

Automated voice: Welcome to the REI Diamonds Show with Dan Breslin your source for real estate investment jewels of wisdom.

Dan: Welcome to the REI Diamonds show. I am your host Dan Breslin and this is episode 174 on Jacksonville, Florida Turnkey rental properties with Greg Cohen. If you are into real estate investing and building wealth congratulations, you are in the right place. The REI Diamonds show is a wide-ranging conversation of all things real estate investing. My goal here is to invite high-caliber guests who specialize in building wealth such as real estate investors and other industry service providers and then draw out the jewels of wisdom, those tactics, mindsets, and methods used to create millions of dollars and more in the business of the real estate. Today, we are joined by Greg Cohen, the founder of JWB real estate capital, a large and long-standing provider of Turnkey rental properties in Jacksonville, Florida. We discuss everything from easily and passively scaling a rental portfolio to why you should even invest in the Jacksonville, Florida market. Throughout the episode, you are going to notice my genuine enthusiasm about Greg's product and market throughout the show as Jacksonville is a market I personally intend to invest in during 2021 and beyond. Please enjoy this conversation between Greg and me. All right. Welcome to the show, Greg. How are you doing today?

Greg: Thank you, Dan. Thanks for having me.

Dan: Yeah for sure. So let us start with the JWB real estate capital creation story. How did you get started? What the business look like today?

Greg: Well, you know, it started with a very different path. I actually graduated from college and thought I was going to corporate America to live up to my dream of working up the corporate ladder. So that is what I did originally. I went to go to work there for about a year and a half and quickly learned that it just was not the right place for me. And while I was there, I am a big believer that everything happens for a reason, so while I was there, a friend turned me on to that amazing book, Rich Dad Poor Dad. I remember reading that book and just telling myself that I was going to quit my job and start to invest in rental properties and build my own real estate investment company. And so I grabbed one of my best friends and that is what we did. We really did not have any experience, any knowledge, but we started to learn and really started to learn from mentors that had been there before and before we knew it, we started by our own rental property and we acquired about 40 rental properties back in 2006 and 2007 and since then have really focused on building up our own portfolio as well as helping others across the country and across the world start to do that as well. So we get to manage those portfolios for thousands of investors now, they invest with us here in Jacksonville, Florida, and do all the property management for them, so and now can become a passive income stream for them, like it has become for me.

Dan: Nice. Yeah. Yeah. I started similarly. I remember reading the Rich Dad Poor Dad thing and I remember telling some friends of mine. I think there is like a guy that owned the paving company and there is even a couple of restaurants and he had this whole like the plethora of businesses never like repeating that same kind of thing and it took me another five or six years later. I think I was like nineteen at the time. I read it when I was twenty-six and then shortly thereafter within a year kind of started the same thing that was right around to 2006 too for me.

So how about that that the stories coincide there is pretty cool.

Greg: Oh man and anybody who started in 2006 who is here today and had survived and thrived what happens for the next few years, I feel like we have lived at least two or three lifetimes in real estate and now, we are done for that[?] because we see the perspective of what happens if a market go down if a market goes up, we see how to survive and thrive and create passive income in the matter what market that comes our way.

Dan: Yeah, you are right about that. So I know but the listeners probably do not that you were in Jacksonville, Florida. So why would I want to invest in Jacksonville Florida real estate?

Greg: Well, I think that is a great question because if you are a rental property investor, you have a few options out there as far as you know, maybe a handful of the market that have low prices and high rent and we call those the cash flow market and you know, investors are attracted to those cash flow market, right? A lot of them are in the Midwest or Jacksonville here in the Southeast. There is a few, but a lot of investors focus solely on the cash flow. So when we are thinking about the Jacksonville market what I share with people is your job as an investor is to get the best risk-adjusted return on your investment and in rental properties, there is more than just positive cash flow as a profit center. There is actually five profit centers and you need to look at all of them if you want to do the best job of getting the best risk-adjusted return on investment. And if you are investing for a full market cycle, what you will find is that positive cash flow is actually one of the smallest contributors to your overall profit, especially if you are financing. It is really important, but it is not the end-all-be-all you can look at all five and so when you look at all five including property appreciation and tax savings and principal pay down and inflation hedging as well as positive cash flow that is where Jacksonville shine.

Greg: So Jacksonville has home prices that are twenty-seven percent below the national median. Our rents are one percent above the national median, but we have appreciated at a rate that is thirty-four percent more than comparable cash flow markets out there since 1991 and so the reason to come to Jacksonville is because it is a balanced play where you can get both positive cash flow and above-average home price appreciation.

Dan: What are the five ways you make money? I had the appreciation, positive cash flow, the tax benefits, and what were the other two?

Greg: We got positive cash flow, tax-saving, principle pay down, property appreciation, and inflation hedging.

Dan: Can you define inflation hedging?

Greg: Yeah, absolutely. So there is investment out there like real estate where you are protected against the effect of inflation, right? Over time, your dollar gets devalued as the cost of goods and services around you goes up. Well, in rental properties, the things that drive income in return to you generally go up as well with inflation like rent or like home values and so this is a hedge against inflation whereas, in other assets, they might not go up with inflation and so your investment return could be devalued simply by inflation, but in rental properties, you do not have

that because your income sources and your profit sources generally also go up with inflation.

Dan: Yeah, and that is interesting. So we just had a Paul [inaudible] give us the US economic forecast. He is an economist out of the Philadelphia area where I grew up and one of his things; we got into the five to ten-year time horizon. He said "yeah, it is probably going to be a decade of big inflation" and my action item Greg was "okay, I am glad I bought the rental properties that I bought and I got to buy some more for that very reason that you just talked about the hard assets are probably going to keep pace with inflation." In one sense I guess that is kind of the one form of appreciation there, but that is my big action item lately, right? We are in 2020. We are in some uncertain time, certainly. It is a very unique time with covid occurring, interest rates, and everything that is going on, but I see no reason why anyone should stop buying real estate right now at this moment in time.

Greg: Yeah and inflation is your best friend as a rental property investor assuming you take out the debt as well because then the effect of inflation actually work even more in your benefit because what happens is in addition to your rental income going up and your home price appreciation generally keeping pace with inflation so you are sort of protected there against inflation. What also happens is the debt that you borrowed because you are paying it many years down the road you are paying it back with devalued dollars. So it is almost like this inflation hedging on steroid[?] if you actually take out the debt as well, so I am with you buddy. I am gobbling up as much as I can and our investors are too.

Dan: Yeah, and my main business is buying, fixing, selling, buying, and immediately selling we have done I think two hundred and forty-seven deals so far this year. We got another month, we are hoping to plug probably will not get another fifty by the- end of the year, but I do not hold as many as your business model does but like I am, when I buy my rental properties, I buy them in the listeners on show, hear me talk about my investment philosophy a lot, but I try to find these niche market or niche areas that I think are going to go up in value sooner rather than later and kind of pick the micro markets versus just find something that is convenient for me, right? So I have property, a lot of property that I have never seen before and I imagine thousands of clients that JWB serves also have never seen the property. At least a good chunk of on the probably never put hands-on touch the property but the old-school way of investing certainly in 2006 and before when I read Rich Dad Poor Dad, I could never fathom in buying something that I was not going to touch, but I am more comfortable analyzing my risk or adjusting for my risk by paying attention to the exact location of the real estate and so I picked these kinds of tertiary areas in the city of Philadelphia where the appreciation is strong. There is a lot of investment, the gentrification is going on, and I am buying outside the typical gentrification borders hoping for the events and growth and I do something somewhere in Chicago, but I imagine that in the entire country, Jacksonville would kind of fit the same way. We are looking at the entire country. Do you guys also have not just Jacksonville in the entire city, but other also some Niche markets that these rentals are available and that you guys are buying intentionally or as a kind of like a blanket anywhere, there is a deal and the rents make sense, we are going to go ahead and put that to work?

Greg: Yeah. Actually, we are extremely specific about the neighborhoods that we invest in and if you could believe it, we have been investing in the same four neighborhoods in Jacksonville ever

since I bought my first rental property back in 2006 and we literally bought over 3,000 properties and they are in these four neighborhoods in Jacksonville and we just dominate. Now, Jacksonville is a big city. So it is not like we are just a small city here, we are actually the largest city by land and that land by square miles in the contiguous forty-eight states. So we are a big city, but there are four neighborhoods that we invested and it is because you have to get into these cash flows sweet spot neighborhood where you have low prices so we know Jacksonville's a low price market overall, but we have to have lower prices than the median even in Jacksonville. They have to have high rent and we need to be surrounded by jobs and quite frankly, we do the property management for all of our clients as well in the house and so we need to make sure that we are in the neighborhood that we want to manage your homes because sometimes you can find low prices high rents, but not be in a neighborhood you want to manage them, so you really have to find that sweet spot and we just absolutely dominate there.

Dan: Yeah, that is amazing. So we are talking turnkey rentals. I am playing the role of never going to step and put in Jacksonville to see the property and I am contacting JWB and I am asking about "Hey, I want to buy the first property." What are the pros and cons of buying turnkey rental properties?

Greg: Well, if we are talking about buying Turnkey rental properties, should we do pros and cons versus other assets or should we do pros and cons versus maybe being more active and buying them yourselves like buying rental property so which is better?

Dan: Let us go with the pros and cons of me buying in Jacksonville versus driving down the street where I can see my rental property. So we will assume that I am sold already on the business of real estate like putting my [inaudible] rental houses, but why should I get comfortable with buying these houses in Jacksonville that for me I think we are like eight, nine hundred miles away, let us say and probably anyone listens to?

Greg: Well, and that is a great question too. So, you know and a lot of folks first start to look in their backyard and they say well, should I invest there versus should I invest to somebody that I might not know and might not trust yet, in a place like Jacksonville. The first thing to do is to look at the market and compare them objectively, right? Let us not get emotional or let us not get how close we are to that property and not figure out the numbers work, right? So the easiest thing to figure out if your local market works are it, you are looking at home prices, go and see if you have below median home prices compared to the US. Do you have above-median rent and do you have higher-than-normal home price appreciation, higher than average home price appreciation across your market compared to the US stock. If your local market hits that locally well, then you might want to consider your local market. At least, it is a possibility, but then the next thing is you got to figure out what is more important to you, right? If you are going to be the person who is out there finding the property, renovating the property, right? Managing a contractor, maybe doing your own property management or at least kind of finding your own property manager and doing all that, you are going to spend a lot of your own time doing it and you are also going to have teammates that might not all have the goals aligned with you or with themselves and so what you set yourself up for is the normal way that people invest in rental properties, which is it is challenging, it is hard, your property manager might not see it the same way the realtor you worked with to buy the property seized it and so they have different numbers

and ultimately you might be held, stuck holding back and this is what is really kind of kept people away from rental properties in the past. Then I was looking up a stat on, this was a Gallup poll, would you believe this? They asked investors what do you think the best long-term investment is for you and they compared real estate, stocks, bonds, [inaudible] gold, all that. Real estate was the most popular choice by far. Everybody said Real Estate was the most popular choice. Then they ask those same investors, what do you have in your own portfolio? And out of that real estate was not the number one choice or the number two choice or the number three choice or the number four choice. It was the fifth most popular choice behind gold and behind bonds, behind [inaudible]. I mean-

Dan: Wow.

Greg: So, well that communicates to everybody that people think it is hard and people have not had a good experience doing it the normal way. So pros and cons, if you are going to do it yourself, first make sure the market works. If you are going to do it yourself, you are going to put a lot of work into it most likely and now that is on the con side on the pro side, you may be able to get a better deal, right? You may be able to find something under market value and then that makes the returns better for you. You might have some more risks and whatnot, but that would be on the pro side. If you are going to do with the turnkey route, you have got to put your time and your due diligence to make sure that partner is somebody that you can trust, somebody whose goals aligned with yours and they are making more money when you are making more money and you know the pros to it is that number one, can get a great return on investment; number two, it is scalable, right? You can build a portfolio of three, five, ten, twenty rental properties and still have your day job and not spend hours each month managing it, and then what this can do is just creating a more well-balanced overall financial portfolio for people. Most people just have way too much money in the stock market that is too susceptible to variations there and if you can invest in a turnkey rental property or a portfolio of turnkey rental properties; now, you can create a portfolio that is balanced and has a consistent asset class in there that is not tied to the stock market and that helps a lot of people sleep better at night.

Dan: Yeah, I love that and when we talk about those the fifth most popular investment being real estate My and I do not know maybe your experience was similar to my experience was actually owning rental property first, but I was doing real estate deals for years and kind of sold on the fact that that was number one and really totally absorbed that. Now, my portfolio looks different than that and I have some money in the stock market, and I have money in my main business, and I have money in the Chicago real estate market, and I have money in the Philadelphia real estate market and these are all different like buckets of savings if you will and I think for me or what I would guess would be the reason that we might see that at number five versus number one is the barrier to entry when you are buying real estate is a little bit higher. So, like I can go into the stock market with five hundred bucks, thousand bucks, I could buy a gold coin for a thousand bucks, but in real estate, I am probably going to need to put for something that is going to be renovated and Turnkey and solid, something a reliable quality asset, right, that I assume you are going to put together for me Greg. How much money am I going to have to put down on that deal to get into the door?

Greg: At a minimum, about forty thousand dollars assuming you are using conventional

financing.

Dan: Got you. So, the barrier to entry there might be a little higher for a lot of people to kind of push them down the pike and then it is a little bit liquid to but like my own experience and I am almost embarrassed to say it, but I like I would fall in love with these little micro portfolios like buy four houses here, buy eight houses there, and I do not have a ton of them, but they came with tenants and I do not want to rock the boat and they are not houses that inside I would have to renovate them when they finally move out and I fix things right away and I go above and beyond when I am doing my repairs, I do not see him bad or anything like that, but they are not quality renovated assets, but on the flip side of that, some of them only had a few years and I bought for say sixty five thousand and a year, two years, three years later with whatever my down payment was on that specific house, but I was then able to sell them in as is condition because the market moved for like ninety five, hundred, and hundred five thousand a couple of them.

Greg: Right.

Dan: So we are talking about doubling and tripling of whatever that down payment was on that specific house and that is kind of the added benefit of Leverage in and in the rental real estate as an asset class you guys are doing a ton of deals, right? And we have sort of touched on you are renovating them, but can you kind of like talk through the product that you are offering as a Turnkey?

Greg: Yeah, absolutely and so we started in 2006 as I mentioned beginning, we have first, of course, we are buying our own properties to build this model out for ourselves and people were starting to pay attention and really about 2010 or so is when our business I would say kind of maybe hit the next level and we started to really propel properties on maybe about a couple of hundred properties, Turnkey properties with that point. All through that point, we were selling renovated homes, and then in 2011, we were at basically the bottom of the great recession, prices were incredibly low, nobody wanted anything to do with real estate, no home builders were building anything and so my business partners and I looked, and we said what if we could buy land and we could build a new construction property? Do you think that we can get in for our clients to be in at the same price as if they purchased a renovated home from us? And the answer was yes, and we said if we did that how much of a better experience would it be for the renter, the resident, right, would we be able to get the right premium for new construction homes and I was thinking about what I rented when I was in college, and I said I was never able to rent a brand new home. I surely would have paid more for a new construction home to rent and so we were able to get that and so we went very strong. We are actually a pioneer in the build to rent space for Turnkey rental properties back in 2011. We have continued to do that. Actually, we were recognized on the front page of the Wall Street Journal for the build to rent in 2013 and since then we have continued to acquire thousands and thousands of lots and so we also still do renovations, although that inventory is if there is a certain shortage out there but brand new construction homes are what we have built to create our own inventory for our client. And so these are brand-new homes, they are either three or four-bedroom homes, two bathrooms, open floor plans with garages and maybe somewhere between 1,200 to 1,800 square feet and those homes sell for between a hundred eighty to about two hundred and ten thousand and with the rent that we are able to get to, we are able to achieve the same types of return on investment, but

we have inventory and of course it is brand new construction which lowers your maintenance cost and has a better runner experience and so we are able to have inventory, whereas a lot of markets across the country just do not have it, right? And that is why you are seeing a lot of Turnkey providers out there go out of business. They just cannot source the inventory and still make the numbers work.

Dan: Do you think you are ever going to see a time where that is the case or will you end up renovating into some newer neighborhoods, will be the kind of the horizon for you guys, do you feel like your model is sustainable through the long term or what some point, no more product becomes available and you guys are high-quality management company for the portfolio that you build over ten, twenty, thirty years, I mean, what would that look like?

Greg: Well, we have been around for fifteen years and we get asked all the time, are we going to go to other markets to find inventory, right? Because that is what a lot of Turnkey companies do. It is what you see in the expanding now because they cannot find inventory. You know, we have taken a different approach, we have a whole section of our business is devoted to what is coming next in Jacksonville and we do this because our commitment to our clients is that we are going to have years of runway for them to be able to purchase and put them in a position that is trying to hit their goal, that is going to put our company and position of strength. So we are devoted to what is coming next. We have done this a few times now and had just incredible successes. The brand new construction was something that was never done before that now, even the big guys, are all about brand new construction build to rent, but that really started with us back in 2011. Since then, we have built out the townhome model as well. So new construction Townhomes work as a way to make sure that we can see what is coming next and have inventory. Even lately, we have been getting a lot of Buzz here in Jacksonville because we are trying something brand new that has never been done and it is shipping containers. So we built our first brand new shipping container apartment in Downtown Jacksonville, and we are out there looking for ways to make sure that we can continue to source inventory and to lower build cost and to be green because better for the environment and so we just built our brand new first brand new shipping container apartment. So we are an innovator and our commitment is to stay here in Jacksonville. And in order to stay here in Jacksonville and to continue to provide a runway for our clients, we have to be on the verge of what is coming next. So, to answer your question, you know what that is our charge is to make sure that we do not run out of investment opportunities for our client and we are not, that we have built our business around making sure we are a few steps ahead.

Dan: So we were introduced by a mutual friend, Jason DeBono and he was telling me about Florida and I love the Sun Belt part of the country for long-term investment, right? It is not just covid hit and everyone is moving from New York City to Florida now like this has been going on for decades and decades with a small hiccup background at 2006 to 2010 era, we probably would have seen like a leveling off or everyone was kind of staying put there but the population and job[?] migration alone makes Florida in my eyes, "Oh good place to buy real estate," and so when he introduced us and we got talking, you started telling me about the build new construction, I am thinking "Okay, I am going to be getting some of this product myself" and I have a deal coming up where it is one of those rentals I was talking about a moment ago Greg and she is moving out there like any day now, so I am going to sell it and the gain is probably going to be forty or fifty grand and so I am just doing the math and will do it. I am hoping I can

do a 1031 exchange and then get in something here with you guys, timing-wise, right away, is that realistic, or the new construction deals kind of like you got to put a deposit down and wait, like six to nine months for delivery, like what is the actual by process for your inventory look like as far as a timeline for your clients.

Greg: Another really great question. So, many people if they do source their own inventory, if they do build new construction, they sell it pre-construction to the client, which for you in your example, right? You do not want to sit around and wait nine months after you put a binder deposit down to collect cash flow, right? That does not do anything for you. So, to answer your question, no, that is not the case with JWB. We build the homes prior to our clients ever seen them so that when we would be able to talk with you about helping you buy your first property in Jacksonville, that house is already going to be built. It is already going to have a resident place. So, it is literally right there so you can be cash-flow positive from day one and you do not have to wait that six or nine months like many folks have to do.

Dan: That is interesting. So do the tenants typically stay in your property, like how long is the length of stay, three years and you move, five years, you have got fifteen years worth of data there to kind of know what the average is.

Greg: Yeah.

Dan: And is the average difference in the new construction versus the renovated properties?

Greg: Our average length of stay is fifty-four months which is just incredible and not enough investors pay attention to the average duration length of stay, but it is the single greatest determinant to your success as a rental property investor. If you are a buy and hold investor, right? The longer your residence stays, the less maintenance cost, the less vacancy cost, the happier you are going to be. So our average is fifty-four months. The way that we do that is because we do not find one year leases that most property [inaudible] managers out there only sign one-year leases, but if you need to get people to stay years and years and years that single [inaudible] determinate like I have learned with my own rental property portfolio. If you only sign one-year leases, then you are just hoping that they resign every single year. What we do is we signed two or three-year leases. We do not offer one-year leases. And so that makes it a lot harder for us to source residents and we still get rent escalation as well as a part of the built-in two or three-year lease. So that is how we can really win together in making sure that property management serves the goals of the rental property investor and unfortunately, most property management companies just do not do that. So signing a one-year lease is not the best thing for you as a rental property investor because if that person moves out, you got cost to go back into the house to fix it up, you got tenant placement fees to pay that property manager again and you got to still, of course, pay the mortgage while it is vacant.

Greg: So yeah, and then your other question about is there a difference between new construction and existing homes? No, we have not seen the difference as far as the average duration of the length of stay.

Dan: Got you. One of the things that I think you said a few moments ago like before this



question, but our own investment, right my company Dime Equity Investments, we strive to kind of make a dent in the universe in a small way of each neighborhood where we do business and we are concentrated to Philly, Chicago, and Atlanta and we do like a two-hour radius. So we do not have the same local impact that it sounds like you are doing the four neighborhoods in Jacksonville although we are still making an impact, it kind of feels like we are pouring water on like a forest fire kind of right? A little bit and all of us Real Estate Investors who are investing capital and we are bringing properties back to life, we are all doing that. That is kind of our function and our role. We take the risk with the capital, we get the reward, but I like the idea of being a part of JWBs kind of the impact and your commitment to stay local in Jacksonville and figure out okay what is next, and now all the sudden, it is new construction filling in these lots that were just vacant and what is next after that and you kind of got these shipping container apartment things common in that drive for innovation and commitment to the local. I think that is really cool. I mean, that is intentional, right?

Greg: Well, absolutely. I mean you are talking about the effect that we as Real Estate Investors can have on communities and it is so impactful. I mean, it is not like you have to be in business for fifteen years or go as strong as we do in our specific neighborhoods to see the impact, right? I remember when we were just first starting. I mean they were two houses that we bought on the same street. I still remember this and we bought those houses and we turned the two eyesores on that street into wonderful homes and this was way back when we were starting, so anybody can have that type of impact and that change that street dramatically. We had residents on that street thanking us because their kids felt safe going out to play on that street where they did not before and the longer that you are in this game, the bigger the platform you have to make a positive change like that, so we feel really blessed to be a big contributor to it here in Jacksonville. And I know Dan I am sure you feel the same way. We are all just trying to make a dent[?] here and bring some positivity with communities and renovating and building new construction is one of the best things we can do.

Dan: Yeah, for sure, for sure. We literally are, to the neighbors who have that adjoining parcel to the house that you Greg or you the listener are investing the capital, are losing sleep about when the weather changes the hurricane comes or the pipes are freezing, you got your construction materials in there, but you put all that aside, you have made the investment and you saw the deal through all the way and how much better is that neighbor feel even if they do not come out and say "oh thank you this is great" and they probably yelling at you for all the noise over there, curse you at some point for like, the end product is either some family moves in there. They are now celebrating the holidays there and it is a nice renovated house or the homeowner that actually bought the property. I mean think about the emotional charge of buying your first home that your family is going to move into like these buyers are dreaming, hoping that you are going to accept their offer. You make the offer, you stressed about the home inspection, they are hoping the deal does not blow. They finally go to set them and they move in and man there is not much like that. That was those first couple weeks when you like move into a new house, usually, people are really charging and we as Real Estate Investors get to be a part of that and it is really is a cool thing.

Greg: It absolutely is. I mean, you think about the wealth that as Real Estate Investors we create not just for ourselves, but for others, right? When we can focus on a neighborhood and we have

an impact, a positive impact, we turn the worst houses in the neighborhood into the best houses, the wealth that we create for everybody living in that neighborhood can be substantial because as property values go up, right, everybody in that neighborhood benefits from the equity that is building up and then that can be passed along to their families for generations as well. So, I mean, you are right man, we just have this incredible platform and sometimes Real Estate Investors get a bad rap, and sometimes that is justified by other Real Estate Investors, but there is a really a tremendous amount of good that we can do that we all are doing.

Dan: Absolutely. So, Greg what two books do you recommend most often, does not necessarily have to be real estate-related to clients, to friends, whoever?

Greg: That would have to be Rich Dad Poor Dad, number one, that is the one that everybody in my family and my friends' circles are tired of me talking about because I give it to all of my nieces and nephews when they are growing up, given it to all my aunts and uncles, and parents, and grandparents, I mean, everybody hears me talk about that one. It is on my nightstand for my eight-year-old daughter too, we read that one together. So, I absolutely love that one. The other one that has really helped us grow a business and we are maturing at the business, right? We have been in for fifteen years. They had 80 employees now. One that has really guided us is Good to Great by James Collins and our business one of the terms we throw around the most is our Hedgehog and our hedgehog is the one thing that we are built to do and of course, a hedgehog has survived for thousands of years by doing one thing and it is curled up in a little ball and has its spikes and that is what it does to survive. Well in our business our Hedgehog is our Turnkey rental properties and the property management that is coupled with it and that is the reason that we are here today. It is a reason why we have all these amazing teammates now and we can do all of these wonderful things and it is also the reason that we have an opportunity to do more innovative things, but we can never really get that twisted, right? Turnkey rental properties are the most important reason for us. It is number one. It is the priority and we learned that concept from Good to Great which was written by James Collins.

Dan: Nice, so if you could go back and share the Crown Jewel wisdom with yourself, let us say 2004 to 2005, just to pick a date, what would that be?

Greg: Just get out there and try to sell something. So many people are so concerned about failing like they just they do not let themselves get out there and 2004 and 2005, I was twenty-two and twenty-three years old. I was a very different person and at that age, I was tracking for Corporate America. I was scared to be an entrepreneur. It never even considered or cross my mind until I kind of just did not enjoy the corporate route and I look back and I am like man I just never would have gone out tried to start a company, failed tremendously, do whatever, right, try to sell something, fall flat on my face. I never would have done that had I not gone through some tough times in my corporate job, but once I did that and then I got over that fear man that is the best thing that could have ever happened to me and just simply going out there especially as a young person, it applies if you are young or old, but especially as a young person going out there try to sell something be an entrepreneur or just try, who cares if you fail literally, it does not matter that much when you are twenty-two or twenty-three.

Dan: Yeah, you are right about that. I always think back. I hear a story similar to yours where

people had to walk away from somewhat successful lives or career paths that certainly had success in front of them and they were doing the right thing all the way along and like when I was twenty-two or twenty-three, 2003, 2004, 2005, like I was a wrecked man. I like failed out of life, failed out of selling cars, like hooked on drugs, drinking the whole nine, like there nothing there, was like scorched Earth and I look back in like 2006 and I remember I got clean, quit drinking, the whole thing and real estate all came, I did not have anything to go back like I was busy like the Vikings burning the boats on the shore like the boats will burn long before I was on some Conquest. I was just standing there. It is not a big deal for me. Like I got to make real estate work because there is just nothing else and then I hear stories like yours where there is like this it is actually the decision to like let go of this other thing that is working and then move onto this new thing and congratulations for that. I am sure if people listening who are in the process or have already made a similar thing where you had to like switch gears intentionally, whereas it was kind of like fate and destiny for me like put the car in gear in the first place. So it is like yeah although I did it. I did not have to leave behind this other potentially successful path and I think that is pretty cool that you did it.

Greg: Well, hey, man, I think your story is pretty inspirational. I mean, I think it is pale to compare my stories, pales in comparison to your story and congratulations for working through those things and for all of us out there, I mean, really when you choose a path of like kind of getting over whatever that obstacle maybe and for me it was a fear of failure, it is not the reward, it is not the money that comes with it, but the reward is just the change of the outlook and how you think. I think very differently. I am sure Dan you think very differently now to a point where you cannot go back to being that same person before, and if you had not tried to get out of that place that you are in and if I had not tried to get out of place that I was in, I would still be thinking that way, so I love your story brother that is pretty inspirational.

Dan: Thanks, man. I appreciate it. I would not go back and do it over. There is a lot of other places, but what I guess I change it because they came to a really good place and I am blessed today, but hey, we are just about the end here. How can listeners go and get more information about you or JWB real estate capital?

Greg: Yeah, thanks so much for the opportunity to Dan. It has been a blast. So if anybody would like to learn a little bit more about what we do and how to invest with us here in Jacksonville, Florida, you can go to our website which is [jwbrealestate.com](http://jwbrealestate.com) or you can find me on social. We have a Facebook group that I go live in every single day and we certainly invite you to be a part of that. You can go to our Facebook group at [jwbfacebookgroup.com](http://jwbfacebookgroup.com).

Dan: All right, cool. Hey, I appreciate you closing out the distractions. I know you are a busy guy Greg. I had a blast. I am sure the listeners did to. Thank you for coming on the show.

Greg: My pleasure buddy, thanks.

Dan: Off-market real estate deals. All of us Real Estate Investors covet that rare profitable off Market real estate deal often bought with very little competition. The problem is many investors futilely tried to develop their source of off-market deals through real estate agents or wholesalers only to become frustrated when they discover that they are not the only buyer in that real estate

agent or wholesalers network. The only real way to have a consistent source of off Market real estate deals is to develop a business of attracting those deals. Enter the REI deal machine, originally developed as a resource for high-volume investors to build teams of drivers who are literally driving their market, looking for run-down, and distressed property. The REI deal machine simplifies the process of route tracking, lead generation, and literal push-button marketing to allow you to focus on the highest value skill set a real estate investor can build and that is negotiating profitable real estate deals. For a limited time, you can register for free access to the REI deal machine at [reidealmachine.com](http://reidealmachine.com). You have a chance to play around with the system take a demo and actually begin using the app at no cost. So go register free, right now at [reidealmachine.com](http://reidealmachine.com). And thank you for tuning in to this episode of the REI Diamond show. Remember to review and subscribe on iTunes or whichever podcasting app you are using. Just search REI diamonds and click subscribe. You can sign up to receive new episode notification emails at [reidiamonds.com](http://reidiamonds.com) as well as check out the 174 episode archive of wealth-building real estate investment jewels of wisdom. I have made millions of dollars by using the wisdom shared on the REI Diamonds show over the last few years and I hope you do too. That website again is [reidiamonds.com](http://reidiamonds.com). So my main business is buying and selling houses, two hundred and twenty-three houses bought and sold in 2019 and two hundred fifty bought and sold so far in 2020. We have another hundred and twenty-eight houses in our inventory either under construction for sale or sold and awaiting closing. So here are three ways that you and I can do business. If you buy houses in Atlanta, Chicago, or Philadelphia, the two-hour radius of either City, go to deals with [roi.com](http://roi.com) and sign up for the correct buyer's list there, note there are five lists in total separated by region, so be sure to sign up for the area where you are interested in doing deals. Number two, if you are an accredited investor and you would like to fund a deal or many deals at double-digit returns, go to [fundrehabdeals.com](http://fundrehabdeals.com) and sign up to receive private mortgage investment opportunity emails. Number three, if you have a deal for sale either in Atlanta, Chicago, or the Philadelphia region, please shoot me an email with the details. I am always buying houses. Well, that brings us to the end of the episode, next up we have commercial real estate developer and wealth manager Mike Brown, Red Fox Capital founder, joining us to discuss the current state of the commercial real estate market as well as where the opportunities can currently be found. I will catch you on the next one. Dan Breslin signing off.

Automated voice: Thank you for listening to this episode of the REI diamonds show with Dan Breslin. To receive email notifications of new weekly episodes, sign up at [www.reidiamonds.com](http://www.reidiamonds.com)

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