

EPISODE 938

[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 Stuart Grazier. Thanks for being on the show Stuart.

0:00:32.0 Stuart Grazier: Hey Whitney. Yeah. Good to see you again, thanks for having me. It's good to be here.

0:00:35.3 WS: Yeah, you as well. Always a pleasure to catch up. And a little about Stuart, he's a husband, a father, a real estate investor entrepreneur, podcast host, and a 18 and a half year active duty naval officer who has built multiple businesses along the way, he has a passion for service, leadership and giving, and he wants to be a change agent for those within his network and community. Stuart, first and foremost, thank you for your service.

Always grateful for our service, men and women who are out there, ready to sacrifice all for our freedom. So grateful for that. For sure. Why don't you give the listeners a little more about your real estate business, I know you all now syndicated deal, and you all are doing big things, but there's some specific things about your business that are unique and that we're gonna talk about today. I personally think it is very important as well, and anyone's business, but to give us an update about your business and where you're at just in the syndication journey...

0:01:30.2 SG: Yeah, thanks Whitney. I really appreciate it. So like you said, 18 and a half years in Naval service... I'm like in the last end of it, retired at 20, I have a business partner's name is David Gutierrez, and we have a company called Storehouse 310 Ventures. It's officially a turnkey company, primarily single family and duplexes, where we're buying houses, it's focused in Milwaukee, Wisconsin. We're buying houses, rehabbing them, turning them into rental properties and then selling them to other people within our network.

And through that, we've done about a 100 plus deals. We did about 40-50 deals last year alone, and we kind of the one where we basically have to raise money on every single property, so we've raised now millions and millions of dollars, and what that has done for us really has created this trust with our investors, many of our investors are lending 50,000 to 100,000 dollars per property, we're continuing giving him returns, we're continually paying them back, kinda shorter term deals, and what that has done for us has been able to allow us to somewhat transition into some bigger type stuff.

And like you said, we partnered with another group of military veterans, and we syndicated in mobile home park here in Colorado where I live back in August, but I don't necessarily wanna talk about... We can get into that obviously, but the syndication things I know you talk about a lot, but for us, our business in the very beginning was based off of giving, and we made like getting gliding goals every single year.

A Storehouse 3:10 comes from Malachi in the Bible, where it talks about giving a tithe to the storehouse, and so for us, our business model is we give 10% of our profits upfront on every single house that we sell, and I guess two years ago, what we started doing... Was at the very beginning of the year, we started doing a big faith gift, kind of like a preparation of, hey, this is how much we plan to make this year, this is what 10% of our profits at the end of the year are gonna be so we're just gonna give it up all the beginning of the year upfront.

Kind of like a big faith gift, and that's a scary thing for sure for running the business, but... It's really been incredible for us. And so I guess kind of what I wanna talk about today is just that

business model, in that mindset of giving and serving first, and how that really has helped us tremendously when it does come time to raising money and building a real estate portfolio and doing deals.

0:03:58.7 WS: That's awesome. You know... Stuart, it's interesting, you're talking about like, What do I expect to make this year end giving that up front. I love that, and I've not heard anyone say that before. I don't think that's challenging to me as well, and think about, Okay, what do I expect to make this year, and let's just give as much right up in the beginning as we possibly can. Go ahead and meet that as fast as possible. But yeah, I just think it's a different mindset. Completely right.

The business is based on giving, but tell us, let's dive into that and what that has done for your business, and did you think that way in the beginning, or is this something that's evolved and something that you've just been given faith or... How does that work?

0:04:35.9 SG: Yeah, so the building the business model that way wasn't necessarily because we thought it would bring us more business and more money to... David and I both really have a servant's heart and we're passionate about about giving, and we're passionate about helping others and serving others with our military background, it's what we've been doing for the last 18 and a half years, serving our country and really providing guidance, mentorship and help, and leadership to others.

And so for us, really, we wanted to create a business that that could just make a big impact in this world, and we pick a specific charity each year that we love, we dive deep into the non-profit organization that we choose, and we talk to the founders of it, dig into how they're using the money, and then from there, we just really wanna give and we just wanted to make that a part of our business, and what we've seen through that is as we talk to people about our business and tell them what we're doing it really just attracts the same like-minded type of person.

It attracts the same time, the person that we wanna do business with, that we wanna be

hanging out with, that we wanna become friends with, and that alone has really been a lot of fun for David and I... We're just interacting on a day-to-day basis with people that have our same values that I also wanna be giving and serving and then have that same mindset, so it really like minds to attract each other, and so that for us has been really big for us.

0:06:05.6 WS: No, that's awesome. I've experienced that first hand as well, and I didn't play in that from the beginning, the Lord had different plans, but just talking about the way we wanted to give back, it was just something... That was outside of business, that they could see, it was more personal, that they could see a passion there for something else other than just building wealth. Right, but tell me about that conversation and how you navigate that conversation with investors, just so they see that passion in you and your desire to want to get back.

0:06:33.9 SG: I think it all starts with our business name, they ask about what Storehouse 3:10 is, and the 3:10 kinda give it away. If anybody knows anything about the bible, that's how Bible verses are laid out, and so having that initial conversation and telling people about where our business came from, what it means, the background in story behind it, and how are you using that to give back and we go into our why and our goals for the year.

And we tell people like, Hey, we don't have a number of deals, calls, we don't have a money-made goal, we have a giving goal, and we set a certain number that we wanna give every single year, and that's kind of the baseline of our business and we kinda make everything off of that, and so that's normally the initial discussion point, and from there, and a lot of times we end up having... A lot of times, we'll have a 30-minute window of conversation and then maybe five of that is talking about real estate, the rest of it is talking about our faith in Christianity and our goals.

And all these other topics that don't really have real estate at the forefront of that conversation, and what it does is it creates a bond that creates a trust, and there's that book of Stephen Covey, called The Speed of Trust. And what that does is the next time I have a conversation with someone in offering an opportunity to them, the decisions like that, because that trust is already there, we established through our previous conversations, not about real estate, what

about service? About giving. About our faith.

0:08:03.8 WS: Yeah, I appreciate how you bring up that five minutes of the conversation, maybe about the real estate business or whatever, but really the rest of that conversation is building that relationship and trust and getting to know one another on a much more personable basis, and that's ultimately what you're trying to do... Even if you just talk about business the first time, most people are trying to build that relationship over a very long period of time, but I find very...

In the very beginning, if you just talk about something you're passionate about and something somebody else relates to, it just goes so much further, so much faster, and it's amazing how people... They wanna be a part of what you're doing, right? When they can get on board and they see your passion, they... And have that level of trust... You know, you mentioned that before we started recording, you mentioned having it part of your core values, just like can you elaborate on that a little bit and maybe why you all have this as part of your core value or what is that core value?

0:08:57.0 SG: Yeah, so our business... And we talk about a lot more in depth on our website, but our four core... core values or service, giving, integrity and laughter, and we really try to play those out on a daily basis, and that there's a lot of people that maybe will put their core values on their website or talk about it, but until you actually really see it in action, I question it, if someone is... Just kinda put it on their website. So for us, we really try to live our lives that way, but the giving is our first one where we're just really trying to pour in and give as much money as possible.

This year, we actually decided to set up a donor-advised fund through the National Christian Foundation, so we now have an opportunity call into Storehouse giving fund, and so that actually allows for other people that are doing business with us to also give money to our giving fund, and then we take that and give big donations. And so what we've also started doing is taking a percentage of what we haven't done yet, but it's in our plans to do it this year on some of our own properties that we're keeping, is to take a percentage of ownership and

give it on the Data Trust to the Donor Advice Fund.

So the income and the cash flow that's coming from the property is going to the Donor Advice Fund, and then down the road, if we ever decide to sell it, that percent interest on the deep will go to the donor advice on doesn't charity instead. So just living out those core values is super important to us, and that's done through action and that's done through actually following through with those core values that you have on paper and on your website.

0:10:31.3 WS: Yeah, I've done it before as well. Most people say, well, I'll give after I make this much money, or I'll give after I accomplish this thing. Or whatever, and it doesn't sound like that was your mindset, but it's common and why not...

0:10:44.9 SG: Yeah, for us, we really like to kinda switch that to where instead of giving 10% of our profits away, we'd like to live on 10% of our province and give 90% of our profits away, that's the goal, we're pretty modest living due to... Can live off of... Not a whole lot of money, and we're gonna need to be driving glamorous cars or whatever else and live in big fancy houses, like we wanna be given a lot of money away. For us, that's really important. And just talking about that and actually living through it is super important.

0:11:18.3 WS: How do you... I guess for somebody listening right now, it's like, I'm done with this giving stuff, like Let's get to the meat and potatoes. Right, I just feel like that's just the wrong mindset, obviously, it's a big part of who we are as well, just the way we give back, but how do you... I don't know, just create that mindset of being a servant like that and serving others and wanting to give any advice, just thinking through I guess preferring others as well.

0:11:42.1 SG: Yeah, I think when it comes down to really creating the business, if it's just buying one rental property or syndicating huge multi-family deals, it really starts with your why and taking the time from the very beginning to really sit down and then asking yourself and writing it down, what do you do in all this for now, is it really just to make a bunch of money and it extravagantly, or do you have another purpose in life, you know what you're doing all this for?

So I think as people are listening to this, it will really help them by sitting down and taking that time to write out... Ask yourself what it is like to five whys. Why are you doing it? Why are you doing that? Or, why are you doing that? And really get to the bottom line of, what's it all for? And so I think if you would write all that down and come up with a vision and a mission statement and really figuring out your why, it will really help you for your own business.

And then also it'll help you win telling other people about your business and what you're ultimate goal is because just like you said, when you're raising money, when you're finding partners, when you're doing bigger deals, you have to find people that are gonna trust you, and you're gonna have to find people that want align with you and jump on board with what you're doing.

0:12:59.0 WS: What's been your response from investors, just as the more they get to know you, the more they see your desire to give in this way?

0:13:06.0 SG: It's been overwhelming, honestly. So on the single family side in the Turnkey business, we have over a two year waiting list, we have 180 plus investors that are wanting to buy houses from us. On the investor side, we also have a very large list of investors that want to give us money that want to be our partners that want to invest with us because we... Someone built a brand around David and I and our giving in our core values and who we are as people.

And people wanna be a part of that. And so when we have those conversations, we can tell pretty quickly if they align, if they don't then great, you know, we actually don't wanna be partners with people that don't align with the same type of core values, and so for us, we've been overwhelmed with just that idea, if you give, that will come back and return, it might not come back.

And if I give money, it doesn't mean I'm gonna just get money back in can just be relationships or opportunities, or another idea or something comes along the line where we may have to

pivot in our business. And it all kind of helps, so

0:14:12.3 WS: It's incredible. Just to hear your desire to deserve and to give back and to build a business around it, Stuart, how you all have done that. Do you have any daily habits that you are disciplined about that have helped you achieve success?

0:14:23.8 SG: I have a morning routine that is the same every single morning, I'm an early riser, I wake up at 4 00 AM while I get a couple of coffee first, and I start there, but I started with... I read the Bible, this is the first thing I do, I read the Bible, and then I typically will do some type of 10-minute meditation, and then from there, I will do what's called a thinking time. I set 30 minutes where I just plan and I think...

And sometimes it's just kind of planning out my day and right now on my planner, what is if I'm going to accomplish that day, other times it's just asking myself a question and just brainstorming like I shot everything down, and I just ask myself a question, there's a book, that I have read. It's called The Road Less Stupid. I have right here on my shelf it's like keep cutting him. You have it?

0:15:07.4 WS: Got it. I would recommend it.

0:15:09.4 SG: I love it, it really got me going in this thinking time, so I do 30 minutes of thinking time every morning, and then I do 30 minutes of creativity, I try to either think out something that that can do on my social media page or... Right, or something. And that kind of... From another book called Called to Create my Jordan Rainer, we are all creators. God giving creators. God was the first actual entrepreneur.

So I do 30 minutes of the creation, and then after that, I typically will go try to work out, I'm super big on being healthy and exercising, I do daily exercising, so if it's nice out in the summertime, I'd over-run, it's called, I typically will get on a bike, on a Peloton bike and work out. So that's kind of my morning routine.

0:15:52.1 WS: That's awesome. And I think having that morning routine is so crucial, I talked about it a lot on the show and on Facebook, different places, just about my morning routine and how that changed everything, just having a structure to that, it sounds like you're very structured with that time and I think that's incredible. No doubt that's helped you achieve success 'cause it's doing those things over a long period of time... Right, that adds up to a big thing. So tell me what's your best source for meeting new investors right now?

0:16:19.1 SC: my podcast... So we actually have a podcast ourselves, we started it a little over a year ago, and it's called Filling the store house podcast, faith family and financial freedom. Again. David and the mother's partner and I started it, it's in the business section, but it's not necessarily all about business, that's very Christian-based. We talk a lot about God, Jesus, the Bible, and it's a lot of fun. Again, it attracts those same types of people that we're looking to partner with, do business with. And that's been a lot of fun for us.

0:16:49.4 WS: Awesome. I got to ask you too. You said you get up at 4 AM, what time do you go to bed?

0:16:52.6 SG: Oh man, sometimes I crash pretty early. A lot of people will make fun of me, so I typically put my kids down about 7:30 O'clock, and often I'll be like getting inventory there after, so I would say 9 o'clock is about the latest that I'm in bed.

0:17:05.4 WS: No, that's awesome, I think your day begins the night before. And how much rest you receive and... That's awesome. What's the one thing that's contributed to your success?

0:17:14.1 SG: Oh man, the one thing, I think just that same servant mindset, always trying to give more than you can receive, and that doesn't... That's not necessarily... And money that has in time, that's in leadership, that's in just pouring into people without expectations of anything in turn.

0:17:33.1 WS: And Stuart I always ask how people like to give back at the end, but that's pretty

much what we've talked about this show, it's just that mindset, you know anything you wanna leave us with around that before we run out of time.

0:17:44.3 SG: Yeah. So this year, we shows a non-profit organization called the Exodus Road, they're here in Colorado, that's a non-profit organization, that fights human trafficking around the world. An amazing, amazing organization. Human trafficking is something that not a lot of people are talking about, but it is a huge, huge problem this role, so it's a passion of ours, we're supporting a big time this year, so if that sounds of interest, and wants to do more research on and check out the Exodus room.

0:18:10.1 WS: That is awesome. It definitely needs to be talked about, no doubt about it, 'cause it's a horrible thing, it happens more than we know than most of us are exposed to or we'd like to believe anyway that it happened, but Stuart, grateful to have you on the show. I love your philosophy on giving and thinking through just a business based on giving, even thinking about it, well, how much mining am I gonna give this year are going to earn and then giving on that amount or right up front.

I think that just shows a lot of faith in you, and just appreciate that outlook on your business in helping others and just a servanthood and explaining how that's helped you to even grow your business and working with investors and all these things, but even also going through your morning routine, I think military helps a lot of folks with having a strict morning routine, I think, and I think it did me as well, but it's great stuff. I appreciate a couple of books you mentioned as well, you said the book Called to Create, is that right? And who is that author?

0:19:06.7 SG: Jordan Raynor, Jordan Raynor, R-A-Y-N-O-R. It's a great book. Yeah, it's just about... We're all called to be entrepreneurs, we're all called to be creators, and starts with God being the first entrepreneur, he created everything in this world, and he took a big risk, and that's what an entrepreneur is, so it's really good, but...

0:19:25.2 WS: No, I've not heard of that book, so I wanna look that one up, but thank you again for just being on the show, sharing your story, telling the listeners how they can get in touch

with you and learn more about you.

0:19:33.9 SG: Yeah, so we would love to have you guys to listen to our podcast as well is called Filling the Storehouse podcast, so go check that out, it's on items or any other platform that you listen to. Our website is Storehouse310turnkey.com, and that primarily is our single family duplex type of website, but that's a way to get in touch with those and have conversations about doing private lending.

We're highly considering opening up some type of fund where we can kinda do big and better deals in the future, so we don't have more conversations about that as well.

[END OF INTERVIEW]

[OUTRO]

0:20:05.8 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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