

LUNCHEBREAK

with

By Nesanel Gantz

Yaakov Eliezer Shisha

SHISHA REALTY



- **Name:** Yaakov Eliezer Shisha
- **Company:** Shisha Realty
- **Industry:** Property Management and Maintenance in Eretz Yisrael
- **Age:** 37
- **Website:** Shisharealty.com
- **Headquarters:** Jerusalem
- **Employees:** 45



WEEKLY INSIGHTS FROM BUSINESS LEADERS & ENTREPRENEURS

Five years ago, Rabbi Yaakov Eliezer Shisha was profiled in *Ami* for his groundbreaking work in helping hungry children and poor families through his organization Tov V'Chesed. Almost as an aside, the article mentioned that Rabbi Shisha had a real estate management company that allowed him to dedicate time to his other endeavors.

In this exclusive, Rabbi Shisha discusses his company, Shisha Realty, which takes care of everything from helping people find customers for their short-term and long-term rentals to maintaining them. Due to the coronavirus, thousands of foreign homeowners are unable to access their apartments in Israel and are scrambling to find management companies like Shisha Realty. He is considered the leader in this niche industry.

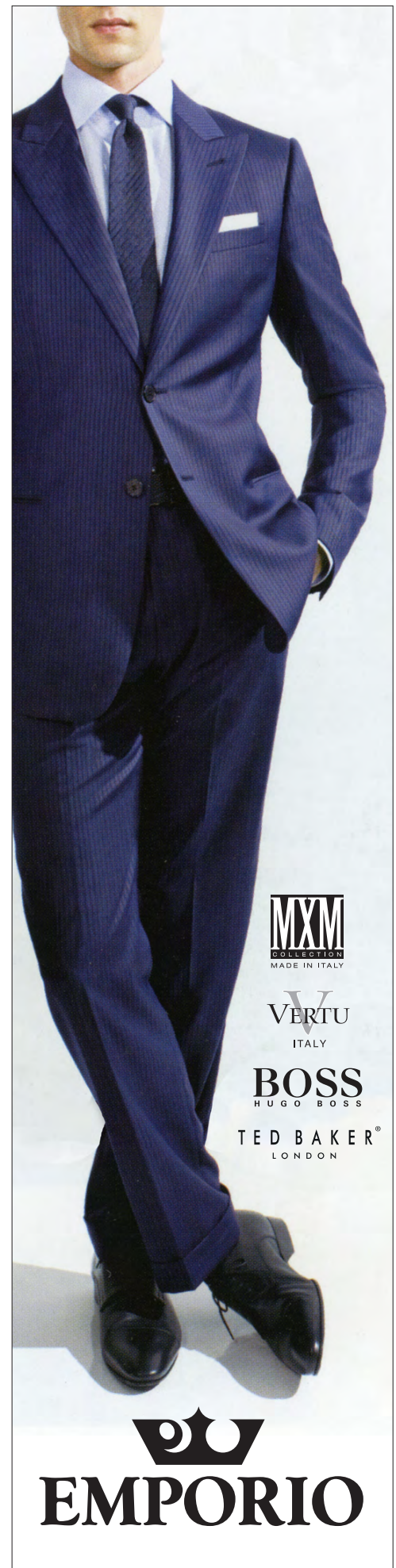
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I was born in Meah Shearim and so were my parents. My father is a *rebbe* in Toldos Aharon and my mother was the principal of a school. I'm kidding, of course, but raising 13 children is a lot like running a small school. I'm the oldest in the family, and I attended Toldos Aharon *mosdos* my whole life.

“As a *bachur*, I knew nothing about business and didn't even know anyone who was involved in it. We were poor; we barely had enough food. But while I wasn't a business-minded child, I was resourceful. I always had one thing on my mind: how to bring food home to my family, and I was usually successful. I must point out that I never felt

like a *nebach* or as if I was deprived. We had a happy home and felt good about ourselves. Lacking sufficient food was an issue we had to figure out, but we weren't *nebachs*.

“When I got married I had two main goals: I wanted to help other poor people and to provide for my family by earning a living, and I wanted the two to be independent of each other. I wanted it to say ‘*neheneh miyegia kapav*’ [he enjoyed the fruits of his own labors] on my tombstone. So I decided to open a *mosad*, which I named Tov V'Chesed, to help orphans and any children who were in need. Marrying my wife also colored my decision, as my wife's mother had passed away from cancer when she was only eight, leaving 14 children. The oldest was three days away from his wedding and the youngest was only



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five months old. I knew about being poor, but at least I had my parents. Being poor and being a *yasom* was unimaginable.

"There's a major problem when it comes to supporting poor children: People blame the child for the perceived failures of the parents. When I was a kid, people would ask me why my father didn't have a job. When I told them my father worked, they would say, 'Then let him get a better-paying job.' I wanted to help children without asking any judgmental questions about their parents' earning ability.

"When I started looking for a way to earn a living after *kollel*, my wife mentioned that she'd taken a baking course when she was a child, learning how to make fancy cakes for *simchahs*. So we started a small home business called Cake Plus, making decorated cakes for events. Over time we also bought and sold baking utensils. We were doing so well that we moved to a small storefront in Meah Shearim, but I realized that I would have to be a slave to the business to make it work. So I kept my eyes and ears open.

"One day, two years after my wedding, an American I'd met through Tov V'Chesed told me he wanted to come to Eretz Yisrael for Sukkos, and asked me to find him a nice *dirah*. I found him what I thought was a very nice apartment in Meah Shearim, but when he arrived he was disappointed; I guess we'd grown up with different notions. He told me that I should have sent him pictures. We started discussing the whole phenomenon of apartment rentals in Israel, and an idea started brewing for a business. In the end, the two of us made a website ReserveKosher.com, where people interested in renting apartments could see what they look like and book them online. Needless to say,



Reviewing plans at the Shisha Realty office s

I had no idea about websites or emails, so I hired two *bachurim* from the Mir to help me send out emails. This was way before Airbnb existed in Israel.

"My current business started when someone wanted to rent out his apartment on ReserveKosher.com, but he also wanted it to be maintained and cleaned between rentals. I told him that we do that (though we didn't at the time), so he wanted to know how much we charged. I said he'd receive a quote from our office the following day, to make it sound official.

"I spent the whole night and much of the next day researching management, as I knew absolutely nothing about it, and sent him his quote. He had no idea that he was our first customer. I realized that there was an entire market of people just like him, and that's how Shisha Realty was born. Many Americans who own apartments in Israel only use them during the *chagim*, so why not rent them out during the rest of the year? Others don't want to rent them, but still want their units maintained.

"My second client was someone who listed their apartment for short-term rental on ReserveKosher.com but constantly received poor reviews from guests. I reached out to him and asked what the issue was and he admitted to me he lacked the time to manage and maintain the apartment. From those

two clients, word spread. I placed brochures about my new real estate management business called Shisha Realty in all our rental apartments and people told one another about me. I hired two *bachurim* to help me and hired one worker at a time. I was able to grow the business without an investment of capital. In life, I always prefer to take one step up the ladder, rather than three steps at a time and then fall down.

"So basically, we have three categories of clients: people who own homes or apartments in Israel but have no plans on moving there in the near future; owners who want to come for the *Yomim Tovim* but want an income from short-term rentals (we run these apartments like hotels; in fact, we have over 4,000 sets of high-end linen!); and wealthy people who only use their apartments occasionally, but still want them to be kept in pristine condition.

"Some people have a negative view of the Israeli real estate industry, but in my opinion the major issue isn't a lack of honesty but one of timely communication. When you ask a relative or friend to check up on things now and then it's not the same, and the time difference can be a real hassle. We work very hard to change the narrative and polish our industry's reputation by being proactive and on top of things. Communication is the key. If I could point to one reason for our success, it would be that we really cover every angle for our clients. We're more like a family than a real estate management company. We serve as our clients' eyes and ears. In fact, many of our clients want to purchase additional apartments, so we do the research as to which places are worthy investments these days. Basically, we take care of everything you can imagine and then a little bit more."

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I am assuming the coronavirus has affected your business.

Yes, but in an interesting way. The short-term rental business has obviously dried up. But people who have houses here and cannot travel due to the virus need us more than ever.

There is a big misconception that some people have and that is a home left alone will be fine. It won't; it will self-destruct. Houses that are neglected get ruined. From nature, from neighbors and from many reasons. An upstairs neighbor can have a leak from their bathroom and your apartment can get ruined slowly for months until you discover it. Not to mention the issues that might arise if you don't pay all of your bills on time.

Any advice for Americans who currently own an apartment in Eretz Yisrael?

They shouldn't rely on family and friends, especially now when they have other things to worry about. They need a management company, and it's not as expensive as people think. Real estate management is deemed an essential business here in Israel, so even during these times of shutdown with people not allowed to leave their homes, we are legally allowed to check on apartments.

How do you compete with other management companies?

By providing something very different and unique. We provide a concierge service. We don't merely fix things that are broken or watch over the property; we offer concierge service as well. We eliminate worries, something that our clients find priceless. We take care of the entire headache involved in own-

ing an apartment, from A to Z.

On the apartment management end, we visit the apartment every week or so, clean it and run several maintenance services. On the personal end, we do the food shopping for our clients so they arrive to a fully stocked home. We hire a personal chef, if needed. We also make sure the apartment smells nice when the owners arrive. For people who rent out their home for short-term rentals, we do an extensive cleaning before they return for Yom Tov.

Why is there a need to check up on an empty home?

For so many reasons—it could be an article by itself. We go in, we turn on the gas, we run the faucets. We water the garden and fix anything that needs fixing. There are many issues that happen to apartments that are not managed, especially now. We have even had to deal with squatters.

Another important reason is that an apartment should not be abandoned. Thieves know when an apartment is abandoned for months at a time. When people go in and out, it's good for the safety of the home. Also, I want to stress that we don't only check up on the empty homes.



Giving a lecture at a Jerusalem business seminar

We constantly check in on long-term rentals. If not, the owner can find himself with a ruined apartment at the end of the lease.

How do people find the short-term rentals you have available?

Most of our short-term apartment rentals are through word-of-mouth. We are selective on the apartments we accept, yet we have the largest selection of high-end apartments in all of Eretz Yisrael. Our clients are people from abroad, and they expect the best.

How do you compete with Airbnb?

I actually learn from Airbnb what not to do. The quality of our apartments are higher than the quality you find on Airbnb. We also invested heavily in our website experience so you can see our apartments in 3D visual walkthroughs. You know exactly what you are renting down to where you can store your suitcases. It's a different experience. There are no surprises when the renter enters the apartment. The photos you see online is exactly what they are going to be getting; this is a rarity in this business.

Another edge we have over them is that when a *frum Yid* rents from Airbnb he has no idea who was there before as far as *kashrus* issues are concerned. Our renters are all *frum Yidden*.

Are you involved in helping people purchase property as well.

People also turn to us for investment advice on where to purchase apartments that can bring a good return.

We are involved in sales in other ways, too. We do house inspections for our clients before they close on a contract. We can see flaws in the property that others often don't

pick up on, and we have helped reduce the purchase price for our clients by significant percentage points. We also recommend that people hire a real estate management company even before they enter into a contract so that we can guide them on what to put into a contract.

On the flip side, we act as an agent to help our clients sell their properties. But we don't disappear after the sale is done. We stick around and take care of the property and are responsible for it and for what we said the client will get out of the property. *Baruch Hashem*, our sales division has picked up significantly over the last two years

What is the breakdown of your employees?

We have many property managers who work with clients one-on-one to make sure their apartment is taken care of and they also oversee the personal service. We have several in-house handymen—*avreichim* for whose training I paid. We also have a team of 20 women, all *frum* mothers, who oversee the cleanliness of the homes. We pay them well and they are looking forward to returning to work.

Do you help people with renovations or people who purchase new apartments?

We are not contractors, but we work with many contractors and oversee the project for our clients. We also can get very good deals for our contractors for the materials they purchase for our clients.

We are always looking for ways to bring the costs down for our clients. We have purchasing power due to the number of clients we have.

How else do you save your client's money?

We have our own handymen. When something goes wrong, we don't have to hire an external company; we do things in-house, which keeps the cost down. We have

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our own handymen. Another example is we purchase many electrical items for our clients, including air conditioners, refrigerators, washing machines, etc. Because of our relationship with our suppliers, they will often fix the appliance long after the original warranty expired.

What are some of the mistakes you made in business and what did you learn from them?

The biggest mistake I made was not charging adequately for my services in the beginning. I would charge someone \$100 a month to maintain an apartment when that covered only a few hours of office work. Or I would do lots of extra work for someone because I wanted to impress them. I really had to figure out the financial structure of my business and it took time. I never took an actual course in business and I feel that was a mistake.

One of the things I do often is make a *cheshbon hanefesh* and that includes the way I run my business. I am always looking for ways to grow and fine-tune the way I conduct my business.

What advice would you give someone who also runs a real estate management business?

In this industry specifically, the key is service, service, service. However my advice would be, and this applies to anyone starting a business, is to learn from the *halachos* of *orlah* in the Torah. Like *orlah*, the first three years of your business, don't think of how you can benefit from the business. Even the fourth year, take it slow. A big problem young people face in business is when they taste a bit of success, they start spending on extra employees, programs



Welcoming packages awaiting the guests at each rental apartment

and other expenses they don't need at that point. You need to try and maximize every dollar in the beginning until you are truly on solid footing.

How do you ensure your employees do a good job of maintaining your properties?

I am glad you asked that question. The biggest proof is by our satisfied customers. That being said my company is built with a system. We have managers and people on the ground. We have two different people involved in every apartment setup: cleaning and stocking the apartment. We also almost always bring the renters to the apartment the first time. I am a very hands-on person and I extend that way of thinking to my company. If there is any problem in any apartment, someone will be there within 30 minutes.

Once every two months, I have a meet-

ing with all of my employees, not just management. The employees see I care about their opinions. Also, sometimes my message can be filtered down and I want them to see and hear it from me. It's important that the boss has a connection with every employee. It's all one big puzzle and all the pieces have to fit perfectly.

You run one of the largest organizations in Eretz Yisrael, together with a successful real estate management company. How do you have the time to manage both successfully?

I really don't have time. My time is dedicated to helping my team and they run both the *mosad* and the business. I have good people, loyal people. I think that people focus too much on what they have to do as opposed to figuring out how

to find the right people to do it.

On a technical level, we have very advanced technology that helps us manage our inventory of apartments. We have invested a significant amount of money into our software to ensure we are servicing everyone in a timely manner.

You mentioned that you often speak to young chasidish men to try and inspire them. Can you share if possible, what is your overall message?

Baruch Hashem, I am fortunate to have the *zechus* to speak in front of young men that come from similar backgrounds to my own. These young men are given the opportunity and tools to be *matzliach* in finding a *parnasah* and I feel it is an honor to be able to talk and inspire them.

I will share with you a story that happened to me. When I was younger, I traveled to America for the first time in my life

The vaccine that Chazal gifted us to fight this deadly Coronavirus

for a wedding of a friend. I had just started my *mosad* and I figured I would fundraise as well. Someone suggested to me I go visit a certain store and the store owner would give me a donation. I visited the store and indeed, he gave me a \$180 donation, which at the time was a lot to me. I was in turmoil. The store I had entered was a store that sold cake and baking supplies; similar to what I sold in Eretz Yisrael. I wondered to myself, why am I selling out of my home and barely making ends meet and this guy is very successful? So I asked him the question that was on my mind and he told me that he not only has a store but he also sells wholesale and online as well. He shared with me that a *chasidish* business consultant helped him grow his business and he gave me his number. I was excited.

I called the guy up, he asked me what I do and he quickly said he thinks I am too small for him to work with. I pleaded and he told me to meet him after *Shacharis* the next day. He said he will spend a few minutes with me to determine if it's *k'dai* for him to take me on as a client. I met him after *Shacharis* and he asked me several questions about my background. He asked me if any of my parents or family members were businesspeople; of course they weren't. He told me that based on my background, I would not be successful in business. He said I had to have some exposure to the workings and understanding of business, but I had zero. He suggested that I close my store. He didn't say it in a mean way; he simply felt that I had no chance at being successful. *Baruch Hashem*, I did not listen to the "expert" advice, and he was indeed wrong.

That's the message I share with others. It does not matter who you are or what your experience is, you can also be *matzliach* with Hashem's help. I share with them how I grew up, with nothing in Meah Shearim, and if I can make it, so can they. I think my life and my life's motto can be summed up by the following three words: *Ratzon*, *ratzon* and more *ratzon*, if you want to be *matzliach*, you will be. ●

Dr. Eli Schussheim

In the course of just a few short weeks, humanity worldwide has been attacked by the coronavirus. We are talking about a tiny pathogen that cannot exist independently, surviving as a parasite within living cells. The virus is so small that it can only be seen through an electron microscope with the capacity to magnify something up to 200,000 times its size.

The microscopic virus has infected over a million people globally and has killed tens of thousands. It is the first outbreak in history that has forced millions to stay home, under strict conditions of seclusion.

This pandemic has occurred at a time when man has developed almost unimaginable capabilities and can boast tremendous achievements spanning every area of life, most notably in science and technology.

With exponential advances, mankind has enjoyed a sense of control, thinking that with his power and intelligence, he could overcome everything, without any need for divine assistance.

And then, out of the blue with no advance warning, invincible, all-powerful man, is attacked by a lethal virus of minuscule proportions. The virus threatens human life and we, with our imagined supremacy, are catapulted into a brutal realization of our helplessness and our inability to defend ourselves by eliminating the disease.

The only option the human race has right now is to protect itself and reduce the possibility of infection, to isolate at home and cease daily functioning as we know it.

This is not the first pandemic historically. With Hashem's help, medicine has succeeded in eradicating past outbreaks through the creation of a vaccine. Over the course of history, vaccines were successful in eliminating the plague of smallpox and other lethal diseases that caused tens of millions of deaths in their day.

Our immediate problem is that in order to create an effective vaccine for a new virus, tremendous *Siyata Dishmaya* is needed, as is time. Months, perhaps even years.

So where does leave us? What can we do now?

Mida K'Neged Mida is a core characteristic of Hashem's interaction with our world. Whichever way we behave, the Creator responds to us in kind.

Chazal reiterate this in many places: **"All Hashem's methods are Mida K'Neged Mida** (Sanhedrin 90,1)

"The way that man measures, is how he is measured." (Sota 81:7)

There is no end to the examples of this rule in Torah, Neviim, Kesuim and throughout Chazal, in relation to penalties given for not fulfilling G-d's will or observing his commandments. The most notable of these is what Hashem said to Noah upon leaving the teivah. **"Whoever sheds the blood of man, by man shall his blood be shed."** (Bereishis 9:6) This is **Mida K'Neged Mida**.

Yet, this principle does not only operate with regards to punishment; it also comes into play in terms of compensation. Here, Chazal add that whereas a punishment that is meted out can last for five generations, reward is five times greater, and will never end. (Tosefta, Sota 4:1)

Almost daily, we are hearing heart-breaking news of tragedies.

Yet EFRAT has also been overjoyed by news of clear miracles that we regularly receive from our donors. Donors tell us stories of their lives being saved in extraordinary ways from terrible road accidents, serious illnesses, dangerous surgeries, and endless struggles with infertility. We are elated to receive news of women who have had children, seemingly miraculously and contrary to medical predictions. People have experienced miraculous salvations after contributing in some way to EFRAT's work, partnering in saving the lives of unborn Jewish children.

For us this is not a novelty, as Chazal determined that **"Whoever prays for a friend for something that he himself needs, he will be answered first."** If in prayer one can be saved by davening for another, all the more so when it comes to save the life of a baby. It is no wonder that Hashem bestows the gift of life on those who save lives.

If so, then here lies the vaccine Hashem has provided, to help save us from life threatening situations. It is this principle with which Hashem runs the world and Chazal have passed this on to us, His people.

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