

**EPISODE 1016**

[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]

**0:00:01.5 WS:** This is your daily real estate syndication show. I'm your host, Whitney Sewell. So today, our guest is AJ Osborne. He has built a real estate portfolio worth over \$100 million today and owns and operates several diverse companies, including an insurance brokerage, physical product, e-commerce software and is self-storage businesses, he specializes in developing converting and turning around under-performing facilities with the value add strategy and loves to show other entrepreneurs and investors how to focus on technology and self-storage automation, AJ provided a great show today, so need to hear where people come from and how they make it as entrepreneur, especially in real estate. And he has an amazing story, is how he was in sales, he wanted to get off that roller coaster, was even fired from a position that really helped him launch into becoming an entrepreneur, and so he goes through talking about self-auditing yourself and just figuring out what's working and what is not...

And just the importance of that, and it's just incredible. Some of the things he talks about how you automate things, how you hire, right, and so you can get it off your plate and just empowering people on your team in building the systems to produce the results you're looking for. He goes in great detail that's gonna help you operate better and to scale faster. AJ, welcome to the show. I know you have an amazing story background, I'd love for you to share what you're willing about that and how you got into real estate or just that time, your life. I think that's gonna motivate many of the listeners as well.

**0:01:57.8 AO:** Yeah, absolutely. Thanks for having me, I appreciate you coming on here. So I guess we could kind of start. A lot of people, when we talk and get to know me, I say, Well, states or financial freedom saved my financial life, because I started investing, so I had a sales job. Right,

so it was all based on commissions and everything, so I'm like, I gotta get off this roller coaster of clients and money, and everything so I started investing in cash-flowing assets that I can focus on operations, which... We can talk about that. Why, I wanted to focus on a certain asset class, which is self-store and this was a long time ago. Well, he started doing that, I was working my job, I run in my job. And then I became fully paralyzed, I was hooked to tubes from head to toe, and I was fired in the hospital, I didn't know if I was a leave, we didn't have a time frame or outcomes after a few months in the hospital, my employer let me go, which I had to do if I would ever even leave, but because of my investments in these cash flowing assets, I didn't lose one house, my kids were fine, my life was taken care of, and we could focus on for the next few years on me learning how to walk again, I had to do occupational therapy, he speak, all of that, and it allowed us the freedom to do that without. We didn't go in the foreclosure, we didn't sell homes or home... Kids didn't miss out on anything. My wife couldn't take care of me and the kids, and we could do that, so I'm very passionate about particularly real estate, but I pretty much in general, because of my past and what it's done for me...

**0:03:38.9 WS:** That's incredible. As you're talking about that, I'm just thinking, Okay, wow, because you made probably some different decisions and maybe your friends or other people made investing... Right, you were thinking investing your thinking long-term and wow, that paid off in such big ways when it mattered the most to... If you didn't have that, I mean, yes. Maybe you lost your house. Maybe, yeah, he knows right now what that would have meant for you and your family, so I'm so thankful that you did make those decisions early on, I know you're even more thankful, but... Wow, that's incredible. So you're in the hospital, you're fired... What is stressful time? You're paralyzed and you're thinking, Man, yeah, I can't imagine what you're thinking at that point, but I'm so thankful that that's not the case, now able to come through that and then you're on a passion for real estate. Well, let's walk us through that a little bit, or even the mindset like to keep going right after something massive like that happening, how did you cope with that? Whatever you're willing to share, just like helping the listener think through whatever they're going through too.

**0:04:42.5 AO:** It's interesting 'cause we all have... But I think these times and where it's... I wanna say identity crisis, but really it's like we have to change or we have to format who we want to be, or how that's gonna end up, and in my situation, everything that I had previously known had basically ended... I had my family, which that demand, but my self-identity in my work, who I was, what I did, all of that came to an end and I had nothing to do with me, and I know a lot of people can relate to that with events, losing their job enforce... All these kind of things that happen in our life where it's

just like the sit back where you're just like, Holy cow. The old me, I feel like it's gone. Now, who's the new me? What does that look like? And really, I think it comes down to those times where we get to decide either this is gonna become me, I'm gonna be this victim... Am I gonna be this guy in a wheelchair or I'm gonna be something else. And for me, it was definitely the other way, and I came out of it probably a little more obsessed and everything that I had ever been before, and it lit a fire under me, and I think it was a huge benefit was focus...

**0:05:50.7 AO:** It's like me, I should have stopped working at my job a long time ago, I should have been focusing on these things, I should have focused on scale, I should have focused on all of this, and then there was just this absolute lack and sympathy for BS. It was like, Okay, I'm going to survive, I'm going to live again, whether that's in my wheelchair when no matter what that looks like, I have no more time to put up with anything, and I need to do what I want to... I need to make a difference and I need to make something out of my life because it could be gone at any second, and my life as I know it, I need to be grateful for these things that I have because they can be taken away from you so that a... A huge fire underneath, and I was really lucky, I know other people that had similar instances and aesthetically it goes the other way, and they end up just wasting away, they become the problem, they become the impediment to themselves and the liminal, whatever that is. And that terrified me, that would become me, and I think my circumstance helpful that I think I worked...

**0:06:54.2 AO:** I was a super hard worker obsessed with that, and I had a good background and Erin, but it really just comes down to your choice, it was like one of those times where you're on top of the world and then you're flattened nowhere. It's like, you don't think it could be any better. Life could be any better. My... And then it goes from that to just... Sure. Nothing you can't do. Literally, it's nothing you opportunities over. And that happened in the matter, when we're talking, literally the people in my office didn't even know what happened, it was like one day I was here the next day, I was just on... That's how fast to happen, and when it comes down to that, that mental shift that takes place, it's like I can either either fight through this and I can become who I want to be, or this becomes me, and that was a clear decision for me, kids, it was hard to watch them. See, this man who they just thought was a giant could do anything, we left to nothing, can't do anything even on his own. And I was like, Hey, I have a chance to change this, but to realize that that chance to change my life change who I wanted to be in, that's very limited.

**0:08:08.4 AO:** It's extraordinarily limited, and the opportunity for all of us to make that change to be just take away in an instant, so every day that goes by that we're not making those decisions that

we're not changing, that we're not becoming who we want to be is... It's tragedy.

**0:08:25.6 WS:** What a powerful story. Now, I appreciate your transparency and sharing, and I just think there's so much to learn there for all of us, just the mindset, the mental state, to be able to push through something like that, it's not something everyone's able to do, I'm thankful you were able and you are able to share about it now and helps him many others, 'cause that kind of mindset, it could have been probably any kind of business you would have probably taken off, but specifically in real estate because of the investments you have made, you're like, Man, this makes a ton of sanded.

**0:08:52.7 AO:** It shows me what... And that's thing, whether you're going through what once again, I do for whether it's a loss of a job or what not, it's that time to sit back and say, Okay, let's look at this whole situation, but find out what's working, what's not, get rid of everything that's not working, just get rid of it and then go all in on what is... And that's how it was, right? I'm like, Alright, my W-2, the sales job stuff is the short-term stuff is like, Well, I want this for things to have to do is right now. But they don't stack, they don't scale. It's not gonna get me to where I wanna be in the future. That stuff needs to be gone, and I need to take that away immediately, and we can all do that at any time, we can all do a self-audit, which I do every few months, I sit down and I audit by day on myself, what am I doing? That doesn't produce results. What am I doing? That doesn't make me who I want to be, and that's how I approach my business. We on it, what is working and what is not, if it's not working, different of it, if it's not getting us to our end goal, and we need to be measuring that and looking at it, it needs to go away.

**0:09:54.4 AO:** And so this is... It's not like a principal that we take in business or This is a uniform across the board, this is with your children, with your spouse, this is with your business, your relationships with your health, and this is with all of those things, you need to take audit and you need to be impatient and you need to be aggressive about getting rid of what's not working, and that is the fundamental principles to scale, that really is. And when you talk about investing capital, time, effort into things that produce long-term good results, that is in every single business I own multiple businesses, all multi-million dollar businesses now, and all of those things come down to that very simple core thing you do today, what benefits tomorrow, and you do something that can be repeatable, process-oriented, and I can scale and I can do everything right, and once you started doing that, everything is not only compounded, it's exaggerated, it's using leverage in your life to give the results that you want. And when you see people, when you see people in their life so far in the future, and you're like, Well, I'd love to be like that, but I just don't see how to bridge

that, How, could they produce such astronomical good results and marriage and life and kids and health and everything else like that, but I can't seem to do it.

**0:11:13.8 AO:** Well, it's not those big things, it's those little things that they're focusing on that is just leveraging the future, and you're just seeing them in the future, and so it's like those are the things that need to be audit and they need to be taken care of today. And when I looked at business, I needed a stacking, a scaling capability, I needed revenue to be produced, I needed my effort that went into producing that revenue to be one time as, and I needed to be able to put effort into it to produce it that revenue had to keep coming, whether my effort was correlated with it or not, because that created a stack and I mean I could repeat and keep creating a repeatable system. And that's what I love about real estate. I could do it, it would still pay me, I could use that money to do it again, and it could stack... Then from there, I needed to build the systems which would allow me to do that internal hiring process technology. Right, and I have a very simple rule. When I look at audit, I either hire, I automate, or I get rid of...

**0:12:06.6 AO:** Those are my three rules, and everything needs to be done, it needs to either be hired out, it needs to be automated, or we need to get rid of it, and the reason being is you can't do everything yourself, everything in life, you just can't do yourself... I cannot raise goods, I cannot raise four good kids by myself, I need great people in my life, I need good family members, I go to... It's one of the main reasons I'm involved in my church. I need an ecosystem for those children or those support for them to get good results, 'cause I can't do it by myself. I don't have enough time, right? Nobody does, and that is the fallacy, you don't have to be that person, you don't do everything yourself eat doesn't do everything, and so he literally has tens of thousands of people that he leverages to do it, so you got a higher automate or get rid of... And apply that in your business, apply that in your investing strategy, because you need to be working on the business, not in it, and that's it, you get yourself out, that's how you get yourself to work on the things that are important, focus and you leverage your attention and time to get the most meaningful results, and I just apply that to every day...

**0:13:15.9 WS:** Incredible shows over right there. That's enough. Now, I just kidding. Great content right there. And I wanna go back a little bit 'cause you mentioned numerous things, I was taking some notes, and it's like, Man, if we could... And I was often like this, when I first started, I released go to conferences, I'd say, No, give me the meat potatoes, don't tell me the stuff about mindset, or tell me about this stuff about your why or you know all those things early on, and it's like Man, this happened to you and all of a sudden you had a massive why, right? You got your mind right and

moving forward and not being a victim, but I loved how you talked about too though, the self-audit every few months, and like what's working, you know what is not like... Let's think through that. I think that's so wise. And so I can remember when we started in the commercial real estate business, I'd had small rentals and I was doing all kinds of stuff, is more of the two full-time jobs for a long time, then all of a sudden we were at the beach one fall and my wife and I were walking and we were almost having himself audit, but they can call it that, were like, Can we see ourself doing this for two more years or three more? And I was like, There's no way I can't keep this up.

You know, I'm never gonna see the kids, so we did exactly that. I think about it that way at the time, but may at least said, Okay, this is what we can see working, which is the commercial real estate business, and all this other stuff is gonna be a distraction at the moment, so... Man, we just had to cut it off completely. Right. So yeah, it's very similar to what we did, but then I like how you mentioned, it's the small things, and you also said though, like you see these people who look like they have the family in the job or the business or all these things, and it's like just overnight success. Everybody says, right, but you're just seeing them in the future, you said a lot of how you just brought that to life a little bit, it's so true. You didn't see those last years of late nights, early mornings, all those things, which you're very familiar

**0:15:01.4 AO:** The struggles, the tears, you don't see any of that.

**0:15:04.1 WS:** So tell me a little bit about... And this is taken on totally different path than I expect it, this is really good stuff that I feel like I... 'cause it just personally hits home with me, but I'd love to know, how did you... When you were getting into the release business, you're coming out out of this, I mean losing your job, you're in the hospital, you're trying to recover yourself, tell me about how you and your wife are really to gather on this moving forward in this commercial real estate business, or just in this venture, after all that.

**0:15:32.2 AO:** When I got out of a hospital... Well, I was in the hospital for a long time. I remember it was Christmas morning, and when I went in when it was hot outside to the hospital, and it was Christmas morning, I'm looking outside, I live in Iowa, knowing, right. And they were gonna let me go home for the first time, and I was gonna spend three hours on the kids, and I was so excited, I was so excited to go to my own home, I was so excited to see my kids a Christmas open up, which we didn't know that I was able to do... And the hospital was gonna take me there and let me do it, and I wasn't worried about, Oh man, are they not gonna get Christmas presents? I've lost my job and I'm not working more and to no prospects of working at all again, right. One of those things

like, Oh, that's her job and it's gonna be so... No, no, no, no, I don't even know when I'm leaving the hospital and I wasn't worried about anything else, except I wonder what my kids are gonna get... They're gonna be so excited.

**0:16:27.6 AO:** And it was then that it dawned on me, I'm like, This is powerful, this is important, other people need to know about this, other people need to go because of that financial freedom, and me and my wife together, we came out of it with just... It was like, Hey, we have things that we're very passionate about, and we've got to tackle these things, and it was all self-doubt, everything that never goes away. I just really stopped caring about it, and you gotta understand, this is maybe TMI, everything to that, but when I say I was fully paralyzed, I kinda do anything on my own, I couldn't bathe. They rolled me over on the side of the bed to clean. It was nothing. So humility at this point was at the ultimate low, I could have made myself like nothing... No, they were so gone to the bathroom, there was no nothing. So there was nothing that embarrassed me, it was like, I was just done and all the things that before that I was worried about what people thought about, Whitney, that just don't matter anymore, and now it's been like four years and I didn't come back the time, and now it's funny 'cause those things start clicking into my head and it's like, Stop it.

**0:17:38.2 AO:** Those things don't matter, it doesn't matter what somebody who's stupid on social media things, it doesn't matter what Bob my neighbor thinks, and they keep... They start coming and they start coming in and they start impeding me from like, well, I'm gonna fail, it's gonna suck, I'm gonna be embarrassed, I'm gonna do something that people are gonna take a lot to me about, and I always have to fight that, and I think it's only been four years, and I'm finding that what's gonna happen in 10 years, am I gonna forget? And also, are these things that don't matter gonna hold me back, and for the last mile in my life, it was just like, we just stop to caring. So she went in, started school, be like, We're done with the school system, we thought the school system and failed us and our kids, so like we started a school, he's got a huge shoe, multiple campuses, three campuses, hundreds of October, where they focus on mindfulness, business education even, I'm not even a part of that. I don't do that. She's like, We're done with this, we're taking over or doing it ourselves, it was just an absolute lack of...

**0:18:34.0 AO:** We're not sitting around, we're not waiting for other people to do it, and I don't care if we fell, whatever. It's like, we just gotta do it right. And I really worry that I'm losing that. I really worry that when I'm on a podcast that I say something that's gonna be wrong, or it's gonna sound stupid, and I'm like, I will... And that's okay, I'm gonna sound like an idiot. It's just gonna happen,

but because I'm not perfect and that's fine. It's okay, and that is a real hard mentality to... And I'm worried about losing, I worry about it every day, because I think that's been a huge part of why we've become the way that we become and where we're at today, which I'm very proud of that I love... I love my relationship with my kids. A lot of wife's doing, I love that. How together we are and our passion and our ability, we started syndicating, which I had never syndicated before, I build our whole portfolio up for the site, but that's like, we can't do this on our own. So this idea of me needing to be that person to do everything just gone, I'm like, Oh no, she's...

**0:19:39.6 AO:** I can't do anything on my... I can't even live on my own, and then too, I'm gonna die, and if I do everything on my own, I gotta die on my own, and I'm like that crap has to end, so I don't need a proper fit, I don't need to do everything on my own, but I need to do something and I need to do the most important things. And it doesn't matter if I'm gonna fail or not. And that's kind of been our MO for the last four years, and I really hope that I don't lose that, and I'm trying really hard not to, but it's easy to say, but it's hard to do. 'cause we really, really care. I really work. And the better and the bigger we get, the more it's like, Oh, maybe I shouldn't say that online eye, you should be careful about that, maybe I shouldn't, 'cause we're still worried about repercussions that don't matter, and that's been how we've been moving forward, and I'm gonna try to continue, and I hope to continue 'cause I hope I don't need to be humble like that again to realize it 'cause...

**0:20:35.2 WS:** Yeah, and I just appreciate your transparency even about you and your wife and just your all's thought process of how you move forward and ultimately... Yeah, it just doesn't matter what others think majority of the time, I mean, like I tell my boys is often too, obviously, there's key people in my life that I know love us and our family, and we love them, and somebody in our church, they come to me and say, Hey Whitney, here's a problem, I'm gonna be all ears. I know they care about me, or mentors that I have in commercial real estate or whatever, I care about that in a big way, but majority of the time... Yeah, it's just noise, right?

**0:21:10.2 AO:** Exactly, there's a difference though, because when you're talking about caring, what I mean is you're being humbled, that also don't mean you're being humble to accept ridicule, it's not that I don't... So it's not that I'm like ridicule. It doesn't matter, no actual, it really does. As long as it's from a valid right source, because the idea of scaling and becoming better is accepting that I suck, right. And that's okay, it's just not a problem because who I wanna be as future and future agent is awesome, but... And I don't need to be, and I'll never be a future. 'cause progress is an internal principle that it never ends, and in order to be that person, I have to be open to that feedback when I do something that is done or bad, I need to be... The only differences, I accept



that I'll do it and I accept that I can change. We go to very different things, the person that says, I don't care about anything that anybody says, and I'm just gonna do whatever... No, that's not humility, in fact, that's the opposite. That is right. And those two things are very different.

**0:22:09.1 AO:** Taking feedback and internalizing from the correct sources that you are flawed and that you can change and become better, and that's okay, and that's a part of the process that is extraordinarily different than saying, I don't care what other people think, and so it doesn't matter. That's not true at all, right? And that's an important distinction to be made, and it's a hard one to balance, there's a difference between people on the internet and my investing partners, my accountant, my attorneys, my wife and my children. Those are two different worlds, right? And when I slip up as a father, as a husband, as a business partner, I need to know and I need to be quick to fix it, and that comes down to self-auditing, to identify the areas that I'm not performing in the ways that I need to be... And then I need to fix it. It's not that I ignore it, and that's a very important piece that I wanna make sure is pointed.

**0:23:08.2 WS:** Yeah, no, it's awesome. I'm grateful for the way the conversation... Just learning more about that, I feel like that's the mindset base and understanding some of these things are so much more foundational than most of the things we normally talk about on a podcast or about real estate or whatever, and we are running very low on time but there's numerous other questions I would typically ask and... And I would love for you to come back so we can get into how you really scaled, right, maybe you can provide, though on the short time we have, maybe you can provide one or two things though that helps you to then scale fast or to move that pass, you said four years, but you've got numerous multi-million dollar businesses and now we've got their operations in place and you've scaled, give us just a few tips and that almost being teaser for the next show. Maybe as well.

**0:23:49.7 AO:** So people's number one, everything happens 'cause people, you find deals because people... You grow because of people, you have to trust, and you have to empower the people around you, You can't do everything yourself, but you trust any verifying, but most importantly, you build a system to produce a result, build a system can be edited and systems lay down the foundation and processes may own the patient foundation to analyze the feedback is appropriate and good and make decisions based upon results, not opinions, not things, and that's how you should manage employees as well, the feedback is based upon set desired results and processes to achieve them, or criticizing the process or not criticizing the person, if the person needs to be criticized, the person needs to be gotten rid of... That is very important. I hire the

people to execute the process, and the process needs to change, so when I look at hiring, I hire people that I trust that are hard-working and intelligent, I don't always hire the best person and that fits the best resume because that doesn't matter. I need to hire the person to execute the process, and so when I look at people, it's a combination of people and processes, people need to build, so I'm hiring people to build things that I don't have that as a skill.

**0:25:06.2 AO:** I say, This is our desired outcome, you're coming in, this is what we need to achieve, we need to find in the process to achieve this every time in this amount of time, and these are the results that need to be had, let's build this process and together, let's work on critiquing it and fixing it, it's not personal, this is about finding a desired result and achieving it consistently, you can get lucky, but skill is not about luck, skill is about a repeatable system and process, and that's where the focus needs to be.

**0:25:38.5 WS:** So well said, I love that to scale is not about luck, it is the systems and consistently improving them, your first system is not gonna be that great, it is, to be honest, but you gotta be willing to lay it out there and improve it. I'm always pushing our team, Hey, make sure it's written down and make sure after the fact, we go back and look at it again and see what we did wrong. Or ways we could do it better than next time. No doubt about it. Well, just amazing content. Amazing. Just thinking through your story out is so motivational as well for the listeners, tell me the number one thing that's contributed to your success, hands-down mentors, so my father, people around me, and being able to accept and change and take those feedbacks.

**0:26:16.4 AO:** So one thing... And you just gotta realize it because self-doubt, the reason I set that doesn't matter is because it's true, and people don't like to hear that, but the reason self-doubt doesn't matter is because it's true, because you're right. You can't do everything. You can't do those things on your own, but that's fine, you don't need to be able to... Once you put that on an even playing field, everybody on an even blinked, we're all done, we're all people, we're just trying to get it done right then just find the people that have accomplished it, learn from them, keep them close in your life. And he trusted people that you can learn and repeat over, and then you can accomplish everything, it's not about you, it's about your ability to change, and it's about your ability to source the correct information and implement that in your life to become that person that you wanna be... And I strongly, strongly believe that.

**0:27:08.6 WS:** How do you like to give back?

**0:27:09.9 AO:** So I'm big on... We do a lot of contribute obviously to wheelchairs and foundations that I'm big on giving back to children in our church, in our time, our school that we've started, we've given our lives multiple years to it, and we've never taken anything out of it, but just giving it in so education children are really important, and then things that I have personal experience with that I can identify means that need to be met, and then because I have personal experience with it, I understand the correct way to meet those needs. So obviously, I have four kids, I was paralyzed, some children and wheelchair chair... That meets her needs. And then I'm very involved in my church. So that's what I like to do. I

**0:27:47.8 WS:** Appreciate you sharing that, AJ, which is grateful for you sharing your story, I just think it's just great, right. You push through this, you've learned so much, you've done so land you can help some of the others because of these experiences and really the strength, I think only the Lord could have given you during all of that, and so just grateful for you coming on and sharing that it's this mindset piece, like so many things you said resonate with me in my story, and I know it does with the listeners as well. Tell them though, how they can get in touch with you and learn more about you. Yeah.

**0:28:15.2 AO:** I'm pretty easy. So you can go Instagram AJ Osborne, self-storage income, everything I produce educational is all for free. So I have a selling book on self storage, if you're interested in that asset class that's on Amazon, of course, you got the book, other than that Instagram Twitter, self-storage income, holding a conference at the end of September and all information is for you, we don't charge. Or anything I don't. I just don't do that.

**0:28:38.8 ANNOUNCER:** Thank you for listening to The Real Estate Syndication Show, brought to you by Lifebridge Capital. Lifebridge 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. Lifebridge 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.

[END]