

EPISODE 482

[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 guests are the team of Trident Multifamily; Mike Vann, Rodney Miller, and Carl Suverkrop. Suverkrop. Sorry, Carl. I'm trying to –

[00:00:38] CS: Suverkrop. It's all good.

[00:00:40] WS: This team have recently formed. They have lots of experience in multifamily syndication and real estate. We're going to have a great conversation today. Rodney and Mike have been on the show before. If you're listening every day, you've heard them. You've heard part of their background. But these guys are going to tell us a little more about themselves, a little more about their history in real estate. We're going to dive into their team and how they created their team and then also some recent deals that they've been doing.

Get us started. Why don't you get us started, Rodney?

[00:01:04] RM: Well, good to see you, Whitney. Good to be back on the show. I've been in real estate since 2003. I was a single-family home guy. I've owned other businesses. I got into multifamily three to four years ago. I did it. I was on my own for a couple years and I hooked up with these guys. We formed Trident and started buying properties, and it's been wonderful. It's been really cool.

[00:01:26] WS: Go ahead, Mike.

[00:01:27] MV: Yeah. Was that Rodney?

[00:01:29] RM: I'm sorry. Take it, Mike.

[00:01:31] MV: Okay. Yeah. Mike Vann. I've been investing in real estate over 15 years now as a solo investor. I've done everything from single-family, small multifamilies, apartments, 1031s, the whole thing about everything you can do real estate and decided back in 2017 to pursue syndication to really scale where I needed to be to be able to replace my W-2 income. And because I've been blessed to have such a good W-2 income, I knew syndication was the only way I was going to get there in a timely manner before I've already lost all my hair and turn the beard gray. I was running out of time.

Anyway, 2017, I pursued some partnerships and syndication with a couple of other groups then decided we were going to try and find some partnerships. I found these two guys, Carl and Rodney. We decided to pursue deals together. We found our first deal early in 2019 that we did together as separate entities and mostly closed that deal and worked through it.

We had a lot of – We worked very good together and had a lot of synergies and decided to formalize that partnership and create Trident Multifamily and pursue deals into that brand going forward, which we just closed our first one under Trident the week of Thanksgiving in 2019.

[00:02:47] WS: Nice. Thank you, Carl, for being on the show as well and give us a little more about your background.

[00:02:52] CS: Yeah. Thanks, Whitney. Good to be on the show. Yeah, originally from South Africa entrepreneur. I had a business over that which as I was growing, I visited the US actually in DFW and met my wife on one of my visits.

Fortunately, for all of us, she's been on property management for close on 20 years, specifically apartments. As I used to come over and visit her, I got more and more interested in the business

side of apartments because obviously real estate, but really understanding it from a business perspective got me excited. As I managed to get things wrapped up in South Africa, I sold my business over there. I moved over here in 2015 and began small duplexes. I started collecting a few of those.

I'd always knew syndication was my path forward. That was the only way I was really going to scale it to the size and efficiencies of running a business. Yeah, I just carried on doing my online research and eventually joined a mentor program once found one that I thought would be a good fit. That's where I met Mike and Rodney. I guess from that point, Mike's given you the rest of the detail forward. But, yeah, originally from South Africa.

[00:04:07] WS: I'd like to know kind of how you all structured the partnership or how – Who does what and how you said, “Okay. You're responsible for this.”? Or did you do that and why you knew this was going to be a great partnership?

[00:04:18] MV: Well, really there's no formalized structure, so to speak. We all have our strengths, but there is a lot of overlap. Through our first deal, we had kind of assigned tasks, so to speak, but we did have some overlap. We were also very involved in each other's tasks, so to speak, as far as just bouncing ideas and so forth, so we could each learn and have oversight and accountability to each other throughout the process.

Throughout this second deal that we did together, we kind of switched roles somewhat to kind of switch things up, but also make sure that we weren't getting too much of a silo effect. We wanted to make sure that we kept ourselves sharp across the whole process.

[00:04:58] CS: That second set of eyes just to make sure that we're in a partnership, as Mike said, and holding each other accountable just to make sure that there's three on the team, so we can – There's no excuse for not getting two of us to take a look at something or review something.

[00:05:12] WS: Nice. It's a big deal to partner with somebody. I get questions all the time about people looking for a partner or they're asking me about becoming a partner or something like that. I took it very seriously when I was looking for a business partner. Very, very seriously. I

mean, like to the point of it being almost like a marriage, just planning on having this business long-term.

That being the case, I need to know a lot about somebody. My business partner and I did lots of due diligence on one another before we said, "Okay. We're going to do it. We're going to make this happen and then we're going to form this partnership." What were some things that you all did to make sure that each other was somebody you wanted to partner with?

[00:05:51] RM: Mike and I had met each other couple times in other events and got to speak in them. We had many dinners together and discussions, and we kind of got to know each other, and then we started running to Carl. It all started to fall into place, and the good thing about multifamily is that you can kind of date a little bit before you get married. You can try a deal out. You guys can partner on a deal. See how you work together, which is kind of what we did, and things went so good, and everybody handled their – Everybody stepped up, and we brought the deal to close. We were able to work very well together.

Then let's do our second deal. It's going really good. We're just kind of falling into a groove and we're working together well. But the good thing is, I mean, if it didn't work well in the first deal, we could have parted ways and found other partners. That happens all the time in the industry. But I think it's very smart what you said is you should vet your partners, just like people should vet the general partners in a deal before they invest money in it. It's easy to vet people. You run some credit checks and you make sure you're not a disaster financially. Or make sure you haven't been to prison or whatever. I think it's a really good idea.

You know what? Mike and Carl, I think I want to do that on your guys right now. Just send me your Social Security number.

[00:07:02] WS: Yeah, go ahead and tell them right now.

[00:07:04] MV: We can do it live on-air here, yeah.

[00:07:06] WS: Rodney, you, mentioned like in the multifamily space or in a commercial space like we're in that somebody can kind of do it part-time or you could date a little bit before you said we're going to move forward.

You don't have to tell a specific structure or deal that you all did this on, but maybe could you lay out a little bit about what that might look like, so somebody listening, they can open their mind a little bit to, "Okay. I could try this with this group over here or this partner before we actually said, 'Okay. Moving forward, this is the way we're going to do it.'"?

[00:07:35] RM: Yeah. First, I would definitely attend a lot of events and learn the business first. Read books. I spent a full year just reading and going to events and meeting people. Then you start looking at how they conduct themselves. You look at deals they've done before, what their business experience is. You might be a passive investor in one of their multifamily deals before you partner with them, and that's a great way to vet somebody. See how they operate. See how they communicate with you.

If you're just getting into the business, I highly recommend that's how you get into it. You start doing some passive investments with folks. See how they interact with their folks. Then if you decide you want to get in, maybe you go out and find a deal and bring it to them. Now, you can be general partners with that person. I think that's a great way to get into the business.

[00:08:16] CS: I think for us as well was that we spent a lot of time together before we actually – Without the intention of forming a partnership, I don't think. We kind of got to know each other in a personal level and started to understand everyone's why and just knowing each other as people. I guess we chose partners who we really want to spend time with.

Rodney and I actually spent all of Saturday together after spending Monday together during the week. I was in Oklahoma City on Saturday. He was back down in DFW on Sunday. We're spending three, four days a week together.

[00:08:52] RM: And my wife is getting jealous, by the way.

[00:08:55] CS: It's just finding people who you want to spend time with. You don't want to be in a partnership with someone who you purely business-orientated. It needs to be someone who you can relate to on a personal level and enjoy your time together.

[00:09:09] MV: I agree completely with Carl and I think that character is a huge piece of this business and also in people that you form partnerships with. These guys have solid character. We talk a lot about just our life, our past, things like that, and some tough times and things that had gone through and the way we've handled those things. The strength of character that these guys have, I knew they were people that I wanted to associate myself with and that I could trust, because not only is it their credibility but my credibility being associated with them. I want to be able to do my best for them, and they the same for me.

We had a similar line of interest that our primary goal is not only our dedication to each other but to the people that we are tasked with and being stewards of their hard-earned resources.

[00:10:07] WS: Let's talk about a deal or either the first deal or this last deal, and let's kind of walk through a little bit of that deal.

[00:10:13] MV: Go ahead, Carl.

[00:10:14] CS: Well, let's pick this last one. Yeah, I guess it –

[00:10:17] WS: Where's that? How'd you find it?

[00:10:19] CS: All right. Yes. It is in Tulsa, Oklahoma. It is a two-property portfolio with a total of 174 units. It was on market by an out-of-state broker, so not – Yeah, just through connecting with the broker, ended up seeing the listing.

Just to highlight the deal, the one thing or the main thing we've learned is persistence and patience. It took us a long time to actually get this deal over. Well, get it to the real starting line. We went back and forth with a bunch of offers. The seller's expectations were really high. We stuck with our number. After I guess six, seven months, the seller eventually had a realization

that the property was not going to get him what he wanted, and we did the deal at pretty close to our original number.

What made it interesting is that it was self-managed. The seller had owned it for 19 years, somewhere around – Maybe 20, around that. So, mom-and-pop operator, and there's just a lot of information that we have to go and find and build up ourselves. A very, I want to say, disconnected owner to the property. The management staff were pretty much free to do whatever they wanted.

We've just been through our second rent collection and still got residents walking in with cash, even though it says no cash accepted. But there's a bunch of residents who were paying cash. Yeah, it was definitely – It took it's time to just piece everything together and, like I said, persistence. We're not in a rush to get the deal done. We needed a lot of information. It just goes to show, if it's a good deal and it's meant to be, it will come. Just be patient and be persistent.

[00:12:04] WS: You all are not located in the same place, right?

[00:12:07] RM: No, we're not.

[00:12:08] CS: We are not.

[00:12:08] WS: Get a little closer, Rodney.

[00:12:10] RM: I'm in Oklahoma City.

[00:12:11] MV: I'm in Springfield, Missouri.

[00:12:12] CS: I'm in Fort Worth.

[00:12:14] WS: Okay. Tell me about what was the initial thoughts of like a business plan for this property.

[00:12:20] CS: It is in a great area. Really, everyone always says a C property in a B area, that is where we're at. It's got some great inner state 44 road frontage and it has not been kept up to date. There's not much deferred maintenance. It dated, and the property really supports a lot better clientele or the area supports a lot better clientele than where it is currently.

We are doing a heavy lift on the property. We are doing substantial exterior and interior upgrades to the point of upgrading every single unit, because it's just so far out of date and it is a great opportunity to capture some good cash flow just by servicing the right clientele for the area.

[00:13:05] WS: Is the – I mean, obviously, there's a management issue but is there large vacancy or large loss to lease? Where's like the extra, this value going to come from?

[00:13:15] CS: There is a large loss to lease. The management was a challenge, and another thing that we had noticed is utility expenses. Utility expenses were about \$2,300 per door annually, which I think in any market that seems incredibly high. Knowing that market, we should be down somewhere closer to – We've said 12 to 1,500 dollars was our initial view of where utility should be, and we're working towards bringing utilities down to that \$1,500 a door.

[00:13:50] WS: What's some issues now in the utilities that you all have seen where you're all going to be able to get that down? How are you going to correct that?

[00:13:57] CS: Well, one of the first two that we did, because we did it three or four times, is water was just incredibly high. So, went into some vacant units on the tour, and they had the hot faucet just full blast running, and the entire cabinet top was warm like this thing had been running not for a day or two. That's the thing. It had been running for a good long while. The apartment was, I wouldn't say trash but it was derelict. There were cobwebs and stuff, and this hot water was just running, and the manager was not worried.

I think part of or quite a few of the issues that we've come across are just as simple as that. One of the first thing the maintenance guys did was sweep the property for leaking faucets. That we've done a lot and then also low-flow toilets, low-flow shower heads to improve the water efficiencies.

[00:14:53] WS: Give me a little overview of the market there. Give us a little, a few details about what I would want to know, say, if I'm an investor. What do I want to know about that market before I invested in this property?

[00:15:02] CS: You want to take that Mike or Rodney?

[00:15:04] MV: Sure. Like Carl mentioned, it's probably a B area, maybe a B-. But our property is kind of the ugly duckling in the neighborhood. It was one of the older properties. All the properties around it are newer as far as newer built but extremely dated. That's one of the things that we felt very confident in is once we did our CapEx plan and brought the interiors and exteriors of the property up to modern-day standards, we would be the newest looking property in the neighborhood with the lowest rents. That combination in and of itself is going to be a winner every time.

As far as the market itself, there is a diverse economy, moderate job growth, moderate income growth, pretty high median household incomes in the area, a lot of infrastructure improvements with the city's putting money into the area, new construction in the area as far as big box stores and some other and retail going in. The area is alive and growing and all the economic indicators are positive.

[00:16:06] RM: We're three miles from the Gathering Place, which is supposed to be one of the largest outdoor attractions built in the last several years. You could look it up. It's just a few miles from our property, but they've put – How much did they put in there, Carl? Like 300, 500 million or something?

[00:16:21] CS: Yeah. I think it was 450 or 500 million. 60 –

[00:16:24] RM: An outdoor park on the river. That's insanely cool.

[00:16:28] WS: Tell me a couple highlights, a couple things that you learned through the process of purchasing this property?

[00:16:33] MV: Stand by your numbers. Even if the higher number, it would've been a decent deal. But we didn't feel that we were so ready to get a deal done. The – We were going to compromise our fundamentals, so we stuck to our number. We were persistent. We walked away more than once I believe, and the deal came back to us. It didn't even go to another seller or to another buyer rather. He just decided he was not going to sell it and then came back later and took our number, which was about \$1 million less than what he was wanting for it.

[00:17:06] WS: What's the future plan? I know we talked a little bit about rehabs and lowering the utilities and things like that. But as far as your hold time and over that whole period, any other big plan?

[00:17:16] MV: Yeah. This is kind of a more short-term project than we normally would do. Typically, we do a five-year hold. This is going to be a three to four-year hold simply because there is such a good opportunity to increase value so quickly that we feel we can sell the property at a substantial increase and exit and look an opportunity, to 1031, and turn in the property.

[00:17:41] RM: The other thing we're trying to do is we're trying to be very mindful of our future purchases and our focus. We're slowing down our acquisitions to make sure. We've got one about 40 miles east of this one outside of Tulsa and Pryor. But we're just really making sure that we have these two locked down really well before we move on in our next deal. We want to be really – We see these guys just sprinting to their – From deal to deal to deal to deal. We want to make sure we're mindful of our investors.

We make sure that we do have a good handle, because this is a pretty large project in Tulsa. We've got the one Pryor really cash flowing well now. It's in the 90s, and occupancy is doing really good. Now, our focus is to get this project launched with construction crews and good management. We're all spending a lot of time up there right now, just making sure this gets off the ground. We are having to put new acquisitions on the back burner until we feel like this is kind of on autopilot, but it takes a bit to get these things cleaned up and get them going. That's kind of where we're focused on right now.

[00:18:37] WS: What's the most common investor concern that you all received after you put it out to investors?

[00:18:43] MV: How am I going to get my money back? Yeah, I mean, that's the thing is people are – The big concern is risk and how we're going to mitigate risk. By showing how our underwriting is conservative, how our exit cap is conservative, how our business plan –

[00:19:00] WS: Well, why don't you elaborate a little bit on like how your underwriting is conservative?

[00:19:04] MV: Well, as far as our rents comps, so to speak. I mean, we want to make sure that our – The comps we go out and shop. We personally went and shop these ourselves, 700 different comps. Like I mentioned earlier, the fact that all these places were getting rents that were higher than what our pro forma rents they're going to be with much more dated units gave us the confidence that our pro forma rent were going to be well within reach.

[00:19:33] CS: To that point, when we look at our underwriting, we almost put in the minimum number we'd need to get in order to meet our projections. We like to say we put in the worst-case scenario. If the deal makes sense, we move forward. For example, what Mike was getting to is on this deal, we pro forma'd an \$80 rent bump and we knew that was well achievable, Last week, we got our first rehab unit leased at \$100 rent bump.

[00:20:02] WS: Congratulations.

[00:20:03] CS: Thank you. Yeah. We had pro forma that \$100, it would have been a phenomenal deal, but we're just managing expectations and saying, "If we only achieve \$80, the deal still works."

[00:20:16] MV: Under promise and over deliver.

[00:20:18] WS: How did you all raise capital for this deal? What was I guess the top means of bringing investor capital in?

[00:20:23] MV: Just all –

[00:20:24] RM: Picking up the phone and calling everybody you know basically.

[00:20:27] MV: We did a 506(c) this time. Our first one was a B. Those are – As you know, all people that we had existing substantive relationships with prior to putting this deal out there. We decided for this deal we wanted to try a 506(c) and publicly advertise it. We did that. We did get a few leads from our Facebook ads and things of that nature. But at the end of the day, a lot of the investor we brought in were from pre-existing relationships we already had and maybe some of their friends that we didn't know before, but they were secondary relationships, so to speak.

Even with a 506(c), it's pretty rare that I think you will find pick up the phone and call you up to say, "Hey! I want to give you \$100,000 because I saw your ad on Facebook." I mean, what the 506(c) may do for you is at least allow you to start building relationships based on that deal you're advertising. They may not invest in this first deal but at least it gives you the opportunity to put the deal out there and for people to see it and make contact with you and then establish a relationship that you will have for the next deal.

[00:21:39] WS: Would you advise someone else that's thinking about doing a 506(c) to do that just for the advertising ability? Or would you say, "No. You need to stick with the 506(b)s, so the non-accredited investors can still participate."?

[00:21:52] MV: That I think is one thing that at least I kind of underestimated is I thought that, "Wow! If we put this out on Facebook, because of how solid of a deal it is, people are going to flock to it." But it wasn't that way, like I mentioned. We did meet some people through existing relationships that we couldn't had invest before because of the SEC rules, and we had a lot of our existing investors from prior deals and relationships we've made since those deals or since that prior deal that weren't able to invest because they weren't accredited.

That is something that we excluded probably in a million dollars just from people that weren't accredited that could not invest in this deal because it was a 506(c). There's good and bad with both types, but I would just say you need to have a deep bench of accredited investors if you're going to try a 506(c).

[00:22:38] WS: Great advice.

[00:22:38] RM: When the dust settled, we basically wound up with folks we knew that knew us and knew of our track record and either invested in our previous deal or they knew of us or had a relationship with us or somebody that invested with us. Would we do it again? We'd have to have a really good reason to do that again. 506(b) serves us pretty well.

[00:22:57] WS: I'm glad you all have talked about that. I'm glad that came up. I assumed it was a 506(b) but I should've asked. But I just did a show recently, a solo show talking about a call that I had somebody talking about. They didn't have any experience in this business but they just assumed if they could blast the deal out that they would be able to find the money. I just kind of walked through that a little bit. So many things that you all learned here and are talking about.

Great advice and just for the listener as well, But anything else as far as the 506(b) or (c) that you would like to highlight? I feel like or correct me if I'm wrong, on the first deal, if you're not already prepared to raise a lot more from accredited investors than you actually need, it might hurt you.

[00:23:36] RM: Somebody was saying the other day, it might work better if you had a really, really low entry point like 5 or 10,000 dollars. But if you want to have that many investors in the deal, the average person is not going to hand over 5,000 grand to somebody they really don't know, right? Maybe if it's a really low entry point, it might make sense. Who knows?

[00:23:54] WS: Or you do it in the next deal and it's a lot smaller raise than maybe you might normally do. So at least you can blast it out. You get the new leads but you still can be confident in a smaller raise from your accredited list. Tell me some things that other than the 506(b), (c) regulation or type of offering that you all did, tell me some other things you all learned from the first deal into the second deal.

[00:24:17] MV: Let's think about this. I know we learned a lot.

[00:24:19] RM: We did.

[00:24:20] WS: Other than the 506(c), did you do anything different in the second deal that maybe you learned in the first one?

[00:24:25] RM: When we did our due diligence, we showed up with our construction company. We kind of handled that a little bit more on the front end. We're really working hard to get a good picture what we are looking at. We poured over that thing and looked at just about every unit with a construction firm we decided to go with. Something I don't think we did on the first deal.

[00:24:44] WS: Nice.

[00:24:45] MV: Yeah. This is going to be a little bit heavier lift. We wanted to make sure in bringing that construction partner in right off the bat. I think the between the first and second deal, we asked a lot more pointed questions specific to financial records on the property. I think that was a big difference, and we found a lot out after the fact in the first deal as far as the questions we should've asked or dug deeper on that. We made sure we did on the second deal. That was one thing specifically that we learned and did differently.

[00:25:15] RM: One other thing we did is we set up an investor portal, because we – All the paperwork is flying around on the first deal. We were like, "Man, there's just got to be a better way." So, we immediately decided we were going to go with an investor portal to handle most of the paperwork and get organized. That's been a huge plus for both us and our investors in terms of organization and getting the information back and forth without all the crazy paperwork flying around.

[00:25:39] MV: Yes, a centralized place for – To store out your data for investors to go to view the data. And sign documents. All that stuff. Plus, it presents a more professional image as well.

[00:25:50] WS: Can you share what portal you went with?

[00:25:52] RM: No. Yeah, we can share it.

[00:25:56] MV: We used Investor Deal Room. It was the first portal that we used. We're exploring other options. Just from a growth standpoint, we feel that another platform may be a little better, but Investor Deal Room was good for our first deal. As with everything, we learn as we go.

[00:26:10] WS: Carl, what's been the hardest part of this syndication journey for you?

[00:26:14] CS: For me, it's really been building my network quickly. Like I said, I'm relatively new, having moved here full-time, Well, I officially immigrated in 2015 and just basically giving around the confidence that with the operational experience that we get from my wife and the partnership and backgrounds of Rodney and Mike that we were heading in the right way. For me, it's been building those relationships quickly.

Other than that, it really been a lot easier. Once you get into it, it really – Prior to doing a deal, prior to syndicating, it seemed like those farfetched, just unattainable concept. But once you get in the weeds of it and partner with the right people, it can come together pretty easily.

[00:26:58] MV: Just like eating an elephant one bite at a time.

[00:27:00] CS: Exactly.

[00:27:01] WS: How are you all prepared for this potential downturn that everyone's talking about?

[00:27:05] CS: We look for cash flowing assets. We need to have strong cash flow. Even on this Tulsa deal, that's a big heavy lift, and we're spending a lot of capex dollars. We're still cash flow positive and returning double-digit cash flow from year one. That's something that we look at. On that deal, it is bridge debt. We purchased the cap on the interest rate. If things were to shift with interest rates, which right now they're not. They're going the other way again. We've at least protected ourselves on that front.

[00:27:38] MV: High cash flow, high DSCR. No matter what happens, we're in good shape. We don't invest for speculation.

[00:27:47] WS: Is there a certain like amount there that you're looking for or something that you know that said, "Okay. This is enough for us." I mean, I know there's not like something maybe across for every operator, but like do you all have a standard just like, "Okay. We got to have this much before we're comfortable."?

[00:28:00] CS: We want double-digit cash flow from year one without depending on the story of the property, because we all know every property has got a story, we don't like to see a huge jump in year one. We want to see from the T12 to the year one increase in income to be 5% at the upper end. If we can get double-digit cash flow with a 5% increase in income, then that's a good sign for us and we'll look further. But if we're starting to have to increase income by 10% and we're still not there or thereabouts, it's probably not going to work for us.

[00:28:36] WS: What's a way that you all recently improved your business that we could apply to ours?

[00:28:40] MV: The investor portal was probably the biggest thing that we've –

[00:28:42] RM: Yes. We're trying to systemize as we go and building. We're just trying to get more efficient, building more systems. We're just really trying to build this as a business, not a – We don't want to be transactional, running from deal to deal to deal. We want to be thoughtful and really build a business around all this that makes sense and eventually get vertical, have our own property management company.

Carl's wife is in the property management business with a really, really big management company. That's our goal is to maybe bring her in. But really get our own. We've dealt with some hairy management companies and issues and stuff like that. We just think we could do it better. At some point, we want to take our own management company.

[00:29:24] WS: What's a way that you all stand out in your relationship with your investors?

[00:29:29] RM: The portal is one. We really communicate well. We make sure that we stay – We communicate regularly with them. Before I made some deals, we kind of learn from being in

other deals. People, they don't call you. You don't get an email. You don't know what's going on. You're just kept in the dark. We don't want to be that. We want our investors to have our cell phone. But we don't want them to have to call us regularly. We want to give them information before they start thinking about it and looking it.

Carl is really good about posting out through our portal updates with pictures and financials and tell them where we're at on collections. You want to expand on that, Carl, how we kind of communicate with our investors?

[00:30:03] CS: Yeah, just hitting the important information and facts. I love facts. Just get the facts out there and obviously include as much detail as you can of what's going on. But the real important stuff like the CapEx, where we're at, what's happened on the property, where we're at in terms of months to date or year to date and first budgets. Then just start sharing some plans going forward.

One of our properties we're looking at doing a corporate lease, there's a group wanting to take three to five. Just keep sharing that with investors, so they really feel included. Historically, they've got what's happened. But looking forward, they've got an idea of what's going on so that they're not just getting reactive information. They're getting a bit proactive information.

[00:30:49] MV: Yeah. Consistent transparency is what we strive for. We want our investors to feel like they're part of a team. I mean, they are part of the team, a very important part of the team. But we want them to feel like they're a part of the team as far as knowing what's going on even on the day-to-day, good and bad. I mean –

[00:31:06] RM: Yes. It's not always easy. I mean, our property in prior took a little dip. We had a new manager we know that wasn't doing very well and got a little low on occupancy, and we brought it back up. But, I mean, there are times when you've got to send that information out even if it's not all rosy. But you got to do it. You can't go dark. Some folks might just go dark in those times. You can't do that. You got to give the good and the bad.

[00:31:29] MV: Right. That's something Rodney eluded to earlier is by passively investing in other deals as you're getting started, you learn the way different syndicators communicate with

their investors. What you like, don't like, and you take all those things to hopefully make yourself better by taking the things you like and doing more of them. Taking things you don't like and changing them. But we feel that you got to share the good, the bad, the ugly, and put it all out there. People want to know. They're okay if things don't go perfect, but they want what you're going to do about it. We feel by sharing that, they're right along there with this.

[00:32:04] WS: How are you all finding investors right now?

[00:32:06] MV: Organically, through meetups. Rodney and Carl have a meet up that they host in Oklahoma City once a month. Then we attend conferences. Not only real estate conferences but also non-real-estate conferences. We put ourselves in the places where our investors like to hang out virtually and physically.

[00:32:24] WS: Nice. Tell us how you like to give back.

[00:32:26] MV: The way I like to do it is through mission work. The international mission work we did in the last couple years, Brazil and Ecuador. But locally here, my wife and I and even the kids work a lot with the homeless population and we'd like to do a lot with them. That's kind of our big effort here locally is the homeless.

[00:32:26] RM: My passion project –I have a son with autism. My project is I'm invested in a adult living facility called 29 Acres in Denton, Texas. They just broke ground on it a few months ago. They're building a bunch of adult housing, and so I really am working to make that a success. I think my son will probably live there someday and so I was an early investor in that and really excited to see how that's going to – It should be state-of-the-art, and we're trying to set the standard for the rest of the country, because there's not a lot of autistic living facilities for adults with autism. Kind of that's been my deal.

[00:33:19] CS: Well, being from Africa, we give to a Wells for Life or Water for Life where they would go plant wells all over Africa and obviously bring life to a lot of areas that are pretty stressed in all sorts of resources. Water just really makes a difference in these – A lot of kids' lives and adults as well obviously.

[00:33:26] WS: Wow! Well, thank you guys so much. Carl, Mike, Rodney, always appreciate you all, and it's always been a pleasure to catch up and have you on the show. Just great conversation and things all brought out about partnerships and how you all knew this was the right partnership and what you all do in this deal.

Even the topics about 506(b) and (c), I know there's listeners who were thinking about doing (c) that you all just helped them out in a big way. I'm grateful. I know they're grateful. But tell the listeners how they can get in touch with you all and learn more about Trident Multifamily.

[00:34:08] MV: Well, our website is tridentmultifamily.com, and you can reach us at our email at info@tridentmultifamily.com. But if you go to our website, our contact information is on there. Feel free to reach out anytime. Love to talk real estate. If you're looking for something to partner up with passively and actively, we're always open to conversation.

[00:34:29] RM: Absolutely.

[00:34:29] WS: Awesome, guys. That's a wrap.

[00:34:31] MV: Thank you very much. Appreciate being on the show.

[END OF INTERVIEW]

[00:34:33] 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]

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