

CANVAS**REBEL**





STORIES & INSIGHTS

Meet Derek Caffè

STORIES & INSIGHTS // DECEMBER 20, 2023

Share This Article

We're excited to introduce you to the always interesting and insightful Derek Caffè. We hope you'll enjoy our conversation with Derek below.



Derek, looking forward to hearing all of your stories today. So, let's start with trends – what are some of the largest or more impactful trends you are seeing in the industry?

I don't know if I'd consider it a trend, but absolutely the biggest news in the real estate brokerage business today is the Sitzer/ Burnett case verdict. This was a case that challenged the long held tradition of the seller paying the commission for both the listing agent (the listing agent is the name given to the real estate agent representing the seller of a home) and buyer's agent. Anyone who has purchased a home or worked with a real estate agent to purchase a home prior to the verdict, may have heard their real estate agent state that their services were free. This was not the case. Instead the buyer's commission came from the seller at closing. And while the buyer didn't have to come out of pocket initially, ultimately it's the buyer's money at closing that the seller uses to pay both agents.

With the verdict (which the dust hasn't fully settled on) buyer's may directly be responsible for paying for representation when purchasing a home. Traditionally, when a seller chose a listing agent they would negotiate their commission along with the buyer's agent commission. This may appear as a total commission of 6% charged to the seller of the home which includes 3% for the listing agent and 3% for the buyer's agent. The suit alleged this was anti-competitive behavior and violated anti-trust laws forcing commissions to be higher than they should be.

Where we go from here is anyone's guess. I have several thoughts on how this can play out in the coming years.

1. Buyer's will pay agent's a flat fee and/or percentage of purchase price for representation.
2. Seller's ultimately still fund the buyer's agent commission to help attract buyers.
3. Hybrid model where commission for the buyer's agent is paid partly by the seller and buyer.
4. Some technology comes along to allow sellers and buyers to exchange property without the need for a majority of real estate brokers/ agents.

Derek, love having you share your insights with us. Before we ask you more questions, maybe you can take a moment to introduce yourself to our readers who might have missed our earlier conversations?

I am the Principal and Founder at Code Black Properties, LLC, a full-service real estate investment and development firm. Through Code Black Properties and its two subsidiaries, I provide real estate brokerage, construction + renovation, and property management services. Our two subsidiaries are CAFFE Realty which is the real estate sales, leasing and property management division and Code Black Construction which is the construction division. Code Black Properties also invests in income producing properties in both Georgia and Ohio.

I'm a Georgia licensed real estate broker specializing in residential and small commercial investment properties. We are an investor-focused real estate brokerage based in Austell, GA. We help clients buy, and sell real estate with a focus on investment properties. Our goal is to successfully assist our clients in acquiring opportunities to generate additional income and build wealth through real estate. Originally from Youngstown, OH, I relocated to metro Atlanta in late 2010. I reside in downtown Austell, GA's Unity Square neighborhood with my lovely wife.

Prior to founding Code Black Properties, I served with the US Army. I am currently a medically-retired veteran. After leaving service I obtained my bachelor's degree from Youngstown State University with a concentration in finance. I briefly attended Clark Atlanta University for my MBA but decided to postpone its completion to focus on the growth of Code Black Properties.

In my free time I enjoy working out and cycling. I am a member of Black Nonbelievers and also a secular humanist.

Learning and unlearning are both critical parts of growth – can you share a story of a time when you had to unlearn a lesson?

I've had to learn and unlearn many lessons over the years. What I've solidified is learning is a continuous process. And more so than learning a particular topic, is learning the skill of learning. You'll have to teach yourself many skills as you progress throughout your career. Learning how to learn is more about deciphering fact from fiction, and being able to perform competent research on the subject you want to learn more about. It's about creating a solid foundation of knowledge from which to make decisions.

One particular lesson I've had to unlearn is regarding financial independence and wealth. One of the big motivating factors for me to get into real estate, initially, was to achieve financial independence and build wealth. Everyone has their own opinion on this topic, but a majority of it is false. Growing up you get taught the lesson that these things have a certain look. We think people who have symbols of wealth (luxury cars, clothes, job titles, etc.) are the ones who have financial independence, and wealth. Many times, this is not the case. I've had prospective tenants who drive a Range Rover and are currently living in their car. It's about perspective, and I've had to unlearn one perspective to gain a greater perspective.

Are there any books, videos, essays or other resources that have significantly impacted your management and entrepreneurial thinking and philosophy?

Yes, lots of books, although nowadays I'm bigger on audiobooks than picking up a physical book. The one that pops to mind initially is *The E-Myth Revisited* by Michael Gerber. It was one of the first books that got me to look at small business differently. It's been a decade or more since I last read it, but what I remember from it is the concept of working on your business versus working in your business. At the time this was a revolutionary concept for me.

Another book is *The Richest Man in Babylon* by George Clason. It's probably the most important financial management book I've read. It gives basically a step by step approach to

building wealth that I haven't seen duplicated in any other book. I revisit the audiobook every few years just to remind myself of the basics.

Contact Info:

- **Website:** <https://www.CodeBlackProperties.com>
- **Instagram:** <https://www.instagram.com/derekcaffe/>
- **Linkedin:** <https://www.linkedin.com/in/derekcaffe/>
- **Other:** <https://www.CAFFERealty.com>

Image Credits

Dimitri Crowder Photography, Code Black Properties, LLC

Suggest a Story: CanvasRebel is built on recommendations from the community; it's how we uncover hidden gems, so if you or someone you know deserves recognition please let us know [here](#).



[← PREVIOUS](#)

[NEXT >](#)

[Meet Raquel Rich](#)

[Meet Dana J Buchman](#)

LEAVE A COMMENT 

[About CanvasRebel](#)

[PRIVACY & TERMS OF SERVICE](#)

[Suggest A Story](#)

CanvasRebel © 2024. All Rights Reserved.