

EPISODE 964

[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]

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Whitney Sewell: This is your daily real estate syndication show. I'm your host, Whitney Sewell. Today our guest is Cameron Roy. Thanks for being on the show, Cameron.

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Cameron Roy: Yes, sir. Thank you for having me, Whitney. Excited to be here with you.

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WS: Cameron picked up the Cashflow Quadrant book in December of 2018 and everything changed. He learned more, committed more, and eventually went all in on investing in multifamily real estate. He and his partners closed on his first 120 unit deal in November 2020. He's a host of the Multifamily Millennial podcast, and can be found in his spare time serving his church, playing golf, and hanging out with his wife and friends.

Cameron, congratulations on the 120 unit deal. That's a big accomplishment. I'm looking forward to hearing about that process, and how many listening are also trying to get to that first 100 unit or plus, you know, syndication. That's incredible, but give us a little bit of background. It's not easy getting to that first deal to say the least. I know it firsthand, and I know you've had to persist and keep driving forward, so I want to hear a little about that.

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CR: Yeah, absolutely. It was a wild ride to say the least. And so, kind of like you said the beginning, I read the Cash flow Quadrant, and when I read that book I was working a corporate sales job, and I loved it, and I was doing fine and enjoyed it, but I caught the real estate multifamily bug reading that book. Everything I thought about money is flipped on its head. And I was of the mindset to even thinking about building real estate portfolio of single family houses. And I kind of changed everything. And so, after I read that book I spent all of 2019 committing myself to learning this business so I read every book, I heard a mentor, showed up to every conference in networking event and all that fun stuff. And, you know, it's just grinding and grinding, learning how to underwrite, do all these things that are necessary, building relationships with brokers and stuff.

And in February of 2020, so good year and a few months of just committing myself to learning this business, I quit my day job to spend all of my time pursuing multifamily real estate. And so, you know, you think that's a real risky. Yeah, it is. And my wife and I were in a position where I could leave and not really be affected negatively by leaving my job, but we're like "hey if there's ever a time where we can...I can try for something - fall flat on my face and be confident that if I do I could still pick myself up and...and create something good for our life, it's now." So I quit my good job give up my insurance, gave up the benefits, went all in, and over the span of, you know, that February, all the way to when I close in November, it was an awesome learning process, finding out that hey this is a team sport and you, you could use some partners, and you could use some experience and you could use some people around you to help get there.

So I applied all that head knowledge I had from learning, and all that confidence I had and leaving my company I was working with, and just got after it, and man I felt a lot like plenty of times I wanted to quit. Plenty of times in my head was like, just work a job, make a lot of money, be a passive investor, like that, that rocks, but I wanted to be a multifamily guy actively, and so I stuck it out. And man, the first one was the hardest but we got there, it was a great property. It's in my backyard, it's here in Dallas actually which was even better. And the people I partnered with...

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WS: That's a horrible market by the way...I'm kidding. Now, congratulations.

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CR: Thanks, man.

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WS: Yeah, I wanted to back up just a little bit. I was joking there just in case the listener don't know, Dallas has been a great market for a long time.

But, you know, you mentioned like quitting your job, and we talk about on the show often because it's such a big leap. It's a big leap of faith, right? You know that "hey, we're going to go do this." And you mentioned that, you know, one thing there though that you kind of glossed over was that, you know, like your wife was on board it sounded like now or never, dive into that a little bit because that's difficult if, you know, the guys and gals who are listening now, who are married maybe their spouse is not on board, or maybe they're afraid to bring that up. Tell us a little bit about that because yeah, I just can't say it enough that how your spouse needs to be on board and be behind you 100% because when you're in a tough predicament you're wanting to quit like Cameron's talking about, you need that support, right? But dive in there a little bit.

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CR: Yeah, absolutely. 100% The last person that you want not on your side is the person you go to bed with - being your spouse. And so, it was a lot of conversations and also I'm a person of faith, and so I surround myself with what I think are wise advisors in my life and my community, and this was not an irrational decision. This was talked about, prayed about, pros and cons out, you know, weighing each other. And my wife, you know was on the same page as me. And so my advice is like, I know and I recognize that not everyone can do that. So there's may be financial constraints that won't allow you to leave your day job right now, and I completely understand that. Ask yourself, what can you do? If all you can do is give yourself two hours a week to learning about multifamily, talking to broker, maybe seeing a property, hiring mentor, make sure that you show up, so that you can do that and you'll eventually be able to do more. And I hope and I believe one day if you keep doing these cans, you'll one day be able to leave your job. It may take a lot longer than I did, but I believe that if you just show up to what you can do, it'll eventually happen.

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WS: I like that. Focus on the can do's, not can't do's, right?

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CR: Correct.

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WS: So, you wanted to quit but you stuck it out, right? Dive in there a little bit, maybe there was some...what were a couple challenges getting to that deal, you know when it was like hey, you know, you were talking to your wife, "I'm ready to give this up" almost, you know, or what were some of those challenges?

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CR: Most of it was back in 2019 when I was learning about the business, you know, there's this saying "hey, whatever it takes," and that sounds really good until you realize what it actually takes. And there was countless nights whenever I was just in Starbucks around Dallas, learning how to underwrite for my mentor. I suck with Excel, I'm terrible at numbers, understanding terminology, trying to learn how to underwrite was so frustrating hard for me, I almost gave up because of that. And then, especially when I first got into it, my mindset in 2019 was I'll learn for a few months and then I'll buy a deal by the end of 2019. We didn't close until almost the end of 2020 on my first deal. And so there's a lot of learning like "hey, this is going to take longer than I anticipated, and brokers weren't giving me first looks on deals, why would they? Who am I? Nobody. Banks were laughing me out the door." And so there's just a lot of hurdles that really, you know, made me believe in those moments.

This is for people who have been doing this forever - seasoned, vets, experienced. And then I learned about the aspect of a team sport, you know, there's a saying that you can go faster by yourself and further together. In multifamily it's different. It's faster and further together. And so if you could surround yourself with the collective team of like minded individuals that contribute to one another and the goal of the team, you can go faster and further together. So it took me a long time to learn that too and I just felt like a lone ranger forever and I was like, is never going to happen for me.

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WS: No doubt. I want to get into the team aspect because it is so important and most people think in the beginning, they're going to do it all by themselves and it does. I've seen very few people syndicated deal, all by themselves. It's very rare. It has happened, but it's very rare and

usually takes longer than if they just partnered with a group or at least one other person who had complementary skill sets.

But, also you mentioned you quit your job February 2020. Well, we all know what happened in March, right? If 2020. So tell me some thoughts that were happening in the country shuts down, and you're thinking, "Wait a minute, I just left my job a few weeks ago," you know what's going to happen now?

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CR: Yeah, that was crazy. So I quit my job like, I think three weeks before President Trump at the time declared a national emergency. And people were fearful about jobs and income and so, yes there was a little bit of that fear my mind, but I also had the confidence of like, I don't have any other option now. I have to make this work. So, whatever COVID is going to throw at us, however the economy looks, however multifamily looks, I don't have an option anymore. I don't have the security of the job. I have to make this work. So there's a lot of exploring different options, different angles, different opportunities, because I couldn't just sit back on my couch and rest and think we'll see how multifamily does next year I'll just, you know, keep making my income keep whatever. I was just running and grinding because I had no clue what was going on other than just quit my job, COVID hit, and I've got to make this work.

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WS: Nice, gotta make it work. I think it really that level of commitment of, like almost like just cutting the ropes, burning the bridges, can everyone say it, it's like we don't have a choice, right? But to move forward. It just does something mentally to you when you know you have to move forward, you know, what were a couple the next key steps you talked about that team sport, that team of, you know, you have to find the right people, give us a few glimpses into, you know, getting to that deal but some things to help that are that are crucial and making that happen and maybe that was team. How did you do that?

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CR: Yeah. So at the beginning, when I quit my job in February, it was saying yes to everything and everything last year was virtual, so it was the virtual meetups, the happy hours, the conferences, whatever networking in those zoom breakout rooms and scheduling meetings and going to people and telling my story and, you know, seeing if there's any camaraderie or

synergy where we could potentially work together do something and so I eventually joined a mastermind group. It's faith based mastermind group called Kingdom ROI. And through that mastermind met my business partner one of them in there, and we took down this still together eventually, but it was essentially just realizing this is a relationship business, and I need to spend some significant amount of time building relationships with people I know, like, and trust with my wallet. And, you know, not just...there's a lot of people in this industry I wouldn't trust in my own house that I've met. And so it's really just understanding who's who? What are they about? And do I like them and do they like me? And could we complement one another? So it was just saying, "Yes, here I am. I want to be your friend or learn more about you" at every opportunity I had.

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WS: So you met team members in this in this meetup?

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CR: Yeah. The lead sponsor on this deal that I did with them, met through this mastermind and we connected quickly, I was drawn to his story, he welcomed me in and, you know, eventually we found this deal and was a part of it with him. And so it was just getting to that point of finding somebody who'd be willing to let me come on with a little experience, but the, you know, abundance of commitment I had to.

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WS: Nice. Tell me what's your expertise? Tell us, you know, what you're part of this deal was like? You know, where was Cameron at and getting to this deal and causing?

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CR: Yeah, so the lead sponsor is out of Northeast, up in New Jersey specifically, and so one of the most attractive things, I think in that I had going for me was that this deal was here in Dallas. And so, you know, being able to be on board, do the due diligence with a team, help raise capital, do the promotions for the deal, make sure that investors are met with all the needs are, everything they have questions, and then just now ongoing, working with property management, updating investors, making sure that, you know, especially we had snow vid, big snow apocalypse back in February that our property wasn't destructing. But that was primarily my role is, helping with all of that.

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WS: Nice. Tell me, you know, how did you...you talked about educating yourself for a year and I wanted to ask you, any key things that helped you to really learn this industry? I found so many people say, you know, there's not just like this great place to learn about real estate syndication, right? You know there's so many things about it. It's such a moving target almost, there's so many team members that you need. But what were a couple key things that helped you to educate yourself, just to have the confidence, even partner with this individual and you know to do this deal? Where did you gain that confidence and education?

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CR: Yeah, primarily through my mentor. What I realized the beginning was "Hey, this is where I want to be and what better resource than just to find somebody who's there and see if they'd be willing to mentor me." And I found a guy, he is great, I love my still talk to him and get his advisement to this day. And it was meeting with him so when I was working my day job during my lunch hour, a lot of times in the week, I dropped the back the office, put them on speaker in my car and take notes and do homework. "Here's what I want you to do this week," and I just make sure that before we talked to the next week I executed whether it was, have a call with a broker, go walk the property, vetted property management company, underwrite this property that I've already done, "I want you to do a mock underwriting," and just his teaching me, you know, I believe in apprenticeships almost more than I do a college degree these days because I feel like I got more out of the Cashflow Quadrant book than I did my 10s of thousands of dollars business degree. And, you know, just sticking close with people who are where you want to be.

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WS: No doubt about it. So many mentors out there and we won't spend a ton of time on this, but any due diligence that you would lead someone else to do, that you did to help you to find that right mentor?

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CR: Yeah, absolutely. I mean, it's great to have a mentor who's now my friend. It's the best. And so I would say just from my beliefs and my, my personal opinions like there's a lot of people who love to offer unsolicited advice. My hero in life is my grandfather passed away a few years and he told me when I was younger, "Cameron, don't ever take advice from somebody you wouldn't

want to trade places with." And it's finding those people who you like, know, and trust like, you know, I'm going to receive something from somebody, I would trust in my house without me there, more than I would somebody who I wouldn't trust with like my, you know, in the company of my wife. And so, just find people that you know, like, and trust and build that relationship and if they're where you want to be, asked them to mentor you and if they don't, find another person and just keep asking there's plenty out there, and this is giving industry, people want to help.

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WS: Great advice, right there, from your grandfather. I think you said it was, you know, take advice from those who like you could see yourself in their shoes or would want to be in their shoes, I mean that is so wise and thinking through that event other guests talk about similar things, you know in finding that mentor like who are they, how do they represent them, you know, or represent themselves and is that something or way that you would see you want to represent yourself as well.

I think that's very well said when looking for someone like that, you know. Tell us Cameron, the most challenging part to getting the first to the first deal.

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CR: The most challenging part getting to the first deal: after having done it, is committing yourself to the mundane. There is so much boring, constant, nagging, unwanted work that you have to do, and some days it may look like a lot of emails. It may look like underwriting when you don't want to. There's just so many things that aren't this big grandiose cannonball in the water, and then you get your first deal. It's one little step in front of the next and most days, more than not, those steps are not really going to be fun, exciting, or desirable. But it is the path to success. It is. And you must believe that if you keep consistently doing these things, momentum will come. You don't know when, you don't know the day, but it will come if you keep pushing that tractor tire. And then eventually you'll just get to where you get to come up to, once a week and give it a good shove.

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WS: I like that. Pushing a tractor tire. He's tried that, not many, but you can imagine the difficulty. I used to call it like pushing a train, it's like, you know how difficult is that but once you get some momentum. It's much easier. Well said. What about anything you would have done

different knowing what you know now?

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CR: Yeah, I would have a lot quicker have...sought out partners, and people to partner with. I spent a lot of time just in my ignorance because I didn't know that I could be the lone rider and do it on my own, but I don't think I've wasted any months but I could have maybe done something quicker, or more substantial. Not that I'm not pleased with what I have done, I certainly am, but just realizing this is team sport, and there is a high barrier to entry, this isn't a low barrier to entry industry. You never done a deal? No banks going to take you serious, no broker is going to send you the first look off of off market deal. So it's not very welcoming to newbies, so you need to find people who have experienced that will allow you to come on their team, add value where you can, quickly.

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WS: How do you advise others even to prepare for a downturn when buying properties like this?

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CR: Make sure that you have a well developed, agreed upon business plan with your team. It's almost like "I'm conservative that's why you should give me your money," that's becoming watered down, who's not conservative these days? Making sure that you have more than enough reserves than required, and you're not cutting corners and you're treating your tenants right because at the end of the day they're the lifeblood of your business. And if they don't like you as a business owner then, you know, my opinion: What business do you have owning something that they call home?

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WS: Yeah, we want to treat them the best we can, that's for sure. Working for that community, as well as caring for our investors, aren't we?

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CR: If your tenants like you, and they love the property management and they like what you've done with the place, they're going to be more compelled to pay rent one way or another in a downturn if they have hard times versus "Now COVID hit, COVID hardship, and I can live here for free," that kind of attitude that exists and I have a lot of friends who have tenants like that.

You know, and it's like, man it's one of those things you want to build a relationship where they're scared to disappoint you. Not that they have anything to prove to you, but you've just been so good to them that they want to make sure that they're being honorable to you and, you know, your property they live in a downturn.

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WS: Cameron, do you have any daily habits that you are disciplined about that have helped you achieve success?

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CR: Oh yeah, man I'm so scatterbrained. I'm a squirrel, squirrel chaser. And when I quit my day job, my wife had to help me become disciplined with my time management. I've never been so good at it so I use a planner. I have every single 30 minute increment in my day plan Monday through Friday, the weekends are freebies for me whether I need to work or, you know, we're hanging out or doing something or traveling. But sticking to a schedule, my schedule used to be in my head. That's why I missed a lot of meetings. And so every day I just, I sit down the morning check my schedule, make sure it's on my paper planner, make sure it's in my phone calendar and my Outlook calendar on my computer, and I make sure I show up. Doing that, being disciplined in my time and saying "no" a lot, has really helped me, you know, in my life. Bring me a lot of pieces well not just success in the real estate world but peace.

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WS: Yeah, no's a critical word to learn to say, it's difficult. Still I have to work on that often. What's your best source for meeting new investors right now?

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CR: My best source for meeting new investors right now? Yeah, they can just head on over, I mean if they want to connect with me or whatever they can go to cameronroy.com.

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WS: I mean what are you doing to connect with them? What's your best source for what you're doing now to find them?

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CR: Yeah, I see what you're saying. A lot of it, at this point thankfully is word of mouth. I get people reaching out to me buddies have buddies and families have buddies or whatever, but at the beginning it was a lot of just putting out content, you know, I believe in being adding value. And so, hey if you're if you really understand the market, talk about it, put it out there on social media, market it, asked to be on people's podcast and tell your story and get it out there and say, "I want to connect with you listener. Here's how you can get in touch with me." But, you know, I still do that stuff but at this point, a lot of it is just people reaching out because of investors I've you know, currently work with and have dealt with.

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WS: What's the number one thing that's contributed to your success?

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CR: The Lord, man. I mean, that may sound cheesy but I'm a firm believer in God. And I think that he's sovereign over everything. And you want to know more about that and why I believe in that, I love to talk to you about it but, you know, what am I, other than just a vessel in his hands? Like sure I've done a lot, but he's done everything.

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WS: I could not agree more with that statement for sure, Cameron. Oh What about how do you like to give back?

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CR: Yeah. Look, man I love kids. I love young men. So at my church I volunteer with the youth ministry and I have a group of eight grade boys, they're all knuckleheads but I love them so much. And I've had them from sixth grade, and I'll get them all the way through 12th grade so we're going on your three coming up with them...

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WS: Wow.

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CR: And I love devoting, you know, a couple hours every Wednesday night at my time to loving them, shepherding them, teaching them the gospel, the Bible. common struggles of a young

eighth grader. And so, you know, I just devote a lot of my time to these kiddos.

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WS: Incredible. I appreciate you giving back in that way. That's some difficult years right there. I just, you know, think back and I think, man, if I had somebody that was a strong believer especially, a man that was way ahead of me that I could look up to like that, like yourself and that was I think I would have played a big role, you know in helping me mature faster, probably during that time make some better decisions. Anyway, hopefully, so appreciate you giving back in that way. So great, but I thank you for just giving back today and really going through just the difficulties and the, even the steps of faith, quitting your job and you know you're watching on board, building the team, you know, knowing that you wish you'd probably started growing your team faster, you know, but the importance of a mentor and how you found him some things about that were important.

But then just this deal, congratulations again to you, Cameron. Tell the listeners how they can get in touch with you and learn more about you.

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CR: Yeah, you can go to cameronroy.com and learn more about me what I'm currently doing what I have done. And I'd be happy to connect with anybody, even if you just want to talk golf or let's just get on the phone and build a relationship.

[END OF INTERVIEW]

[OUTRO]

0:22:27.0 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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