bigger check.

**Gui Costin:** Right.

**Seth Weissman:** Right? We do that kind of thing all the time, of opportunity begets opportunity, and you need to be open minded about that. And that's been a really successful formula for us.

**Gui Costin:** That advice is amazing. So, before we move on to the next question, I just want to ask-- you said you have to be willing to ask. So, could you just unpack the importance of consistently asking for meetings, if you will? Because I think that's what I'm hearing from you is just an utter consistency around asking to get in front of. Because as I always say to our team, allocators are always looking, and they should be, for new and interesting investment ideas. So, you can't think you're interrupting them or bothering them. It's actually their job. It's just how you do it and then doing it consistently.

**Seth Weissman:** Yeah. You have to, again, be comfortable doing it. And I think it's doing it in a way that you're adding value to them. That's what I'm talking about. Maybe your ask is not an actual ask. Maybe it's providing information about a deal or market color, so that it does add value to them. And recognizing that they're seeing, probably, a lot of different managers. And you want to be respectful of their time and bandwidth, that you're really listening, that you're not coming to them-- if somebody says, I don't do this, that might be different than I don't do this now. And even in if they don't do it at that moment, it's still worth being in touch. We put it in our calendar, like we track this stuff in Salesforce to make sure that we're touching base. A lot of times, we just had this email the other day, that was, actually, at the moment, we're not making this investment, but touch base in the summer. It's a great response. They follow up in three months. It takes ten seconds to set that up and track it in your CRM and put it in your calendar. But you don't get to a yes without asking first.

**Gui Costin:** So just for the audience, too, there's unintended consequences that are positive by the interactions. Even if somebody doesn't invest with you, if you make them aware of your strategy, the amount of referrals-- because they're meeting with their other friends in the industry all the time, that might not be right for them at that moment or what have you, but other allocators at different family offices, RAs, pensions, might have an interest in. They're out to dinner, they're talking, they're always sharing ideas.

**Seth Weissman:** Yeah, absolutely.

**Gui Costin:** So, the more people you're in front of, the better. And OK.

**Seth Weissman:** OK.

**Gui Costin:** Let's just segue into the CRM, because it's one of my favorite topics. I think it's the one thing that can give a salesperson 10x leverage in their work, if you will. Can you talk about the CRMUs you use, the importance of it, and how it affects your business in a positive way.

**Seth Weissman:** Sure. I think we actually made a real mistake not implementing a CRM earlier. We use Salesforce currently, and it's a really robust platform. We've been able to tailor it to both our relationship management with borrowers and deals, so the investment team uses it and also the capital raising team uses it. I did it initially, as I said, using Excel. That worked when I was just starting. And then we had some more lower cost options. Because it is a real investment, both in money and time. But we use this to track the types of deals investors are interested in, the size of the checks. We have detailed notes on their hot buttons, the things that they like, notes on deals that they've done. And it's all in a searchable format, so that when we have an opportunity, we're not looking up in the air and saying, where do we start? We're actually doing it in an organized and methodical way. We're always improving. We've invested and hired somebody to help us, who's on retainer, because we're constantly revising it. What else do we need? What else can we improve? So, I think you also have to be open to-- that it's a process. It's not a finite, in time, finished solution, but yeah, 10x in terms of efficiency and value, it might be more than that. I don't really even know how we would have done it without some type of organized approach. And again, it allows you to really be-- value-add to that prospective investor, because you're hearing them. I think a lot of real estate developers, certainly, portfolio managers, might be more focused on speaking and hearing their own voice. Whereas, really, you need to be listening. We always even try and start every conversation with, tell me about what you're looking for and what your lesson objectives are. Now we'll have done the homework ahead of time. What are their priorities? Well, we're not going in blind, but it's always helpful to hear, from the person, what they're focused on at that moment. Maybe it does align with what they have on their website. Maybe it doesn't. But we want to know that, and then we can frame our approach in a way that's tailored to their objectives. And we even do it for stuff that doesn't relate to us. So actually, we have a client who's looking for an equity investment right now. We're not an LP in real estate equity investments, but many of our investors are. This is a borrower-- as I mentioned, the majority of our business is repeat clients. We've done deals with them. They're excellent operators and developers. I trust them. They have credibility with me. This is a legitimately very, very compelling project.

I sent it to a couple of our LPs who I know are interested in equity investments. I don't make any money off of that, but they appreciate it because I'm thinking of them and I'm thinking of them in an informed way. I'm not just throwing stuff at them. They've specifically said that these are parameters they're interested in. Our borrower appreciates it because it's not something I need to do. Again, it's not monetarily beneficial to me. But I do believe in the power of reciprocity and trying to be a helpful partner, whether that's to borrowers or investors. And so, we leverage our CRM, not just for our own needs, but to try and be a helpful participant in the overall process.

**Gui Costin:** That's amazing. So, I do have-- I want to move on to leadership but just want to tie the knot just on the CRM. A lot of people see it as a hassle, entering notes into a CRM, it's like you're just sticking a knife in their leg. But with the growth of AI, if you've put your notes in and information, it doesn't matter if they're about real estate investing or investment notes around allocators and what they said in the meeting, you lose the opportunity to leverage AI with all those nodes. Because there are things that you can ask of and now you can do very inexpensively. And I just want to point that out, because everyone looking now that did great notes for the past 10 years versus people that didn't--

**Seth Weissman:** Yeah.

**Gui Costin:** --right now, you have no ability to use AI on all that information that just basically just went, really, down the drain.

**Seth Weissman:** Absolutely. And that's the position we were in several years ago. It wasn't organized in a fashion that was searchable and provided tremendous value. I mean, I don't-- it's one of those things, once you have it, you're like, how did I ever do this before? I really encourage managers to implement a CRM. It's always tough, as an emerging manager, when you don't have the big AUM. And you're like, oh, do I spend the money on this? It is incredibly valuable. I mean, I can't endorse it more. Maybe you don't go out to dinner as much in the beginning, but it will grow your business. And that goes back to my earlier point of, do you want to be a real estate investor, or do you want to be an investment manager? If you really want to be good at those things and not do one or two projects with the same group of people every time-- which, by the way, might be totally fine, but depending on your goals need to have a CRM.

And it will help you. Again, it will tailor your responses and your outreach so that you're being that much more efficient. And I would argue that, yeah, maybe spending a minute or two updating notes feels like an annoyance in that moment, but you'll save so much more time in the future, in terms of making sure you're targeting the right people. You'll save 100x on the hours you would have otherwise wasted by going to the wrong people.



**Gui Costin:** Right.

**Seth Weissman:** So, you sort of put up the upfront work.

**Gui Costin:** Yeah, that's amazing. So, I have three questions to close out. Your leadership style. Clearly, you've built a phenomenal firm, merging manager, growing every day. Can you characterize your leadership style in your own words?

**Seth Weissman:** Open and honest and human. I mean, I was never somebody to put in face time or just have-- be performative. I think it's really important to have a culture where people feel like they can discuss things openly, that they can make mistakes and learn from them. I mean, I, on a weekly basis, make a mistake and say, oh, I'm such a schmuck. Why did I do that? But I talk about it openly because it happens. We're human beings. I think that's helped create a culture within the company that sort of fosters that kind of team environment. It also has really helped with our borrowers. Because many times, we might be competing against a bank, a traditional lender. And their credit committee is like a black box, and they don't really understand how decisions are made or what goes into it. To be able to sit across from somebody and explain how you're thinking about something and be thoughtful and have intent is really important. And people appreciate, even if you don't come to the same conclusion, where you're coming from. So, it really feels like there is that human approach and connectivity. And consistently, we get that feedback. It's not just the responsiveness, it's the communication, and it's really like you're sort of in a marriage and a partnership, how you would handle your conversations, even if they're difficult with somebody in your family. We take a similar approach.

**Gui Costin:** It's very evident, in just speaking with you, of your leadership style. It's very evident. I love it. So as a leader-- I love this question, one of my faves-- is what would you tell a young person getting-- more or less on the fundraising side, but it would apply to real estate investing as well-- what advice would you give to a young person entering the industry today?

**Seth Weissman:** Be open and be excited and don't take rejection personally.

**Gui Costin:** Love it. It's great. All right. To close out, crazy world we're living in today. We're obviously recording this late April, early May, should I say, of 2025. What is one big challenge you're faced with and how are you overcoming that challenge today?

**Seth Weissman:** So, uncertainty is the enemy of investment, both from an LP perspective and from a borrower, in our case, perspective. We are just maintaining active lines of communication. So, especially relates to the political environment and tariffs, really being in front of our clients to



understand what they're concerned about, or how they're approaching if it's tariffs or investing. So, we're being proactive and not reactive, and we're learning a lot from these kinds of conversations. We're in a fortunate position, as a lender that's typically 60, 65% loan to value, we're not taking the first punch. We're not taking the first dozen punches if something goes sideways. So, part of what our investors are looking for is that margin of safety. So, from an investment strategy and style, this kind of volatility can actually be pretty good for us. There was a little bit more interest coming out of the election, people were feeling more optimistic and confident in equity investing. That is gone. For the moment, anyway. We'll see what next week brings. What we're doing now is going back out to all our existing client's perspective and just having these active conversations, which goes back to this the importance of relationships and communication as being a foundational part of business success.

**Gui Costin:** It's so clear, Seth, it's so clear, communication to you is everything. And we live by it through Slack and check-ins, just regular-- always being in communication. Because I always feel that if you have an organization and your organization doesn't what one another are doing, and you're not a mechanism to tap into the collective knowledge of the group--

**Seth Weissman:** Yeah.

**Gui Costin:** If you don't have that mechanism, that it drives everything. I mean, we probably spent a half an hour before this, and it came down to communication, communication, communication. Because in fundraising, you're in this de-risking business. De-risking conversations. So, the more you communicate, it doesn't always have to be asking for money, the better off. So, if you just want to make a closing comment about that, because it's so evident, literally, in everything that you do, communication is at the forefront.

**Seth Weissman:** Yeah, absolutely. And I think it's been a real differentiator. Because oddly, we talked about this a little bit in the beginning, most people don't do that. It's very easy to become siloed and disconnected. And that can be a significant disadvantage. And it's really differentiating to value and prioritize communication. And as a growing organization, it's a constant thing we're evaluating and is a challenge. When I was one person and then I was five people, and then we were 10 and then 15, the needs shift, but the value remains the same. And I think that's a critical part of the traction that we've gotten, both with borrowers and with investors. And it is something I certainly emphasize to people. And it's also about managing expectations and setting expectations. Whether it's with people that work on my team-- and it goes managing up and managing down. I mean, it's very helpful to me, because I might have an expectation that's here and it shouldn't be there, it should be like here. And if my expectation is here and someone has not managed me

down, and I think our team is very good at doing that, then that's your set up for conflict.

**Gui Costin:** Well, those two dovetail. I mean, setting expectations and communication, to me, my writing the book-- I mean, and by the way, as an emerging manager, and I hope everyone comes back. If you're listening now and you've been pretty deep into the conversation, but Seth, you literally embody all the key principles of how an emerging manager should be thinking about building their business and including being the portfolio manager and the wizard and making sure that you know, I have to get on the road and see investors. That's the only way we're going to grow. To setting expectations and communicating on a consistent basis. I mean, that's like the lifeblood. And it's obviously why you're so successful and--

**Seth Weissman:** And you have to want to do it.

**Gui Costin:** Yeah.

**Seth Weissman:** Right? I mean, if it feels like a lot of work and you're not excited about it, it's probably not the right fit. For me, even though I have three kids, five and under, I do love it, and I love getting out in the world and talking to people. But it is one of those sorts of fundamental pillars that is critically important.

**Gui Costin:** Well, congrats on everything that you've done for the business and growing the business. It's been such a treat to have you on the podcast.

**Seth Weissman:** Thank you for having me. It's been a pleasure to be here.

**Gui Costin:** Awesome. OK. Well, thank you. Everyone, that is a wrap of the latest episode of The Rainmaker Podcast, and we can't wait to see you on the next episode of The Rainmaker Podcast.

**Moderator:** You can find this episode and others on Spotify, Apple, or your favorite podcast platform. We are also available on YouTube if you prefer to watch while you listen. If you would like to check up on past episodes, check out our website [dakota.com](http://dakota.com). Finally, if you like what you're hearing and seeing, please be sure to follow, and share these episodes. We welcome all your feedback as well. Thank you for investing your time with Dakota.

**Gui Costin:** Hey, thanks so much for joining Rainmaker Podcast. Hope you enjoyed the show, enjoyed the interview. I know I loved it. And hey, if you wake up in the morning and you raise money for an investment firm, you do cold outreach, whether you're a sales leader or salesperson, and you don't about Dakota Marketplace, we would love to show it to you. It's world class.

It's used by over 880 investment firms and over 3,600 individual salespeople.  
To learn more, go to [dakota.com](http://dakota.com) and click on a free trial.