EPISODE 1500

[INTRODUCTION]

Ruben Izgelov (RI): We've grown to a point where we've grown outside of our phonebook, and outside of our contacts. We've grown tremendously. And that's why we decided that it's time for us to actually start a fund and become a little bit more institutionalized. To date, you know, the $400 million that we funded, we funded with some of our liquidity, some of our family and friends' money, but also a lot of strategic partnerships with some private equity firms. But because our loan volume has grown considerably, we feel like it's time for us to actually go out there and start our own debt fund which we've done successfully.

Whitney Sewell (WS): This is your daily Real Estate Syndication Show. I'm your host, Whitney Sewell. Our guest today talks about humble beginnings. I loved hearing his story of where he came from, when he got into real estate. You're gonna love the story. It's incredible. And I mean dropping out of school, I mean, probably the youngest I've ever heard starting in real estate. So, I'm gonna leave it there but his name is Ruben Izgelov. And with over a decade in the real estate industry, acquiring flipping, developing, and financing over $500 million worth of real estate Ruben has quickly become a renowned real estate expert speaker and guide for many professionals in the industry. The most successful time in Ruben's career was during the 2009 financial crisis. During this time, he bought, fixed, flipped and sold distressed properties which showed his determination in both bullish and bearish markets, which we are going to hear him talk about today in detail. After using private money financing himself, he quickly saw the innovation desperately needed in their private lending space and decided to spearhead it by co-founding We Lend LLC, a private lending platform. So, Ruben’s business has grown drastically and now they even have their own debt fund which they have launched and which we'll get into somewhat. He talks about how they're navigating uncertain periods and just the crisis of 2007-08 to now. You're gonna learn a lot from Ruben today.

[INTERVIEW]

WS: Ruben, welcome to the show. Honored to have you on the real estate syndication show.

RI: Thank you so much for having me, Whitney. It's a pleasure.

WS: Ruben I know you had been in real estate for some time. I know you've done lots of fix and flipping but now you have also launched a big debt fund and I'm looking forward to hearing about that. I know other people in our space who have also done that, we have not, but so I'm looking forward even personally learning more about that from you. But give the listeners a little more about who you are and you know, how have you got into real estate? What's been your focus up to this point?

RI: Yeah, absolutely. So, we immigrated as a family to the US. Gonna go a little bit back but back in the 90s, I was about six years old, went directly into the public education system. Thought, you know, school is not for me, and you know, I shouldn't be in school. I can do other things and better things. And ultimately, I ended up actually dropping out in high school, foolishly. Well, not so foolishly because it taught me many lessons, but nevertheless went into buying real estate at the time flipping real estate. And all the while, I realized that, you know, although I'm doing well for myself, was successful, you know, we're living the American dream, education is important. So, I decided to go back to school, got my undergrad, well, first got my GED actually, got my undergrad and I went to law school and graduated top of my class from both undergrad and law school, surprisingly. I don't know how I did that.

RI: But nevertheless, I was introduced to real estate kind of when I was about 10 years old, 11 years old, and my cousin was buying real estate. He was going door-knocking, he was doing it the old school way, really going door-to-door to physically and financially distressed properties. And one day, he just had this brilliant idea. He said, you know what, you're a young kid, why don't you come door-knocking and, you know, you'll probably have a much better open rate than I do. And if they open, I'll just chime in and just start speaking to them. And it worked. You know, I think when you're 11 years old knocking on the door, people are going to open the door, kind of trying to help you out. And all of a sudden, this adult just jumped out of nowhere, sometimes spooked the hell out of them. But nevertheless, it worked for him. And it worked well. But I was introduced to real estate, I was able to see what he was doing. Got the taste of real estate, saw the amount of money he was making in a very short period of time.

RI: And while I was still in, I think junior high school, what have you, I realized that real estate is the only way to go. So, fast forward, like I said, I dropped out of high school, started flipping. And then after law school, my family and I, we decided to go to a private lender conference to find the cheapest source of capital for our own acquisitions and developments. And we walked into this private lender confidence as private investors, we walked out as private lenders. We've never looked back since. Since then, we funded a little shy of $400 million in business purpose loans. These are short-term bridge loans for real estate developers and flippers. We've seen probably well over 4,000 loan applications funded only about a thousand. So, we just have a very, very high standard for underwriting in the loans that we make. That's kind of like a nutshell of who we are, what we're doing and how we got here.

WS: Wow, that's an incredible story. That's pretty amazing. Dropped out of high school but then and got into real estate, right then. You kind of sped through that part there. It's like, okay, I was in high school, I dropped out, then I started buying and flipping real estate and there's not many people that do that at that age could go make that happen, right? So, provide a little bit of some details around that time period. How you did that.

RI: Yeah, absolutely. So you know, we come from a very, very big family. So, I have a bunch of older cousins and an older brother as well. So, there was a lot of help and hand-holding on that front. You know, a lot of introductions were made and the network was kind of established for us. But you know, finances were tight. So, it sounds like we came from a rich family or anything to that effect. We lived very modest means. You know, I say this often, we lived in a one-bedroom apartment with 12 people, one bedroom, one bath. So you can imagine what that was like growing up. But nevertheless, I mean, it brings you to very humble beginnings and doesn't allow you to ever forget that. But nevertheless, you know, we started by flipping, wholesaling properties, not even flipping. We didn't even have the liquidity to buy it. So, we started wholesaling properties, we had a niche. We knew how to find physically and financially distressed properties and connect them over to real estate investors who were able to then finish the product. So, that's kind of how we started with real estate. Not everyone starts with real estate as far as flipping, we started as wholesaling. And ultimately, we're able to build a war chest, had the liquidity and the capital to start buying real estate ourselves.

WS: Pretty amazing. It's an amazing story. You know, I've heard a few billionaires talk about how some of the best things for children or one of the best things for children is to grow up in poverty.

RI: Oh, absolutely. Whitney, I got to tell you, I was eight years old distributing flyers on Queens Boulevard, eight years old. Summer, that was my summers. I didn't get the chance to go to camp or anything like that. I don't even have cable TV. Like I said, humble, humble means, humble, humble beginnings. But truly, truly grateful for the experiences I had. And it's sad, because sometimes I feel like my kids don't get to see or feel what I felt and went through. So from time to time, I drive by our old apartment, a one-bedroom, one-bath where we had 12 to 15 people living in just to show them like where we came from and make sure that they don't forget who and where we all come from. That's important.

WS: Yeah, I struggle with that as well and thinking about that with my kids and where I came from, and so many lessons that almost need to be learned the hard way, you know, that you can't reproduce to some degree. But anyway, I'm grateful for the detail that you're willing to share. Because I think it's so helpful to many people. But you said, you know, you all were, you said it was doing well for yourself but then you decided to go back to school. Why was that? Why not stay in real estate and what you were doing?

RI: That was the 2008 crash. You know, really gave me a wide awakening. I was doing very well for myself, I was actually a loan originator at a mortgage office then. And literally overnight, you go from making six figures annually as a teenager, and all of a sudden you're making nothing. And I was sitting in my kitchen and my father walked in, he kind of saw me almost in tears. And he's like, what's going on son? And I'm like, you know dad, I basically kind of got laid off. I mean, we shut down operations. And you know, he kind of gave me a pep talk at that time. He said, look, you know, you clearly were on a very, very high trajectory. I mean, you were growing and you were growing fast for a kid your age.

WS: To say the least.

RI: Exactly. And, you know, he made me realize that, you know, it's okay for me to experience what I experienced back then. Not having a family, not having children, not having a wife. And then he made me realize, like, look, what if that happens again? This time around, you're gonna have kids, this time around, you're gonna have a wife and you're gonna have real responsibilities. So, he made me give him my man's word. That was literally exactly the wording. He's like, give me your word, but a man's word, you're gonna go back to school. And I did. I hesitated for about six months to a year. He kept my word but he made sure that I do it. So, went got my JD, went to St. John's University here in Queens, New York, and ultimately went to law school. I wouldn't say reluctantly, but definitely, something that I actually looked forward to because I realized the importance of education.

RI: It's not for everyone. I mean, look, there's a lot of people look at, you know, Zuckerberg, right? Look at all these amazing people who have dropped out of college, and have done amazing but I feel like there's some people like myself who need to learn how to actually process things, how to build things, and so on. And that's why education for me was super important. I'm super grateful that I actually listened to my father and gave him my word.

WS: Yeah, that's incredible. I just, it's such an amazing story. I appreciate you sharing and, even then, going back to law school and top of your class. But, I also wanted to highlight the technique of knocking on doors when you're 11 or your cousin, that was clever on his part, right?

RI: It was, it was. You know, it worked. It worked. I mean, there were a lot more doors opening then for me than it was for him.

WS: Yeah, I know you've been in the business for a while. You've grown, you know, grown this business and been in real estate a long time. And now, you know, I think one thing you say is like, "don't be a landlord, be a lender". Tell me about your philosophy on that?

RI: Yeah, yeah. So landlords ourselves, right? But we're also lenders. So, you know, you can hit, in my opinion, similar returns being a lender as you could being a landlord. The only difference is the fact that you don't have to work as hard, right? You know, being a lender, things kind of work a little easier. Obviously, you have to know what you're doing. You're not going to get the midnight calls with you know, things breaking or you know, something going wrong. You're not going to have to go crazy, you know, jumping from one project to the other, managing your construction guys, managing your management companies and so on.

But being a lender, I mean, it's a much safer part of the capital stack. You're able to hit similar returns, but just in a much safer part of the capital stack, because you're the last in and you're the first one out, meaning that before you invest your money into any kind of real estate deal, the borrower, the client that you actually lending the money to, they've done their due diligence, right? They've already spent money on the due diligence, so you know, you're the last one in but you're the first one out, because before they can pay out their investors, their limited partners, or their, you know, co-GPs, or what have you, they got to pay off your loan. And the same applies if they were to want to refinance. Before they refinance and cash out any liquidity that you want to cash out, the loan that you've made to them has to be paid off. So, it's just a much safer part of the capital stack and it's just a much safer investment.

WS: How have you done that in your business? What does that look like?

RI: Yeah, so look, I mean, we started the company in 2018. That's when we walked into that private lender conference as private investors, have walked out as private lenders. You know, we funded about $400 million in paper today. But the way in which we started our business is really going into our phonebook, we called our friends and also our competitors who were in the business, buying real estate and telling them look, you know, we have some liquidity, we're not really trying to go crazy buying properties, because it was a lot of headaches, you know, there was a lot of competition, it's a lot of headaches, a lot of management. So, we reached out to our friends and family and said, look, you know, we know that you're buying, we know that you're a standup guy, we know that you're worthy of lending to so why don't we lend your next project. And that's kind of how we grew the business.

But obviously, now we've grown to a point where we've grown outside of our phonebook, and outside of our contacts. We've grown tremendously. And that's why we decided that it's time for us to actually start a fund and become a little bit more institutionalized. To date, you know, the $400 million that we funded, we funded with some of our liquidity, some of our family and friends' money, but also a lot of strategical partnerships with some private equity firms. But because our loan volume has grown considerably, we feel like it's time for us to actually go out there and start our own debt fund which we've done successfully. But outside of that, I mean, look, we could have started a debt fund four years ago, five years ago, right. And the reason why we didn't is because we felt like there was a lot to learn. Just like there's a lot to learn in buying real estate, there's a lot to learn in lending against real estate. And now that we've done, you know, $400 million in loans, seen over 4,000 loan applications, funded about a thousand, currently co-servicing about 250 loans, we feel like we've definitely gained the experience, the expertise and the knowledge to be able to go out there and deploy capital.

WS: That's awesome. Love that how you all got in there. I mean, $400 million in loans. You said 4,000 loan applications, I heard.

RI: Yeah.

WS: So it's incredible. I just see that growth and the path you all took. Okay, so now you said, okay, we've gained the experience, we've done this got all these reps under our belt, we built the team. And now it's time to go to the, you know, you said the institutional route, I think. Speak to the debt fund, what type of debt fund? Why not continue the way you've been doing it versus launching a debt fund? So the listeners, all of us can understand why you would go to the trouble to launch this type of fund. Because I've talked to lots of people who have done similar things and it's, you know, it's not an easy process. But speak to why you would go that route, and not just keep doing it the way you've been doing it?

RI: For sure. So it's a 506(c) Reg D, it's an exemption to the SEC. So you know, we had to go through the SEC's attorneys to make sure that it's all done, and done properly and buttoned up. But the reason why we actually started a fund, instead of continuing to do what we did is because, one, our loan volume has grown. Two, we've developed and grown into the experience that we have today. But three, we've just been getting a lot of friends and family just been wanting to invest. There's a lot of people sitting on dry powder today. They either don't have the resources that many of our borrowers do in finding good deals, or they just don't have the time. And they have a lot of dry powder sitting and a lot of liquidity to be able to deploy.

RI: So, we've had a lot of people approaching us saying, hey, look, you know, we know you're making these good loans, we know that you're actually doing what you're doing and you're doing it well, can you deploy our capital for us? And I think there comes a limit as to how many investors you can take on until you actually have to start a debt fund. So we've definitely hit that limit where it was the right time at the right place for us to actually start a debt fund for us to be able to put all the capital that we have to use and do so not only for ourselves and our family, but also for other investors. You know, many of our investors today, look their high-net-worth liquid institutional, you know, kind of guys, right? They could be lawyers, they could be doctors, dentists. I mean, these are people, entrepreneurs who are just bogged down to their business, they want to be investing their capital but they just don't have the resources to find good deals to invest when they only want to invest into real estate. We are able to provide them a solution by starting this debt fund for them to invest alongside us.

WS: How will it function differently than what you've been doing?

RI: So the only difference here is that it's full transparency, right? I mean, you have a private placement memorandum outlining exactly all the policies and procedures of how we're going to operate. What kind of loans we're making, under what term, what our due diligence processes are on every single loan? It outlines a lot. So there's full transparency. But outside of that, we also have third-party fund administrators that provide transparency from a financial standpoint of view to our investors. Our investors love that because transparency for them is key. They're bogged down to their business. They're busy doing what they're doing and doing what they do best. So they want to be able to invest into a very safe asset class with full transparency. And thankfully, that's what we're able to offer them through the 506(c).

WS: Yeah, that's incredible. Just to hear the path and how you have grown and now doing your own debt fund. I want to, before we run out of time, I want us to have time talking about something else that I want to get your opinion about. And really, especially since you know, your experience in 2008 and that happening, and you know, you being involved in that firsthand. You talked about sitting at that table and your dad saying, hey, what's going on? No doubt, there's a lot of people that were sitting at their tables crying, you know, during that time, and, you know, how do you see or I guess, how do you look forward now to navigate uncertain periods? Or what was different about that time period versus, you know, the economy today?

RI: Yeah. I mean, look, I think there was a lot that was different then than there is now. I think the factor that caused us to go into this financial recession back then was the real estate loans that we were making, right? I mean, back then, and I'm telling this firsthand, right, I was a loan originator for a brokerage house at that point. You know, we had the ability to make loans with just a driver's license, a social security number and a heartbeat, right? There was zero underwriting. Me, as a private lender today, I do more underwriting than say, Wells Fargo or Bank of America did on an owner-occupied finance back then. So, I think the causing factor today is different than it was in 2008. Today, I think it's just more or less a financial miscalculation, right? They just printed more money than they knew what to do with and they just miscalculated. But again, I'm not an economist or anything to that effect.

I think that, you know, what we saw in 2008, is not what we're going to see today. In 2008 I believe the correction in real estate was right around 28%. If I remember correctly, am I seeing the same thing? Or am I foreseeing the same thing today with real estate? Probably not. Do I have that in mind? Absolutely. Me being as a lender today, I have to think of the worst, and I have to prepare of the worst. So you know, some of the things that we're doing speaking of underwriting is making sure that our underwriting is airtight. You know, we do a lot, a lot of homework and back, you know, legwork before we actually went on a property. I was speaking to an investor earlier last week who said that he does some hard money loans, and I asked them a few set of questions. And the answer was almost no to everything. You know, they don't do appraisals, they don't do credit background searches or anything like that. Here, we do an appraisal on every single property, we do a credit and background search on every single borrower. We verify their experience.

So, a borrower can come to me and say, look, I have 10 deals as experience. Great, I want to know what those addresses were. I'm gonna go online. I'm gonna find those addresses to make sure that you were directly connected to those properties. Because otherwise, I don't want to launch, I want to make sure that you're an institutional-grade borrower. Today, the average FICO score of every single one of our partners is right around 693 with high-net-worth individuals. We want to keep it that way. So, I think the difference today is there's a miscalculation, you know, financially. More money was printed than we knew what to do with versus what happened in 2008. The only suggestion that I have, not only to every investor but to every lender, is to make sure that your underwriting is airtight, just like we did here at States Capital and We Lend.

WS: Awesome. Yeah, there's so many things to consider from that time period to now and how it's different. And it's just interesting to hear, especially somebody who's in the business at that time. But, you know, looking back, Ruben, what would you say you would do different, you know, at a big scale, as far as your real estate career, you know, as far as the path you've taken?

RI: I think, number one mistake and I can't say mistake, everything is a lesson, right? I think the number one lesson I've learned was that I shouldn't have been wholesaling the properties back then. This was in 2012, '11, '13. I should have learned how to bring investors together, right? Instead of me flipping the properties over to these, you know, real estate investors. I should have brought them together and bought these properties myself because I look back at some of the properties I flipped here in Brooklyn and Queens and so on. I mean, these were top-notch properties. Back then, I mean, they weren't all that. But today, they're like in the best places, best areas and the whole nine. I look back, I'm like, I can't believe I was able to buy that thing for $400,000. Today, it's worth $4 million. You know, it just it kills you. But nevertheless, I think the one lesson that I would take back from my early real estate career is learn how to bring investors together. It's not easy. It's truly a fine art. It will take time to develop. But I think once you're able to develop that and focus a lot of energy on it, I think it will take you much further than you expect.

WS: That's why we syndicate, right?

RI: There you go. Smart man, Whitney, smart man.

WS: What about any other predictions you have that we haven't talked about for just the economy over the next six to twelve months? Or how's that, you know, changed how you all are looking at projects moving forward?

RI: Yeah, look, I think that there's a lot of investors out there who are buying properties. And I think, there's nothing wrong with that. I just think that you as an investor, if you're joining a project, if you're going to be an LP in a project, just make sure you're working with operators that know what they're doing. Make sure that you're working with operators, they've done what they're doing today. Because it's, you know, anything can happen. And that's one of the reasons why today we are putting most of our capital liquidity into our debt fund because we want to be able to be investing in a much safer part of the capital stack versus an LP investment. But again, I think that can also be kind of balanced out with an experienced operator and general partner like yourself, Whitney. I know you and I spoke right before we jumped on a call, I mean, you've been doing this for a long time, you have thousands of units under your belt as experience. So that's what I would look out for, an experienced operator that knows what you're doing, or investing into something where your investment is just in a much safer part of the capital stack.

WS: What about even preparing for a potential downturn, you know, from your experience? Or even, how would you say you're gonna lend to an operator now? You know, or invest passively? Either way what would you like to see that operator has in place that they're prepared for some type of economic downturn?

RI: Yeah, I mean, the way in which we look at deals is we never want to be able to foreclose on a property. You avoid a foreclosure, not at the time of foreclosure, but when you're underwriting a loan, and that's the most important thing. So, what we're doing internally is one, we're tightening our boxes in our lending criteria. We're reducing the leverages that we're offering to our borrowers. You know, before we were going up to 90% of the purchase price, and 100% of the construction costs. We're reducing that. We're reducing that regardless of what their experience is. We're reducing that now to about 80% average which brings the borrower to have more skin in the game. That's very important because you want to know that they're invested into the deal. And when I say skin in the game, I don't mean that 20% depending on their acquisition price it would have. It could be pennies. We want them to have considerable money into the deal. So that's one. Two, we're underwriting every loan to make sure that the borrower is an experienced operator. We want to see experience in the sense of whatever we're financing for them today, they completed those projects in the past. Not pending projects, I mean, completed projects where they were in and outside of that.

RI: We're doing, like I said, full background and credit searches. Today our average FICO scores is right about 693. We want to keep it that way. The average borrower right now, 89% of our borrowers rather have experience. We want to keep it that way. So, I think what we're looking for is, you know, high-net-worth borrowers who have been in projects similar to what we're financing for them today, who are institutional grade. You know, one of the key points for us is that our average loan size is small, it's about $380,000. But the average net worth of our borrowers is right around $2.6 million. That's important because when you have a personal guarantee from every single borrower along with their pledge of shares against their entity that we're borrowing against, it's important because now they have more to lose than they have to gain in the event of foreclosure. So, that's very important for us is just to make sure that our lending boxes are kind of shrinking, and we're doing loans that are a lot more safer than we did before. And I think that's very important moving forward for any lender.

WS: No doubt, it's incredible. It's some good things to think about even as a passive investor. It reminded me of a passive investor recently asked me about liquidity. How much liquidity I personally have, or even as a company. And, I don't think I've ever been asked that before but I thought it was a good question, you know.

RI: It's an important question. There are some lenders, look, when I was buying and flipping, forgive me for interrupting, by the way. But when I was buying and flipping, you know, my hard money lender who was an, you know, older Israeli guy, he was lending to me without even asking any questions. He would just look at the property. Right here, it's important, especially in today's climate, to know your borrower, right? Not only the asset. The asset is very important but also know your operator, know who you're lending to. You know, know their net worth, know their credit, know their experience. Those factors are very, very important.

WS: Is your loan funding their dinner that night? You know.

RI: God forbid. Oh man, that would be scary.

WS: Yeah, that is scary. So, what's a way Ruben that you've recently improved your business that we can apply to ours?

RI: Hiring top talent. You know, I was always kind of looking at the perspective of why is this person so expensive? Or why are they asking so much and I think moving forward especially now that we're deploying not only our capital but other invested capital, hiring top talent is very important. Partnering with the right people is very important. Having the right advisors is very important. I would recommend that again, hire top talent, partner up with the right people, and also have the right advisors and mentors to guide you through the process. Because especially today, you know, it's important to know what you need to know, although you don't know what you need to know. But it's important to know that you have someone in your corner, guiding you through the process in the event of any kind of shift.

WS: Yeah, top talent just makes the biggest difference in your team and scaling. How did you find them? How did you find top talent?

RI: So, we have a lot of referrals. So a lot of people working today, they refer their friends to join us. A lot of our existing employees refer over their friends. But also LinkedIn. You know, LinkedIn is shockingly, shockingly helpful in hiring talent because you're able to see where they worked, who they worked with, be able to get recommendations. You're able to get, you know, them to take the tests or you know, kind of quizzes that you want them to take before you even get their resume. So, LinkedIn was also very, very helpful for us in hiring the talent that we need.

WS: Yeah, that's helpful. What's your best source for meeting new investors right now?

RI: Referrals, believe it or not. You know, before I would go to events, I would meet investors there. I would go to, you know, other industry-related events and meet investors there. In fact, I've raised capital from some of our borrowers. People who have borrowed from us in the past are now coming in investing alongside us because they're sitting on a lot of dry powder. They're free to buy, they're concerned to buy. So, instead of them sitting on $3 million in liquidity, collecting dust on it, as I would say, they're investing alongside us. But outside of that, today, we're getting a lot of referrals from our existing investors who are essentially receiving distributions from their friends and family. We also have a couple of accounts that have invested alongside us. So, they've been referring over their clients. And I think, you know, just taking care of your clients and your investors in the fund takes you a very, very long way.

WS: Do you all have a process for like asking for referrals? Or how does that work?

RI: No, no, not at all. I mean, what I do is, after every distribution, we make it, we make monthly distributions. After every distribution we make, and we send out a report to our investor, I call them. You know, I call them a few hours after. Takes me some time to go through each and every one of them. Some of them say, you need to stop calling me, it's already too much. You know, you don't have to call me every month. I trust you, you just keep doing what you're doing. But I call every single one of my investors and I say, look, do you have any questions? Do you have any issues? Do you have any concerns, happy to go over it? This is where we stand, this is what you're getting? And if you have any questions, you know, let me know now. And I think just that kind of, that self kind of taking care of them one by one takes you a very, very long way.

WS: Ruben, what are some of the most important metrics that you track, it could be something personally, professionally, anything in between?

RI: One of the most important metrics is leverage. Assets, values, and after-repair values. Today, the average loan to purchase is right around 80% which means that the borrowers for us are coming in with at least 20% downpayment plus closing costs plus they're starting the construction. So they're very, very invested in the deal to make sure that they get it to the finish line. Outside of that, we also want to make sure that the after-repair values are conservative. Today, our average after-repair value is right around 57%. That's a very important metric because tomorrow, what that means is that essentially we have about 43% equity in every single loan we make to be our cushion in the event that we have to take over a property. And that's very important because 43% is enough to withstand any kind of market shift. You know, what we saw in 2008 was about a 28% correction in the market. So having 43% of equity in every single deal will give us the cushion, that we need to be able to make sure that we would stand the storm that may or may not come but also protect our investors' principal. That's important to us because not only are my friends and family invested, but I'm personally invested into every single loan. And I think, that in and of itself is very, very important.

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

RI: You know, I'm usually the first one in, the last one out. And I think that is important not only as a business person but as a leader in the team to be the first one that they see when they walk in and the last one when they're walking out. That, in and of itself, essentially breeds and gives birth to good work ethics. For me, that's been very important since I was eight years old, distributing flyers on Queens Boulevard. I don't know if you've ever been in Queens, New York but Queens Boulevard is tough especially back then. So you know, work ethic is super important and I think that will reward you tremendously in the future.

WS: What's the number one thing that's contributed to your success?

RI: My family. I would have to say it's my family. I think look, you know, when you're working and you're doing everything for yourself, I think it's one thing and there's nothing wrong with that. But when you have a family to back you and depend on you, and that rely on you, I think you're doing everything with legacy in mind. You're doing everything with longevity in mind. And for me, everything I do today, it's not one of those things where it's like, oh, let's see if this works out. And let's see if we can make a couple of bucks and move on. No. It's how long and how big of a company can we develop? And can I pass this on to my family in the future? So, longevity and legacy are important to me?

WS: How do you like to give back?

RI: I'm a very big giver, to be honest with you. I, you know, I even have this one little clause in every kind of partnership agreement that I have, with any one of my partners that are hoping that they accepted that we will give 10% of the net profits right off the top before we make any distributions to some kind of nonprofit organization. For me giving back to the less fortunate is very important because I was there not too long ago. And you know, you could be there again, you never know, right? So to me, giving back is very important. You know, we have extended family that is also in tough positions, making sure that they're well taken care of, making sure that they have food on the table, just making sure the less fortunate are well taken care of. You know, but outside of that 10%, I give more on the personal side. So, you know, I was talking about it with my cousins, and we were kind of going over the P&Ls and they're like, alright, you got to slow it down. Like it's too much, right? And I'm like, it's never enough because there's just so many people that need it. So, for me giving back to the less fortunate is crucial. It's not only important, it's crucial because you've been there or if you'd never have been there, it could take a week, two weeks and you could potentially be there, God forbid. So, for me giving back to the less fortunate is crucial.

WS: Ruben, it's been an honor to meet you and have you on the show. I've enjoyed hearing your story. I mean, it's incredible, you know what you've done and accomplished and from a very young age in real estate. Love that, that story, that's incredible. But even going back to school and accomplishing that as well. But then becoming a lender and the $400 million and up to now and now doing your own debt fund. I love seeing that growth and even hiring top talent and navigating you know just uncertain periods of time just like we're approaching now or in the middle of. And so grateful again, Ruben. How can the listeners get in touch with you and learn more about you?

RI: They can reach me by my email Ruben@WeLendLLC.com They could also find me on LinkedIn. They could also visit us on any one of our social media platforms, we've many, including Tik Tok, believe it or not. So, our handle is @WeLendLLC. Love to hear from any of your viewers and listeners and I always love to chat with people and basically meet new people all the time.

[END OF INTERVIEW]

[OUTRO]

WS: Thank you for being a loyal listener of 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, go to LifeBridgeCapital.com where you can sign up and start investing in real estate today. Have a blessed day.

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