

EPISODE 1198**[INTRODUCTION]****0:00:00.0**

Whitney Sewell (WS): This is your Daily Real Estate Syndication Show and I'm your host, Whitney Sewell. Today is a Highlights show that's packed with value from different guests around a specific topic.

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[INTERVIEW 1]**0:00:24**

WS: Our guest is Jeff Greenberg. Thanks for being on the show, Jeff.

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Jeff Greenberg (JG): Thank you, Whitney. I'm happy to be here.

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WS: How you got started in the syndication business. Let's talk a little bit about how others can get started. We'll move from there into just partnerships and thinking strategically about partnerships and how others get started.

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JG: I'm not saying it's the best way to get started or the only way to get started, but it is the way that I did. I happen to go to a real estate event and meet with a guru. I went and participated in his program for several years. I don't know that's the way that needs to be. I think that people need guidance. They need people that have more expertise than themselves and it could be one-on-one mentoring with somebody that has gotten into the business and has become an expert in that business and doing it that way. I learned it that way. I followed their program for quite some time and then was able to purchase my properties and get involved with people that way.

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WS: It's a question I get weekly about different coaching programs and should somebody sign up and pay this money to this person or why or why not. Finding a mentor is a must. It's a non-negotiable. Everybody needs a mentor in many aspects of life. You've found this mentor.

Are there other people that may be signed up at the same time you did but haven't been as successful as you that you know of? Do you know why?

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JG: A very large percentage of people that go into those programs from a seminar isn't successful. I don't blame the gurus that are putting on the programs as much so that the people lack the drive. I would say that typically is the big piece. You need to have that motivation. You need to have a strong why and you also need someone guiding you. Having somebody guiding you without your own internal motivation, if they can't turn that on, if they can't get that moving and you can't do it or you're not doing it, it's not going to happen. To answer your question on why am I successful there are others that aren't, many others that I could think of, thousands of people that I had met over the years aren't in the business anymore. It's mainly that drive and that's why. Why am I doing this? I would rather be doing a whole bunch of other things with the attitude that if you don't get past that, you quit. You're like, "This isn't important. It's not working. It's not what they said." They're out of it. That's what it takes. Anyone that I've ever talked to that's been successful, unless they were extremely lucky, has gone through this. They started questioning why they were doing this, why were they traveling all over the country and going to all these events.

You've got to have that internal drive. Finding the right mentor is also part of it. I could relate to a real short story. I had a guy call me up. He lived about twenty minutes away from where my meetup was and he asked if I had anything close to where he lived that he didn't want to drive that far. I'm afraid I lost it and I chewed him out. I told him, "If you can't drive twenty minutes to go to a meeting, don't bother getting into real estate. Don't bother opening a business. Don't bother doing anything. Just stay at home and watch TV." Twenty minutes is nothing. Sometimes I'll drive two to three hours on a work night to get to a meetup. Somebody that couldn't drive twenty minutes to come to a meeting shouldn't bother. It's the drive. You need to be motivated to do it and to see what's at the end of the rainbow. It's a great and fantastic business, but you have to work it.

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WS: I heard Terrell Fletcher speaking. He's a football player and he related the process of becoming successful as a professional athlete like that. You have to love the process. He related it to being a boxer. If the process means getting punched in the face, but he knows after he's punched in the face ten times then he's going to be successful, he was just like, "Let's get it over with." You have to be ready. You have to love the process because by doing that, you're going to get somewhere. You're going to be successful. You've got to be willing to be punched in the face a few times and to keep going. You've got to have that drive. What would you say gave you that drive, Jeff? What made you stick it out? You've had some

success now in numerous properties and kept you going through the learning and to get to that first deal.

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JG: I was in the middle of a divorce and I saw that my retirement wasn't going to be sufficient. I was going to be losing my house in the divorce and I knew that I had to do something. That was essentially the impetus that I wanted to be able to retire. I have a bunch of grandkids and I wanted to be able to spend time and do things with my grandkids and not worry about where the money was coming from. I'm also leaving a legacy to my family, and to be an asset to them and be able to help them move along in their lives. That was essentially mine. The divorce was the big thing.

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WS: You just gave yourself no choice. You're like, "This is what I've got to do," for your retirement, for your family and you're going to make it happen.

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JG: Sometimes that's what it takes. Daymond John has a great book that I like called The Power of Broke. He profiles a bunch of people that have no other choice. They could have gone to the dark side, but instead, they pushed themselves through and were successful in their businesses. He's one of those people that grew up in poor and bad conditions and pushed himself to be a success. There's a lot of that in these stories that people push themselves and they were successful because of that.

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WS: Are there other ways that you've seen people get into this business outside of paying a "guru" a lot of money or other friends that have gotten into this business and been successful otherwise?

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JG: You don't have to pay for a mentor. We all need mentors but that doesn't mean you have to pay for them in money. There are a lot of things that you can do for somebody that's successful. That's not just in the real estate, but that's just about in any business if you find a way to be a value to them and their business to add value. You'll find someone from one of your real estate groups that is successful in doing fix and flips. If that's what you want to do and you add value to their business that you can learn from them, the apprenticeship process is the best way to do things, but you do need to add some value.

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WS: Could you elaborate on maybe some good examples of ways to add value? If I didn't know you, Jeff, and I was just trying to get started into this business and I've seen that you're successful and I thought, "I'd like to work with Jeff Greenberg." What would be some ways that someone could add value to somebody that's at your level of experience in a business like yours?

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JG: Most of the people that I know as syndicators, there are two things that they always need. They always need the deals and that's appropriate deals, not just properties that are coming out on being sent to them, but good deals as well as equity. Those seem to be the two big ones or at least they are in my circles. If somebody could evaluate a deal and bring a deal to me in a good market that's been well thought out and well researched, that's a huge value. The other thing is bringing in equity. If people can introduce a syndicator to new people that would like to get their money into or out of the stock market in real estate, those are the two big ways that people have worked with me in the past.

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WS: Everybody needs deals with money to make it happen.

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JG: That's all part of the business.

[INTERVIEW 2]

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WS: Our guest is Krista Testani. Thanks for being on the show, Krista.

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Krista Testani (KT): Thank you so much for having me, Whitney. I appreciate it.

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WS: Krista, give them a little bit more about who you are and how you got into this business.

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KT: My name is Krista Testani. I live on Long Island. I was an attorney. I still have my license but having practiced for a number of years and given the demands of that industry, a lot of hours that you have to work, and a lot of time spent away from your family, I wasn't loving what I was doing. When you work that much, you should really love what you're doing. I transitioned out in 2007, not knowing what I was going to do next. It was a recommendation by my husband at the time. He had always been interested in real estate and he was a retired

firefighter. He and a few partners, other retired firemen, got together and we all formed a company and decided to buy singles on Long Island and flip them. It was back in 2009. There were a lot of distressed assets and that's what we did. I had realized very early on that I wanted to scale this business and I did not think buying and flipping single-family homes was a way to do it. I ventured off, joined a mentorship program, and learned about multifamily. In 2012 is when I got into multifamily with 2013 being my first acquisition.

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WS: It's a big deal to leave your law practice. You didn't start that overnight.

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KT: I quit abruptly because it was one of those a-ha moments where the gentleman that I was working for a number of years, I was very close with him in the industry, had a heart attack and died. He was 42 at that time. It was a wake-up call for me, "What am I doing here spending all this energy and time working, spending hours away from my family, and tomorrow's not guaranteed for any of us. Let me figure out what I want to do." I quit cold turkey, which was a shocking thing for both my husband and me to do but he was patient and very supportive. It took me a couple of years to figure it out. I was very happy that I jumped into real estate because it really truly became, what I learned to be, was my passion was. I got there in a very bizarre way. It wasn't as direct as most people's paths into real estate.

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WS: I find though that numerous guests have a story, not exactly like that but somehow where they've burned a bridge and jumped in with both feet. It's like you don't have a choice but to make it happen.

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KT: It's sink or swim. I've always operated best under pressure and that sink or swim scenario has always propelled me to do my best and that's exactly what happened here.

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WS: You said you joined a mentorship program. As far as deciding who that mentor was, how did you do that?

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KT: There are a lot of programs out there and there are a lot of people providing education. You've got to be careful. Obviously, the location was part of my choice. I wanted to physically be in front of that person. There are a lot of programs that you can do online and materials you can purchase online but I wanted a mentor that I could sit in front of, look at eye-to-eye and really get to know that person. Location was a part of the process. Sometimes, it comes down

to the gut reaction you have to someone whether or not you feel you are being sold a program or whether you know that you're dealing with someone who is doing the due. This is a piece, too, I wanted a coach that was also doing multifamily investing. Not just at this point coaching on it because I wanted to be able to see him in action doing his business and that's how he modeled his actual program. It was diving in with him into what he was doing and learning what he was doing as he was moving through the process. It's a very personal choice but those are some of the recommendations that I would put out there to people. Live in-person coaching is a good thing.

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WS: I don't hear of too many coaches that will be that open about the current things they're working on or doing right now in the business.

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KT: It is transparency and integrity.

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WS: Let's talk about that first deal. Were you all formed as a company yet with your current partners at that time you did the 50-unit? Was that your first deal, the 50-unit?

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KT: My very first deal was a twenty-unit. It was a smaller deal but I syndicated. I had a company formed with the partners at that time. I since have a new partner, Chris Jackson. I formed my company in 2016, but we've formed an LLC and we did syndicate the deal and go out to our network with that very first deal. I knew from the get-go, syndication was what I needed to do. I went into multifamily to scale. You're not going to scale that type of business by using all your own money because eventually, you run out. I syndicated from day one.

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WS: What gave you the confidence to syndicate that first deal? You took some training or maybe the mentor, what was it?

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KT: I truly believe that to be able to do this because the first deal is the hardest, for all the obvious reasons and I believe that knowledge transforms into confidence and that transforms into your results. That gets you your results. You have to arm yourself with knowledge. The mentorship program was huge. Whether it'd be a mentorship program or classes that you take or some type of education platform, you have to go out to your network. Even though it's your first deal, you still have to know what you're talking about and you have to make the people

that are listening to you feel comfortable that you know what you're talking about. Knowledge was huge.

I leveraged my mentor and his experience. I invested in two of his deals. Right away, I was able to go out to my network and say, "I passively invested in two deals. I did what I'm asking you to do," because it was my mentor, I was also more involved in those deals. I called myself an equity investor with what I was but I was more pactive. I called myself pactive. It was a passive investment but I was more active because I was working with my mentor on those deals. That was huge to be able to do that because, from my very first presentation, I got feedback from my investors, ultimately, they invested, "Even though this is your first deal, it doesn't sound like it's your first deal." That's important. You really have to know what you're talking about.

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WS: That's a new term for me, pactive.

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KT: Passive and active, that's a well-used term that we use all the time.

[END OF INTERVIEW]

[OUTRO]

00:16:09

Whitney Sewell: Thank you for being a loyal listener of The Real Estate Syndication Show. Please subscribe and like the show. Share with your friends so we can help them as well. Don't forget to go to LifeBridgeCapital.com where you can sign up and start investing to real estate today. Have a blessed day!

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