

EPISODE 575

[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]

[0:00:24.1] WS: This is your daily Real Estate Syndication show. I'm your host Whitney Sewell. Today, our guest is Dan Handford. Thanks for being on the show again, Dan.

[0:00:33.0] DH: Glad to be here, Whitney. Looking forward to it.

[0:00:35.5] WS: Dan has done an amazing job building a brand and being able to reach out and find high net worth individuals and investors to grow their platform. And so, today, we're going to jump into that.

And a little about Dan though. We've done numerous shows together and I encourage you to go back and search through those. But he has an extensive successful background in starting multiple seven figure businesses from scratch including a large group of non-surgical orthopedic medical clinic that's located in South Carolina.

He's the founder of the Multifamily Investor Nation, where he educates a nationwide group of how many thousand members? I know I didn't have that update last time, Dan.

[0:01:12.5] DH: Yeah. It's over 25,000 now.

[0:01:13.9] WS: Over 25,000 members of multifamily investors on how to properly invest in multifamily assets. Is also the co-host, along with his wife Denna of the Tough Decisions for Entrepreneurs podcast.

Dan, thank you again for your time, always a pleasure to catch up with you and just been great to watch your brand grow and just the things you've been doing and been so successful over the last few years.

But let's dive into helping the listener with starting that platform, starting that brand, growing their brand. Because ultimately, if you're in the syndication business, we're trying to connect with high net worth investors, right? We want them to know who we are. We want to establish that credibility and that trust in which you and I have talked about on the show before. And so, let's jump right in, how do we get started with that. How do you normally help people do that?

[0:01:57.2] DH: First thing I want to mention is this topic that we're talking about today is one of many topics that we're going to be covering at those summits coming up in June. This June 11, the 12th and 13th called the Multifamily Investor Nation Summit. And we've been on before, had these Whitney to kind of cheer with your listeners about this summit and one of the things that we do very special is we actually allow your listeners to register for the event at a discount so you'll get \$100 off. And you have to use, use Whitney's promo code though, W-H-I-T-N-E-Y and we're giving 100% of the proceeds to his non-profit. And Whitney, you can attest to this from last time that we did this that we actually are doing this.

[0:02:39.8] WS: Yes.

[0:02:41.6] DH: Helping out and supporting your non-profit. And so, I want to make sure the listeners are aware of that so that as we're going through this content, they can kind of have like a sneak peek if you will on what the summit is all about.

[0:02:52.2] WS: I'm grateful for that Dan, I always appreciate your support and just our friendship and helping each other in this business and learning from one another. But let's dive right in, helping people to build that brand, so they can connect with high net worth investors and then the date of the Multifamily Investor Nation Summit was what?

[0:03:08.8] DH: It's June 11th, 12th and 13th.

[0:03:11.8] WS: Okay, awesome. Now we'll have the links in the shownotes of course, use promo code 'Whitney' and you'll get a discount and help our nonprofit at the same time.

All right, Dan, let's get started.

[0:03:20.5] DH: Let's do it. Real quick, one of the things that you have to realize when you're trying to build a brand and trying to attract these high net worth investors is that you have to be able to understand the avatar or the end investor that you're trying to reach. And you have to know them kind of really in and out.

And so, when you go and look at some of these high-paid professionals, and we're talking about physicians and pharmacists and business owners and other types of executives, you need to be able to understand them. And so, if you yourself have ever had a roll in one of those types of positions, you have our leg up on somebody else who has not, right? Because you understand that position or that issue that person is going through as they are in that position.

[0:04:07.0] WS: You're going to connect right off the bat, right?

[0:04:10.0] DH: It allows you when you're putting together your branding, you can really focus it. It's one of the reasons why you are seeing people that are trying to build a brand, they build a brand around, maybe they're at the prior position that they used to be in. I know there's a podcast out there that might be called something like the white collar professional's podcast. Well, they're probably an executives of some sort.

There's also the White Coat Investor, right? That would be more of your physician type investors that you're trying to attract. And I know some people who have podcasts like that talks to dentists and other types of professionals, and even business owners, right? It allows you to be able to speak to them and build your brand.

Of course, you know, Whitney, you've done a great job even with your podcast and focusing in on apartment investors really very closely with your brand. And obviously I don't think everybody's going to do it like yours because it's a daily podcast and it's definitely a lot –

[0:05:00.1] WS: I probably wouldn't recommend it.

[0:05:03.9] DH: It's definitely a lot of work. And I think the biggest thing that I would say about your podcast is something that we're going to hit on later on is you're consistent, right? I see a lot of people when they're trying to build their brand, all they do is start a podcast, do 20 or 30 episodes, get bored with it, don't see results right away and so it falls off. You and I have both been on other people's podcasts where we've done episodes with them and now you can't even find the episode because podcast is gone. And you can't even sometimes find the person who was doing it, right?

[0:05:33.9] WS: Right.

[0:05:34.5] DH: You just have to make sure whatever you do that you're actually being consistent with it. And we're going to go over a couple of other strategies on how to actually find these high net worth investors.

But one of the most important pieces when you're trying to find these high net worth investors is that you spend so much time, energy and effort getting these high net worth investors to be in your circle and then you drop the ball on them and don't continue to focus on them, right?

Because the people who are already in your circle are really important because – I talk about this on several occasions but for your listeners, I want them to do an exercise with us real quick on the – while they're listening, unless you're driving down the road or something like that when you're listening.

But it's a good exercise to do and you could do this in your head if you want, if you're driving down the road. But you want to kind of draw out a triangle on a piece of paper. And on that triangle, on that piece of paper, make it really big, on the top of it, you want to put the word

'know' and on the bottom left of the triangle, want to put the word 'like' and then on the bottom right, you want to put the word 'trust.'

You have this know, like and trust. And in the middle of the triangle, you want to put the words, 'investor triad,' and of these three things – I've spoken about this because it's triangle at live events as well as on virtually events on webinars

[0:06:54.0] WS: We did a show just on that alone.

[0:06:56.2] DH: Have you seen it?

[0:06:57.9] WS: You and I did a show on that alone.

[0:06:59.5] DH: On just that one thing.

[0:07:00.5] WS: Right.

[0:07:01.8] DH: The know, like and trust. And one of the most important pieces there is always missing because when you look at that and one of the first as we think about it as well, "I want everybody to trust me. I'm going to focus on trust or I want them to like me."

Those will be the two most common ones. But we forget that, they will never have an opportunity to actually like or trust you if you don't do something to get people to know you, right?

Obviously, podcasts are great for that. You could do a YouTube channel. You could do a LinkedIn. You can do other things that we're going to talk about that's kind of get people to know you, but it doesn't stop there. You have to get them to know you and then you have to do certain things that allows them to start the like and trust you even more, right?

By the time – and people invest with our projects, we actually put together – because obviously have the Multifamily Investor Nation, but I also have a group called passiveinvesting.com and we're putting together investing opportunities for our investors every single month, right?

I wish it was every month going out on a deal but we're looking for deals every single month, right? Every single week we're looking for projects, every day. But we have those investors that are coming to us, when they invest with us, they already have known this for a long time. They already like us, we've already built that trust and the confidence in us. And that's why they are willing to fill out the paperwork and the next day wire us money of two or \$300,000 to invest in the project, right? Because we've been building that trust up.

[0:08:25.4] WS: I want to dive in to like your follow-up process and what that looks like, how often, how you're doing that some of that. But I want to back up just a little bit and say, quickly on the avatar portion, you know? Obviously we're focused on high net worth individuals, business owners, doctors, dentists. What did that look like for you? How did you niche down? How wide open did you leave it?

So many people have the – I feel like the wrong rethought process and I was in that in the beginning as well and I was like, "I want to leave it wide open," because you want as many as possible, right? Obviously, you speak to everyone, you speak to no one. And so, how did you handle that, Dan?

[0:08:56.4] DH: One of my biggest strengths – because I went and kind of did a deep dive into my background and what would my biggest strength that I could attract people to and one of my biggest strengths is that I know how to run a business because I've done it before. I'm a business owner. I'm an entrepreneur and that's one of the main things that we actually started to go out with first is, "Hey, we want to reach other business owners in what we're doing."

That's one of the reasons why I started that podcast called the Tough Decisions for Entrepreneurs podcast because as I was going to network in the community and network in different events, I could invite these higher-level entrepreneurs to come out and invest what they are coming to further that conversation and interview them on the podcast and have those further conversations with them.

I still have that deep connection because when I do podcasts, even when I'm not doing my own podcast, when I'm a guest like this on other podcasts, I talk about my story about how I started

my four medical clinics from scratch and I have an online company that I started from scratch and I have an online company that I started from scratch and each one of them does really good revenue. And some of the issues that I have, right?

Because I'm not perfect. I've had issues and there's things that I've learned over the years and I can really connect with those people. And I can't tell you how many people, even when I'm being interviewed as a guest on a podcast, where I talk about my background in business and different strategies that they can use to help them and they go. I'm speaking and I'm speaking directly to them because – they know that because they know that I know them, right? They go, "I'm just like that guy. I've dealt with that situation. I've thought about that before," and so they reach out. We already have that kind of built-in credibility and trust because I know their situation.

[0:10:31.9] WS: Nice. Okay. Moving on to the follow-up process, right? Or helping that high net worth individual get to know you like you're talking about. I'd love to know more about your follow up process and the listener's saying, "Okay, well what does that mean? What does that entail? How often are we reaching out to them? Is that a phone call? Is that an email? Is that automated?" You know, all these things.

[0:10:51.1] DH: I would say yes to all of those, right? Because a mentor of mine, years ago, before I even had any success in my businesses, he said, "Once you find an audience, right? You want to now build a fence around that audience, right? So that they don't go anywhere else, so that they always remember you and they're always going to want to do business with you."

I've used that in our medical clinics that I have, the other businesses that I own, but even in our hardest syndication business, we have built this ability to be able to build a fence around our investors because we want them to know us very intimately to a point where they want to invest with us when we have our next project.

There's a couple of things that we do, Whitney. One of the things that I would say that has helped us tremendously is having a mailed newsletter that we send out to our investors on a monthly basis. And it is a lot of work but we send out monthly newsletter like clockwork every single month. We don't send out a cheap, cheesy newsletter. We do it very high-quality

newsletter. I will say, it didn't start that way, which we can talk about that if we want. But we have a really nice high quality newsletter and each one of them Managing Partners in our group, writes an article so that the investors can hear from each one of the partners and how we think and how we operate so they could continue to get to know us so they can build that likeness and trust and build that confidence.

And then, of course, we also interview an investor. And so we'll actually setup an interview with one of our existing investors, interview them and actually write an article on that investor and include lifestyle photos of things like that. So that our investors that maybe haven't invested with us can get to know some of the investors that already have and they'll know who they're going to be investing alongside. We also include a couple other fun things in that newsletter, too like we'll include, usually on the front cover of the newsletter because it's a really nice kind of 12-page newsletter that is high-gloss and on the front page, almost looks like a magazine if you will.

On the front cover of that newsletter is a picture of, usually one of our properties or the interiors or some renovations or something that we're actually doing for our investors, and we'll take that photo and turn it into a coloring page. So that they can now start to involve their family and this conversation around investing. And then, on the back cover of each one of the newsletters, we include a word search. And in the beginning, we kind of thought maybe it might be a little bit juvenile to have a word search on there but I'll tell you, we got a lot of feedback on how investors enjoy that and the words in that word search are all from the prior month's newsletter.

They get to find those words. And I get pictures every single month from our investors having their children actually find the words. And it starts conversations because they'll be filling out a word and might say 'depreciation' and, "Hey daddy, what's depreciation? What's investing or what's an asset?" And they get to start these conversations with their children that are young and we're now involving the entire family. And the moment you can start to penetrate the family unit is the moment you really build a really deep-seated trust with that family.

That's one of the things we're trying to do with that newsletter but it goes out every single month. Because we want to make sure like you said earlier that we're consistent. That's one of the main things that we do.

And then we also do some other things that a lot of people do where it's a monthly email report that we send to them. And then we also make sure that if they have certain events coming up like if I'm on a phone call and an investor they talk to me about how their child's graduating or they are getting ready to have a baby, I'll put on my calendar the follow up with that investor around that same timeframe and just check in with them and see how they're doing.

I don't want to always be the one reaching out to them whenever I need money for a project, right? I want to make sure that they are our friends and they are like family to us because I want to grow my wealth along with their wealth for many decades. I don't want to just do one deal. I want to do multiple projects with them.

[0:14:48.0] WS: I love the newsletter. I get it as well and I am always impressed to just the professionalism. I love how it looks, it looks amazing and I feel like that's helped you stand out, right? And we have sent out some things through the mail but what I like behind that is like it is sitting on their coffee table or it is sitting in their kitchen table or. And then their buddies come over and it is a talking point, right? And then it is a way to really just grow your brand and your name and just the professionalism quickly really, I think. Yeah it is a long-term approach but I think it is able to scale faster that way.

So, let's say somebody is not ready to do that yet. Now there is some expense there, right? It takes a lot to arrange that. But on say just an email basis, you know somebody signs up on the website, how do you all follow up to really build that trust and help them to get to know you before you have that deal ready for them?

[0:15:34.1] DH: Sure. I believe in a high touch process when it comes to this because I want to make sure like I said earlier we build that trust and that we build that confidence with them and making sure that they like us. And so, one of the first things that happens when somebody goes to our website and fills out the investor questionnaire and comes in as an interest in joining our investor club my assistant actually reaches out to that investor over the phone.

So, we just don't send an email first and say, "Hey, here is a schedule link." I just feel like that is very cold. And so, we used to do that in beginning. But over time I was like, "This seems very

cold.” And so, what we did is we added that extra layer where my assistant makes a warm phone call to that investor usually within an hour of filling that form out she is trying to get on a phone call with him unless it’s on nights or weekend or something she’ll do it the next day.

But she actually calls that investor and says, “Hey, Whitney, I’m glad you went to the website. I saw you went there and filled up the form. I wanted to call to get you scheduled to have a conversation with Dan, one of the managing partners here to discuss your investment goals and to see if we are a good fit.”

Now, sometimes she doesn’t get a hold of them. She has to leave a voicemail and so she’d leave a voicemail and say, “Hey, I am going to send you an email with a link in it so you can schedule.” So they are already aware it’s coming, “But if for some reason you get that and you don’t find a good time, call me back and I will find a different time that will work for you.”

So, she will set out that email if she can’t get a hold of them that says, “Hey, just called you and left you a voicemail. Here is the link to be able to schedule on Dan’s calendar.” And so, that is a very – I feel like it is a very high touch because a lot of people will just after they fill out the form send them an email and say, “Hey, schedule here” just return them straight over to the calendar to have them schedule. And I really want to build that relationship as deep as we can and have multiple touch points with them.

[0:17:19.7] WS: Love that. I think that shows a lot of care too and attention to detail to that investor when, “Wow, I just signed up and I just got a phone call from somebody.” So that is really good. So, then you have the phone call. But maybe a few months before you actually have an opportunity to invest in, what happens during that outside of the paper newsletter, what happens to keep nurturing that relationship?

[0:17:44.1] DH: So, there is a couple of things. When I am on a phone call with somebody, I am obviously explaining to them a little bit more about our group and our team and we have a video that we send, it is a pre-call video that we send to them, so they already know a little bit more about us and each one of the managing partners actually discusses their background and roles in the group. So, they actually are aware of what we are doing before we jump on a phone call.

And then after that phone call, they will get a personal text message from me, not a mass text. It is a personal text message from my cellphone giving them my contact card so they could easily program all of my information in their phone and I tell them, "I want to be a resource for you." So not only am I an active syndicator but I am also a passive investor in other projects. And so if you want me to give you some advice on somebody else's projects or deals, and I am never going to tell you to invest or not to invest but I will tell you, hey these are my thoughts that I have about this particular investment."

And they like them to be able to have that lifeline there to be able to help them and they are making the decisions on certain things into the future. And I also want them to have that information because when they do invest with us, they're going to want to have access, right? They want to have that access to somebody that they can actually call. And so, we give them that direct access. So anytime they want they can call me up.

And then inside of my phone and the company field instead of putting a company name because most of them is going to be an individual, I will actually put where they're located. So, I will put in there their city and state, so that when I travel to an event that is near that city I will be able to search on my phone for that city and boom, all of these names will show up, all of our investors that are on that locale.

And I purposely pull up their address when they give it to me on a map so I can see which is a largest city that would I likely be visiting. Because if they're in some tertiary city that might have taken 30 to 45 minutes, I am not usually going to go to that city but I might be in say Dallas, Texas or Washington DC, and there is a lot of other surrounding towns that could actually come and visit or have a nice investor dinner and things like that.

And then after that phone call, we also try to send to them our most recent deal that is already closed. We are not looking for money. So, we're just educating them on our process and how we do things and we are sending them that investment package. So, you can see how we structure things and I tell them, "This is probably going to create some more questions for you and if you have more questions, shoot me an email. We can always schedule another phone call if we need to, to go over some of these things."

And then before they actually get on our investor newsletter list, I will send them some of our most recent copies. So, like this month right now if somebody called me, we have already sent out our May newsletter, right? And so, we actually have extra copies that we purposely print extra copies so that as I talk to investors throughout the month, I can drop them in the mail a copy of the most recent newsletter so they can start to be getting the material from us as well.

[0:20:32.3] WS: Love that and you know a couple of things. I love how you think Dan because you are always thinking about how can I be above and beyond and be more professional? And you know you have mentioned a pre-call video and texting your contact information. I have not heard that from anybody on the show. We have done that for 600 interviews, you know? So I love stuff like that.

The pre-call video. It is just so good, they get to know you, see other team members, Get to hear a little bit more about your background and just really give them a sense of professionalism that you all have I feel and then also just texting, something as simple as texting them your contact card. So immediately they can save it in their phone is incredible.

So, any other tips before we have to move on.

[0:21:10.9] DH: As far as that whole piece of it, the biggest thing is put a plan in place, right? Don't try to put something together about having that plan in place because there are certain things that you need to think about ahead of time. And going back to the newsletter, right? Like I told you it wasn't that nice the first time I sent that out. But it took us probably three or four months to get the first newsletter out when we came out of the idea. And it didn't really come out that well.

And it was just really I thought really bad, right? The investors still liked it. I still have to get feedback from it. But the biggest thing I always practice is that version one is always better than version none. And so if we have never done version one, which really wasn't that good we would never have gotten a version two. But where a lot of people get caught up is that they only do version one and they never perfect it to get to version 2.0.

And so, whenever you are putting these different systems in place get it in place, start doing something and then we can always work on version 2.0 once you have it in place.

[0:22:09.4] WS: So, switching gears just a little bit, what about finding those high net worth investors? Maybe we are even going back just a little bit. I know a lot of people though, okay now we are thinking through these processes, we have implemented many of these things, how are you finding the high net worth investors? We talked about our avatar and we know who that is and really focusing down so we understand their needs, what they are looking for and we can connect at a higher level but how do we find them?

[0:22:34.2] DH: So, there is several different ways that you can find them. And I am a big believer in a multi-modal approach to try to market. That is what we are talking about, how do you market to be able to get in front of these various how net worth investors. And there is several different things that you can do locally but also even on a national level like we are doing here on these podcasts.

And that is one of the things I would say is even if you don't have a podcast yourself, you could be a guest on other podcasts. I mean Whitney is always searching for people to be on his podcast. I mean this is a daily podcast, right? So, if you have something that you think you can provide as a benefit to people to his audience, reach out to Whitney. He'd love to try to get you on his podcast, right? But there is also other podcasts out there that need guest. They need that content.

And also in addition to that you could do some things that we're doing like our group, the MFIN group we have the MFIN summit twice a year. You can put on a virtual event and we actually have multiple speakers. We have 40 speakers to come to this event to come in virtually. And so, you could do something like that if you want. You could even start your own YouTube channel or LinkedIn presence and start to write.

And the biggest thing you have to figure out here is what do you like to do, right? Is it writing? Is it being an author? So, you could write a book. You could actually write blog articles. Do you like to speak? So, maybe you want to be on radio or a podcasts or maybe you really like to be on

TV and so you can do a lot of videos and provide that. Whatever you like to do that is what you should start with first and try to reach people on a national level.

Now on a local level, there is a couple other things you could do as well. So, you can subscribe to a lot of the different trade magazines, business journals, medical journals, things like that that are in your local community and also local newspapers to see who are the movers and shakers in your area and start to reach out to them and network with them. And then you could also do like workshop and seminars in your local market. You can actually do ads in various trade magazines or in newspapers. You could also get featured in them. You know write an article about yourself and submit it to some of these editors and see if maybe they'll pick it up and publish it, right?

And then it didn't cost you anything to do that and now you are one of the movers and shakers, if you will in that market. And then one of the things that I like to see people do too is reaching out and volunteering on local non-profit boards because these boards sometimes need people to be able to help them and there is usually other higher net worth investors on those boards. Now you might be thinking, "Well I am not a high net worth investor. I don't think they would want me on that board." Well, you could always do something different. You could call them up and say, "Hey I am interested in learning how the board process works. Could I just come in and be a fly on the wall for some of your board meetings?" And just learn and absorb the process.

And maybe they will let you jump in and just be a fly on the wall and guess what? When you're in that room with only 10 people in it because the boards are usually pretty small, you are going to get to know some of those other people that are on those boards. And so definitely other strategies on how to get in front of those people.

And then one of the things that I see people missing the most is they fail to ask their investors for referrals. So if you have investors that have invested with you, start asking them, put a system in place to actually ask them to refer people to you and that way you can start to build it up for people because the easiest is with that person that has already has that trust built into you is when somebody refers you to somebody because it has that automatic built in credibility because you already know Johnny and he has referred you over here and there is that built in inherit trust and value has brought in.

[0:25:58.5] WS: Amazing content, Dan. And amazing value. I appreciate you sharing, being so willing to share and to help our listeners and myself. Unfortunately, we are out of time, I know we are going to do some more shows together, I am looking forward to those so the listeners can come back and listen to the things that we are going to discuss. But ultimately, tell us how you like to give back.

[0:26:15.9] DH: So, I think I mentioned this on a couple of other podcasts that we had, but I am a part of my local church and so I give all sorts to my local church. But in the fall of 2019, I actually started a non-profit myself that helps support Christian education around the country and it is actually called The Fortified Foundation. It is still in its formation stages. We have done a lot in the process and have a lot of things in place. We even have an interim executive director that we have recently hired on to help us push things through.

But it is really there to be able to help support Christian education around the country where normally you'll see capital events that different Christian organizations will do to maybe want to outfit a computer lab and so they will raise like \$10,000 and spend \$10,000. And we're trying to merge the concepts of investing in apartments and things like that to be able to help them really grow when they are raising funds and being able to create endowments if you will and different foundations that are part of fortifying it and really solidifying Christian education into the future.

[0:27:15.2] WS: Nice. Dan, how can people get in touch with you? How can they learn more about the summit coming up and also passiveinvesting.com?

[0:27:22.0] DH: Sure, so if you want to find out more information about this summit coming up you can go to mfinsummit.com. And if you are listening to this after the June event, then obviously you can still go there and learn about the one that is coming up next, which is going to be in January 2021. And you can certainly go to MFIN Summit and find out more information there. And then also use Whitney's promo code. The promo code is "Whitney." And when you type that in, you'll get a \$100 off and then a 100% of that proceeds will also go to Whitney's charity, his non-profit charity as well.

And then if you want to reach out to me, you have further questions for me, you want to jump on our investor list, you can certainly go to passiveinvesting.com and join our investing club and looking forward to having a conversation with you.

[END OF INTERVIEW]

[0:28:06.0] 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.

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[OUTRO]

[0:28:45.9] 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.

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