

EPISODE 503

[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 Adam Gower. Thanks for being on the show, Adam.

[00:00:33] AG: I am absolutely delighted to be here.

[00:00:36] WS: Yeah. I'm honored to have you on the show.

In case you haven't heard of Adam before, a little about him: He's an expert in real estate crowdfunding and raising money for syndications online. So that means he's a perfect guest for our show, by the way.

He holds a PhD in banking and risk mitigation. Is a best-selling author of multiple books and has over 30 years and 1,5 billion in real estate investment and finance expert experience. Hosts an internationally syndicated podcast in real estate crowdfunding and his real estate education courses had been distributed to investors in over 100 countries worldwide.

Adam, thank you so much for your time and just being willing to share your experience and expertise with myself and the listeners. But give us a little more about who you are, in case they haven't heard of you, and let's dive into your superpower.

[00:01:27] AG: Sure. What would you like to know exactly? I know I've got 30+ years of history in real estate and I don't look anywhere near as old as –

[00:01:35] WS: That's right, of course. Of course. But tell me about like your transition into the syndication business. Or did you just start there, from day one your first job?

[00:01:45] AG: Yeah. That's a really good question actually. Syndication actually has been around for a very long time. Real estate syndication or syndications started in the late 19th century. I've actually written a book about that. They were used really to finance the developments of American infrastructure and the public –

[00:02:07] WS: That wasn't when you started though, right?

[00:02:09] AG: No. I was way before that. I was a couple hundred years way before but for the pyramids. I started with the pyramid. A syndicator does as well but enforced syndication, I think.

When I started in real estate in the early 1980s, we were forming syndications. Basically, creating entities for which we raised money from people within the principal's personal network, and these were little syndicates. I mean, it's always been syndications. What changed as you well know, right, Whitney, is that in 2012 the needle moved, and it became legal to do that online basically. It moved it from the in-person world, which was mandated by Congress, by legislation, and took it into the digital sphere.

I've been a syndicator all my professional career. What changed for me recently was migrating that experience into the digital world. I took something about which I know an awful lot into a world about which I knew nothing. I am an old dog that learned new tricks, basically.

[00:03:29] WS: Wow! It's such a great example to being moldable and never afraid to grow and to learn something new, and look what it's done for you now.

I'd love to dive into that a little bit and talk about this digital marketing system, some of that that you're just an expert in and how you're helping so many operators raise so much capital now that you've integrated this system.

[00:03:49] AG: Sure, absolutely. Well, you know, you very kindly kicked off and you asked what my superpower was. I've got little boys, and so they're always thinking about what their – "If you could have a superpower, what would it be?" What I told you, I'm going to dive deep into this now, Whitney, because you're doing it. It's an unbelievable job you do with the daily podcast, and I can't. I do one a week, and it just didn't – I could barely keep up with that, so I'm going to dive deep into it.

The call to being successful raising money online is to be authentic to who you are. We build these very sophisticated digital marketing, content marketing platforms for real estate sponsors, so they can raise money online. And incidentally, we're about to launch a full course actually. I've committed the whole thing that we do for our private clients to an information course. That's going to be launched very soon. But what really lies at the very, very core of success is that you have to be able to articulate what it is that you do that is different from how everybody else does it, right? What is your unique value proposition?

Where we excel is in extracting that core message from our clients so that they can communicate with authenticity to prospects and really educate them into the way that they see the world and how they invest in real estate themselves.

[00:05:34] WS: Helping them communicating and just really being themselves is what you're saying. Find out what they're best at, how they stand out, and then being able to communicate that, because it's not easy.

[00:05:43] AG: It is not easy. No, it isn't. I mean, look. It took me – I hate to admit that I have never once listened to the first podcast I actually put together and broadcast many years ago. I am far too embarrassed to even listen to the damn thing. It was totally scripted and it took me years actually to find my voice and to be confident enough that you got to –

Here, I'll give you an example of how I kind of figured this out along the pathway to figuring this out. By the way, this is what we do for clients. We draw this out to clients using a multitude of techniques. They're all in the course that we produce, but we draw them out within four weeks, right? It took me four years to figure out. We do it very, very quickly.

But one of the lessons that I learned how this works is when I chose to teach at university, right? I was actually invited to the local university. "Please teach real estate investments and finance." What I figured out, apart from the fact that your audience doesn't know as much as you think they know, right? You imagine everybody knows everything, but they really don't, so don't assume that.

What I also realized was that in a room with 100 students, and multiply this by hundreds online, there's going to be a line at the back who are all on that computer is listening to nothing that you say, right?

[00:07:17] WS: Right.

[00:07:18] AG: Then there's going to be those that think you're a complete idiot. But there are always, with a capital A, there are always those who sit on the front row who respect everything that you say and learn deep lessons from you, who admire what you've done, and who are the most responsive. Those are the people that you speak to. It doesn't matter what anybody else thinks. It doesn't matter about the naysayers or those who do think you're an ass, right? Because every one of those, there's somebody that wants to invest with you, and those are the people that you – Those are the only people you ever want to speak to online.

[00:08:03] WS: I love that. I love that analogy too. I mean, you were in it. But I just mean that even for us, just thinking about that classroom and who you're speaking to and then taking that to our online message and thinking – Like really niching it down. Everybody talks about that, but that's a great analogy for niching down.

[00:08:19] AG: I'll give you a really cool parallel for that. I ask in my podcast. I always ask people hardest lesson. What a lot of people say is trolls, right? Being dissed or whatever. I don't know what the word is exactly, that somebody that hates what you do online and getting over that.

I actually see that occasionally, but it gives me enormous confidence that we're doing it right. And I'll give you the exact example. One of the things that we do as a service to our private

clients is we do high-net-worth individual – I don't know if I can say this. I'm not sure it's okay but list acquisition. So, we'll buy lists, right? We implement a very sophisticated nurturing process for these respondents.

I manage – We manage the entire flow, so our clients never touch it. We deal with the whole thing. Once in a while, we get an FU email, right? Somebody comes down.

[00:09:17] WS: Sure. That's going to happen, yeah.

[00:09:20] AG: You remember. You do. You're obviously a bright fellow. You remember the normal curve. In America, I think it's called the bell curve, right? Right down the middle of the bell curve is the average, the person that's indifferent. They could take it or leave it. It doesn't really matter.

But as you move out to the periphery, to the standard deviations, the further away you get, you get the most extreme reaction. Whenever I get an FU, I know that they're over here on that curve and that they have an equivalent on the other end of the curve who is thinking, "I love everything that I'm getting. I want to invest with these guys." That, to me, is encouraging that we're doing it right, as crazy as that sounds.

[00:10:07] WS: I like that. It makes me think when I was a police officer, I was state police. My sergeant used to say, "If you never receive a complaint, you're not working hard enough."

[00:10:15] AG: You were in rozzar? Were you really?

[00:10:17] WS: I was.

[00:10:18] AG: No one knows this but so was I.

[00:10:20] WS: Really?

[00:10:21] AG: Yeah. LAPD, baby.

[00:10:22] WS: Wow! Okay. I was at Kentucky State Police. Well, awesome.

Help us to draw out our message a little bit or how personally, how do you help people do that, thinking about how they can stand out amongst all the noise, all the other operators? How do we develop our message to stand out?

[00:10:41] AG: Be authentic. What I mean by that is believe in your own story, right? Really, really believe. Don't be afraid that anything you can say or do say is going to be taken wrongly. It will be by somebody but it doesn't, because there will be people that really adore what you are saying.

So, I have a client at the moment that we just took on, who doesn't really have the confidence to believe that what he's doing is really actually quite amazing. I mean, these guys – I've been working with them for a while. Looking at what they have right now, you had no idea how sophisticated they are but the imposter syndrome. This was a term that I learned some years ago. This idea that you feel somebody is – If you say anything online, people are going to see straight through you for the fraud that you are, right? They're faking it all the way.

Try and just believe in yourself. Here's an actual technique that you can do for this. If you want to know exactly what to talk about, the number one most important thing that you should talk about front and center with every prospect is that which you believe and actually determine is the one thing that they have the greatest doubt about in you. I'll give you some examples. If you think that your prospects are worried about a recession or if you think that your prospects are worried because you don't have enough experience, you don't have 35 – Well, I have a ridiculous experience.

If that's what you are concerned about, being seen as your greatest weakness that destroys your whole story, address that point first. Deal with that first. You know that you are dealing with that in one way or another. It might be that you don't have experience but not in real estate. But you have experience running businesses and you know the way to overcome lack of experience is to hire the best of the best to cover those areas that you're weakest in.

Deal with that first, right? Talk about that first, “How to overcome lack of experience and win at real estate.” That would be your article, right. That’s how you’d write that. Then you go through how you do it. Not how I do and say, “This is how I do it.” You would explain this is how you do it.

Now, when somebody comes to you and says they’ve read that article – By the way, this is one tiny piece of a massive array of content that you’re putting out there. Somebody comes to you and says, “Now, you’ve only been it what? You’ve only been in real estate for 10 years, you know. You don’t know anything.” You can say, “Yeah, but this is how we overcome those.”

They’ve already read this article. They’ve already been predisposed to understand that this is how to do it well, and so they get over that hurdle.

The other reason – Sorry, and you know I can keep, but you asked me out. I also asked you how long. You said two hours. I said no problem. I can do that. Don’t worry. But the other reason that that’s important is because if you don’t deal with your prospect’s greatest doubts first, and they may be your greatest doubts as well, that’s all that they will be thinking about. No matter what you say to them, you’ll make this money, you’ll make that money, their market is going up but it’s doing this, we got that; all they’re going to think about is, “This guy has got no experience. I don’t know. I don’t believe anything he’s saying.” You have to deal with that first.

[00:14:30] WS: Love it. So, spearhead it. I mean, really just hit that head on instead of just hoping they don’t ask.

[00:14:38] AG: It’s all they’re thinking. The reality is it’s all they’re thinking, yeah.

[00:14:42] WS: Wow! Okay. Can you break down a little bit of the content like you’re talking about? Some ways that we can – I know that – I mean, that’s such a big subject. But help us just to kind of give us a skeleton a little bit of some content we should be thinking about to be sending out to our potential investors when we’re trying to educate them about things just like you’re talking about.

[00:15:00] AG: Yeah. Okay. There's two sides to that. One is how do you actually produce content, and then the second is how do you decide what you're going to put into that content, right? There's – Let's talk about both of those.

First is you got to think about the concept called content compounding or fragmentation, right? You take one piece of content, and from that you create multiples.

For example, here we've got a conversation. What I will do with this recording is I'll give this to my team and I'll have them take out all the incredibly clever things that I've said, if there is anything, right? They'll just be like just one sound bite, and we create little like notable quotables. We do this for our clients. Notable quotables that then drive traffic back to your site that you could rotate on social media. I'll share these with you, Whitney, once we're done.

You can also create transcripts from the conversation that are edited into articles. You can also create from just this one conversation, a series of short videos. I mean, I presume you're recording video. We're talking with it. You can create a series of short videos that also become sound bites. After one hour with a client. We'll create at least 20 pieces of content, right? Think about that. In three months, we'll have four, 12 times 20, 250 piece of content. It's enough for six months daily delivery of content. It's unbelievable. Just one hour a week. That's the content production side.

Now, how do you decide what you're going to talk about? This gets back to extracting your DNA. Well, I'll give you a – Here's a great way of doing this. It's not how we do it. But just for your listeners, this would be a great way of doing this. Take – Grab your latest pitch deck, the thing that you are using to sell your latest deal. Everybody's got one. Give it to somebody who has no idea about real estate, right? It might be a spouse, for example. Or it could be a student or anybody that doesn't know, and have them go through that document and underline every single term and expression that they don't understand. That is your blueprint for creating content.

When you say to somebody in your pitch deck, "You're going to get a 15% IRR." Well, what does that mean? Don't assume people know what that means, and not only – This is – By the way, you're not going to be giving a textbook explanation of this. This is very important. You

have to explain these concepts as you personally understand them, right? That's the key. There is no central school of real estate. There is no academy that everybody – The developer's academy of real estate. We are all of us, products of our knowledge, of our experience, and our backgrounds. All of us are unique because we all see real estate through that lens of experience.

When you describe that, when you write content, have confidence that your understanding of a concept is correct. Nobody's going to deny it, because there is no absolute way of seeing these things. You want to teach people how you see these concepts. That's what will create the relationship with prospects. That's what will build trust. That's how they'll come to like you, because you're saying it your way and not pirating somebody else's right way. That's what will predispose them to invest with you.

[00:18:56] WS: Wow! You know, Adam, I've never heard anybody talk about being able to find topics for content like that. I think that's incredibly smart, especially in the real estate business. I mean, there's going to be tons of ideas for content. I've talked to tons of social media companies and interviewed different companies to help me with my social media and things, and they're like – They tell me, "You're the opposite of what most people have problems with." They're like, "You got more content than we can ever do anything with."

But that seems like a common problem that most people – They struggle creating content. I just think that's an amazing idea. But having confidence in the way you see things, it's interesting as well, because most are very fearful that they're wrong, right? We're so fearful that we hate to put out a concept, because we're afraid of that backlash or that person that says you're crazy.

[00:19:43] AG: Yeah. Well, get over it, because for everyone that thinks you're crazy, there's somebody that thinks you're a genius. Those are the people that matter. You're never going to win everybody over. It's not possible, right? It doesn't matter. If anyone comes and says you're an idiot, be reassured that there is a counterpart that thinks you're wonderful. That's just the way it is. It's just numbers.

[00:20:06] WS: Tell me about you're using all this content. You talked about creating 20 other pieces for every hour. I think that's amazing system. Tell me about email versus podcasts versus

little clips. What's the best way you found to reach people that love your concepts? Most listeners probably can't create all that content right now or if they're trying to get started in the business. But what form should they be focused on?

[00:20:31] AG: You do have to create. You have to communicate. Think about it this way. I've raised, I don't know, half – 500 million over the course of my career all in person. Literally sitting down with somebody over lunch or the board room table or going there to meet them, printing out a pitch deck, carrying it, going through all the dog and pony show. It used to be a dominant consumer of my time and it is for most people is the brain damage not only, but also the repetitive nature of constantly going out doing these meetings.

Don't do that. Don't imagine you don't have time. Yes, you do, because all you need to do – By the way, you got to let me pitch this shamelessly. Everything we're talking about is in this new course. I haven't launched it yet, so you can't even put it up on the bloody site. But it's coming at everything we talk about that the whole thing is there. You only need to do it one more time. Just sit in front of a camera and do your pitch. I'll show you how to do that, right? Do your pitch online and then re-create that content and then rotate that on social media. It will do the work for you. You don't have to take those meetings anymore. It becomes an asset to your company.

Let's say you were going to do it and commit it to the digital realm, and it took you three times longer than going out to meet somebody. It's bad as that. Instead of a one-hour meeting, you're going to spend three hours because you're going to record it, edit it, and bang it up online. Okay. You might think, "I haven't got time to do that." But if you do do that, it will be the last time you do it, because now hundreds and thousands of times deep into the future, your prospects will consume that exact same pitch. It's worth the time to do it now because then it just functions – or it's like having duplicates of yourself that's out there, doing this pitching for you. You only need to do it one more time

I would encourage you not to shy away from creating content. It will change your life.

[00:22:50] WS: Unfortunately, Adam, we don't have two hours, and we're running really low on time. But I would love for you to just give us just the top thing we need to know about creating

this content to reach more investors before we move on to a few final questions I'd love to ask you before we do run out of time.

[00:23:06] AG: A top thing other than going to gowercrowd.com and signing up, so you can find all my markets in bumf, the free stuff, as well as the pitchy stuff.

[00:23:14] WS: Yeah. I hope they do go there. But, yeah, tell them something that's like, "Okay," something you see that people are messing up in their content or social media all the time, reaching into this.

[00:23:24] AG: I'm not doing it. I'm kind of sounding like a broken record but not doing it. One of my podcasts, I spoke to Brent Hieggelke who runs CrowdStreet's DNA. He's doing all their marketing. He said it's an absolute truth. He said to me, "If you don't have a digital presence, you will cease to exist." I was actually talking to a guy that contacted me and I said the same thing to him. The guy owns \$1 billion worth of real estate. He said, "Don't even try to persuade me the truth of that's ridiculous. I'm always going to exist."

Think about this way. Here's a guy. Here's a prospect who's an accredited investor who's out there who wants to invest in real estate. He runs a search online. 'How do I invest in real estate?' Guess what happens. You don't show up because you don't have a presence online. But one of your competitors do. At that point of maximum investment intent, you do not exist. You have to have an online presence, right? Period, right? That's the message. End of story.

[00:24:35] WS: Love it. No. I appreciate you just driving that home because I couldn't agree more. All right. Just a few more questions, Adam, before we run out of time. But what's been the hardest part of this syndication journey for you? I'm interested to hear with your experience level what's that been for you.

[00:24:49] AG: Well, the full syndication journey includes for me the migration from in person to online. I think that really has been the hardest part, as much as I'm telling you to do it. It really was an enormous learning curve. Now, for our private clients, we give it to them basically. We give 4 weeks or 12. Not basically 12. 90 days you get that cutting edge. But that was really – It was tough, because I didn't know – To be candid with you, I didn't know where I was headed.

It was like when I learned to speak Japanese. People said, “Why are you learning Japanese? What are you going to do with it?” I said, “I have no idea.” But when I learn it, I'll figure out what to do with it. When I got my PhD, people said, “Well, what are you going to do with that?” I used to joke. I said, Well, I'll put it on the wall.” What are you going to do with it? I'll figure it out.

That was the hardest thing was really going down this path to learning how to syndicate online without really knowing at the very beginning where I was headed. It only became clear as the path only opened up to me over time.

[00:25:57] WS: You didn't let fear stop you.

[00:25:59] AG: No. I was – I 100% belief all the time, yeah. Never without doubt.

[00:26:05] WS: How are you prepared for this potential downturn that everyone's talking about?

[00:26:09] AG: I'm so glad that you asked that. Oh, my goodness! Gosh! That is the single most important question you could possibly have asked. I've been through – Well, in my book, I talk about two downturns. I've actually been through more than two, if you include the one that I saw in Japan as well. It is going to be by far the single best buying opportunity you will ever have in your life. Period.

The most important thing that you can do, getting back to the same story, is get your prospect lined up, your investors lined up. Start educating them today. If you wait until you start seeing the deal flow of the century coming across your desk and you don't have your investors lined up, you will be too late. You have to start that now. That's what I'm doing, creating relations. I haven't raised a single penny for me. Create relationships. When the time comes and you have that opportunity, then you turn the spigot on and you will be able to finance them.

That was the biggest problem with the last downturn. I transact – I sold over a billion dollars of non-performing loans. One at a time, by the way. Hundreds and thousands of deals from banks and private equity funds. The biggest problem that everybody had even the most seasoned

sponsors, they didn't have cash because all institutions are dried up. Liquidity went out in the market.

Today, you can for the first time before a recession, you can line up unlimited syndication investors to invest in your deals but don't rush. Wait. Get them all ready. Get them to like you, trust you, and believe in what you're saying because then you'll have that army of investors ready to back you when the time come.

[00:28:12] WS: Love it. Now, I appreciate you sharing that. That's incredible. Tell me a way that you've recently improved your business other than more content that we could also apply to ours?

[00:28:22] AG: Gosh! That you could also apply. Well, we've actually developed a proprietary technique for tracking. We're very data-oriented. We're very data-driven. We've actually developed some proprietary systems that track prospect behavior in a way that nobody else is doing at the moment. What that gives us is part lists of prospects who are highly engaged. I'm not talking about – This is way beyond opening click data. This is very, very advanced.

The way that you could synthesize that without actually using our proprietary software is think about creating hot lists, people at are at the top of your list who are engaged, who are looking at your stuff, who are reading your emails and consuming your podcast or whatever it is. Make a special effort to nurture those people. Those are the people are sitting on the front row. Those are the people that you really want to concentrate your efforts on, I would say. I hope that's tangible enough.

[00:29:26] WS: No. I like – You go back to the focus in on the niche, focusing on the people in the front row, so yeah, and being in the data enough that you understand who those people are.

[00:29:36] AG: That changes everything when you can do that, because you can do it. If you've got 100 investors and you know 10 of them hot to trot, you can give them a call. But when you've got a hundred thousand people, how the heck? How would you do that? You can't. It's not possible. You have to automate that process.

[00:29:52] WS: Right. Tell us how you like to give back.

[00:29:55] AG: I like to teach, actually. I've started to focus on topics that I know people are interested in that aren't really directly related to raising money, to be candid with you. I just put out an article on the – Who was it? It was – Somebody said that they pick their topics based on curiosity. I like to teach and so I've started to identify topics that other people are interested in to learn them and then to share what I've learned. I'll give you some examples.

One, when we almost went to war with Iran. I sprang into action, right? I wrote a very detailed piece on the impact of war on commercial real estate. Well, of course, that's gone and dusted now. But it's an interesting piece.

[00:30:45] WS: Yes, that would be interesting.

[00:30:46] AG: I'm looking at – I've got a prospect actually who's interested in the convergence of crypto and commercial real estate. I know nothing about this, Whitney. Zero. In fact, I've shied away from it. Next week, I'm interviewing a professor on the topic and I'll share that as well. I think it's interesting. Then I've also – There's another one I'm doing on cannabis and real estate. These are topics that I don't touch but I know people find them interesting. So, I enjoy learning and then sharing in an easy to consume way what I've learned with anybody that's interested.

[00:31:26] WS: Wow! Well, Adam, unfortunately we're out of time. It's been a joy to get to know you, and I can't believe we haven't met before now. But tell the listeners how to get in touch with you and learn more about you.

[00:31:36] AG: Sure. Really, the best way to do that, I would encourage you go to gower-crowd.com. If you're not looking at the screen and you can't see the spelling of it right here, that's G-O-W-E-R, crowd, gowercrowd.com. It is a massive database of information on how to invest in real estate and how to syndicate your projects online. Find all that and sign up for my newsletter, and you'll hear more for me than you might want to. But you'll get everything I have.

[00:32:06] WS: He'll know a lot about you, about all the analytics.

[00:32:09] AG: Yes. Some stuff I don't really talk about, I'll tell you. That's one that you don't tell anyone I told you about that.

[00:32:17] WS: Awesome, Adam. That's a wrap. Thank you very much.

[00:32:20] AG: Yeah, my pleasure.

[END OF INTERVIEW]

[00:32:21] 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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