

EPISODE 1528

Chris Long (CL): So once we get the real estate, then we help you throughout the whole process. We're gonna provide you with the highest and best use layout for you, provide you the business plan templates, and provide you with all the construction details. We do have great supplies, also that we're saving you tons of money on, and all those systems, all the software, all the lease-up.

Whitney Sewell (WS): This is your Daily Real Estate Syndication Show. I'm your host, Whitney Sewell. I love hearing about entrepreneurs who are solving problems, right? And creating businesses out of that, and experiencing lots of growth and success by diving in. And our guest today has done just that. You're gonna hear about a different model than we've talked about on the show before.

And as they're growing and buying large pieces of real estate and doing something different than you've heard before. I have no doubt. His name is Chris Long. He's the founder and operator of Longyards Storage. After nearly a decade as a carpenter and business owner of Conrad Construction, Chris ventured full time in the realm of self-storage. Having created the very first Longyards storage in his hometown in Ottawa, Ontario, Canada, he emigrated to the United States to pursue the international build-out of the company.

He's responsible for the construction, stabilization and management of the assets, Chris, and I go into some detail about his plan and how he has grown, how he got started. Even now, franchising this model, and how he presented it to investors early on, some lessons learned there to even say how he's doing that now. You're gonna learn a lot from Chris today. I love hearing about new things, new ideas, especially new niches and ways that people are creative about different business models.

Our guest today has done just that and seems to be taking off looking forward to learning from him, and how we can implement maybe some strategies in our own business, right? You know, as listeners as you are looking at commercial real estate. You're gonna learn a lot from Chris Long today. Chris, welcome to the show.

CL: Thank you. Looking forward to it. Nice to meet you.

WS: Nice to meet you, Chris. I'm looking forward to hearing about this strategy but who's Chris, and give us a little bit about, you know, your background, but how you got into this space? And we'll go from there.

CL: Yeah, great. So basically, you know, blue collar carpenter worked in the trades, I had a daughter young, and I was like, I gotta go to work. So I got into construction, I enjoyed the most carpentry and basically ran a construction business for almost 12 years, licensed as carpenter. And on my journey, I got into real estate. I always loved real estate, right from a kid I just love

passive investing and love the idea of building real estate. Gotten residential, got my first house turned into a duplex, okay, this is cool, I got a tenant that's paying me and pay my mortgage. I liked this, did the same thing, bought a second house, same thing.

Now I had to buy a commercial property. And life was going pretty good. And basically, you know, I came to this fork in the road with the light bulb going off. I'm like, Oh, my God, I'm a contractor, I have all these tools, all this equipment, and I don't have space for it. Like it's not your mini storage model. And I didn't want to lease a big space. So what's in the middle? It doesn't really exist.

So, I had this commercial property close to my house. It's funny, my brother and I owned it, we couldn't agree what to do with it, I ended up buying him out, going all in by myself a whole story with that. And that's how it started, you know, it was tough, because no one would get behind me. They're like, I told him the vision. I'm like, I need a yard, right. So I'm gonna start building yards.

And I couldn't get investors because we're like, "You're crazy. Like, who needs a yard?" And this wasn't really a thing in Canada, and it was a thing in the States. So it's very, very early on in the process. So anyways, I started with five yards. I could barely afford to put the gates on the front yards, I had to presell them to afford to put the gates on.

But sure enough, I had the yards fully rented within a short period of time, the rest is history built out. Now we're in the States expanding. And you know, we built out a franchise model because we believe it's a scalable business. That's a little bit about me, how I started and where I'm going.

WS: Wow, now, so you came up with this model and you said you started with five yards. And I want to dive into that a little bit. Because just so the listeners understand like, what is the yard? What are you doing with these yards? Who's the client? Who's your renter, right?

How did you come to know about? And I know you shared a little bit about this. And you and I talked about it beforehand. But I want the listener to understand how did you know about this client, right? And that this was going to work?

CL: Well it was simple because I needed it myself. And I figured if I needed someone else and that was the formula. So my ideal client is basically someone like me. Now we have different boxes of clients, we have corporate clients, we have Ultramar, we have people from all walks of life, we have hydro Ottawa, so we have really everyone that you can imagine needs this space.

So just starting off I figured again, keeping it simple if I needed someone else needs it, and that's how I started understanding the language and how to target them the most because I was one of them.

WS: Yeah, so you mentioned though, you started with five yards, why not one yard and test it or you know, how did you start with that confidence to start with five yards? How did that work out?

CL: Well, yeah, I was confident. Honestly, if I could afford to do 20 I would have done 20. But like I said I could barely even afford to put the gates on the five I had to presell them by the year to put gates up. So I think as an entrepreneur, when most entrepreneurs are problem solvers, and when you believe you believe and if you're not all in then who's going to be believing in all in around you?

I just believe in that. Like I said, if I could have sold my house and convinced my wife to do it earlier, I would have done it, and would have built that puppy right out, we would probably have been better off. So I mean, I would have built as many yards as I could, but that was my financial cap at the time.

WS: Yeah. And did you find these local to you? Did you start close to home? Or how did you think through where these five were gonna be? Or maybe it was just the yards you could afford at the time?

CL: So great question, basically, just to clarify, it's five yards in the yard. It's one location' it's not like five full corporate locations, that'd be a great start. But no, it was one yard and it's funny, it is quite literally a long yard. It's 200 feet by 2,000 feet, got one row in the middle, different size yards on both sides. Long, long hours, it all went together. So even that itself was a journey, because it was a forest. It was a rundown house. It was a journey just to get to that point. But yeah, it started off with one location.

WS: Now that okay, that helps a lot. But one massive yard, there's like five spots, right? That can be rented in this and you mentioned, like going to investors for this and they're saying you're crazy.

Obviously, you know, you mentioned you gotta be passionate about it. You know, if you want people to invest with you, you better darn believe in it yourself. How did you present it to investors? Maybe early on? What did you learn from how you presented to investors early on? And then now, how's that? What does that look like now?

CL: Yeah, well, it was a lot more personal at the beginning, because I wasn't, you know, I'd say as experienced with the investing side as I have now. So it's more like relationship building. And I've never raised funds, I bootstrapped all of my first residential properties, I just use my construction funds.

So, I never really had the experience of knowledge to talk to investors. So, I just started just going at it. Basically, I'd cut down trees, I bootstrap it, I get it going. And then I would just share my journey with people. It's the funniest thing, I think it was a Halloween party, and I was talking and then all of a sudden, someone mentioned, so my neighbor's interested in investing in

projects like that, wanting to talk to him. And sure enough, he was my first investor. And he carried me through that whole project as one investor, and I would pre-lease yards, he led me X amount.

And we just did that throughout the whole thing. And he got, you know, let me over a million bucks for that one bill, though, in total, because he took out the first mortgage, which was a vendor take back, and it was wild.

So you know, I didn't have no secret sauce. I just had simple hard work ethics, and I was transparent and excited about what I was doing. And then I find, you know, people get behind you, and when they believe in it, and that was my formula to get started. It's obviously different now, but it's still the same, I believe, and people want to get involved, and everyone's making money. So it's good.

WS: Yeah, I love ideas like this, and especially when they're successful, and watching somebody grow in this way, you know, now that you're, you know, you've done, you've got this, this yard that's going now you're expanding, right, and you're talking about the US and now in Canada, as well, helps you from there, right, it'd be hard for me, I think it would be harder for me to expand it again.

And, you know, not, not being friendly. But it's incredible. I mean, I just love the growth. Speak to some challenges maybe you're facing now in this kind of growth. And even as you push towards more growth, which I hope we all are, what are some challenges that you're facing now in this type of business?

CL: It's a great question. I got tons of challenges for one, you know, I went from basically being a carpenter, blue collar business owner to now trying to build an international, you know, real estate development and franchise company. So yeah, I'm in some waters where I've had a lot of growth, but I love it, I love every day of it, some of the challenges are just, you know, moving money across the border, some things from simple and the pain of you know, that's why Americans won't invest in Canada because of the dollar, it hurts.

So, you know, team building is a big one, getting the right people behind you. But I think when we have the right vision, the right people are coming in the team. And it's just a matter of molding them and putting them in the right seats, and based on their strengths and having a clear vision with clear company values.

So, I'm learning on building a great team and just surrounding myself with great people and leveraging their skill of genius. And that's one thing that is in front of me and then obviously, we're building out franchising. We're doing syndication corporately ever doing joint ventures with people who own the land.

So we just finished building out a three-year strategy and we have some good advisors behind us that are really helping guide you know, the path and that's what we did recently: put the

pencil the paper did for your strategy plan and really create a lot of clarity because recently I was just kind of little over the place. I was like, "No, you gotta stick to a path and you got to really hit the ground running."

So, it's been fun but I feel like clarity is finally coming so but in the storming phase it's like oh my gosh, so much opportunity but really knowing where you're gonna make your work and focus and stick to a path.

WS: Yeah, I love it even what you said there to have not heard this mentioned to me about the times before and maybe ever I think I have but anyway, you mentioned JV with people that um land I think it's so creative. I mean, how do you keep control of the land? How do you know what happens there? If they say, oh, wait a minute, "Chris, this is my land and get outta here." You know, how does that look like that partnership?

CL: Yeah, so basically, we've been spending a lot of time on two of the three strategies on more corporate location in franchising. So the third one, we just invested in a great software. And this will allow us to target these parcels with the property owners. And so we're still in full transparency, very preliminary with how that molds out.

But we believe there's three options, there's one where, look, you know, you fund the project, and we'll build and manage and we just do a simple split on profits, whether it's an 80/20, we're happy with 20% profits, but we go in there and take care of everything, and it's on your land, so it's secure. And a lot of people just don't want to deal with the headache and they want us to run the business.

Now we do have franchisees that we can also secure lease, we can do a 10-year triple net lease on your land, you got an extra four acres on the side of your facility, you're not using great and we'll sign a franchisee, and he's happy because a lot of people just want a cash flowing business, they don't necessarily need to own the land. So we're just a middleman and building the bridge.

So you got the land and they will put the franchisee on it. So you know, basically that's the two structures. It's either a joint venture with a split equity or split profit share and or doing a lease and then we either corporately run the lease, or we have a franchisee that wants to operate that lease.

WS: Interesting. That's incredible. Speak to franchising, like starting down the process of becoming your own franchise.

CL: So let's say you want to start a franchise basically would start by let's make sure that you're in the right area, I say no more than I say yes. And it's so people get frustrated, just like "Chris I, you know, I believe in this market." And I'm like, "No, it just doesn't match the data." And we know people that are trying to do what we're doing in Ottawa, and they're not successful, they're investing tons of money in real estate putting up all you know, the operations, and they're just

not leasing up because, you know, they pick the right area and then into the right target marketing.

So you know, it's very feasibility-heavy and data-heavy based on, you know, our long years processes to make sure that it's even going to work. And then we have to prequalify, you got to make sure that you're a good fit for the Longyards model. Because no, that's obviously important for both of us to get into date before we get married and make sure we like each other and then goes out to basically franchise model, it's like, you know, there's multiple steps, we're gonna help you find the land and we have what's called a gold honor go home guarantee.

And it's very simple, it's \$5,000. And then we do is, we protect your site, your area, and then we help secure land. So you're in it for not much. And then it's a simple five grant. And then we're going to help identify real estate together and then once longer says, "Okay, this real estate works for this area." We've targeted it, feasibility study comes back at this, then we merge, then the franchise can get married. So it's a little bridge, right? Because people need to understand real estate in order to understand the whole package.

So once we get the real estate, then we help you throughout the whole process, we're gonna provide your highest and best use layout, we're gonna provide you the business plan templates provide you with all the construction details, we do have great supplies, also that we're saving you tons of money on, and all those systems, all the software, all the lease up, we're basically holding your hand right from okay, you're here, you know nothing about it.

Let's show you everything about Longyards, and let's hit a home run. And that's basically what we're focused on because I will personally be working with the first 10 franchisees, and I want them to hit homeruns. And it's so important for the business. So that's why I'm saying no more than yes, but the people that do say yes to it, and I strongly believe they're gonna hit home runs.

WS: Love that, you know the Longyards model, is this something you see to expand to really large pieces of property, as well as it mostly four- and five-acre tracts? Is this nationwide? How do you see it growing in that regard?

CL: Yeah, so we see it definitely growing internationally. That's why they built the franchise system throughout Canada and the States. Now, you know, you start with organic and opportunities. So if it's a great franchisee, a strong candidate, he's in a great area. Well, let's capitalize on that. I'm more focused corporately, on organically where I am, just quality control and that's Florida. And me, the Carolinas, Georgia.

To answer your question, we see it internationally and with stronger partners and a stronger team than the more confident and building out internationally. But in the short-term with what we have, it's, I'd say 70-80% local and opportunity driven for the rest.

WS: What about you mentioned your challenge finding the right people and appreciate what you said, you know, just about promoting the right culture, those things I've noticed, the more I am

open about our culture, the more I'm talking about those things, even online, people are coming to us even though we're not even posting a position for what they're looking for, you know, and so it's interesting to see that, but how are you finding the right people? What's been some techniques you're using to do that?

CL: Well, it's almost the same thing. Like I found my first investor. I'm just socially out there. I joined you know, going Clubhouse. Clubhouse is a great app just to talk about who you are and what you're doing. And you get a lot of like-minded people.

I mean, your podcasts are just like this. And then it just fires off into so many different conversations. And then people find out what you're doing and they're like, Oh, my God, I want in on this going to networking events, real estate events, business events, masterminds, it's just kind of at the beginning.

You want to be everywhere and know as many people as you can and then kind of pick the cherries, get the highest elite players, and then stick to a road and hit the ground running. So I feel like that's what I'm doing. It's just kind of casting a wide net, gaining great people and now we're getting focused on where and how we're gonna get there.

WS: Anything else unique that I wouldn't even know to ask you about your model.

CL: Unique? I don't know unique is the right word, but well just different mindsets, it's very territorial, right? Because you got a gridlock property. So once you secure like a 10-acre site in a great town, like there might only be that one 10-acre site available.

So some people, they're kind of hemming and hawing. And they're not sure. But they like the model, but pretty soon that property might not be available. And now all of a sudden, that territory is not available. It's done. And it's very protected by the franchisee, or corporately or whatnot.

So, that's one thing I just like to remind people of it's like, this is a great opportunity, but you will obviously invest in your land in itself is a whole challenge, right? And then my clientele, it matches a certain density and population around it. So once we secure these territories with great A players, that's it, that territory is done. And if you like the opportunity, well, too bad the ship has sailed.

WS: Yeah, no, that is unique for sure. What about thinking about your team? And as we were talking about hiring, and you mentioned that like Clubhouse and getting your name out there? What are I guess, how are you finding these pieces of property?

What are you using to find the land? Is that some kind of I don't know, what are you using some kind of special software? You mentioned earlier? What does that look like?

CL: Yeah, so basically, I mean, we had different systems. And we were using virtual assistants and having them go through a bit of a lengthy process. But we just invested in the software that allows us to target the exact location, the exact zoning, exact demographic income, and we just had this list spit out to us.

And then we have different strategies where we can, you know, do drip campaigns. And one of the classics is just mailers, and how we send out those mailers. And we're very data-driven. So like, we were doing different campaigns in different areas, then we're doing like a thousand here, thousand here, thousand there, and then we'll let the data come back to us and be like, Okay, which one works the best and which strategy we're going to stick with? So there's a few layers to it.

But yeah, we've been pivoting as we've been growing, but we are relying heavily on software for the acquisition strategies. And besides networking, and a lot of brokers we just talk to brokers, they have pocket listings, and you know, you just go and drive your neighborhood. Sometimes I find myself on the computer for three days, and oh, my God, and then I go drive down the street, and I found more opportunities than sitting in front of my computer.

So sometimes just gotta get out there. But you know, it's just a hustle. And what hustle works for you is and works for the other companies, what you got to stick to.

WS: What's the long-term strategy for a property like this or investment like this, and even for you or your investor, or even the property owner?

CL: So let's say for example the property owner: you own whatever property matches the zoning we're looking for. And let's say you own I don't know, hey, check business got four acres beside your property, you know, you're not really using it that much. We'll go, we'll set up and then we'll just do as an option, a 10-year triple net lease. So now you're happy. And now you're getting your name out there to all these businesses coming in.

So now you got contractors, general contractors, you got property maintenance, guys, and you're the HVAC guy that is the leader of the community, because the Longyards is more than just building storage yards, we are building a small business community that supports each other.

So it's like a hybrid of just different businesses and people that really are come together for a common goal that is to help each other and it's all affordable, it's adaptable, and the long term play for the business, the landowner would be capitalizing on that simple tenure, triple net lease, and then even if they go to sell it person is going to buy it once that tenure, triple net lease, it's like great, it's just extra income for my property.

So automatically increasing the value of the property. So I think it's a win-win. So you got that scenario, let's say a franchisee is on the corporate side, what we're trying to do is we're trying to get corporate owners, investors to have three locations in their territory, and we work with them

to build out three locations. So the world is drawn, because franchising has royalties, right you go, we start at 6%. And then after 50 grand a month, we go to 5%. And after 80 grand, we go to 4%. So what we want is one investor to have three locations. The beautiful part about this is you own 100% of the equity.

So these investors own all the real estate, we just think of it like an incubation process where we're going to find this investor doesn't know much about real estate or the whole acquisition at all, but small. We're going to teach this guy how to acquire a bunch of real estate, and we can even put management systems in place. So this is really unique to the marketplace. Because this doesn't really exist like that, you know, a lot of people want joint ventures and all this jazz, but you know, we'll take this investor and let you own all the real estate.

You know, it's simple. That's why it's so different from the syndication, it's unique. So then they own three locations. And for that the beautiful part, some of the most beautiful things about longhairs is its low on supply lines, like a lot of businesses, you get into, you know, like think of the restaurant industry with COVID, how it got hit, we're not worried about food supplies, we're not worried about material supplies. No, once you're up and running, you don't have supply issues. And the second-best part is you don't have labor issues. You got one employee for three locations or a part time employee for one location, and you're up and running. So it's heavy lifting at the front, and we help you get through the heavy lifting, and then you take the pedal off and you're coasting. So it's really unique to the marketplace. And I think it caters to everyone at different stages of their investing or life journey.

WS: So what's the risk? What could go wrong? What are you hedging against, or what do we have to look forward to on the negative side?

CL: Well, yeah, there's always pros and cons. The beautiful thing about it is we're investing in real estate. So the risk is like let's say you purchase six acres of industrial real estate. Okay, now you're setting up a Longyards, right? Now the beautiful thing about Longyards is it's not very capital intensive, like, look at what we're doing, right we're doing contractor storage yards we're doing we introduced long boxes, okay, so we actually sell and rent containers and offices to the public and in our yards at our lawn yards. So it's a bit of a hybrid extension, but the risk is just the capital.

And I don't say lightly, just that, but it's the capital upfront. However, I think to hedge that risk, you're investing in industrial real estate. And worst, worst case, you shut the doors, close everything down, you still have your real estate. So that's what a lot of franchises look at it like really, you know, okay, I got the risks a lot of capital, but you've got this foundational real estate land. And as we all know, real estate is one of the most recession-proof industries, you want to be in the long term.

And a lot of people right now with the way crypto is going and inflation, they want a place to put their money. So you know, obviously, I'm biased because I believe in this thing in my heart. But the risk, I think, is headed by real estate. And that's what we focus on.

WS: What's your best source for meeting and finding new investors now to invest with you?

CL: I'd say just PR, you know, we're not going too hard with social media. Yes, we do plan on expanding that later on with our strategic goals. But right now, it's just a public relation, podcast, just networking with local events. I'm in a great area, like Tampa, it's not far from me to go to Miami or Orlando, and they always have real estate or business events. And I like to meet local people.

And I like to be old school, like, let's shake hands and meet at the site kind of guy and, and that's what I like. And I think investors like to feel the dirt of the real estate and see me and it just puts more context to the whole business. So I'm focused on local relationships. But we also have, you know, just like this, people reach out and they love what I'm doing. And I'm happy to chat with them. I'll put my phone number at the end of every podcast, and I'm just excited to chat with whoever wants to call. It's awesome.

WS: I love hearing revenue models like this and seeing it take off. It's incredible. Chris a few final questions, though, Chris, what are some of the most important metrics that you track -- could be personally or professionally?

CL: Well, personally, the most important metrics, it's definitely very data-driven. So I mean, a few high-level things in terms of real estate would be like traffic income, you know, we're making sure of the unemployment crime rates, there's got to be something like we'd like to label as sexy in the area. So upcoming new permits, new retail going up.

So, there's a lot like we have a very in-depth feasibility study to really make sure that this location is gonna work. And there's a lot of metrics, right from the real estate metrics, which is more common in the syndication world, but then you go into the business side metrics of our avatars and what they're doing, and then how we target them. Because don't forget, people don't know Longyards exist, like maybe half the people hearing your podcasts. And like, what is this?

Well think of it from the consumer side, they don't know it exists either. So we really have to understand where they are and how to contact them. And that's really where a lot of our focus has been going. It's re-educating our consumers, letting them know who we are. And that's just internal Longyards data. But you know, the real estate's one part, but the businesses and others so...

WS: Yeah, stand out in front of those six o'clock. Your card, you know.

CL: There's different ways to do it, I'll tell you at the beginning, I'd run up at a red light and with a company in front of me, and I'll just hand them my card. And this is who we are, you know, because I've just never been afraid to knock on doors.

I've literally watered the plants in front along here to see companies drive by, and I close these deals just like that. So that's how it started. And now it's just on a bigger scale. So yeah, it's just, you know, putting your neck out there and letting people know who you are. Obviously, we've gotten more granular and very detailed with it. But that's the gist of it.

WS: You're just hiring other people to jump out at stoplights now, right? What are some habits that you have that have produced the highest return for you?

CL: I'd say just you know, I don't know if this will be the best answer. But I think it's just a work-life balance. I used to work 12-14 hours a day, and really just be stressed out and you know, phone call after phone call. But apparently, now I spend more time with the family and actually just breathing more and relaxing.

The habit of just getting well-rested, good sleep/ I'd say good sleep is a massive one, and just breathing during the day is more than relaxing, then when you spend that time you're in a deep focus, and you're really concentrated. So I'd say I probably discovered in the last six months or a year actually that the habit of probably deep sleep and just relaxing. To be honest, it has been really powerful.

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

CL: I'd say tenacity, I just don't give up. If I believe in something, I don't care, I'll find an answer. And my grandfather, Conrad, he was a stubborn old German, and I've worked with him, and he just got the job done. And I feel like that just stuck with me. Like I'll persevere, you know, like most people give up at, you know, halfway through the hospital, I'll go all the way to Z. And I'll start all over again. And I think that's been my step to success. I just don't give up.

WS: And how do you like to give back?

CL: Oh, I love giving back. And that's the thing about Longyards. It's the community you're building and like just meeting and shaking people's hands and trying to provide value to the business. So I just like giving back by providing value to the small businesses in my community.

And we're about to launch a podcast and part of the podcast is actually how to help and support these small businesses, especially troubling times ahead, but just anything -- pricing, jobs and networking and everything else. So giving back to our small businesses is my way of giving back.

WS: Awesome, Chris, grateful to meet you and have you on the show. I'm always encouraged by hearing like somebody saw a need, right? And typically it's in our own lives, right? There's something that's frustrating us and then that entrepreneur uh you know strive comes out and figures out a way to solve it and sounds like you've done just that.

I appreciate you sharing that today. If you need help starting your podcast let me know our team and Vox Valens are helping numerous people produce podcasts now so will shout out there to them. But Chris, thank you again, tell the listeners how they can get in touch with you and learn more about you.

CL: Awesome, appreciate that. So it's my cell phone 941-278-1995 You can email me at clong@longyards.com or check on my website and you can get a hold of us there at longyards.com.

WS: 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, go to LifeBridgeCcapital.com where you can sign up and start investing in real estate today. Have a blessed day.