EPISODE 370

[INTRODUCTION]

[00:00:00] ANNOUNCER: Welcome to The Real Estate Syndication Show. Whether you are a seasoned investor or building a new real estate business, this is the show for you. Whitney Sewell talks to top experts in the business. Our goal is to help you master real estate syndication.

And now your host, Whitney Sewell.

[INTERVIEW]

[00:00:24] WS: This is your daily Real Estate Syndication Show. I'm your host, Whitney Sewell. Today, our guest is Brett Swarts. Thanks for being on the show, Brett.

[00:00:32] BS: Whitney, thanks for having me.

[00:00:34] WS: Now, I'm honored to have you on the show. You have some skills that we need to know. You have a specialty here that I'm looking forward to getting into today.

But a little about Brett, he's the CEO of Capital Gains Tax Solutions, and every year equips hundreds of business professionals with a Deferred Sales Trust tool to help their high-net-worth clients solve capital gains tax-deferred limitations. His experience includes numerous Deferred Sales Trusts, Delaware statute trusts, 1031 exchanges, and $85 million in closed commercial real estate broker transactions. An active commercial real estate broker and investor himself with experience and holdings in multi-family, senior living, retail, medical office, and mixed-use properties. He's a licensed California real estate broker and holds Series 22 and 63 licenses. He formally was an associate at the largest commercial real estate brokerage firm in the country.

So, Brett, thank you again for your time being on the show today. Give the listeners a little more about who you are and exactly what we're going to talk about today.

[00:01:35] BS: Yeah, thanks. Thanks, Whitney. Yes. So I live in Sacramento, California. I have five kids with my wife, Melanie. We've been married 10 years and we kind of grew up in native California. Originally from Mission San Jose Bay area, where I learned, kind of, the real estate world with my dad, building custom homes. The majority of my time, actually, in Rockland, California, which is in Sacramento. I played sports in high school. I played basketball in college and learned about investing in real estate in 2006, and kind of haven't looked back. It's been my passion. I love helping people create and preserve more wealth through passive and/or active investment real estate holdings. So I learned about a tax deferral strategy along the way. Now, we want to empower business professionals like yourself and others to help people defer tax and do more deals.

[00:02:23] WS: So you are going to help us to defer tax. I mean, that sounds pretty good. That sounds pretty good. As a syndicator in the syndication business, just get us started in some things we should be thinking about and what this means for us.

[00:02:39] BS: So, most commercial real estate syndicators, they have partners and even themselves, they struggle with capital gains tax and depreciation recapture when they go to sell their high-end primary home, business, or commercial real estate. We use a Deferred Sales Trust, which is just an installment sale, creative installment sale, to give them tax deferral, liquidity, diversification. The best thing is the ability to buy or invest into other commercial real estate deals at optimal timing, so that they can create and preserve more wealth, and as a commercial real estate syndicator, so that you can add massive amounts of value to your partners, and so that you can create and preserve more wealth and attract more capital. Well, a better way to put it is: unlock the capital that is stuck in an illiquid asset.

So to give you some more context here, according to the American Bankers Association, there's about $17 trillion that will pass from one generation to the next in the next 20 years, and this is known as the largest vault transfer in the history of the planet, and this is by the baby boomer generation. In fact, alone in America there's about 77 million baby boomers, and every day about 10,000 of those turn 65. What's happening with them? They feel really trapped. We call it the perfect storm. They're trapped because they want to get out of the toilets, the trash, and the liability. They want to able to maybe retire from the active management of commercial real estate and be more passive with a syndicator who perhaps is a little bit younger and is maybe in a different geographical location, and has some value-added force depreciation opportunities versus their one particular town or city that they're in.

The next thing has to do with just interest rates that are hovering near 40-year lows, and real estate business appreciating a great deal. We call this the perfect storm of what do you do, and how you help that group to diversify and get liquid, and then be able to invest in deals that you have lined up.

[00:04:35] WS: 77 Million baby boomers and you said 1.5 million turning 65 every day.

[00:04:43] BS: 10,000 Turning 65 every day.

[00:04:46] WS: 10,000?

[00:04:46] BS: Yeah.

[00:04:47] WS: I was like, "What!" 10,000, Okay. Then interest rates or 40-year lows. So get us started as far as what this means for the syndicator, what we should be doing or thinking about or how to understand how to use a vehicle like this.

[00:05:02] BS: Yes. So most of you and your listeners, and I know you know about the 1031 exchange, which is a tactical strategy for investment real estate, for lifetime real estate. You know the value of that, because essentially you can defer the tax and roll it into a deal and keep that growing your wealth, versus paying the tax, which is about 30 to 50%. That's usually what we're working against. 30 to 50% Of every deal that's sold is going to have a capital gains tax, state, federal, Obamacare, and then plus depreciation recapture. Instead of paying that, you do a 1031 exchange. But the challenge with most syndicators we work with, or operators, is a lot of them don't allow exchanges into their deals unless there's a certain deal size. Also, on the flip side, when they go to sell, everyone is just paying their tax.

So into the Deferred Sales Trust, the intent is to defer the tax. The problem is there's not a clean or concise way to make it happen with the 1031, whereas the deferential trust is very flexible. Each partner can go their separate ways. It also works – They can have their own Deferred

Sales Trust. Or they can just pay their tax or do a mixture of both, and then invest it into your deal. The next thing has to do with timing. In a traditional 1031 exchange, you have to do something within 180 days. Meaning you sell and buy something within 180 days, and identify within 45. So the intent again is to find a deal. But the problem is, especially if it's a highly appreciated marketplace, especially in properties they're selling, it's difficult to find a deal within a certain period of time, whereas the Deferred Sales Trust is a solution for this, and that you can put the funds into the trust and you can buy whenever you want to. Meaning optimal timing, tomorrow, day 181, five years from now.

Part of what happened in the '08 run up, Whitney, and I witnessed this firsthand, especially in Sacramento. It was one of the hardest hit cities in America. It was people were selling real estate '04, '05, '06, '07, and they were 1031 exchanging into bigger and bigger properties. The challenge was they were overpaying a lot of times because of the tax. We say, "No, there's a better way to do it." You can actually get out of debt, and also that's with the 1031 – Oftentimes, it forces you to do, to stay in debt, or take on more debt because of equal or greater value rule. Instead, put it all to the Deferred Sales Trust. Now, you're liquid, you're diversified, and then you can go into multiple syndication deals across the US, smaller amounts.

So It's just a more flexible way to defer tax, and then again for the syndicator to unlock that capital for folks that want to sell that business. We've done thousands of these transactions with veterinarians, dentists, doctors, tech companies, apartment complexes, self-storage. They want to attract that high-net-worth. But a lot of those clients, they feel trapped in those properties and they don't want to do another 1031 if its investment property. But they love the Deferred Sales Trust to unlock that capital, so they can deploy into your deal tomorrow.

[00:07:56] WS: So can you walk me through an example? When would something like this apply? How do we get it started? Where are we at in the process of the property and selling and buying?

[00:08:05] BS: Yes. Let's walk through an example. So I just did a recent deal in Sacramento. It's a $1.8 million sale for a gentleman named Peter. He was turning 70. He's at Marin, California. He's driving to South Sacramento to manage 18 units. It's one of those deals where it's kind of hard to hire management because it's not that big. If you do, it takes a lot of the profits away. So he's doing a lot of it himself, and he's always been a hands-on guy too. So he's on multiple 1031s over the years. So he has not only debt on the property, but he also has a big capital gains tax of 500,000. He told me, "Brett, look. I don't want to trade 18 problems for 36 problems. I made my wealth. I don't need any more of these headaches." I mean, he's banging on doors, trying to collect rents, making evictions. He's just gone, "I want to be done. But I also don't want any more debt , and I don't want to overpay."

So enter the Deferred Sales Trust, he sold it, moved all the funds into the Deferred Sales Trust, paid up all of his debt, and deferred $500,000 in capital gains tax. Here's the biggest reason why. He said, "Brett, I want to buy, or partner with people who are operators anytime, tomorrow when the deal comes up." He thinks the market's going to shift another one or two or three years, and that's when he's going to be poised to strike. In the meantime, he's invested in stocks bonds, mutual funds, diversified, liquid, conservative stuff. Nothing that's too much stocks, and he's just keeping his powder dry.

So it comes up in those scenarios from the gentleman who's older, who wants to diversify, who wants to retire. For the syndicator, it comes up, because again we're looking for ways to attract and unlock wealth to invest in our deals. So the way we do that is we provide the solution for folks, the solution to be able to do that. So again, if it's a business, if it's artwork, if it's a collectible, the Deferred Sales Trust works for all of those. 1031 is very specific. It only works for investment property. So, that's where it falls short.

The other part is for the people you're actually buying from. So now, I want you to put on the actual syndicator I'm looking for to find the deal and who's the ideal person to buy from? Well, it's the mom-and-pop who's kept the rents low, who's been very nice to the tenants. He's owned it for 20, 30, 40 years, who's fully depreciated, who doesn't want to do another 1031. They don't need more money. They get calls all the time with, "Hey, why don't you do a 1031?" They're going, "No, I've done that for 40 years or 30 years." So you want to buy it from those folks where there's a value-add forced depreciation.

So into the Deferred Sales Trust, when you call them and say, "Hey! Look, Mr. owner, I know you don't want to do a 1031. There's actually a different way for you. It's called a Deferred Sales Trust." You've just solved their problem. They're more likely to sell it to you versus anybody else.

They're more likely to sell off-market to you versus anybody else. They're more likely to take a lower price. Why? Because they're going to save 30 to 50% on their sale, and they're going to be liquid, they're going to be diversified, and they're not going to have to do the active real estate.

So I'll pause there, because I know I just said a lot. It's probably – Maybe some questions you have.

[00:11:03] WS: Yeah. So I was thinking about – So go back to the first example. So, the guy that sold the 1.8 million. So he sells that. He puts all of that in a Deferred Sales Trust. So now, he can invest it however he wants, right?

[00:11:16] BS: Yeah. There's only two exceptions. You can't put into a primary home and you can't go overseas. But it can go into investment real estate with up to 80% of the funds. The remaining 20% will stay in stocks, bonds, mutual funds. But it can also go into a business startup. As long as there's business, purpose, and investment to be made in the US, yes.

[00:11:33] WS: But he did have to pay some capital gains or he did not?

[00:11:36] BS: No. 100% deferred. Yeah, he put all the proceeds in there, so he's 100% deferred.

[00:11:40] WS: So when will he pay taxes?

[00:11:42] BS: Good question, Whitney. When would you like to pay taxes? So most of our clients like to pay the taxes second day to never. Meaning, they're just going to live off the interest, so they're going to keep 1031-ing, and just keep doing that. So the moment he takes boot, or the moment he receives actual receipt of the cash, this is when it's triggered, which is how this works, which by the way it's how a 1031 works.

So let's walk through how this kind of works, Whitney. All right? So you ready? You're going to be the seller, and I'm approaching you. So, Whitney, you're selling a $10 million deal. It has a zero basis. You have no debt. If you were to sell today, you would owe, let's say, four million in tax. So you definitely want to do a tax deferral strategy, because those numbers are pretty brutal if you get taxed. So I approach you as just the regular person off the street and say, “I’m going to buy your apartment complex, Whitney. May I give you a $2 million downpayment. Would you please carry a note for eight? Would you do a seller carryback?” Let’s just say you say, “Yes.” So on that scenario, Whitney, if I give you $2 million down, how much actual receipt did you receive?

[00:12:39] WS: That’s what – Yes.

[00:12:42] BS: So you’re going to owe tax on that two, because that’s what it’s triggered. But the other eight million is what’s called a seller carry-back. It’s in a deferral state. Do you follow?

[00:12:49] WS: I am.

[00:12:50] BS: Now, what if I sell? I’ll give you a zero down payment, Whitney. If I give you a zero down payment today and you carry a note for 10 million, hypothetically you wouldn’t do that, because in a real world, [inaudible 00:13:00]. How much tax would you owe if I give you zero down payment today?

[00:13:07] WS: None.

[00:13:08] BS: Zero, because you haven’t received anything, and the other 10 million is in a deferral state. Now, that income or the interest is going to happen, and I’m going to pay you interest, and you’re going to pay ordinary income on that interest. So that’s how a Deferred Sales Trust works. Here's the difference. We have this $10 million buyer lined up, and we have Whitney ready to sell. They’re about to do the transaction. But what happens is the trust jumps in right between, and it actually buys your position for 10 million in exchange for an installment note. It gives you a note. It gives a zero down payment exchange for the property and immediately turns around the same [inaudible 00:13:39] and sells it to that buyer. That buyer puts the 10 million into the trust. So if the trust bought it for 10 million and sold for 10 million, how much gain does the trust have?

[00:13:52] WS: Zero.

[00:13:53] BS: Zero. You got it. Whitney, again if you took a zero down payment in exchange for the note for 10, you're in the deferral state. So how much do you owe today?

[00:14:02] WS: Zero?

[00:14:03] BS: You got it. So the buyer takes the title. He's gone. So that's how it all works. That's why it works. If the 1920s tax law goes back 90 plus years. We're just creative on how we apply the law. That's exactly what the IRS said too. That's how we know it's legal. We have thousands of business professionals across the US. But all that being said, what it does now for you as the syndicator or as the owner is it takes you out of those timelines of that 1031, because the tax law for 1031 is IRC 1031. Whereas us, for IRC 453. So these are two tax deferral strategies but have different rules. These rules for the 453 are much more flexible than the 1031, which means no equal or greater value, no short time period, no replacing of any debt of any kind, multiple product types, multiple investment vehicles, and I can go in and out of the trust, all tax-deferred, for as long as I want.

The best one I think for you guys has to do with depreciation. So in a 1031 exchange, the depreciation schedule travels. Meaning, if you take any accelerated depreciation on deals or any depreciation for that matter, and you sell and do a 1031 exchange, that depreciation schedule goes into the next deals. Meaning, you need to buy a bigger property to offset this. So let's say it was a $10 million deal again. You fully depreciated out. If you were to sell today and buy an exact $10 million deal, there's no new depreciation. It's already zero. If you buy a $25 million deal, well now you got an extra 15 million in depreciation. But that might take on a lot of debt and a lot of risks. So some people are like, "I don't want to do that."

Well into the Deferred Sales Trust, we could sell that same $10 million and put it into the trust. Use $8 million to go purchase let's say a $25 million deal. Now, there's a brand-new $25 million deal amount of depreciation. It's a brand-new schedule, because I didn't do a 1031. I partnered with my trust to purchase this. That's very powerful. So now, you can do accelerated depreciation to offset the income everywhere.

So I just said a lot there. I'm going to pause, because your brain might have a little – You might have a few questions there.

[00:16:10] WS: Yeah. And I'm not even sure where to start at this point. I'm going to have to go back and listen to part of that myself. It's good. It's good stuff though. But I was just thinking through there, like how I would explain that to that seller, or explain that to somebody, and they're like, "Whitney, I don't have a clue what you just said, or I've never heard of this thing before."

[00:16:26] BS: Let's watch your webinar. Let's get your CPM aligned. This is what we do every day. We're just educating and walking people through all of this, and we're holding their hand. This is the other way I like to put it, Whitney. We're just like the nurse. So when someone comes to us with a challenge, we're like, "Hey!" Looks like you got a challenge there with capital gains tax. You may want to talk to the brain surgeons. Who are the brain surgeons? They're the tax attorneys and CPAs who actually do the surgery. They do the [inaudible 00:16:52] surgery. It's honestly just like a nurse too.

So they come to you and they say, "I have this. I have that." Well, go talk to your CPA, your tax attorney and see if surgery is good for you, and make sure you get their blessing before moving forward. So that's what we're about. We want to bring – We have CPAs, national law firms, financial advisors, commercial real estate brokers all across America who have used this structure, who have vetted it, and who can help other people do this. My role, by the way, is the trustee. So I'm actually the third-party trustee. I'm kind of like the offensive coordinator in this whole transaction, who makes sure it all goes well. Which leads into the next question which is typically this, "Well, how do I know my funds are protected? What happens if I get audited and all of these different things?"

So the funds only ever move with your signature, Whitney. You have what's called DACA account protection. Meaning, it's direct access control agreement. It's like extra for your funds, with the financial advisor that you can bring in others that you like and want to use or you can use one of our trusted advisors. I never manage the funds and even my personal accounts. I can never take them. So those are always safe all the time. They only move with your signature.

The other thing is the IRS audit. So we survived 14 of those. By the way, if anyone ever comes to you with a new tax deferral strategy that seems like it's too good to be true, or seems like it has a lot of promises, you need to ask a number of questions. You should ask them, “How many IRS audits have you survived?” This should really be the first question. The answer is 14 for us. The next question is – How long have you been doing it? 23 years. How many have you closed? Thousands of transactions. If those three questions aren’t answered in a way that have a proven track record and also the IRS audits, then you probably don't want to touch it. We’re batting a thousand, not one single issue with any of the trusts, not one single issue with the IRS. So that’s why it’s legal. We also – The tax attorneys, we set it up. They provide audit defense to help you there too if you ever were audited. It’s a part of the fees.

But more than that, just we want you to get to know us, digest this as best as you can. But it’s like riding a bike, Whitney. The first time you ride it, it’s going to be a little bit awkward. The first time you did a 1031 exchange 20 years ago or 10 years ago, it’s a little bit shaky. But eventually, you start to get comfortable as you rode the bike. That’s what we want to provide for you.

[00:19:06] WS: I was thinking about the individual that you said they can invest 80% and wherever they want. 20% Is going to be stocks and bonds, I think you said. So how long do they have to invest the 80% or is it just whenever?

[00:19:19] BS: Flexible, right? So let me tell you a story. In 2006, gentleman, he’s one of the largest Deferred Sales Trust clients, and he sold a big building in Minnesota. He saw the writing on the wall. He did do a 1031. He did a Deferred Sales Trust. Five years later, he bought that property back at a discount through his Deferred Sales Trust at $0.60 on the dollar out of foreclosure. So he sold at the peak. He waited five years. The same property he sold went to foreclosure. He bought it $0.60 on the dollar for what he sold for. All tax-deferred and he’s really happy.

So what's your optimal time, Whitney? Did you find a deal tomorrow? Is it day 181 or do you want to get your powder dry and just sit on the sidelines for a couple years? Do you want to wait for it after the election? It’s your money. How do you want to receive it? Either you can pay the tax, or perhaps – How do you want to invest it? That’s really, really flexible when it comes to those things.

[00:20:13] WS: What's happening with the money while it's in there? I know you mentioned it's not in your account and things like that.

[00:20:17] BS: Yeah. Hopefully, it's earning interest based upon the investments that it's in. So by the way, most of our notes earn 8% depending on the risk tolerance of the individual, over in a 10-year period of time. Netting after fee is about 6.5% on cash flow. So in your scenario, if it was 10 million, it's earning about 8. Instead of earning it on 6 million, it's earning on the full 10. Now, you're paying incremental fees along the way to the financial advisor, to me, the trustee, and you're living off that cash flow.

At the end of 10 years, you can renew for another 10 years, and then renew for another 10 years, and just keep renewing it. Then you can pass it to your kids and they can do the same thing. This is the best part. You can use it to fund charitable organizations or fund your family legacy for whatever you want. It becomes a part of your estate that passes, so that your kids can just live off the interest and continue to do this as well. They inherit your position. So it's flexible.

Also, too, if you want to cash all or a portion of it, you can. You could pay the tax in a given year for that amount. Some folks want to wait till they move to a new tax-friendly state, like in Nevada, or Florida, or wherever else and pause the income. I'm going to pause. I'm going to sell my $10 million deal. I don't want any income right now. I'm going to wait, move, establish residency like in Florida, in Nevada. Then turn it on. In the meantime, it's just compounding. It's building up. The answer is – It's your money. How would you like to receive it, and what are ways we can invest it to make it have a nice return?

[00:21:49] WS: You briefly mentioned it a minute ago, but I wanted to ask about what it costs us? Are there fees? How does that work?

[00:21:55] BS: Great question. Yeah, what are the fees? Yeah. So the fees, there are three sets of fees. The first set is to the tax attorneys, and that's about 1.5% on the first million, and that's a one-time fee. Then 1.25% on anything above. Let's just say it was a $3 million deal. 1.5 on that first million. The 2 million that's left over, 1.25. That includes the legal and tax structure and also audit defense for the life of the trust.

The second fee is to Capital Gains Tax Solutions as the trustee fee, it's my company. We charge 50 basis points as long as that's a half of 1%, as long as it's 100% with the financial advisor. If you go out and you want to do the real estate deal, then it jumps to 100 basis points or 1%.

Now, the financial advisor, it just depends on how or where the funds are invested, but some are between 50 and 100 basis points. Remember when I said most of our notes earn 8. After fees, they net about 6.5. That's how we came to that equation. However, over that 10-year period of time, the expectation and the goal is to return 8 net of all fees. But when you're out buying other deals by partnering with your trust, and here's the power of this, you're setting up a partnership between you and your Deferred Sales Trust. With that, it's typically around an 80/20 split. Meaning, this silent partner put up all of the cash for the down payment, but you're the sweat equity owner who's finding and operating the deal.

So although you personally, Whitney, put $0 into the deal, your trust put up 100% of the down payment. You have 80% ownership. The trust has 20%. This is also how we get a new depreciation schedule. So what does that mean? Well, that means on this deal over here, the 80/20 split after the preferred returns are paid back to the trust, which is going to turn around and pay you too, but the remaining 80% goes to you. You put no money into the deal.

The trust put the money in the deal, but you outside of that didn't put any money in the deal. So we call it the go fund yourself. Instead of having to go to a bank or go to a venture capitalist for a business venture or whatever, why don't you use your own funds into the Deferred Sales Trust to help partner you with the deal? Hopefully, that makes some sense.

[00:24:07] WS: It does. How long should this take? Let's say I have an investor that says, "I'd really love to 1031 into a deal," and they're wondering about the timing and wondering how long that would take to have these funds available, and I tell them about what you're doing. How long does that take?

[00:24:22] BS: Setting up, we've done deals in a week. Ideally, we're 30 days before closing. We do need to do it before they remove all contingencies for investment, or business, or for primary home, or artwork and collectibles. We need to make sure we have a language that's inside of the purchase and sale agreement on an addendum. If it's an investment property, we can save a failed 1031 exchange, day 46 or day 181. However, you need to work with the QI company that's going to allow both options. We have those available for you right now, or use your own QI company, but make sure we put the language inside of that document first, okay? So just get to us early. Earlier the better so you can digest this, vet us, get to know us, meet us, all those good things that you should be doing, you need to be doing.

Now, once it's in the trust, how quickly can I access the cash to go buy that deal? We call that trade plus 3. It's four business days. So, you're in soft funds, mutual funds for a year. Everything falls apart on some real estate deal, or opportunity pops up. Great! You say, "Okay, I'm ready to buy this deal." Great! It looks like a good deal. Let's do the deal. Sell, move the funds into a brand new LLC, which you're the managing member of, and partnering with the trust, and you go buy that deal. So trade plus 3 for the funds.

[00:25:41] WS: So if I have a property I'm going to sell, I need to be talking to you all but at least a month ahead of time to make sure I got all the language and all of that in the contracts, all the contingencies, and depending on what we're selling. Then really just a – I mean, a few days after.

[00:25:57] BS: You got it. Exactly. Remember too, we don't charge – I don't know if I mentioned it. But we don't charge anything unless and if you close on the deal. So we will literally walk you through it, educate you, your advisors, get everything set up, ready to go. For some reason the deal doesn't close, no problem. For some reason you decided to do a 1031 or something, no problem. We don't want to pressure anyone to do this. We just say, "Hey, here's the availability. We just need to be early and proactive and give you the opportunity to do it," and you decide if and when you want to do it.

[00:26:23] WS: Okay. We better get a few last questions in before we ran out of time, Brett. But what's the hardest part of this process?

[00:26:30] BS: Just getting over the fact that it's not your traditional 1031. Real estate is like a religion. It's like a religion and that there are certain doctrines, especially commercial real estate, where there's the old school of thought that one of the doctrines is the 1031 exchange. When somebody – Imagine a pastor brings in a new doctrine of this installments, which by the way, has been around, and you guys know the installment sale, but you haven't been using it. It's kind of like a 1031. There's a reverse exchange. Some people don't know about that, but they know about a 1031. So it's just a nuance on what's always been there, but they just think it's like too good to be true. How have I not heard about this? How did my CPA not told me about it?

So, just getting over the fact that some people don't know because they haven't been educated. Another analogy would be like a doctrine. You go to your primary physician and you're primary physician has taken care of you for 20 years, like the CPAs have taken care of a lot of people, but your primary physician – If you have a tumor, he's not going to do the surgery. If you have an ACL reconstruction, he's not going to do the surgery.

So, who's done the surgery? Sometimes the physician will say, "Oh, I don't know about that. I've never heard of it. I wouldn't recommend it." The problem is, is they just don't know and they have nothing to gain by saying, "Yeah, go for it." The problem is you have a brain tumor and it's a capital gains tax thing and you're about to pay it, and you need to have a solution for that. So you want to go to somebody who's been proven, who's done 2,000, 3,000 surgeries. Not one patient has died. Not one IRA audit has been negative. It's batting a thousand.

At a certain point you say, "Yup! I'm going to trust these guys, because of their track record." Also, talk to our clients. We want to put you in touch. If you're really serious and you're going down the road with us, we'll give you the phone, a number and you call and talk to the happy clients that have used it. So we've blazed the trail. We're not coming out with something new and saying, "Hey, Whitney, try this out. See if it works." No. We've already been through the scrutiny. We've already been through the audits. We've already blazed the trail. You just have to take that step of, "Okay, I might need somebody beyond my CPA who's just my general practitioner. I may need that brain surgeon."

[00:28:39] WS: That's a great analogy. I like that a lot. Unfortunately, we're out of time. But before we go, tell the listeners how you like to give back.

[00:28:46] BS: Yeah. My number one way to give back is a ministry called Agape International. It's a nonprofit, and they're based out of Cambodia. What they do is they help free young children from child sex slavery. So practically speaking, it's a part of a Bay Side Church that I'm a part of, and now there's that fund, the ministry, is they have these SWAT teams. Literally, guys with guns and the full SWAT, and they go in to the darkest places and they rescue these girls that are trapped. Then they bring them in to a school and they educate them and they feed them and they care of them, and then they restore them so that they no longer have to be in such dark place. That's our passion. That's where our heart is at. Our goal is to help people to get out of their liquid assets. Get into passive cash flowing assets so that they can fund causes like that, or other ones that they really believe in and want to support. Thanks for asking, and that's called Agape International.

[00:29:44] WS: That's awesome. I love what they're doing. That sounds just incredible and a great cause. Yeah, thanks for sharing that a lot. But, very importantly, tell the listeners how they can get in touch with you.

[00:29:54] BS: Yeah. capitalgainstaxsolutions.com You can find me on LinkedIn, Facebook, YouTube, BiggerPockets. Reach out to us. I have a free webinar. If you email me, I'll send you a webinar that I recently did with a multifamily real estate attorney and all of his students. So it's an interactive visual presentation that you could see. You can pause it, rewind it. Make sure you send it to your trusted advisor and have them vet it. Then after that, if you really have something, you can do a Deferred Sales Trust calculator. We have that linked too where you can answer 12 questions and it will give you a side-by-side comparison. Then we can engage and talk about the CPA tax return if you have a live deal. So this is a process, but just get educated. Reach out to us and we're here to help.

[00:30:37] WS: Very nice. Thank you so much, Brett.

[00:30:40] BS: Thanks, Whitney, for having me.

[END OF INTERVIEW]

[00:30:41] WS: Don't go yet. Thank you for listening to today's episode. I would love it if you would go to iTunes right now and leave a rating and written review. I want to hear your feedback. It makes a big difference in getting the podcast out there. You can also go to The Real Estate Syndication Show on Facebook, so you can connect with me and we can also receive feedback and your questions there that you want me to answer on the show. Subscribe too, so you can get the latest episodes. Lastly, I want to keep you updated. So head over to lifebridgecapital.com and sign up for the newsletter. If you're interested in partnering with me, sign up on the Contact Us page, so you can talk to me directly. Have a blessed day, and I will talk to you tomorrow.

[OUTRO]

[00:31:22] ANNOUNCER: Thank you for listening to The Real Estate Syndication Show, brought to you by Life Bridge Capital. Life Bridge Capital works with investors nationwide to invest in real estate while also donating 50% of its profits to assist parents who are committing to adoption. Life Bridge Capital, making a difference one investor and one child at a time. Connect online at www.LifeBridgeCapital.com for free material and videos to further your success.

[END]