

**EPISODE 1195**

[INTRODUCTION]

**0:00:00.0 STEFFANY BOLDRINI** Find the best people, obviously, and ask them for referrals. So if you work with someone, even a broker that is great, he will know great contractors, great people that will know other great people. I ask my broker first, the banks, referrals, and then ask my lawyer for other people referrals and, you know, you just expand your team that way, and you keep the ones that are great and you let go of the work that is not so great.

[INTERVIEW]

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**David Robinson:** This is your daily real estate syndication show. I'm your host, David Robinson. Today, our guest is Steffany Boldrini. Steffany, welcome to show. I appreciate you coming up.

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**Steffany Boldrini (SB):** Thank you so much for having me, David. I appreciate it.

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**DR:** So, Steph is originally from Brazil and moved to Silicon Valley 20 years ago where she had a successful career in tech sales, she then decided to focus on commercial real estate investing after receiving inspiration from sophisticated real estate investors that she had contact with.

She's invested in three different asset classes since then and has achieved a whopping 36% cash-on-cash return. So I know that our listeners are gonna wanna know all about how you've achieved an average 36% cash-on-cash return. But before we do, let's back up and maybe tell us a little bit more about your story and how you got into the real estate space, maybe some of your background and then we'll dive into how you're getting these great returns.

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**SB:** Sure. I moved to the Bay Area from Brazil 20 years ago, and count my blessings every day that I'm here. You know, just by a matter of being here you end up in tech, so I had a career in tech sales, then I was dating my ex-boyfriend who was in a commercial real estate, in the retail space. After being in tech sales for a while, you start to wonder, "Okay, I want to now invest, maybe start-ups," but as I was investing and dating him at the same time, we had so many conversations that we became very, very clear that real estate was a much safer, better for moving investment coming from an angel perspective, not a venture capitalist, and that is why I decided to learn everything I could from him, you know, so many notes, I ask so many questions and started in my own journey.

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**DR:** And so, what was he involved with at that point in time that he might have been working on that was interesting to you?

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**SB:** Retail centers, but it was just overall, the fact that you can leverage money with real estate with 100K. You buy 500K of real estate versus just 100K of stocks and many other things, the appreciation and the ability to increase rents and, sure, if something can happen to the economy, but you know, as someone told me yesterday, a million and a half dollar home is not gonna go back down to 20K. So as long as you can write that downturn for a couple of years, real estate is still a phenomenal form of investment.

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**DR:** And so, you know, you were in tech sales for what? Around 20 years?

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**SB:** About a decade, over a decade.

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**DR:** Oh, about 10 years, and then when did you, how long ago did you move into real estate investor?

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**SB:** About three years ago.

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**DR:** And focus on that specifically. Let's talk about what your business looks like today and what you focus on, and then maybe we can bridge the gap between, you know, when you got started three years ago and where you're at today and what you're focused on. But what are you focused on today? What does your business look like?

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**SB:** I ended up purchasing some car washes because I was interested in self-storage and there was this portfolio available for sale. I thought to myself, "How hard could it be to learn a brand new asset class?" And little did I know, I didn't even know what a bay was at the time, or a pump. I literally dive right in. I actually just saw the car washes when I was there to sign the purchase. You know, it's been a very interesting ride and great returns, but it's a ton of work, at least if you don't have a company managing it on-site, which I specifically did not want to have because as a responsible investor, I have to learn the ins and outs at least for a year to really understand what is happening over there and the entire business. I believe on that part has been a crazy ride.

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**DR:** Yeah, it sounds like it. So was that... you mentioned both self-storage and car wash, was that two assets on the same lot or are those two separate transactions? Some multiple separate transactions? What did that look like?

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**DR:** Yeah, I had to divide into different LLCs, for liability reasons but in different parts of that city.

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**DR:** Oh, I see.

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**SB:** And then I ended up getting into short-term rentals as well just because, you know, I have

so many friends that tell me that the returns are great, and so far they really are so, learning every day.

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**DR:** So, what does your portfolio look like today? What does it consist of?

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**SB:** Three car washes, self-storage that I'm expanding, and a few short-term rentals.

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**DR:** Moving forward, you probably have your hands full with the management of all of those assets, but moving forward, what do you see yourself focused on?

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**SB:** Definitely self-storage and potentially, believe it or not, buying land in the meta-verse, 'cause I'm literally just learning all about that asset class.

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**DR:** Interesting, and that probably is intriguing to you because of your tech background.

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**SB:** Yes. Yeah, I was literally thinking, you know, what was writing for my face a decade ago Bitcoin, Facebook, Google, Amazon \$250 a share? And what is in front of me today, right? That could be that a decade from now, and I think that could be it.

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**DR:** And for someone that's oblivious to the metaverse and buying land in the meta-verse as I am maybe shut some light just real quick. I mean, I don't wanna spend a ton of time on that, but I'm just curious what that even looks like.

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**SB:** Yeah, your head will spin. My head is still spinning with all the possibilities. It's basically a digital world where you can go and work, work out, have work meetings, go to concerts, go to

comedy shows, you're gonna be able to buy, go to a grocery store and buy everything and things will show up on your door. So there are many things that you'll be able to do better or for worse. I, you know, I don't believe that sort of society should go personally, but you just have to adjust in my opinion.

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**DR:** Let's talk about the car wash business and assets, maybe just give us a rough overview of what your experience was like buying and then implementing a management plan for the car wash.

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**SB:** Yeah, great question. I honestly did not know how many moving parts there were because this is self-serve, so people watched their own cars and it's still things break every day, and people try to break in and everything in between, so I just didn't know how hands-on it is. With regards to an asset class, there are, on the other hand, many ways that you can add value to this asset class.

As you know, not everybody's coming here talking about car washes, they don't sell very fast, that's the first way that you can add value by negotiating through the price. They're selling at a higher cap rate, again, because they don't sell super fast. You can add credit card machines, so most of them, especially people that are selling, that are retiring their old school, only have point sectors, and so you can also add the subscription, right, so a lot of people have subscriptions to car washes. Today you can have a pet to watch for people to wash their dogs.

So there are a few ways that I learned along the way that you can add value to a car wash. And if you're willing to do the work or if you have access to a phenomenal management company, I don't think, and employees, and you are in a region where you can get good employees, it's a great asset class.

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**DR:** And just to give us some context, are you still in California?

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**SB:** I am.

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**DR:** Okay, and then where was this portfolio located?

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**SB:** It's in Northcote, Texas.

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**DR:** Okay, so here we are hundreds of miles away buying a car wash and a self-storage facility with no prior experience in managing either of these types of assets, and you dive headlong in. A couple of questions I have for you about the acquisition is number one, how did you even find the deal? And two, what does the financing look like on this type of asset?

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**SB:** Oh, so very good questions. So I've found it through Crexi because I was... I had an alert for self-storage. The financing, the first few banks, rightfully so did not approve me, the last bank, also did not approve me, and I was desperate at that point, and so I said, "Let's have a conversation." So I had a call with the President, it's a very small local bank, just overcame his objections, just like a good salesperson.

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**DR:** And so just to clarify before I let you go on the financing piece, you were searching on Crexi for self-storage, so you were intentional about finding self-storage, this car wash just happened to be a part of the portfolio?

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**SB:** Exactly.

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**DR:** It was along for the ride. When you got the financing, were you looking to finance both the self-storage facility and the car wash with the same debt, or were you trying to obtain different debt on both of those assets?

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**SB:** The same. We just had to split into different LLCs.

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**DR:** And so, what was the bank's concern? Was it you as an operator, was it the asset itself, what was it?

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**SB:** Me as an operator. And so I said, "Look, the numbers are great and this is my experience." You know, I have my mentor and I had a podcast already for like two years in commercial real estate, and my website, a bio. We agreed with some money on hold for the first couple of years, which was not obviously the entire amount for the loan which they initially wanted. They wanted the entire loan amount as a backup, so I said, "Why would I ever get a loan?" And so we negotiated in a different amount, but again, a matter of overcoming objections and talking to the person, it was literally, probably like a 15, 10-minute conversation at the end of the day.

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**DR:** And just to give the listeners some context, what was the acquisition price?

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**SB:** I don't talk, sorry, about prices. I can talk about cash-on-cash, again with liability reasons.

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**DR:** That's fine, just trying to get a sense. Remind us then, how many units were included in the self-storage facility, and then was this a one-bay car wash, self-serve car wash? Maybe just describe the asset for us then.

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**SB:** Yeah, absolutely. A hundred and something units self-storage and six bays in each car wash, three car washes.

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**DR:** And then, what were some of the early challenges that you faced when you took over the asset?

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**SB:** The roof caved nine days after I purchased it, thank God for insurance. Nationwide paid within two weeks, they were phenomenal, and I always rave about them because they were real professionals. My employee quit without notice, my best employee, and then eventually he came back, and then he went to jail later. People trying to break in and pipes froze during the super cold winter last year, and so, you know, there have been quite a few things. It's been a great learning journey, and after this, short-term rentals are so easy. I think any asset class after this is going to be super easy.

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**DR:** Well, and to go back to the distance here, you're hundreds of miles away, you're in California, the assets are in Texas, and then for some clarity, what's the distance between the self-storage facility and the car wash facility? Were they adjacent to each other or across town or what did that look like?

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**SB:** Yeah, they're all pretty close to each other, and the self-storage is next to one of the car washes, which is apparently a very common thing for car wash owners to build a self-storage facility next to their car washes.

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**DR:** Maybe I miss this, but just to clarify, I'm thinking in my mind that this car wash is one parcel with six bays on it, am I understanding that correctly?

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**SB:** Correct.

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**DR:** Okay, from a management perspective early on, how often were you visiting these assets and what did the management of the personnel consist of? Was it on-site for you a lot early on,



was it all remote through zoom like this or telephone? What did that look like for you?

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**SB:** I went there in the first year for about a month. I think in three times for a total of a month 'cause we were transitioning to the credit card and had the contractor there, and you know, had to really learn the entire thing. But now the first thing people should always ask when they're getting into a new market is to find the best people obviously, and ask them for referrals.

So if you work with someone, even a broker that is great, he will know great, contractor is great, people that will know other great people. I asked my broker first, the bank's referrals, and then ask my lawyer for other people's referrals, and you know, you just expand your team that way and you keep the ones that are great then you let go of the ones that are not so great. I'm a firm believer of hire slow, fire fast. People don't change, if you see some problem you really have to let them go, it's not to hurt anybody's feelings, is really business and it's not gonna be a good fit, nobody is gonna be happy. Yeah, those are the things that I implement, that I have a team of virtual assistants as well, and that helps me out. Slowly but surely you start to delegate as much as possible.

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**DR:** I meant to touch on this, but to go back to the financing act pass back from an equity perspective, were you the only investor? Did you bring other investors in? Did you syndicate the deal? What was the structure of the deal?

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**SB:** Yes since these were my first investments, I did not, I wanted to show them, you know, what I could do first, so it was my own equity.

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**DR:** And you mentioned a 36% return, you've owned the asset for how long now?

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**SB:** Over a year.

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**DR:** Thirty-six percent cash-on-cash?

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**SB:** And car washes are, even more, they're probably at 50% right now.

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**DR:** Does that include your time as a manager? If you were to replace yourself with property management, those roles, do you have a sense of what that return would look like for you if you are strictly just looking at it from an ownership perspective?

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**SB:** I have not created those numbers yet, but obviously that would diminish the cash-on-cash.

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**DR:** Obviously, you just gotta figure out what you gotta pay someone to manage that asset for you and back out of that, but that would be interesting. I mean, still 36%, I doubt you're gonna have 16% in management fees. So I could be wrong on that, but it's still pretty solid.

Let's talk a little bit about what you see on the horizon for yourself. You've obviously got this deal under your belt, you've been managing it effectively for a year, it sounds like you're gonna be working on turning over the heavy lifting of the management to other people, and then you said that you would like to get involved in more self-storage facility, so tell us a little bit about what you're looking to do from a market perspective, asset type perspective, and what's on the horizon for you.

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**SB:** Yeah, definitely continue looking for great potential self-storage facilities where we can either expand or increase rents, there is value adds there. Eventually, we'll do syndication because we run out of money at some point. I also still looking at some short-term rentals and different markets. In the market is just the basics where population growth, diversity in the industry, things like that, and you know, not too much competition for that asset class,

depending on which asset class. Yet, I'm not super picky with regards to area as long as it makes sense with regards to the market and the numbers of the asset, thankfully I was thought really well about how to analyze a property that will be focused on self-storage and short-term rentals on the side.

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**DR:** Let's talk real quick about short-term rentals, the properties that you have acquired, maybe just describe for us the situation of those deals as far as location and type of property.

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**SB:** So there are single families and they are in a touristy area, is the second-largest canyon in the US, where people actually in that area, it's a tourist destination for them. You can also diversify within that, you can be in cities like Houston and Dallas where is more business or people are going there for medical reasons, or you can go to vacation spots, the Smokey Mountains, that's popular short-term rental location, Florida.

So there are many ways that you can diversify within that asset class as well. For me, I don't want to just put my eggs in one basket even within that asset class, I think is important to be in a business city and also a vacation thought, just in case something happens and what it will happen sooner or later to the economy.

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**DR:** And these that you have purchased there in Texas, is that correct?

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**SB:** Yes.

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**DR:** And how many of them do you own?

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**SB:** About a handful.

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**DR:** Okay, and what are the challenges that you face? My understanding, I don't have any experience in short-term rentals, but my understanding is that again, be very heavy on the management side of things, but you've alluded to the fact that it's a lot easier than a car wash, so I'm interested to hear a little bit about your management strategy for multiple short-term rentals.

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**SB:** Have the VAs available as well. Right now, again, I'm six months into this asset class, so it's something that I really want to do with myself to understand what kind of questions people ask, what kind of issues we may have and go through all of the seasons as well to understand how should we turn off the water in the wintertime, etcetera, if someone who's not there for two weeks, for example. This asset class has a lot of little things to learn, but it's still a lot easier. Some of the challenges, it's really just about finding the right team, the right cleaners, the right maintenance people, and having someone there to make sure that the home is intact and things are not missing, just not take anything personally when something happens, because something inevitably will happen, not everybody is tidy as we are.

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**DR:** Well, you allude to the fact that you're formulating this team, right? So I'm assuming then there are management companies that specialize in managing short-term rentals, right? They have a turnkey operation, but you've chosen to go the route of managing and sort of building your team, maintenance, cleaning, virtual assistance marketing, all that stuff outside of, you know, turnkey management. What was your mindset around that, going that route versus going with the turnkey management company?

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**SB:** Well, the first time I'm not disregarding potentially having a management company for the short-term rentals, but by a matter of being in Silicon Valley, you think tech first and, I think that because of technology we can do so many things and delegate or automate ourselves, can put cameras on the property outside, you can be notified when someone opens and closes the door, you can be notified if there is high volume in the house. And so there are so many things that you can do today, and I know of quite a few people that just have VAs taking care of their

charter rentals.

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**DR:** And then just having maintenance and cleaning services that are... they're local to that location?

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**SB:** It does take time to find the right cleaning crew. I like to start by searching by five-star reviews, but still, you may have a couple of turnovers there until you find the right person, just like VAs or anything else.

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**DR:** But this has been a great conversation. I've really enjoyed just learning at a high level about a couple of different asset types that I personally haven't had any experience in, so I appreciate you sharing a little bit about your background and your story, and then telling us about your experience in buying his portfolio, the car washes and the self-storage facility, and some of the challenges and opportunities that you've experienced with that portfolio, as well as the short-term rentals.

I wanna start winding down here, I've got a few final questions for you. The first is, What's a daily habit that you've developed that has helped you with the success that you've had?

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**SB:** A daily habit is not procrastinating.

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**DR:** How do you do that?

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**SB:** If you have to get something done, get it done.

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**DR:** Is that just a mine? I'm gonna ask a follow-up question. I love that. You know, not

procrastinating. Do you have any techniques or strategies to help you not procrastinate, or is it just something that's innate inside of you to just... when you see something that needs to get done, you just choose to do it?

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**SB:** A little bit of both. I learned through Landmark, something that they... because of the matter, which is "It's here, just get it done," and so you wake up, just get your bed done. Focusing, taking, you know, one hour to do all of the really important tasks that you have to get on that day, and then the less important tasks later. And things do show up, you know, you have to have a call that we're not planning for yesterday, and so you have to adjust accordingly and really prioritize.

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**DR:** Love it. And then you mentioned that you will be syndicating in the future, is that a space that you've been putting effort into work on attracting potential future investors with your company?

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**SB:** Yeah, all of my friends know what I'm doing, some people have told me to let them know when I have a good deal, and I have a website, so people subscribe to my newsletter, I send out just short bullet points of what the last podcast was, and eventually, when we get to syndicating, I will let people know.

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**DR:** Well Steffany, I appreciate you coming on. I've enjoyed our conversation today. What's the best way for our listeners to connect with you and learn more about what you have going on?

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**SB:** I'm on all social media, search for my name and also through my website [montecarlorei.com](http://montecarlorei.com)

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**DR:** [montecarlorei.com](http://montecarlorei.com). Great, we'll have a link to that in the show notes, so if you wanna

connect with Steffany just go down in the show notes right now, click on one of those links. Again, Steffany thank you for coming on, sharing your experience with us and we look forward to staying in touch. I appreciate your time.

**00:21:19.000**

**SB:** Thank you so much, David.

[END OF INTERVIEW]

[OUTRO]

**0:21:20.0 WHITNEY SEWELL:** Thank you for being a loyal listener to the Real Estate Syndication Show. Please subscribe and like the show, share it with your friends so we can help them as well. Don't forget, to go to [lifebridgecapital.com](https://lifebridgecapital.com) where you can sign up and start investing in real estate today. Have a blessed day!

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