

EPISODE 1086

[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 Charlie Wessel.

Charlie is a founder of Cordell Capital, he also founded and managed several successful companies in the Charleston, South Carolina area. He's been involved in multifamily person real estate in one aspect or another since 2006. He's active investors since 2016, and he set Cordell Capital to bring private equity to investment opportunities.

Charlie and I met quite a few years back, he talked about it so it's neat to see their growth as well over many years. But he started being able to raise a lot of money, and so he works with lots of investors, but I wanted to bring out from me, I'm like, how he's done that, some steps and a couple of key things that have helped him to help that process, right and so it's not so burdensome to him, but how he can do a much better job on specific things and building that relationship with investors and he highlights numerous things that I hope you will think about doing if you're not doing already as you are trying to provide the best service possible, right, for your investors. Like we are as well, we're always looking for tips. Personally, I'm just like Charlie provided today, so we can continue to improve for our investors and provide just amazing service to them. I know you're gonna enjoy the show.

Charlie, welcome to the show. It's an honor to have you on, and I know we're gonna talk about it a little bit but you know, thinking back to when you and I met, I think 2017 and to where at today, so it's just incredible to be at this point and be interviewing you and look forward to hearing more about just your process, right, how you got to where you're at now and, maybe you can give us some of those steps. But I know you have a specific skill set and process that's so important, it's like the life blood of any of our syndication businesses, right? So I'm looking forward to diving into that, but tell the listeners a little bit more about who you are and why you're in the syndication business, and maybe a couple of key things that helps you to get where you at right now.

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Charlie Wessel: Yeah, for sure. Charlie Wessel, I'm from Charleston in South Carolina. And just to hit on what you said earlier, Whitney, we met and had dinner at one of Michael Block's conferences in like 2017. And ,I'm pretty sure neither one of us was doing anything at that point but we were just trying to figure out and get all the information that we could...to get this thing started you know. And I know Michael, he puts a lot of good content out there and he's been putting content out there for years, and new people, I always send them over to his side just to say, "Hey man, go check this guy," but yeah, we had dinner together at the hotel on...me, you and a few other guys. Yeah, I remember that like it was yesterday.

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WS: What's a couple of the next steps you took, Charlie, to start growing your business and what you do?

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CW: I really dug into the educational part of it after that. You know, you go to these conferences and it's a whole lot of rara-rah, you can do it, go, go, go. And, I'll be honest with you, I took his course one week before flying up to his conference because the commercial realtor told me I needed to do that. He was like, "If you wanna be in this game, you need to go find somebody. There's lots of courses out there and stuff, you'll find something that are good and some that aren't. But if you wanna be an investor in this game, that's what you need to do," and I just dove into the educational part. I really didn't do much for the next year or so but read books, I listen to podcasts like every day, and I still listen to podcasts every day.

I mean, you can never learn too much about this stuff when you're dealing with other people's money. I mean, you can never be too safe. So that's what I did at that point. I don't think I got into a deal until about a year and a half later, and it was somebody that I met there at that conference that I ended up getting into a 152-unit deal with, and that deal has been great, been a rock star deal.

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WS: I appreciate you bringing that up right there, I mean like you started going to conferences, you're education-heavy just like I was. I try to still be education-heavy like I feel, you know, like it's just a never-ending thing, right? It's just continual learning. No doubt about it. I just want that mindset always, like learning, learning, learning. But no doubt in the beginning, there's so much, right, to wrap your mind around.

But you said there too, you know what, a year and a half later you got into a deal, and I just wanna take...congratulations to you for not quitting, right. Most people don't wait it out that long, you know, like three months and "Well, this is pretty hard. It's just thing working out," right? but you didn't do that, you know, you kept going and that's incredible. But you got that deal done. Oh, and another point you made, hey, you met that person at conference, it sounded like quite a good while before that, and probably built a relationship somehow, stayed in touch, finally, hey, had a project, you all took it down together a year and a half later. That's incredible.

And what happened? Like you got that deal done, how did that speed your process up after getting that first project done?

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CW: Well, that first project we were hoping to raise from capital for that deal, and I actually met these people at that first conference and then met him again at the next Michael Block conference the year after that, and that's where we really kinda hit it off. And then, the next deal we did was six months later, and it was another deal in South Carolina, 148 units, so it was going good. And then COVID hit right after that, and they basically pulled out, they were like, "Yeah, we're just gonna stop right now," 'cause I think they're up to like 20 properties.

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WS: Okay.

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CW: So me getting in on the last two was really beneficial, it taught me a lot. And now we're going out and we've done another deal, a 66 unit deal, which is kind of a small deal, but we had a rock star team there as far as boots on the ground in Greensburg in North Carolina. It's a mid-rise...it's just a really good deal.

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WS: Nice. Well, I know that your expertise is around the capital raising piece and investor relations, and I want to dive into that, especially from some of the few things you mentioned before we got started, and I know the listeners need to hear, and it's gonna be very valuable to them.

But I wanna hear about this ability to raise capital, how did you come about that? 'Cause it's one of the hardest phases. I mean, I just interviewed someone else as far as recording just an hour ago, even a few days before this potentially when it comes out, when they hear yours. And you stress also like it's the hardest part of the whole business, right, is like learning how to raise capital and just continuing to build those investor relationships and how to do that, so many techniques around that, but I wanna hear how you have done that. How did you grow that part of the business? And let's jump into that.

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WS: Yeah, I have a lot of help growing that part of the business from my virtual assistant, she was already well-versed in our CRM that we use and the automations that are set up to send out newsletters, send on educational content, send out, you know, the deals, the opportunities that we have for investors to come in and invest with us. There is nothing that takes the place of a good phone call to somebody or a one-on-one. Don't get me wrong, I mean, you can automate all the emails you want to, but you gotta get personal with your investor, somehow you have to get personal with these investors. And, to me that's the fun part. To me, I love that part of this business, you know, getting to know people, getting to know other families, getting

to know what they do, what they like to do, or taking them to play golf or out to dinner or someone of that... that's the fun part of the business.

But like I said, I hired a virtual assistant about a year and a half ago, and the reason why I hired her was, I didn't even know what she was gonna do when we hire, but I heard a couple of your podcasts about virtual assistants. I heard multiple other people's podcasts that are really big in this industry saying, "Oh, we have all these virtual assistants, I could afford it at the time, I was still a..." So I kind of dove in and said, "I don't even know what I have them do, but I'm a higher one or to figure this out." And I mean, from day one, the company that we use to hire really dug out what we could use a virtual assistant for and then lined up the candidates that they thought would be best. And I mean, from day one she's been a rock star.

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WS: Okay, let's jump into that. I like that you said you hired a VA, you didn't even know what she was gonna do but you heard so many other people talking about it, and I hear so many people asked me about, like using VAs, right? I had to use VAs in the beginning. I don't know that I'd ever hired anyone before, it's probably five years ago or so now, but obviously starting a daily podcast, "hey, I knew I couldn't get it all done, right"

So I had to build a team and I can't afford to hire full-time people, so virtual assistants were just a necessary thing. It's like, "Okay, wow, really, I can hire somebody three hours a week and then still be productive if that's what I can afford right now," but that helped me to scale and grow really fast, right, learning how to hire those people and to use them, provide good jobs for them and use their skill sets.

And you mentioned a couple of things, you mentioned a lot of great things there, but one thing specifically you said was she already knew your CRM, the type of CRM that you use. Well, that's crucial. I mean I think about the learning curve that's gonna take place if that person does not know how to use your CRM, right?

So dive into that a little bit, like this person you hired her or him... I don't know. What did that process look like? They came on board, how did you know what to hand them and then how did that grow?

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CW: Like I said, I did not know that you can go to like Upwork in some of these other places and hire a virtual assistant for like \$8 an hour, it doesn't cost you anything up front. Now, the company that I went with, how I got involved with them was they said, "Listen, we'll help you out with what she can help you out with," and I was like, "Okay, 'cause I really don't know." I'm just thinking she can maybe manage my email inbox and maybe help me design some social media stuff or something. Well, now, after a one-hour phone call with them they pulled out so much stuff that she could do and she's doing content creation, you know, I'm going back in editing everything, I'm making sure everything's on point for sure, but stuff that she does freeze me out to go and have those personal relationships with the investor... I mean we've even hired another VA since then that's part-time. We've hired a copywriter and I let her hire that copywriter. I kind of let her have ownership in that.

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WS: Are those VAs in the States? Are they in another country?

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CW: They're in the Philippines.

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WS: Okay.

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CW: Yeah. The copywriter was actually in Canada.

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WS: Okay. What's the name of the company? I know you use them a lot. What's the name of the company where you found your VAs?

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CW: Rocket Station, rocketstation.com, they're out of Texas.

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WS: Rocket Station, awesome. I'll look them up as well. Just the listeners know, I've used online jobs at PH often to find people in the Philippines who have been very skilled at specific tasks and things that we need. I don't know about you, Charlie, but personally, these people are very loyal, and they have been just amazing workers, and when I take care of the man, they wanna stay with us, this seems like forever, and almost felt like at first they'd be very temporary help, but they have been so loyal that I was actually just having a conversation yesterday with another team Everest, we manage that team there, and it's like, "Hey, I wanna treat them like long-term employees because they are doing great work and I want them to stay and I wanna take care of them." So would elaborate on maybe your capital raise process, let's jump into that and maybe along that way, you can talk about how you're finding leads, how you're converting leads, and what your VA, what role they play in that process too.

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CW: Right, so we have a couple of different sponsors that we team up with. Right now, we're actually doing a fund with a couple of guys for mobile home park deal. And that's a whole another show, dude. I mean it started out with a bunch of 506B deals so you had to have relationships with all your investors, it just was me out there grinding, calling buddies, calling everybody. I call my brother's father-in-law, I know my brother first asked me if it was okay and, he was like...you know. You know, and you deal with all the people that you have relationships with. And then how we really have been pushing lately and getting a lot of phone calls on our calendar is social media, I mean we post every day on LinkedIn and on Facebook, it's quality stuff that my virtual assistants creates, and then I go on to Canva, which is a program that she creates this stuff on and not prove it, or I added a lot of it, the wording on it or something, and then on the improved calendar, and then she just rolls through it.

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WS: Tell us, speak to a little bit of how she creates that content. I know that's a big hang-up for a lot of people, I mean personally, we have more content, we know what to do with, but often times, more times or not, that's not the case, right? And often times to your hiring a VA that maybe don't understand your industry, right, or in real estate, they don't know what a lot of the terms are, they don't know what syndication is versus whole selling and just no idea by real estate. In this case they're creating the content, how do they find the content? Talk about that

process or system a little bit.

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CW: Well, we go through different articles that are out there, man. We've read in articles, and you can just pull a couple of one-liners out of the articles that you write. I mean, seriously, I don't want an article that you write, you can have 20 post status and she uses Canva, I don't even know how to use Canva. She goes how to do it, so she puts these cool pictures and all that stuff behind it, and all these little cartoon characters and stuff, and it looks really sharp, I mean it really does. There's a lot of programs out there that can really help you out with it. And, like I said the VAs that were lined up for me to interview had real estate experience so they were already somewhat versed in it.

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WS: Give us a couple of tips on converting those leads, they see that blog push on social media, what's a couple of the steps that investor has to take them, you know and, how you all convert them to an actual investor?

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CW: Yeah. On everything that we have, we have a "please schedule a call" button that goes to our Calendly, and that gives them the opportunity to then pick a day and time that they can schedule a call whenever it's convenient to them. So we had a phone call with them. I haven't had too many of them go back, if any. It really is selling the dreams on yourself, but it's also an opportunity that you're letting them in on really. I mean seriously, we are doing these people a service by letting them in on these investment opportunities. I got good buddies month in or a financial planner, so I tell them all the time, I'm like, "Dude, I'll try to get as many people away from the stock market as I can," or at least diversify away from the stock market...

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WS: Right.

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CW: And they all think it's so true, but yeah.

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WS: Charlie, as you are looking at new projects now and just thinking about the current market we're in, how do you prepare for a potential downturn? Or if you're partnering with an operator, you know, how you like to see that they're prepared?

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CW: Yeah, I'll tell you one day. I mean, still conservative underwriting. I heard from a guy on a webinar the other day, there's no such thing as conservative underwriting anymore. It's still there, it's just...deals have gotten tighter. But that's why I kind of just branched out and started looking at mobile home parks. I got an off-market multi-family deal this morning, but the mobile home parks, I mean, I've never seen a multifamily deal pins a lot like these things. I mean, they cash flow like crazy, and three months ago I would have never even looked at a mobile home park but a buddy put it in front of me and I was like, "Holy cow."

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WS: It's interesting thinking it through how you said, "You know what? I'm willing to pivot and look at a different asset class because of the evidence of this," right? Or maybe because of a potential down term, but you notice more cash flow over here. Being flexible, right, I think is a good quality when you know it's a good option, right and you should be willing to jump and it sounds like you did that. What CRM are you using?

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CW: Right now we are using, and this is gonna be an embarrassing question because we have call and lee, and this is how bad this is man, because it's an ActiveCampaign.

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WS: Oh yeah, ActiveCampaign. Yeah, it's a good one.

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CW: Yeah, ActiveCampaign. And I'll tell you what, the reason why I hardly know is because I go on there and I look in and see who is opening the emails, how many people viewed it, what they clicked on, and that's about it, I mean that's about all I've used to see our info and, Maffy does everything else in that CRM, my virtual assistant, and I go in and look at the report on the

who's looking at the emails, and that's how I know who to call.

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WS: That's awesome.

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CW: Who do I need to go schedule a call with, who's really interesting.

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WS: How do you decide that? How do you decide who you need to schedule a call with?

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CW: I mean, they open the email and click on the offering, their interest.

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WS: And what do you do then to schedule that call?

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CW: I'll shoot them an email and shoot the link to my call and lee and say, "Hey man, it's..."

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WS: Like you're being proactive is what like I wanted to point it out there, it's like, "Hey, you're going in there and looking." There's so much technology now that'll let you know things like that, like who has opened this and hey, they've opened it four times yesterday, right, "Hey, maybe I need to send them a little note today," right? Maybe even a handwritten card. Going that extra mile like that, Charlie, I think it's just incredible. I wanted to point that out 'cause I hear that that's what you're doing. Most people do not do these things, they don't think that way. And so what about...is there a way you've specifically you've improved your capital raising process or your business even in general that we could apply to ours?

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CW: I would definitely recommend the VA if you don't have one. I mean, that's been crucial to my business. Using ActiveCampaign for all the automated emails that go out, that's huge but

making sure that you're in it every day. She may make the posts in the social media, but I follow up on all those posts and I comment to everybody else's comment, so I'm still in it personally every day, grinding away all day, as I know you are as well Whitney.

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WS: That's for sure.

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CW: Yeah, you're still going to work out, buddy.

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WS: On that note, what are some daily habits that you have, Charlie, that you're disciplined about that helped you achieve success?

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CW: Well, I'd like to wake up, have a little bit of quiet time in the morning. I usually read Proverbs in the morning. Say today is the 28 so today, I read the 28th proverb, and I just do that on a daily basis, and it's the book of wisdom. So that's what we're out looking for. That and just putting the grind in every day, man, that's what we do.

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WS: Awesome. Tell us how you'd like to give back.

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CW: We have several different ways, man. We have Low Country Privacy Center here in Charleston, and they help young mothers who don't know what to do, they're pregnant and have nowhere else to go, I mean they have a house set up, they help them out with a lot of their needs, and try to talk them into either adopting the baby or keeping the baby. And I'm telling man, to me that is so huge, like we can't give them an up on, so we sponsor events for them and everything else.

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WS: Charlie, it's been a pleasure to have you on the show and see your progress as well over

the last number of years, and that's interesting that you and I met so many years ago at a meal at a conference. And I just wanna stress to the listeners like, you gotta get out there and you gotta meet people. Even like Charlie talk about meeting that person in that event and how you didn't saw that person again and you know, you're in have later, they're doing a large deal together, so you gotta stick it out, you gotta stay in there and you gotta get out there and meet people and build those relationships with other operators and investors, just like Charlie's.

Just some great tips, even thinking about following up using a VA, a rock star VA, I mean having a great process of finding that VA, a couple of tips or skills maybe that they have that are gonna help you to speed up the process, like them knowing your CRM, like you mentioned and getting past that mental hurdle, Charlie, like you mentioned, you know, I didn't even know what I was gonna have them do, but then it's like, "Wow, I'm employing one full-time, I'm hiring another one part-time and I couldn't live without them now," and I'm the same way, we are the exact same way. If they all quit, I got to be hiring other people back as quick as I possibly could in their place.

But Charlie, thanks again for being on the show. Tell the listeners how they get in touch with you and learn more about you.

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CW: They can go to Cordell, cordellcapital.com and email us at info@cordellcapital.com. If you'd like to look into virtual assistance, just shoot us an email, we can make an introduction with Rocket Station and save you \$250 bucks on your initial set up fee.

[END OF INTERVIEW]

[OUTRO]

0:21:44.0 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

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Transcript

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