

**EPISODE 916**

[INTRODUCTION]

**0:00:00.0 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]

**0:00:24.4 Whitney Sewell:** This is your daily Real Estate Syndication Show. I'm your host, Whitney Sewell. Today, our guest is Joyce Walder. Thanks for being on the show this morning Joyce.

**0:00:32.3 Joyce Walder:** Thank you, Whitney. Excited to be here.

**0:00:34.4 WS:** Honored to have your on Joyce and her husband Bob, or part of a three-family partnership that form B3 Investments out of Austin, Texas and are diversifying their investments into mobile home park investing from only multi-family choice also has a background in legal banking, and then landed in dental hygiene for 15 plus years, she left industry in 2019 to join Bob and B3. She is also a personal suite, Brad Sumrok and attended the AHU boot camp.

Joyce, welcome to the show. It's interesting, just your background, you're obviously someone to just high achievements, you've made a lot, a lot of success in different things, and now even leaving those things to be a part of this business, obviously shows you believe that there's a big future in this business and in your investing business, it's also interesting, the three families join to create this partnership.

You don't see that too often, but welcome to the show, give us a little... Maybe give us a minute or two about that transition from a successful career, moving into real estate investing.

**0:01:36.4 JW:** Right. Like you said, I've done a lot of different things, landed in dental hygiene, which is very much a people business, and Bob had been doing the multi-family for several years and wanted to get me transitioned into that and couldn't quite find a role for me there because he had already been in it, I wasn't understanding a lot of it from his perspective, so we found the mobile home university boot camp, and we attended that, we met our partners through that connection.

And it was just such an easy transition for me to come into the mobile home parks. It was new for all of us. So a much easier transition for me, and what I learned very quickly, it's very much a people business, which I enjoy very much, and I've gotten so much out of it, it just... It's super fun to me, and getting to know the communities that we go into is just incredible. I really enjoy it.

**0:02:38.7 WS:** You've been working on those people skills for about 15, 20 years, right, as you talked about in that business, and no doubt it's a people business that you were already in, no matter how good you are at that craft, the people skills are probably more important. Would you say?

**0:02:51.7 JW:** Oh my gosh, yes, absolutely. And that's the role I have definitely fallen into with the mobile home parks, is I am the transition person, I'm the one that goes in and builds that sense of community, even amongst the residents, there's a lot of talk about the owners shouldn't communicate with the residents, you hear that a lot, and I have to disagree with that. I have found it to be very rewarding, unless you ask your residents what is needed, you won't know, and your manager can only do so much, so that's a very important part for me.

**0:03:26.4 WS:** That's awesome. Well, let's just jump in there quickly, and you are the Operations transition expert on your all's team, why don't you walk us through an example, and I would love to talk about, is some of those things you just mentioned to by communicating

with the residents as an owner, I think that's a big thing that most of us have this shield up, we're trying not to... We think we can never do that, or we're just not supposed to. Right? You're just not supposed to do that. So I'd love to hear your thoughts behind that as well, but is there an example recently, maybe we could talk about a specific part or you could walk us through some crucial steps when we're thinking about that transition as you all purchased a mobile home park.

**0:04:01.5 JW:** Absolutely, we actually have fallen into a great process, not by planning, but by learning like everyone else, and our partner Bill is usually the one that goes out to the community first and decides, yes, we want it, or No, we'll pass... Once that deal closes, Bob and I go out and again, walk the property, and that's when people in the community notice, Okay, what's going on? And they will come out, they wanna know, who are you? What's going on?

And I had to convince our partners that it was okay for me to take that role as owner, and it took a lot of convincing because of... Yes, everything we've learned that, No, you don't do that. And once we did that in a park, in the first one we did that with was our park in Iowa, and Bob and I literally walked around the community, took pictures of every home, and I can't tell you how many residents we met, they came out because they wanna know who you are.

And I was not afraid to tell them, we've purchased the community. In your opinion, what's great about the community, what's missing about the community, what can we do? And I always try to preface that with, I can't promise you I'm going to solve that issue in the way you want it solved, but I can promise you, I will acknowledge that it is an issue for you. And try to find something that works for everybody.

**0:05:29.0 WS:** I think that's a neat... you say that right there. So important, acknowledge that. You recognize their problem. We may not be able to fix it right away, but I understand. And we're gonna keep that in mind at least.

**0:05:39.0 JW:** I will add it to my list.

**0:05:41.2 WS:** Yeah. Yeah. Tell me, was there any prep work done as far as with the residents, so they knew that the potential new owner was coming or... I would just imagine, I'm just picturing me walking around the mobile home park and did they even know who you all were or it's just obvious how these people are not normally here, what we have found is they absolutely have no clue.

They have no clue this transition is happening until they see a car full of people pull up, and in our case, it's again, three families, so there's quite a few of us that go, and of course, usually our broker is with us and you start walking the park and you've got, I'm an old-fashioned take notes on pen and paper, they see somebody out there with a clipboard and somebody's taken pictures, they get very curious. So what we have found is no residents typically do not have a clue that this transition is happening, and people don't like change.

I tell everybody, it's taken me 51 years to figure out. People do not like change, so I try to go into a community understanding that the residents get very scared, they don't know what's gonna happen, some of them, as we all know, I lived in that mobile home for years, and they're afraid of those changes, so I do try to let them know we're here to help. And as I mentioned earlier to you, our big goal, we want to provide safe, clean, affordable housing options, as we know... That's such a big deal in our country right now.

**0:07:16.8 WS:** I would imagine that if somebody's lived there for 10, 20 years or longer, they've gone through a few potential ownership changes sometimes, sometimes maybe it's been the same person for 30 years with these parks, depending on the... Maybe the park that you're buying, but maybe been through some bad transitions of ownerships, you mentioned like letting them know you're here to help, how do you... You done that?

**0:07:38.8 JW:** Again by acknowledging. You know, tell me what do you enjoy about your community, what do you wish was different about your community, and it can be silly things to a resident, I'm tired of driving through the plot holes, I'm tired of our mailbox area not being covered... It can be really little things, but I found if you just listen to them... And again, I

always, I never over promise. I let them know I will add that to my list, and if we can budget that in to improve some of these things for you, that's absolutely what we wanna do.

**0:08:10.8 WS:** Is that done when you're walking around that first time or is that...

**0:08:14.2 JW:** Absolutely, when they come out and start wondering, who are you, why are you here? What are you doing? The funny thing is there, why are you taking pictures of my home? And it's very interesting, again, that fear, we've had so many people, is my home, Okay, are you gonna kick us out? They get very scared. And that's heart-breaking to me. Because again, that's not our goal.

When we go into a community, we really do want to improve it, and to your point of a few minutes earlier what you said, we have found the mobile home parks we have acquired so far have literally been the Mom and Pop have owned them forever, so they actually have not gone through a bad transition, this sometimes is the first one...

**0:09:01.5 WS:** And that could be very scary.

**0:09:03.0 JW:** Yes, but as we all know, a lot of times in those communities, you know, we got a good deal on them because there's a lot wrong with them, and so the residents do have a lot of concerns and they do have a lot of wants and needs.

**0:09:15.3 WS:** But how did you find the majority of them?

**0:09:17.0 JW:** We actually, at this point, we've put together such a wonderful team, we literally have someone on our team that is our acquisitions person, and that is all he does all day long, is analyze underwrite deals all over the country, and if the deal works, we go for it.

**0:09:36.6 WS:** Nice. No, that's awesome when you get to that scale and you can have somebody that's just dedicated to that... Well, let's dive into that transition a little more, any other pieces to making that a successful transition?

**0:09:48.4 JW:** Yes, one other thing that we have discovered that we have not heard anyone talk about is developing a relationship with the community, and when I say that, I mean local law enforcement, Chamber of Commerce, use the local companies, we even in Iowa used the local print shop to get the leases printed because we want to let people know we are there. I have really taken time to go and meet with the chief of police, the fire department, once we acquire a property that is on my list when I go visit and let them know if you see anything going on in our community, you let me know what I need to do.

As we all know, mobile home parks, the private property is a big issue. What I have found is I need to give local law enforcement my permission to access and enter my property 24/7, they have my cell phone number, and they know they can call me at any time if something's going on.

**0:10:52.6 WS:** That's an interesting thought, you just assume they can kinda go anywhere they want, you don't think about them, like thinking, well, I can't just drive it through there, and actually going and saying, hey, you know, hello, we welcome you to come do this.

**0:11:08.4 JW:** Right. And that's what we have found has been so beneficial, as we all know, mobile home parks can have a not so great reputation for things that can go on in the mobile home parks, and I have just found it to be so beneficial to communicate with the local chief of police, I send him an email once a month at least, and we communicate probably a lot more often than that, and that has served us so well by taking some steps to get rid of some less desirables in the community, because that happens too. Sometimes when you go in, you do wanna have a turnover a little bit...

**0:11:45.4 WS:** Yeah, that's a great point, and I wanted to ask you about your communication with law enforcement or the fire department and things like that. You mentioned, like you said, like once a month, you all are communicating.

**0:11:54.3 JW:** At least that. I usually get an email from him if there's anything that goes on in

the community, and my manager has to call the police, or if another resident calls the police, I will get a phone call or an email from the Chief and say, hey, I wanted to let you know we had to go out to the community. He'll tell me what lot number, he'll tell me their names, and we just have very open communication, and it, residents love that again, to provide that safe environment, I want them to know that law enforcement is welcome out there.

**0:12:29.7 WS:** That's awesome. Yeah, I just think you've mentioned the transition is difficult no matter if it's multi-family or mobile home parks or different things, of course, but talking about just the relationship piece with your residents, so you just lower that stress level, hopefully some... As much as you can, they know you're there to help as best you can present that, but then also with the law enforcement, you just don't hear that very often, and it's neat that you've created to that relationship to the point now where, hey, they let you know you know what's happening.

And so that's incredible. Anything else about to transition and what about your manager... I know we briefly talked about that before the show, I thought that was an interesting point that you made, but anything about finding the manager or... When not to hire that person?

**0:13:13.3 JW:** Yes, absolutely, and again, I had to do a lot of convincing with my partners on the acquisition of the Iowa Park, we have attempted to use the managers that are in place when you purchase... That has not worked for us. Yet, I won't give up on it. We will always try it, however, in Iowa, we literally could not find someone to fit, and I had to convince the partners to let me do it remotely, and no one know your owner, we can't do that.

And as it turned out, it was great, it allowed me to build that relationship with the residents and really find out what they needed, wanted what was wrong, and that's when I discovered the development of the relationship with law enforcement, local print shop, Chamber of Commerce, and once we literally went through, I believe, four managers, we're on our fourth in a couple of years, it's a very high turnover position, as we all know, and as I mentioned to you, yes, or were before the show, we have found... It is so true.

If you don't have the right one, it's better to not have one. And we are actually going through that process right now in New Mexico, or Park in New Mexico. I don't have a great person in that spot, I'm gonna have to make a change there, and I'm going to have to manage it remotely till I find the right one, but I'm telling you that's easier, believe it or not.

**0:14:44.4 WS:** What are a couple of tips as far as managing a park remotely like that? I think it's a great point. It's better to manage it, self-manage it than it is to hire their own person. Could not agree more, but it's gotta have some difficulties there, obviously you're not there, you can't see things. What do you do to just lessen that?

**0:15:01.2 JW:** We have a lot of great tools, and I will definitely credit my partner Bill with that, we use Slack for communicating Dialpad, so I will tell you I can communicate with residents without them having my personal number, so there's no... I do have some boundaries. And what I have found managing remotely is when you develop that relationship with those residents, you will get handful that like you want you there. And they are your eyes and ears.

I get text messages daily from resonance, hey, who's supposed to be doing X, Y, Z, who is supposed to be doing this? And I will say, well, you know what, send me a picture of that. Technology is incredible for these types of things, so I do have a handful of residents that are my eyes and ears until I can find that perfect manager. And right now in Iowa, oh my gosh, we have an awesome manager, and my husband Bob keeps reminding me, they're not all gonna be like that, and I'm like, I know, but I'm not gonna stop trying...

**0:16:02.4 WS:** Yeah, maybe that's someone... You can promote it to your residents, use Slack also?

**0:16:07.2 JW:** No, they just communicate with me via Dialpad our team uses Slack to communicate... Video calls, I have a weekly call, video call with my park managers right now, with where we are in this process. We put in a lot of work. You and I talked about that. We put in a lot of work right now. Our goal, obviously, is to get it to a level that we can relax a little bit as owners, but right now we know we've gotta put in the work and we're okay with that.



**0:16:36.5 WS:** How do you prepare for a downturn when looking at parks now to purchase?

**0:16:39.7 JW:** You know, it is making us a little bit nervous, we actually talked about this yesterday on our park on our partner meeting, our biggest concern right now is getting new homes into our communities, we've got some vacant lots and in our underwriting, we had planned to have some homes in there in January. Right? And with everything that is going on right now, that is a really big concern for us getting new homes, finding used homes.

I listen to one of your shows last week about the moving of homes, and he developed his own company to do that, and yes, it's a challenge, and we are concerned about that downturn, we keep moving forward, we're not gonna stop what we're doing, we're not gonna let it slow us down, but it's definitely a concern.

**0:17:28.3 WS:** What do you predict to happen in the real estate market over the next six to 12 months?

**0:17:32.4 JW:** Well, again, you and I spoke of this earlier, I think there is such a need for affordable housing in our country that needs not gonna go away, if anything, it's gonna be in more demand, so I think investing in mobile home parks will be fine. I think it will survive, if you look at the market, it's still the most affordable option, they have their own walls, they have their own yard, cheaper than an apartment, and it is still an option. And we're not gonna give up on it. I think it will be absolutely fine.

**0:18:07.2 WS:** You know, Joyce with your background and what legal and banking and your dental hygiene, and now I can just see why you are the transition expert, the systems, those processes, and I just think probably a lot of drive as well, but speaking to that, what are a few habits that you are disciplined about that have helped you achieve success?

**0:18:25.8 JW:** Definitely, I am very much a scheduler. I'm a planner. The weekly meetings with the managers, you know, I'm so involved, I make a list of to-dos for my managers every

Monday morning. And again, the Slack communication is fantastic because I have trained them, anything that goes on, you put that on Slack because the partners can view that as well, so there's just so much open communication, and I think that is key, and I believe that you have to stay organized, the weekly meetings are crucial, we have a partner meeting every week, I have a manager meeting every week, because we are working remotely.

We've got a regional manager out of Tennessee, our acquisitions guy is out of South Carolina. We're based in Texas. So if you don't have that communication in that level of organization, I don't... It will be difficult to succeed, and I can tell you when we sell one of our communities, man, whoever's binds gonna be so impressed with the records that we keep, we keep everything filed and just organization huge

**0:19:39.3 WS:** On that. No, what's the number one thing that's contributed to your success?

**0:19:42.3 JW:** Organization... No doubt and drive. I love it, I love the people business, and again, this is such a people business and I like to try new things, so this was... I like a challenge, and this was definitely something new, and admittedly I was a little nervous about, but my husband, he actually went to the boot camp first, and he said, This is you... This is totally you... You have to do this. And I was like, I don't know. Mobile home parks, I don't know. And I did the boot camp and I walked away and never looked back.

**0:20:17.0 WS:** Joyce, how do you all like to give back?

**0:20:18.2 JW:** Oh gosh, we... Obviously, you can tell that. That's a big thing for me, I love to give back. And we are in the process of trying to develop a little side bar of B3 Investments, which we like to call B3 Communities, and we were not able, in our Iowa Park to do a lot of the community events that we wanted to do, a spring clean up where we provide dumpsters and we help them clean up everything... We couldn't do that because of covid, right? My manager called me and asked me, hey, can we do a barbecue?

Everybody just wants to get together. We're so excited. And you know what, because of covid,

we had to say no. And that broke my heart. So I had a great idea, and again, going back to the sense of community and using local businesses, a restaurant had opened, a new restaurant locally had opened, and we decided, You know what, we're buying dinner for the entire park and we're gonna have it delivered to them, every single person...

And we didn't want pizza, I mean, they got stake, we ordered, we let them pick, they got menu options, and we purchased dinner for every single person in that community because we wanted them to feel that sense of community, and there was nothing worse to me than having to tell them no on the barbecue, and I push the partners big time, and we just couldn't do it given the liability, we just couldn't do it, so we want them to feel we are there right now, I'm getting quotes on building a community, barbecue covered with picnic tables, I just... That's so important to me.

**0:22:01.8 WS:** Wow, Joyce, it's been a pleasure to meet you and have you on the show. And it's neat to hear your transition in your unique abilities that have just been able to provide tremendous value, there's so many other people, not just your partners, but all these people in these communities as well that are benefiting from your desire and really to help them and create a great community, but I loved how you talked about the relationship with... You talked about law enforcement and Chief of Police, those fire department, but you also mentioned local businesses.

And I know that was neat, I get to know other locals even allow all those businesses to benefit from your need or your business desires. Right, I just think that's so useful, how you communicate how you find a manager, even self-manage from a distance... It's incredible, tell the listeners how they can get in touch with you and learn more about you.

**0:22:48.0 JW:** Absolutely, you can certainly visit our website, [b3investments.com](http://b3investments.com), and the [b3communities.com](http://b3communities.com), and we would love to have people come and visit. We have Facebook pages for our communities, B3 communities Facebook page, you can come visit us there, and we would love that. It'd be absolutely fantastic.

[END OF INTERVIEW]

[OUTRO]

**0:23:12.3 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](http://www.LifeBridgeCapital.com) for free material and videos to further your success.

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