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[INTRODUCTION]

Philippe Schulligen (PS): We started this fund, this customizable private equity real estate fund to offer our investors this flexibility to invest but also to have like a single one-stop shop for all the paperwork such as the private placement memorandum, the portal to access your investments, as well as your tax returns, and offer diversification.

Whitney Sewell (WS): This is your daily Real Estate Syndication Show. I'm your host Whitney Sewell. Today we have back our guest, Philippe Schulligen who has over 2400-plus units, a \$140-million portfolio and he's contributed to help raise over \$29 million from investors. So we're gonna dive in more about syndication and some details that whether you're active or passive, whether you're interested in a multi-asset fund or single-asset fund, we're going to cover that over the next day or so.

[INTERVIEW]

WS: Philippe, welcome back to the show. Honored to have you on again and just grateful for your time and sharing and everything you've learned from getting into this space, from single-family turnkey, to syndication of an 80-unit deal, 180-unit deal. And, man, you've just kept going in the syndication business and learning and now helping us to understand the syndication business even better. Whether active or passive, I hope you've listened to the last two shows with Philippe as he dove into the syndication business and structures and questions you need to ask as an LP and all these things I wish I had known years ago as well. But today, I want to dive into a fund. What is a fund? Philippe started a fund and wanted to dive into, , what led him to start a fund, right? It's this big topic I hear so many questions about in our industry. We've had a fund to hear about, you know, the people who have funds sometimes are multi-asset. Sometimes they're single assets, and they're even something a lot different than even that. So let's dive in. Philippe, welcome back to the show.

PS: Thank you. Whitney. Glad to be back.

WS: Yeah, thank you. Let's dive into what led you to start a fund.

PS: That's a good question. Thank you for asking. We decided to create a fund because I think it's a matter and just to step back for a minute, a fund, you know, I think, you have to think about it as a super syndication. Meaning, instead of one syndication being for one asset, in a fund, you can have multiple assets, and you can invest in different ways into different assets. And I think that that is the power of the fund; it's going to offer you diversification as an investor. But there are different different types of funds, I think there could be a blind fund, meaning that, you're going to really 100% let the sponsors of that fund pick the assets for you. There will obviously outline the characteristics of what assets they're going to pick, but you really don't have control.

PS: What we decided to do is to do a customizable fund that allows investors to pick and choose within the fund what assets they want to invest in. And so now, we started this fund, this customizable private equity real estate fund to offer our investors this flexibility to invest but also to have like a single one-stop shop for all the paperwork such as the private placement memorandum, the portal to access your investments, as well as your tax returns, and offer diversification. And now we come ourselves, as typically as a coach and our partner in deals and we're going to partner with different sponsors, who are experts in different markets. And so the investors can trust our experience and background and past successes, in selecting the best sponsors in different markets and bringing deals that we vetted from sponsors that we vetted as well.

PS: So that's why we did the fund. also, having fun, it gives us flexibility, and it's more, I would say technical and on the sponsor side, but to come into a deal as a general partner, or, or co-general partner, we can also come as a limited partner or JV partner. So it's more like really on the structural side and how the different partners can come together. And in some cases, really like the very experienced sponsors, they don't necessarily give a lot of options. And we're

going to come as a fund and say, look, we can bring so much capital in your deal, give us better terms that we can pass to our investors. That's how we can approach the discussion with the sponsor at that point, so to bring value to the investors, as well as get better terms from the sponsor and very experienced sponsors who may not offer the ability for other people to partner with them except through a limited partnership.

WS: Yeah, I appreciate you elaborating on this type of fund. And you call it a customizable private equity fund? You mentioned investors get to pick and choose the deals they want to invest in. Can you just walk through that process a little bit? And how do they do that?

PS: So, we have a portal where investors can sign up. It's a 506(c) fund that we created. So it's for accredited investors only. But once they sign up, and we review that, they feed their application, and we verify that they are accredited, they have access to offerings, and will, in our fund, we are going to offer every few months, it could be three to six months, we'll add a new deal into the fund. And then, the investor can decide, yes, I'm going to pick that firm, so they can review the specifics of the deal, the returns, the market, and you know, we'll do a little presentation about that specific deal like traditional syndication. And if the returns profile and the deal profile fit the investor's requirements, they can select that investment to be part of where they deploy money.

PS: And, I think at the end of the day for them is very similar to investing in separate syndications. Except, it's like a one stop shop. So they will deploy money into, let's say, they decide that they would send money to the fund on deal-by-deal case. They're not sending, like a big check that is sitting there. So they would say, okay, I want to invest \$50,000 in this deal, and then there's a new deal coming up that they like, so they can send another \$50,000 to the fund. And then when the deal is going to close, or be disposed of, either they can take the funds out, or, there will be by that time another opportunity for them to invest in a new deal. And it is the same thing for their distributions. We're going to offer in the firm like that opportunities for instance. So it will be like a super savings account where they can just make their distributions sit there and collect even more more money. So, yeah, we think we have a good or customizable private equity real estate fund is a good solution for investors to be able

to diversify their investments and build a relationship with one team, rely on us to vet separate deals, separate sponsors on their behalf.

WS: You know, we've done what, almost 1500 episodes, and I don't think we've talked about a customizable fund like this. I don't know, maybe once or twice before. I like this model, though, I like how it's a multi-asset fund. And, it does give the investor, like you mentioned the option to invest again, in that fund, but on a deal-by-deal basis, it's, it's kind of like a blend almost of a multi-asset fund and a single-asset fund. It's interesting how the investors have that option on a deal-by-deal basis, but it's the same fund. And so I like that, and they kind of they get to determine their, their risk tolerance for each deal individually, right, , in this big fund. So, it's an interesting model, we've not looked into that specific kind of fund, but I want to learn more about that and how that functions a little bit. Are you able to manage all that through an investor portal? Is that something like a portal that can handle as far as those decisions that our investors are making on a per-deal basis in a large fund like that, as well?

PS: Yes, we have a partner who help, who has made these capabilities available to us. So, we're working with them. Our fund is hosted by that partner. And it's, you have all the features, the back office features that allow for different investors to invest in individual deals, and true for the distributions to be sent in the right places. And actually, we also have another feature in the fund because with my partner, we're going in some cases to pre-fund the particular investment. So again, for us, it's one of the tools we have to work with, with different sponsors. And say, , for instance, my partner and I, we have half a million dollar on in the fund. And we'll knock at the sponsor door and say, look, we can deploy this half-million-dollar that is in our fund tomorrow. And well, the idea where we pre-fund it, who is my partner, and we're going to backfill disposition with investors money down the road. But , what kind of terms, you know, do you give us? We come very strong at the negotiation table to ask for better, better terms. And, we're not coming with, oh, we think we can bring such and such money to the table, or we think, we can find investors and fund in 30 days is like, we agree on the terms, and we can wire the money tomorrow. So, again, you have a lot of flexibility, and with our fund a lot of tools to be able to negotiate the best terms possible for investors.

WS: Awesome. Philippe, we're gonna go into a few final questions as we close this segment out, and I want to ask you, what's your best source for meeting new investors right now?

PS: Well, so, we recently started our new company, Boost Capital Group. My partner, Jeff Rodriguez and I came together so we launched earlier this year. And right now, the best source is the thing I'm not less comfortable doing there. I don't know if it's a generational thing, or something else. But it's like posting on social media. So, we decided with my partner, we really want to have like a thought leadership platform. We want to spread the word, and post on social media and get people to know us through that means, share information, and education with people who might be interested. And that's how we spread the word, and then people get interested, and that could be a podcast appearance, like I'm doing right now. And people get back to us and say, oh, I like what I hear when I see you. And I think that's probably a strong source for us of new investors. But otherwise, there are traditional meetups and conferences, real estate conferences, and other networking groups, etc.

WS: What are some daily habits that you are disciplined about that have produced the highest return for you,

PS: You know, on daily habits, I'm glad to share that when I started to do real estate full time, I quit my W-2, I started to exercise more consistently. And I think that was very good for my body. And, I like to take like brisk walks, and I listen to audiobooks. And I think about it as well. And actually, , sometimes my mind wanders when or when I'm taking these walks, and I'll have like good ideas of how to resolve some issues. And I think it's, it serves that little bit. It's both physical exercise, as well as mental, some kind of meditation, I think, to some extent, and it's a very, very strong habit that I took a few years ago. I'm very glad I started,

WS: What about the number one thing that you would say has contributed to your success?

PS: I think it's two things. I would say consistency and perseverance. Consistency defines what you and that's what I keep saying to my, to my students, by mentoring students, define your criteria. Discuss it with a mentor, what you're looking for, for instance. And whatever, and

I'm taking real estate as an example, but it could be in any, any business that you want to start, define your goals, define your criteria of what you're looking for, and keep focusing on that. Become an expert, maybe it's a market in real estate, it's a hundred plus units in Atlanta, where I live, for instance, and become the expert. Whenever you have seen enough of those deals, you'll be an expert, eventually, and you will see that particular deal that is like a good deal, the best deal you've seen so far. And that's the deal you should make your best effort to get under contract. And I myself, I suffered from shiny object syndrome, right? Or like the dog and a squirrel, always looking at something else. Focus and consistency is very important. And then , perseverance because, I mean, it will take tens, hundreds of deals for you to review until you find a deal that will fit, so you have to be patient and keep at it. Eventually you will find an opportunity.

WS: Now even you talking about that one of the worst real estate deals and what happened with you but you didn't stop there, right? You didn't quit, you persevered, and on to the next one. And if you hadn't made and what a loss it would have been right? But you persevered and you kept going. And so tell us how do you like to give back?

PS: Well, I think currently, the most significant way I give back is through my mentoring. I mentor new entrepreneurs. We're starting in multifamily business and I have several students at any given time and helping them through the ropes. And, I'm telling them, be consistent and persevere, define your market your criteria, and how to avoid mistakes. I think that's the most exciting way for me to give back to the investor community and entrepreneurial community as well.

WS: Philippe, It's been a pleasure to meet you and have you on the show. You've provided a ton of value over the last three segments to the listeners and myself. I'm grateful. Tell the listeners again how they can get in touch with you and learn more about you.

PS: Yes, so they can reach out to me at my first name, philippe@boostmycapital.com. That's my email address. They can also take a look at our website, BoostMyCapital.com and on the website, they can download Five Ways to Invest Your Retirement Money where we're

comparing the stock market and real estate and other investment opportunities as well if they want to know more about us.

[END OF INTERVIEW]

[OUTRO]

Whitney Sewell: Thank you for being with us again today, I hope that you have learned a lot from the show. Don't forget to like and subscribe. I hope you're telling your friends about the Real Estate Syndication Show and how they can also build wealth in real estate. You can also go to LifeBridgeCapital.com and start investing today.

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