

EPISODE 1476**[INTRODUCTION]**

Whitney Sewell (WS): This is your Daily Real Estate Syndication Show and I'm your host, Whitney Sewell. Today we packed a number of shows together to give you some highlights. I know you're gonna enjoy this show. Thank you for being with us today!

[INTERVIEW 1]

WS: Our guest is Ken Wimberly. Thanks for being on the show Ken.

Ken Wimberly (KW): Thanks so much for having me, appreciate it.

WS: Yeah, I look forward to this conversation. I know you are a — what's called a multi-disciplined entrepreneur and have over 15 different streams of income including four operating businesses. I think that's kind of like the dream of most of us, right? Maybe, we're going to hear more about that and he's taken a passion as a father and also he's created an app for parents called Legacy of Love.

He has over 20 years of experience in commercial real estate but just has numerous entrepreneurial ventures and is very successful. Ken, welcome to show, grateful to have you on, look forward to hearing more about just everything you've accomplished.

Get us started a little bit, give us a little background in this 20 years of commercial real estate, love to dive in to some more of the, just some multi-disciplined entrepreneurship that you've accomplished?

KW: Sure, I got into the commercial real estate business in late 2002 and my first number of years in the business were as a land broker. Most of my clients were residential land developers that would go buy tracks from 50 to 200 acres. And they would land-plan it, take it through zoning, and planning, and sell the lots off to home builders. And I was kind of their bird dock, I was their go-to guy out there assembling tracks for them. And that's all I did for probably the first five years in my business is just go and find land deals for a handful of clients.

It primarily, on the buy side, wasn't a listing broker or anything like that, I was just repping them on the buy side of deals. And did quite well in that part of the business and that led me to — I was looking at land all of the time, it's what I did. We studied land, studied values, studied ownership on that. And so that led me to getting into my first couple of commercial real estate opportunities as an investor. Which were, it was what I was doing, it was in the land side of

things. So I syndicated a couple of those with some partners on the land side. And then, you know, 2008, financial crisis comes to equity markets. Or certainly, debt markets shut down for most everything in commercial real estate and the land markets.

And land just tanked and went dormant for a number of years. So spent a few years doing whatever I could working on a number of different things in the brokerage world, including doing a lot of make REO work for a national or a regional rather Texas Bank, did a number of REO dispositions for their bank. And as we crept out of that recession, I started looking at what else I could focus on. I had a commercial real estate business coach at the time who advised me, he said, "Look, well really, you should —" I was still doing a fair amount of transactional volume right. As far as the number of transactions but my deal size during the downturn had gotten smaller and smaller on the deal size. And so he said, "You need to basically find an asset class, that's got a bigger price tag and it moves quicker than land so it can turn-over." and ended up with a focus on triple net investment properties.

That was 2011 right there. From 2011 moving forward, I really had a sole focus on investment income properties. And I got my CCIM in 2010 so it was my — I liked doing the analytics and assessing properties and putting all the numbers together. And so, that was all of our focus. Ended up building a fairly sizable real estate group, we scaled that business from about eight or nine million in annual volume up to over a hundred million in annual volume. And as we were doing that, I also — then my focus was all on investment income. And so I bought a couple of those kinds of properties as well.

Started investing in some other people's deals and putting some money there. So started slowly kind of building my own portfolio, my own wealth into that. The success in that led to opportunities through some other things. I opened up a Keller Williams franchise in Abilene, Texas, and started to grow that. We bought a building. Put together a partnership that housed our Keller Williams office out there. And fast forward a couple of years later, I was getting into another shopping center acquisition and that led me into the laundromat business.

Was actually looking for a tenant for our building, [inaudible] building right there. And came across a laundromat guy. And he assessed our building and said, "Man, this a perfect laundromat location." And so I was trying to get them as an operator into the building but eventually, realized that he wasn't an operator, he was actually an equipment distributor. And he did not have an operator. So long story short, I ended up getting into that business with a couple of other partners. We opened up our first laundromat last September and — again in Abilene, Texas, a shopping center that we had bought and put together. And now we're in the process of opening up locations number two and three right now.

Around the same time as I did the laundromat, I did what you mentioned, I created the app. Legacy of Love for parent-style journaling — as I've been journaling to my children since my daughter was one, she's now 17 years old. And my son was still in the womb at the time, he's now 16 and now we got a four-year-old — that had been journaling to them for all of their life. And I told dozens of parents about that and that led to, actually me, creating an app.

There just wasn't something in the market for what I was doing. There were journaling apps out there, journaling programs that nothing that would do, how I was going through this process. And so we ended up creating our own program and product part of it. That's the real short version of my story and how we got to where we are today.

WS: That's incredible and I want to jump into some of the commercial real estate stuff there and some questions I have for you just as an entrepreneur as well. But on the app itself, what does that do again, a sentence or two, you know, what's your goal there with that app?

KW: My goal is to help as many other parents as possible to capture the moments that are happening in their lives or the memories they're creating. Or the lessons that they want to pass down so that they can later pass that on to their children can be passed on to their grandchildren and future generations.

I've come across more and more people that are like, you know, "It's the history of our family that is the real joy of life right there." And this is — me journaling to my children, was a way for me to capture our history as it was happening, it was a way for me to save the big, the high moments, the low moments, the good times, the crash of 2008, and the milestones that they've encountered in their lives. And so we created the app in order to — other parents could do that, they could document it with photos, videos, audio file, save voicemails, all of that and create a beautiful digital timeline of their child's life. And that's what we created with Legacy of Love.

WS: Wow, I love that. My wife and I recently, I didn't even know about this app but we just started trying to record a video once or twice a month. It's just us talking about what our kids are doing and like you said, highs and lows, different things we want to document, you know, so they can just see us talking about it 20 years from now and what they did.

That's neat, I'm going to look it up myself. I wanted to jump into your career a little bit, I mean, I want the listener to listen to that again or to hear your path a little bit because you started bird dogging land deals, you know? And then, you hired a business coach. And you know, as far as hiring that business coach, what was your thought process, what were you hoping to accomplish and did it do that?

KW: Yeah, I had never had a coach prior to that point. And my business had kind of been fairly steady, even through the downturn, I did okay in business. We were making six figures or more each year. But it was steady and what I was looking for was — “How do I get better? How do I improve? How do I improve myself?” And really, it was shortly after I joined KW and the KW Commercial network that I started hearing people from stage that had really big live, really big businesses.

All of them were talking about the value of mentors and coaches in their life. That’s kind of what led me. What did I want out of that? I wanted to focus on my business and I wanted some techniques and strategies and accountability to help me actually grow my business. And to get to where I wanted to go. My coach kind of helped me with goal-setting, and helped me kind of visualize where do you want to be in the next three in five years right there?

Ended up putting a plan in place to go get there and then we’ll all be accountable to doing what I set with my plan and it worked. It worked in a big way.

WS: Nice, quickly, I think after that or you know, you talked about, he said find a larger asset class that moves faster than land. And then also, you know, you built a real estate group that went from eight million annually to a hundred million annually. And, you know, give us some keys to making that happen, you know, what causes that massive growth?

KW: A few things. First and foremost, I think it’s focus. Focus on a niche in an asset class. For all of my — well, I focused on land that first, six years in the business and that was great. And I had a big business focused on that little asset class. And then for the next three or four or five years, it was, I was more of a generalist through that downturn, as things were right there. And when I refocused into one asset class — and the coach gave me that great advice of; “Find something that has velocity in the market.”

Land can be a great asset class but you can have a phenomenal track of land as a broker. It might take you five years to sell that phenomenal track of land just because there’s a really limited buyer pool for a particular location of land that has a particular use that’s — from its zoning classification. In something like triple net investing or shopping centers or multi-family or the hotel industry, there’s a lot of different asset classes that people can endeavor into. It has a much higher velocity and frankly, it’s people from around the country or even around the world that invest in these kinds of assets.

So that was a big ‘aha’ for me. We focused just on this narrow niche of products. And then we even niched down from there into two or three tenants. And that’s what we really did, it’s how we became experts in two or three tenants in this asset class. And got to know the players in that business. We got to know the developers and the investors and the reaps that it did. It was

relationship-based, like so many things in life. And we started establishing relationships these folks which led to more and more transactional volume that we were able to do.

[INTERVIEW 2]

WS: Our guest is Eng Taing. Thanks for being on the show Eng.

Eng Taing (ET): Thanks for having me Whitney.

WS: Eng is the CEO and founder of Touzi Capital, an investment company focusing on high cashflow assets in Kansas City. He's a classic immigrant story, born in a refugee camp in Thailand, escaping The Khmer Rouge, and finding success in data and math in America. He is a working graduate economist, former peace corps volunteer, and ex-Apple data scientist turned real estate investor, with a \$65 million portfolio, finding financial freedom at age 35.

Eng, thank you so much for being on the show, grateful for your time. Looking forward to hearing just your amazing journey and just how you – you know, financial freedom at 35 is something most only dream of, and you've come a long way to find it and been very successful.

You know, give the listeners and myself a little more about your background, we'd love to hear your story and just inspire all of us, I'm sure.

ET: Thanks for having me on. Again, my story is I think unique but you know, not too unique for an immigrant. I'm Cambodian and my parents were born in Cambodia and they're in their late 70s, there is a cruel dictator named Po Pat and, I think, after Vietnam war, he was up without. But they conducted a pretty brutal regime and they targeted intellectuals and Chinese Cambodians, which normally what my ethnic background is.

I, of course, suffered through all that, I was a baby, but I was born in a refugee camp in Thailand and immigrated here when I was two and, like some other Asian immigrants, my parents didn't even have a high school or grade school education.

My motto for success was folks like my parents that worked and hustled seven days a week, and they had been very entrepreneurial. Now, they tell me to not do that because, if you're struggling and you're working very hard, you tell your kids to find security. They made me work for education as my primary job and I was pretty good at it and I tested very well and I was really good at math and in fact, I day traded in high school, and I paid my way for Wharton Penn, studying economics and finance, day trading, and playing poker.

I was pretty good at math. After going to economics and finance and really, my driving motivation was, helping lift my parents and my family out of poverty. I grew up on welfare stamps and welfare and general and it helped me gain a hunger, I think, that my peers didn't have. As soon as I started making money out of college, getting into investment banking, I invested it in the financial markets, and then the financial markets took a dive a few years after that in 2008 – 2006, 2007, 2008 and I realized that real estate was a much safer investment and real estate was one third of the cost of what it was two years ago.

I started buying real estate after that and that was the start of my investing journey. But after being investment banking and financial markets, I went to Peace Corp, that's another decision that my parents would not be so happy with because they were left in a war-torn country and I was going to volunteer it at another war-torn country. This was in 2009, right after Russia invaded Georgia.

I went to be a volunteer in the Peace Corps, the Republic of Georgia, a year after Russia invaded and it was landmines everywhere, there's shells, there was refugees as they annexed part of Georgia, Abkhazia. It was a really cool experience, helping people out, bringing what I knew helped with their development, their community and just being, living in another culture. Actually, I met my wife there. She's not Georgian, she's actually from Ohio and as soon as I heard an American voice, it was like wow, it was like serendipity.

That was a really cool experience and, you know, we moved out together and then moved back to Los Angeles, where I had to reintegrate myself into corporate America because I was in Peace Corps and making \$200 a month and that doesn't cover housing. You had to pay for your own housing. Luckily housing is very cheap there but your Peace Corps experience is really about adaptability and flexibility, and I learned that in spades.

Going out of finance, getting into gaming, which is the next industry I went into, it was a really cool experience because I love playing games. In this case, I went and joined Riot Games and I worked on the game League of Legends, potentially some of your listeners have heard of that, very popular game. I'd been focusing a lot on analytics and data and understanding behavior patterns of how, in the financial markets, how people consume and spend and what we can loan to them that causes a prime mortgage crisis a little bit so probably use for that.

But in gaming, it's all about understanding people's behavior on the gameplay and how to optimize it and make it a more rewarding experience. A really cool transition, still using data and analytics and data science. I just kept moving onto the next industry, I worked at DIRECTV where I got a window into how everybody consumes media. We negotiated for NFL Sunday Ticket and we understood how many subscribers we could get, because people really want to watch NFL, Sunday Ticket, and RedZone. That's a lot of understanding people's viewership

patterns. By the way, all this time, still investing in real estate and in fact, even in Peace Corps I was buying apartment buildings. Triplex and complex in 2009, 2010.

Then finally I left direct DIRECTV, AT&T at the AT&T merged with the company, to join Apple. I worked on iPhone forecasts, which is very important because if you over-forecast then you have too much supply, if you under-forecast then you're not developing the factories at a capacity where you have shortfall and then you have long wait times. If you have long wait times, that could be seen as a good thing for, "Oh, cool, there's a lot of people wanting it," but then a consumer might want to then buy another competitor's phone because they don't wait two, three months to get the latest iPhone.

And then I joined Apple Music within Apple and I helped launch that and grow subscriber base, by selling tens of millions, and then finally I led data science at Siri, where it's a really cool to get trillions of data of information, understanding the whole interaction with an AI, and trying to make it more useable and a better experience. All the time, by the way, I'm still investing in real estate and for the last two years, last three years, I've been buying bigger assets because I realized my time is very valuable and buying three triplex and quadplex takes a lot of time and managing it takes a lot of time.

I started to a passively invest from the other's syndications, and then I started to buy it myself as I got more funds and last month, I left Apple and now I'm doing this full-time, although I've been doing it for several years now, but I am financially free enough to do this full-time. I actually have one kid on the way so this is – this allows me to pursue my passions of family and real estate.

WS: Wow, amazing story. I mean, it's amazing all the things you've accomplished, everywhere you've been. But then, in addition to that, you've been investing in real estate at the same time. I wanted to go back a little bit and say, you know, how did you first build even the wealth to start investing in real estate and what was the first, say, piece of real estate, what was that? What was your – what was it that you invested in first?

ET: I save a lot, I struggle still even with the income level I have, the wealth I have, to make a decision on a \$20 meal versus \$10 meal. Imagine me at 20 years old, 21 years old having an investment banking income and still struggling on a \$4 or \$5 meal. I'm a prodigious saver, I've always been that case, and my first deal was a short sell and I went to the sellers directly, to the listing agent.

In fact, I've never bought real estate with an agent. I've always went directly to the listing agent and try to get a good deal from that perspective. It was \$126,000, we put 10% down, and then I lived in it a little bit, not the whole time, just to qualify for a really great rate, and then I still hold

on to it. In fact, it generated 13% cashflow, I rehabbed it, I refinanced out of it. There's a triplex in southern California, back when southern California was affordable, can't remember those days anymore. But it was generating like 10% to 12% cash flow, and then I refinanced it eight months later, took the equity out, and bought another thing.

WS: Wow, good for you. You know, during that time when you were doing all the traveling, you were volunteering, how were you paying your way then? How were you still investing it in real estate and surviving while doing that?

ET: A lot of it was really conservative – just, oftentimes I make capital, understanding where my capital is going. I'm not one to do a personal budget but I do a PNL for my entire net worth, and understanding where my capital is unoptimized. Am I making 5% here? Do I have a mortgage that I'm paying 3% on, but I have equity that I could tap, and I could place into something that yields 10-12%?

It's a lot of work to actively do that, it's probably easier to just buy something and let it accumulate cashflow and not have to refinance and not have to re-optimize your capital, but it's worthwhile, especially when you're starting out. I don't know if I would do it now, to the extent I did it in the past, but it helped me really accelerate my investing.

[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 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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