

Multi-Family Real Estate Investing with CPI Capital CIO August Biniaz

Dan Breslin: August. Welcome to the Rei Diamond! Show. How are you.

August Biniaz: Great. Thank you, Dan. Thanks for having me.

Dan Breslin: Yeah, for sure, just before the audio hit record here August and I were complaining about the Florida. I don't know. We're in like the mid forties here today in the Saint Pete area. And you guys in Naples are whereabouts.

August Biniaz: Around same around the same. Yeah.

Dan Breslin: Okay, yeah, yeah, it's cold. I was in Palm Beach yesterday, and just completely shocked at how cold it was out in Palm beach. So

Dan Breslin: mind bothering. Of course, everyone listening is probably in New York City and Atlanta and Louisiana under 6 or 7 inches of snow, so like, I don't know that we have any room to complain right.

August Biniaz: That's right. No, in Celsius, I mean, I do, Celsius, because from Canada originally, and we haven't seen single digits here since we've been here, off and on for last 2 and a half years. So, seeing those single digits, Celsius is

August Biniaz: shocking to us, we ran away from the cold. What's going on.

Dan Breslin: Nice nice. So I I I thought we would start at a place that maybe is not a recent topic for you, and rather than saying, Oh, August, how'd you get in real estate and tell me about your career?

Dan Breslin: Tell me about your 1st spec home deal, because I imagine that was not day one in real estate that was somewhere between day one and where we are today. But I feel like that was probably

Dan Breslin: some leap of faith, some new level, some unknown, that you face there. So maybe that story would be interesting and reveal some lessons about stepping into the next level. Even if someone's not trying to build spec homes, there is certain times where you have to kind of. Take that next step of faith. If you're going to grow in the real estate business.

August Biniaz: Yeah, no absolutely great starting point. I had gotten my real estate agent license. This is probably around 1520 years ago, and was trying to kind of make it in that business, which I found it very difficult, and didn't see it as very scalable. So I had certain concerns, and my partner, who was a pretty, experienced real estate agent. There was a lot that came up for sale, and when I say a lot there was old home on it. But in Vancouver you call anything that's

August Biniaz: somewhat old, basically just a lot. It's just lot value. And it had come for sale for 725,000, and he's like, Hey, let's buy this thing and let's build something on it. And he was convinced me to get into kind of

August Biniaz: the Spec home development side of the business, and and we bought the property and we started building it. We actually got a mortgage in my name and was able to get better terms from the banks on a personal type of resident construction

August Biniaz: which wasn't on their business, and we went through the process of construction draws building this thing, but my partner was more the one that was involved in the construction process earlier on. But as the project went on I seemed to get more involved, and I was somewhat of a the project manager or site superintendent on that project, and

August Biniaz: and we built the project. We we hadn't even listed it, and there was a knock on the door from a real estate agent. There was a Chinese family that had moved down the road, and if you don't know Vancouver, Vancouver has a.

August Biniaz: you know, a mind blowing number of Chinese nationals that live in Vancouver, the city of Richmond, where I was, from which is a suburb of Vancouver, 200,000 population. 70% of the population are actually from mainland China.

Dan Breslin: Wow!

August Biniaz: Most of these immigrants are very wealthy, so they're coming in, and the 1st thing they do is to buy a home and to buy a brand new car, and Lamborghini. Vancouver has more sales than Lamborghini, Dubai, or Los Angeles, or any of those, because they just they love to come and buy new cars and houses, and leaving from Communist China. And so we got a knock on the door from a real estate agent, saying, Hey, I have

August Biniaz: sold a house down the street to someone, and they have a family member who's just moved, and they want the family to live on the same Street. So the road was actually called Diamond Road. So we can Google, this.

Dan Breslin: Oh, okay.

August Biniaz: Of the show, so Diamond Road in Richmond, and I don't remember the exact address, but it was right across the school, and and we sold it. We sold a home, for

August Biniaz: I believe it was around close to 2 million dollars. So we broke the record. Made almost \$800,000. Wow on that project. And it was kind of the impetus for me to say, Hey, this is the space I want to be in. I have the natural skills to be a project manager builder, and that was kind of the spawn of starting the construction company that I started.

Dan Breslin: So how many more homes did you build until the next inflection point came? I assume that you're not building these homes today, right? Because because of the research and everything we did. Maybe you are. I don't know.

August Biniaz: Yeah, yeah, no. I love to tell you a quick story there. Most of the podcasts I've been on, there's a hyper focus on multifamily and real estate private equity. But I love to talk about my background in single family. But yeah, the next inflection point was when I separated from my partner, who had started the business with.

August Biniaz: and my last name is Benny. As his last name started with A. B. So our company was B+B. Brothers. And so I went on my own, and it was. It was difficult, because I was in uncharted territories, and I wanted to be a

August Biniaz: spec home builder. But I also want to be a custom home builder. Spec. Home is, build a home, put it on the market, hope to sell it for the best price custom home is, you actually are hired as a builder to build a home for someone. So I was doing them both.

August Biniaz: And when I went on my own. The 1st job I got was building a custom home, but I also wanted to build spec in total. I believe I built close to 20 homes. These are luxury larger in the millions of dollars homes. And that was really the next inflection point was separating. My partner, starting my own company white rhino developments. And while working and building these houses at some point, I realized that most of my attention and focus was building custom rather than spec.

August Biniaz: But what I was making maybe a hundred \$1,000 per house on a on a project manager kind of a cost plus basis. I was making per house that I was building. My clients were actually making millions. I've made many of my clients

August Biniaz: because in Canada, when you build a home, and your intent is to live in it and make it your primary residence. You don't pay, you have no capital gains. It's pretty much tax free. There's no cap on it like the Us. There's certain caps

August Biniaz: as an individual, or if you're married, but in Canada it's the greatest tax gambit that we have is the primary resident tax gambit. Everything else. The Us. Beats us. But on this particular one Canada beats the Us. Because you can, you know, buy a lot, build a home, live in it for a couple of years and then sell it and

August Biniaz: have 100% of those profits tax free. And some people have really abused the process and have done this multiple times. I've seen even some builders, associates of mine over the years that done that multiple times. And I'm like the nerve on these guys. They keep doing it. And I'm moving to one house moving out.

August Biniaz: And so that was kind of the next point there. And I always wanted to scale. I always wanted to build more homes and build, you know, communities or build high rises. And what I saw in my network was that people who had done well

August Biniaz: moving up from the custom like the custom home or spec home business, where people who were building townhomes, or maybe low rises, and it took multi generations. These are not people who one person could do it, and the the velocity of growth was really concerning me, and I wanted the faster growth. But I had never heard about raising capital or private equity, or funds, or syndication. The term syndication. I'd never heard of it till

August Biniaz: I believe it was 6 years ago that the 1st time ever I heard it was somebody had done a video on Grand Cardone, and they heard. They explained the word syndication, and it put me down this rabbit hole. But

August Biniaz: the next inflation inflection point was a deal had come across my desk. It was a 5 single family home land assembly on an arterial road where you could buy these 5 homes, and you could apply to the city for rezoning. We call it entitlement here in the Us. And you could build 20 townhomes.

August Biniaz: So the person who had purchased this land land assembly they had put a deposit \$250,000 deposit. Another 250 deposit was due. They had, I believe it was almost a year to close. It had come to the last 60 days, but they've got to some financial hard times, and they couldn't come up with a second 250, but that the price that they put under contract 10 months ago was way lower than what the price was in the market. So I was.

August Biniaz: The person was just transferring me to contract, and I was making money on the buy. So.

August Biniaz: and it was 8.6 million dollars for this 5 homes, and I took over the contract. I put it under my name, and I knew that I had to come up with a \$250 deposit, and I had promised him. I think it was something like \$50,000 for the transfer, and now I was in a position where I've got to close on this deal probably need around 4 million dollars of of equity to be able to close. And I didn't have 4 million.

August Biniaz: So it was kind of me going to my network of builders, real estate agents, partners, people that worked with over the years, and I had showed my performance as far as being successful in the single family development, and I was able to bring joint venture partners and

August Biniaz: basically put that deal under contract. The agreement I had with my partners is that I would sit on the board, I would be an advisor. I would invest in the deal, but I wanted a piece of the action when the deal was built and sold above and beyond my initial investment in the deal, and the partners agreed, fell in love with that model of finding the deal. Finding the investors

August Biniaz: being somewhat a manager, bringing on experts like the architect, like the general contractor, and getting a piece of action when this deal was built and sold. And that was really the next inflection point that I was found the way to move from

single family into something bigger, be it development, or what have you? But I'll let you jump in if there's if I'm just blabbering on.

Dan Breslin: Yeah, there's there. There's a whole lot there that I would love to touch on. So one of the things that I only know anecdotally so. My main home and residency is actually Chicago. So we just hear little drips and drabs. What happens in Canada and the market so hot there, and the prices are always going up. Is is what we hear. No data. No, none of that

Dan Breslin: but when you talk about the great tax gambit, the owner, occupant kind of thing. The thing that pops to mind for me is perhaps this is

Dan Breslin: a great strategy for Canada to attract people.

Dan Breslin: to to be residents. It's a good reason to come. Live there, because now you have this tax advantage situation to be able to

Dan Breslin: sell the property and harvest the money tax. Free number one, number 2, it incentivizes transfer. So now, like 2 of the markets that I'm in are highly constrained markets. Chicago and Philadelphia.

Dan Breslin: We're also in Atlanta. Atlanta is a more of a commodity market, and because the prices go a little higher in Atlanta, we'll see the transfers happening in

Dan Breslin: I don't know what the average is, but I'm going to spitball number of like 4 to 7 years. And in, you know, Philadelphia and Chicago market. Maybe that's 7 to 10 years, right? So we'll have properties that have been held for 40 and 50 years more often than we're buying in Philadelphia, and more often

Dan Breslin: not as much as Philadelphia. Philadelphia is the most constrained in northeast New Jersey, Delaware, you know. Southeastern Pennsylvania up into New York, people, buy them raise their family there, stay there through retirement, pass away, and the estate is selling it. After that 50 year chapter has gone on. There's not as much of an incentive in the United States, and especially not in the northeast, there

Dan Breslin: to want to get up and then move, because when the transfer happens, you have more of a real time price quotation occurring in the market, similar to what you might have in the stock market where people are seeing these records happening, and they're incentivized to participate. Get out while the getting's good.

Dan Breslin: and capture that check because of the windfall and no taxes. So I think it's brilliant. I don't know how high a bubble eventually could go with something like that. And I don't think we're gonna see anything like that happening in the United States, especially with the housing shortage type of situation that we're under. We're not exactly the country that is,

Dan Breslin: trying to attract the best and brightest from the world right now, although we we already do that. The United States already does that based on other things,

maybe opportunity, the talent, the private protection of property rights. I mean, the list would go on and on the freedoms that we have in our country. It's obviously it's a great country.

Dan Breslin: Not that Canada's not but this is an interesting

Dan Breslin: tax code structure that incentivizes certain behavior.

Dan Breslin: the other thing. I wanna I wanna highlight so \$800,000 profit, one of my own personal

Dan Breslin: adjustments. As time goes on. You know my 1st deal in 2,006 was like a \$6,000 profit.

Dan Breslin: And then it got to be like \$20,000 was a lot, and

Dan Breslin: flipped. The house made 45. It was like, Wow! Could you imagine that? And it must have been like, yeah, it must have been the business 8 or 10 years before I finally did a deal and made a hundred \$1,000 on it.

Dan Breslin: and we've we've done well for ourselves. I'm blessed. I'm very happy with where I am. We've never done an \$800,000 profit, and it feels like it's like a next level in the size of the profit and the size of the risk you're taking on. I mean, you said 725,000 for a teardown. I'm like this guy's lost touch. He's about to tell me he lost lost money, and then you guys built

Dan Breslin: this house for 5, 600 grand, probably in cost to cash a check for \$800,000 in profit. Did you intentionally set out or think through

Dan Breslin: a target profit of Hey, you know, I want to get into half 1 million dollar deals or something, because representing people on these bills. Sure, the Commission selling a million and a half dollar properties probably, you know, 40, 50 grand, which is great money. But you were looking on the other side, and was there a time you defined or reset your expectations before the 800 k profit kind of a goal setting question, if you will, August.

August Biniaz: Yeah, no, not at that stage. That stage was everything was really shoot from the hip and trying new things. But eventually, as we got more experience in the space we were looking at.

August Biniaz: What are we looking for, our Roi? And then the Roi would really depend on also term of the project. If it took us a year to build and a few months for it to stay on the market, then the Roi would be, you know Roi is always the same, but changes the kind of velocity of your return which is calculated by Irr. But you can also do it with your average annualized return. But yeah, so if the market cools off, even if you get the same price, it just takes longer, and then you

August Biniaz: your debt service, which is eroding away your profits as well. But yeah, we were more keen. But as competition grew as well, the investing culture in Canada is

a bit different in the Us. A lot of times. Deals are done for capital preservation, not really for capital growth.

August Biniaz: So you're not getting the same economics, the same yields that are achievable in the Us. And that's kind of really the reasons for Cpi capital to be focused in the Us. Rather than Canada. And that was kind of the next step of my journey was after I closed on that on that deal on that townhome 20 Unit townhome deal. I really fell in love with that model, and I was looking around how to

August Biniaz: raise money and bring on more investors to be able to do larger development projects. You know the same, and I was, as I was gaining this information, most of the content that I was receiving, and I was being able to find was coming from the Us. And everybody was talking about syndication and funds, and multifamily, this is 6 years ago. So it was in the boom of the multifamily era.

August Biniaz: And so I'm going multifamily. I don't think there's a lot of profit in that business, multifamily, is long. Term hold usually reits usually by multifamily, and when I start looking at it, that these groups are buying these multifamily properties. They're syndicating the deal, raising money from investors. They're going in doing some lipstick renovation, holding the deal for 3 to 5 years and flipping it and

August Biniaz: and doubling their investors money, and then are able to be also cash flowing that they're giving their investors cash flow distribution for me. It was just the light bulb went on, and I'm like, that's the industry I want to be in. That's the business I want to be in. And then I looked around in Canada. And I'm like what other groups are offering this. And it was literally a handful of groups that were offering us syndicated multifamily deals. And that was kind of really the inertia for us to put so much time and resources to start Cpi.

Dan Breslin: So does Canada have

Dan Breslin: 100 200 unit apartment deals that are kind of getting date, or is there simply not as much of that product built there like, why is it that the Us. Offers so much more opportunity? And these capital preservation deals, I mean, are they buying the 100 unit building at a 4 cap under capital preservation.

August Biniaz: You can.

Dan Breslin: They're just.

August Biniaz: 2 cap. There are negative negative cash flow, and the response from the brokers that are selling 2 cap deals is that Vancouver has done. 8% has beaten the S. And P. Over the last 20 years. It has. The real estate prices have gone up 500%. So they're just parking their money there, and they're just comfortable with it sitting there. But it was multitude of reasons, really, for when you compare Canadian multifamily, landscape and the Us. Yields are, of course.

August Biniaz: one. But the other thing is that the climate? So you don't have garden style apartment communities that are very common in the Us.

August Biniaz: Second thing is population. The Us. Is 340 million population, and Canada is, you know, just close to 40 million. So it's almost 10 x. The population most provinces in Canada have strict rent control. So this idea of

August Biniaz: not renewing the lease, and, you know, bringing in a new tenant or increasing your rents to the amount that you wish. Even California, you can increase rents up to the inflation number right in Canada. You're tapped at. What is it? 2? I think it's 2.5% per year. If that so.

August Biniaz: the the lending environment is also not as preferable. Now there are deals that Cmhc. Which is our equivalent of Fannie Mae and Freddie Mac are equivalent of our agency in Canada, does offer longer amortization deals and lower down payments. But these deals are not meant for syndicated deals. There's no cash flow, really. They're meant for long-term holds. Families who want to buy multifamily and and hold something long term to build that equity over to

August Biniaz: 2030 years. They're not really meant for syndicated deals.

August Biniaz: So yeah, multitude of reasons why you don't see multifamily at common. It's it's also rent to value ratios in Vancouver. If you compare Vancouver even here to southwest Florida, I'm in Naples now, and

August Biniaz: you're achieving the 1% rule for most single family condos, if not 1%. You're just right below it. In city of Vancouver. If you're renting a condo in downtown Vancouver, or you're purchasing a condo. You're

August Biniaz: rent to value ratio. You're sitting at 0 point 2 or point 3. So a million a million dollar Condo will get you around \$3,000 a month.

August Biniaz: So the business plan for a lot of multifamily investors actually shocking. You can see this on their performers, and people who do syndicate deals or they have a private reit is our strategy is to come up with creative ways to kick out the tenants

August Biniaz: because they can't, you cannot. There's no way to kick out the tenant is there forever. It's like a New York style environment. So their strategy is to come up with some creative ways, and that's what they pay. Che! We're going to do. There's going to be some damages of some burst pipes, and we're going to find this person, and we're going to kick him out because of this reason, and that our rent goes from 800 bucks to \$2,000. That's our.

Dan Breslin: Okay.

August Biniaz: That's our lift. There.

Dan Breslin: Yeah, that's a tough. That's a tough business model.

Dan Breslin: To operate in Vancouver. That's amazing. So I would have thought it was tough. Now, I don't do

Dan Breslin: 100 unit plus apartment buildings, and I'm I'm like, in the process of selling out of the 49 units that I own across. You know. I think they were across 6 or 7 buildings something like that.

Dan Breslin: To focus in on our main business, which is high volume, single family house flipping and also commercial real estate buying, building, self storage facilities owning shopping centers.

Dan Breslin: quite a bit of self storage up in the the far northeast us like Maine, New Hampshire, that kind of area where it's very constrained.

Dan Breslin: So for me, it was like, I'm just trying to simplify things, and I haven't looked at that, but when I take a peek at the deals, or people bring them to our attention trying to sell them.

Dan Breslin: they mostly look so expensive. They're trying to sell them at, you know, 5 and a half 6 cap, and it's in Texas, and it's still value. Add, and I think it says, I don't take a deep enough dive on what the rental increases could be, and how much the Capex could be, and I'm sure a handful of these deals are complete and utter total junk, and it's just a pass.

Dan Breslin: So I'm curious you come in with a different lens, and it looks like a great deal here in the Us. So how do you define the deal today at

Dan Breslin: the Nader? Right? This is the pinnacle of your experience. Everything is all added up to this day in 2025. So what does the deal look like for Cpi. Capital. And for you? Now, August.

August Biniaz: I mean, we have our buy box, our kind of acquisition criteria. But let me touch on the very important point you made about deals coming on, and the deals not really making sense. And that's really where we're at. We're in a part of this. I would say we're between.

August Biniaz: you know hyper supply and recession phase of the cycle we're possibly in in more into recession now than hyper supply. I have a show that I interviewed a lot of experts similar to yours that I ask a common question as far as the commercial real estate. If commercial real estate was a clock, and 12 o'clock is top of the market, and 6 o'clock is the bottom of the market. What time is it today in the commercial real estate space

August Biniaz: and the consensus over the last half a year has been. It's somewhere around 6 o'clock, so we're either past 6 or on 7, or we're at 5 45. We're right there. So when the market is in that space, a lot of people are on the sidelines. They're too cautious to get back into the market. There's a lot of loans that are maturing because people put high octane debt on their deals, and those deals are maturing now.

August Biniaz: and they have to refi, and they have to buy a new rate cap which is going to cost them millions of dollars, depending on the size of their deal. It's going to be at least 10 or 20 x of what they paid when they initially bought the deal as far as their rate cap. So

August Biniaz: the market is in a very

August Biniaz: optimistic, cautious time of the market, I would say personally, that's what I would call it. I would say. I'm optimistically cautious, but you don't have a lot of deals transacting. So our director of acquisition, Paul Hopkins, is keeping detailed notes of the deals that come into our pipeline. So the deals that is on our buy box is 100 plus doors minus 50 million, less than a 50 million plus 100 doors. So that's around probably 15 million all the way up to 50 million. And we're looking at these deals

August Biniaz: in one of our main target markets, which is Tampa, Msa. 3.2 million people actually is a larger population than city of Vancouver, and we are keeping track. We bought a deal

August Biniaz: last year in July, 136 unit apartment community in in Tampa, Msa. Saint Pete. And

August Biniaz: and we looked at the trailing 12 months. Of what? How much of what segment of the market have we acquired, like? How many deals are trading? What did we buy? And we realized that in our target acquisition buy box, which is plus 100 doors minus 50 million. We actually purchased 6% of every every multifamily deal that matched that buy box 6%. I mean, this is a huge market.

August Biniaz: A lot of institutions are there in Tampa, Msa. A lot of other groups are there, and we were able to buy 6% of every deal that traded above 100 doors and and less than 50 million. That's a huge number, right? It's a pat on the back. But that was just 136 unit apartment community. So

August Biniaz: there aren't a lot of deals trading. We're watching these deals as they come into our inbox. We're writing Lois, making it to the best and final. But we're following up the deals. Never trade, because there's a disconnect between what the sellers are asking and what the buyers are willing to pay. Insurance costs have increased, not only because of Florida, but because something else happens somewhere else in the nation, and it affects insurance prices nationwide. It doesn't just affect insurance prices. In Florida you have

August Biniaz: the, you know, macroeconomic situations happening, new administration coming to the office, you have

August Biniaz: the 10 Year Treasury, which is well above the Fed's funds rate, which causes issues as well, which causes that hey? That the market is very, very choppy, so deals are just either not trading sellers are not getting what they want, and people who are selling deals is because they had to. Either the fund is coming to terminus, or they

have to sell because of their distressed debt situation. So deals are not. There's not a lot of deals being traded.

Dan Breslin: So other than the 136 and I had Ava on. We'll make sure we link to her show. I think it must have been in 2023

Dan Breslin: because she had mentioned we haven't bought anything in like 1112, 13 months, whatever it was. I'm like, Wow, you know, I'm not surprised because everything seized up mid 2022 transaction volume was cut in half, and I went through every asset class. A year later, in 2023. I went through storage, counted the transactions from that prior year

Dan Breslin: into 21, and I did the trend. I did that for multifamily I I broke that down by different sizes and prices of multifamily. I did that by retail, by shopping centers, by neighborhood strip at every

Dan Breslin: at every cut of that data.

Dan Breslin: It was

Dan Breslin: literally like 40 to 50% transaction volume year over year. So every asset, including single family owns, it did the same thing we did 260 deals last year to our

Dan Breslin: 3 53, I think we might have did in 2022, if I'm not mistaken, so little little better. Right? We got a little bit more market share. But, like Wow, our business was cut in half, based on the transaction volume. So back back to the game for Cpi capital in July, with 136 units. Were there any other transactions since that point.

August Biniaz: No, a lot of deals. We've written Lois on lot of properties we've walked through now. We're trying to expand our target market as well, we're also looking at. Aside from Tampa and other areas in Florida, southwest Florida, which is Naples and Sarasota Tampa.

August Biniaz: We are also looking at Jacksonville. But now we're looking at expanding into Texas. We're looking at San Antonio. We feel very bullish on San Antonio. It keeps coming up on our on our radar. So we've connected with all the multifamily brokers in San Antonio. I'm actually going to the Nmhc. Next week. So I have many meetings booked with San Antonio brokers multifamily, brokers to kind of expand into that market as well. So

August Biniaz: if the deal volume is not there, you can sit still, but eventually you have to either expand your target market or you're going to have issues with team members who are just. There's just not enough work for them to do. And a lot of larger institutions are facing that. Seen a lot of layoffs.

August Biniaz: And people are switching firms that they're with. Because if you don't have those acquisition fees, and in real estate private equity. There's fees charged that keeps the lights on for the investment firms. If you don't have those fees coming in.

August Biniaz: your burn rate is too high, and you have to let go of your some of your employees. But with Cpi we're pretty nimble. Most of our executives are partners, so we can weather the storm. We didn't do a deal for 24 months before we close on Atlas at Bay Point in July last year. So.

August Biniaz: And currently, we're, you know, we are, you know, optimistically cautious. So we're looking at deals regularly. So it depends on what really makes sense for us to get involved with.

Dan Breslin: Do you have any historical context for Vancouver's

Dan Breslin: cap rate, compression cycle like it couldn't have been 2% forever like, what was it in 2,006. What was it in 1996? Do you have any insight.

August Biniaz: 1996 was yeah, 1996 was a terrible time in Vancouver, I think. Prior to the Chinese inflow of migration into Vancouver. There was a lot of people from Hong Kong that had come to Vancouver, and that was as a result of the Hong Kong. Actually the lease ending in Hong Kong that the Uk had, and Hong Kong going back to China, China, and a lot of people in Hong Kong were concerned that Communist China was going to take over because Hong Kong was a banking center of

August Biniaz: Southeast Asia. So they were very concerned. So they started looking for new homes to travel to. So in the early nineties you had a lot of people from Hong Kong migrating to Canada because they could become a citizen 3 years. But in 1995, 1996, China had taken over Hong Kong, but had not done anything with, had not gone after them, and actually extended that kind of lease for another 50 years. So a lot of people were going back

August Biniaz: selling their homes for less than they had bought. And we're going back to Hong Kong. So the real estate and the economy in Vancouver was pretty down. That was the lowest point before where we're today. Even in Gfc. 2,008, 2,009. The Vancouver real estate market just went flat for half a year and start going back up. So we haven't had any.

August Biniaz: I say we now more American, and both my sons were born here, and Cpi is only focused on American deals. But Vancouver and Canada didn't really have any dips or

August Biniaz: any quasi recessions since 1996 approximately and cap rates have been compressing since then.

August Biniaz: But again, it seems to be a haven for a lot of people moving there from Middle East Iran, a lot of people moving there from China, other regions, Russia. And what have you? So it's a place similar to London. It's a place similar to New York is the same place similar to Los Angeles. So people are just moving there and parking their money. There really.

Dan Breslin: Yeah. And what I guess I'm like, highlighting is the trend that I noticed is cap rate compression across almost all asset classes. And if we if you read the snowball by Warren Buffett, you know he was buying companies in what the fifties to sixties to seventies, maybe the eighties and the multiples are like 8, 9, 10,

Dan Breslin: and now the multiples are like 2025,

Dan Breslin: 2853, I think, was Nvidia's when I checked not too long ago.

Dan Breslin: So we have this creation of capital, and we have things like

Dan Breslin: like the Syndication law update that came after the Gfc. That allowed more crowdfunding and relaxed regulation, and allow more people to participate in syndication, deals. The pool of capital continues to grow.

Dan Breslin: and and the asset but Base continues to have this cap rate compression kind of effect, and we have seen some

Dan Breslin: cap rate expansion where things have. You know, we're trading in the 6 and a half, and now they're or maybe like it was like a Starbucks deal, I think, would have traded at a 5 and a half for a new build to suit Starbucks location. And now maybe it's a 6 or a 6 and a quarter even still in an still in a negative leverage kind of position.

Dan Breslin: But we're seeing maybe 1% cap rate expansion in some of these areas. I guess the question I'm getting at, and especially in the market, that you're in when you say Tampa, I'm like, Oh, this is so constrained. I mean, I bought my house here, and we saw appreciation of 10% for year after year, and we're seeing a little cooling, as there's a lot of hurricane damage houses that are available in the market. But

Dan Breslin: I don't know long term does the trend continue to push?

Dan Breslin: Guys like you and I, who want to participate in these larger assets that you're buying.

Dan Breslin: continue to have the compression. Where 1015, 20 years out, they trade. Like Seattle, we get to a point where the asset class of multifamily apartment housing is that's a 2, 2 and a half and a 3% cap rate, because that's just how it is in the United States, unless you're in like Iowa.

Dan Breslin: And that's a 7, which is like will be remarkably low for Iowa. I'm guessing.

August Biniiaz: Yeah. No.

Dan Breslin: Right.

August Biniiaz: Yeah, no, absolutely. It's good to look at this from cap rate, compression, or kind of the exit cap. Your terminal cap rate you use on your underwriting, and Performa is one way of creating gains in a deal you're looking at.

August Biniaz: So you're hoping for the natural market appreciation to continue. But that's not the only thing we bank on as multifamily investors. We're also going in there and force appreciating the property going and doing the renovations. You also got to keep in mind that there was a 15 to 20% correction in the Tampa, and I mean throughout the Us. Cap rates did expand.

August Biniaz: rents did fall throughout the Us. So you did have a 15 to 20% correction on prices. And we've seen that across the board

August Biniaz: in in Tampa as well. So this idea of, you know, continuous rent growth continued. You know, property appreciation it's on, you know. It's

August Biniaz: It's not possible. I mean, it's done that in Vancouver for the last 25 years. But you know everybody says it's different kind of metrics over there as well. But but yeah, I totally agree with you. You can't just expect the cap rates to compress, and you can't expect the values to go up. But keep in mind the deals that you're buying. We're looking for cash flow day one. So the deals and there's not financially engineered cash flow where you raise capital day one.

August Biniaz: and you just redistribute that capital to create that cash flow. The deals itself are cash flowing. So the investors are receiving those cash flows. We're hoping for natural market appreciation. So we're hoping that a cap rate is compressing. But we're also going in, and of course, appreciating the property.

August Biniaz: So those are, you know, and Tampa is somewhat landlocked. You can't have continued hyper supply, and and for properties to be built there is lots of bodies of water that doesn't allow for continuous development as well.

August Biniaz: So yeah, I mean, we're long term on Tampa. We're very, very bullish. The, you know, work and life balance that exists not only retirees are moving there. People are moving there because a lot of

August Biniaz: fortune. 500 companies are there. Saint Pete alone, which is a suburb of Tampa, has 5 fortune. 500 companies that are there. The foot locker just is moving their offices there. As we as we speak, I believe so a lot of development, lots of growth taking place. Atlas at Bay Point, the property we acquired. It's less than a 12 min drive from some of the most beautiful beaches in the world. And this is where people come from all over the world to see these beaches and these people.

August Biniaz: you know, they're paying around \$1,500 of rent a month in average, and they're living, you know, 12 min away from some of the greatest beaches they're living 30 min less than 30 min away from downtown Tampa, less than 30 min away from the airport Tampa airport. So there's there's lots going on. I'm very bullish on Tampa, and what it has to offer long term.

Dan Breslin: Yeah. And I think I think it's strong. And I think your deal metrics are strong.

Dan Breslin: and I think it's the head, the headwind long term of?

Dan Breslin: Do we ever reach a point where we're not sending out? You are not sending out the number of Lois you're sending out now to get your one deal every 3 years

Dan Breslin: because of the cap rate compression. The market may be moving like cap rates, were probably

Dan Breslin: 1618%. In seventies they were probably around 10 to 9 all the way through the nineties. If I had to guess and throw a dart they probably hit, you know, sevens and eights

Dan Breslin: all the way through the the bubble of 2,000 to 2,007. Maybe even some of them started to dip down, and they would be fives, or certainly people who got deals approved, underwritten didn't understand the expenses, probably got loans pushed through the bank, and the bank didn't understand the expenses on those deals. They never should have bought them at that high price, and they never should have appraised

Dan Breslin: because they were fraudulent on the expenses. But if you look at that long term, trend the yield on the dollar invested in asset seems to just have this press. You know this downward pressure. And I think you guys probably have

Dan Breslin: a solution in looking toward the other markets. And then when I say, Tampa is constrained, I mean, it's going to be really hard to find great quality deals, because there's some other reit

Dan Breslin: willing to overpay and go negative for 3 years. Right? They're doing a capital preservation thing. How do we compete with that as entrepreneurial minded syndicators and operators? It's a it's a tough

Dan Breslin: it's a tough headwind to deal with, and one answer is to go to the other Msas, like you're doing. I guess the other thing that would pop to mind for me is, is there a place in the model

Dan Breslin: where you're bringing the 136 units out of the ground, and that's your edge. You find the dirt. You have the vision, and you build the superior product to attract the superior tenant. And maybe that's kind of where the model goes in the future. Is that just a far too risky proposition. You think.

August Biniaz: No a lot to unpack there. So you're talking about the curve that exists with the cap rates compression. That curve actually follows the interest rate. So we've seen interest rates coming down over decades here and where we're at today. And cap rates usually follow that because that's we're just chasing yields right. So if interest rate is sitting at 6% is hard to pay for something that doesn't align with it, but also.

Dan Breslin: But but if we pause and we unpack that the phenomenon that I guess I'm really highlighting is.

Dan Breslin: did any of the deals you put the Lois on actually trade for numbers that surprised you? Or did they all not trade every one of them to a single one?

August Biniaz: Even the ones that traded, and we were surprised. We understood why it was a deal traded for a million dollars more than we wrote on Loi, and we were achieving

August Biniaz: 16% average annualized returns, which was barely over what we were looking for, and the other group who had acquired a deal for a million dollars more was a newer syndicator, and they had cheap equity, and they had put in some of their own money into the deal, and just really wanted to get a deal done. So we follow the story to see what's going on. So. But keep in mind. I come from a city Vancouver where cap rates are at 2%. They've compressed over the last

August Biniaz: 30 years, and people are buying for capital preservation. But it's also pushing a lot of people out from being homeowners and pushing a lot of people into rental or going to the outskirts of city. So it's a it's a it's a privilege to be able to live in Vancouver. So of course, I don't want that to happen in Tampa, but that's just fact of life. The us is becoming more and more renters. Nation, more people are becoming renters. People can't afford to buy homes.

August Biniaz: so it's going to be a privilege to live in Saint Pete and Tampa at some day at some point. Right? So that's my view of it, because I've seen what happened in Vancouver, and I feel that will continue happening, you know. Same thing happened in New York and California will continue happening throughout the Us. Unless there's some, you know, government intervention

August Biniaz: which has.

Dan Breslin: Yeah, no, I don't.

August Biniaz: In the past.

Dan Breslin: I don't know if we'll see that I mean the way you just described it. So I've

Dan Breslin: spent time in Tampa lived here briefly back in 2,002,

Dan Breslin: and had quite a few friends here who had, who had moved here, and a lot of them were pushed right. They were buying the houses at a certain price, renting them at a certain price, and rents have completely doubled, if not more, and they have to live now in Pasco County, where the rents are a little bit more affordable. So we've already seen Saint Pete become a privileged place to live for the folks who are who are here right now on the ground. I guess that's just the natural progression of certain cities that are going to experience the growth.

August Biniaz: Let me know!

Dan Breslin: Go back to.

August Biniaz: Medium home price. St. Peter's around 500 K medium home price in Vancouver is 2.1 million dollars.

August Biniaz: And their incomes are similar.

August Biniaz: Yeah, yeah.

August Biniaz: So I'm just, I'm just saying, you know, it's good to keep. I keep going with your question.

Dan Breslin: Yeah, yeah, yeah, we'll get there. And the funny thing is, you know, now that we pointed out, so you got some unique

Dan Breslin: tax structure advantages in Vancouver. You have location there, because I guess that's pretty close for mainland China, and the travel back and forth to Vancouver right?

August Biniaz: That's some of the reasons. It's also the fact that they can become a citizen in now used to be 3 years. Now it's 4 years, and they can do it in different categories that Canada accepts, which is entrepreneur or investor. So they just bring in money, and they they get their pr permanent residence, which is our version of, or their Canadian version of, green card in a matter of few months, and they can, you know, they live in a place where you know they feel safe, that.

Dan Breslin: Yeah.

August Biniaz: Are very, somewhat, you know. They're very in a medium kind of a way, and there is, you know, there's.

August Biniaz: you know, gun ownership is pretty restrictive. Crimes are somewhat low, and I mean, people say Vancouver has a lot of crimes, so there, there's safety of also a very multicultural place for people to come to, so they enjoy that, and the Vancouver itself is landlocked. It's landlocked by the Us. Border at the south, landlocked by the Pacific ocean on the west, landlocked by the mountains on the north, and then.

Dan Breslin: Okay.

August Biniaz: Landlocked by the Alr Agricultural Land Reserve, which is, covers

August Biniaz: 40 or 50% of Vancouver, where you just can't build as part of the agricultural Land reserve, which is somewhat of a scam, because a lot of people just buy these large homes on this acreages. And they say, Hey, this is a. This is a farm, and they have a few blueberry bushes in the back, and they pay almost no taxes. And you know there's a bunch of families living in the same house, and

August Biniaz: they abuse the system. Canada is a place where the system really gets abused in in all different levels, be it in business or real estate, or even in the justice system.

Dan Breslin: Gotcha gotcha gotcha? Yeah, we probably don't have that level of constraint on the land here in Florida.

Dan Breslin: The way you just described with the

Dan Breslin: 3 or 4 barriers that are like unbreakable and unchangeable. We have a lot of land here in the middle of Florida, so we can kind of. Keep sprawling in that direction away from the water, if you will. There is the no income tax for the State. So I think that draws a lot of people. So business environment is likely to continue to bring the Fortune 500 companies to Florida. I think Florida would

Dan Breslin: certainly still have a pretty good runway of growth.

Dan Breslin: So if we touch on development, is that in the future at all, I mean, you come, come from this development background, and you must be looking to supply problems. Say, Hey, there's no deals here. Have you penciled any developments personally, or took a look at a few.

August Biniaz: Yeah, the development runs in my blood. But we also are very strict as far as our buy box and our focus, shiny object syndrome is one of the worst things for a company. It's important to be able to pivot, but into just looking at deals. An asset class that really spawned Post, Gfc. By Wall Street is Btr. Sfr. Built to rent single family rental.

August Biniaz: So quick backstory, you know. Post Gfc. The subprime mortgage crisis resulted in many homes being sold, pennies on the Dollar and Wall Street got involved. Bought, you know.

August Biniaz: swaths of these homes on the hopes of just holding on and selling them in the market cycle turns. That was their plan. But they're like, Hey, while we're holding these homes, let's just rent them and see what you know. Get some income coming in while we wait for the market to shift. And they realized that communities and portfolios, these single family homes, they actually behave a lot like multifamily does. So they started growing their portfolios, and did really well in that. And when the economics no longer made sense, Wall Street actually started building

August Biniaz: these communities of single family homes, Btr. Sfr. And was kind of a start of this new asset class, which is under the umbrella of commercial real estate. We believe in Btrsfr. Now, Btrsfr, it also depends how you're getting involved with this particular asset class, are you the developer? Are you buying a piece of land, building these communities and then renting them out, stabilizing it and selling it to an institution.

August Biniaz: a model that we feel comfortable in San Antonio that we're looking at currently is partnering with a local developer purchasing the land.

August Biniaz: coming on as a partner, purchasing the land and building these communities of single family homes that are later on sold to investors who are looking for the cash flow that these things can produce. So it's not your typical build to rent

model, which is what I explained. You build, you stabilize, and you sell to an institution is more. You buy the land.

August Biniaz: You know. Do all the horizontal pre-sell, the units to end investor end user and not end user, but an investor who's then going to rent these things out for the cash flow they produce. And we

August Biniaz: that those are deals we're definitely looking at, but again takes our hands off the development and leaves it to the experts who are. That's what they do for us to come and build a development infrastructure takes a lot of work. And that's the stage we're at with our company. If we do look at deals, they'll be in that type of

August Biniaz: capacity.

Dan Breslin: Yeah, I think that's smart. Now, would you be the investor then, in this San Antonio? Are you going to be the one who would be the investor holding it for the cash flow? Or would you just be in for the build and sell cycle? So you're doing a raise

Dan Breslin: building the product. And then it's 3 years to sell all the product off to the investors. What would be your role in the San Antonio deal?

August Biniaz: Yeah, it's the latter. And we would be funding the whole deal, partnering with the developer, overseeing the developer in the in the whole stage. But keep in mind that the idea here is to pre-sell these units before going vertical and a few of the deals we looked at. They've actually have achieved that they've pre-sold the units before they even started the vertical.

Dan Breslin: Okay. So the big land.

Dan Breslin: the land acquisition cost itself, and maybe the infrastructure in the land is that kind of where the cap.

August Biniaz: Pens.

Dan Breslin: Cool.

August Biniaz: Yeah, it depends on the developer. If a developer has a good relationship with the bank, then they can get a really high Ltv. As far as their loan to cost from the bank, in some cases 100% loan to cost. So our partnership, our side of the partnership just has to fund the reserves, contingency and the total land acquisition.

August Biniaz: Everything else is funded by the banks. In some cases you have to also come up with more money, because the banks won't give 100%. But yeah, the partnership in a hypothetical sense would be our our

August Biniaz: part of the partnership funds. The total equity. Their their part of the partnership is developing and building the project and project management and and Gc. And and pre-sold the units pre-sell the units to end

August Biniiaz: investors, at which time the property is then a certificate of occupancy. They're occupied. They're actually rented out to tenants, and the investor who bought the individual units is cash flowing at that point. And then that's our exit. Exit strategy.

Dan Breslin: So as a philosophy, I find that investors often fall in one of 2 camps, hold the property forever

Dan Breslin: and and forever after that

Dan Breslin: and funny a lot of those guys change their mind somewhere along the way and sell.

Dan Breslin: or I am building to exit in 3 to 5, 7, or a 10 year period. Which of those 2 models, mindsets, or philosophies, would you put Cpi capital in.

August Biniiaz: Definitely the latter. Now, personally, because we believe in real estate, we would love to do a legacy asset type of investing where we hold for a long time. We might even bring in some of our investors into those deals, if a deal really makes sense for us to hold long term and just have it there, and it's great. Put some great debt on it. It's in a great area that you know that it's going to keep growing. I would love to own something like that myself personally, but it may be just a few.

August Biniiaz: you know, partners or joint venture partners, but as far as an investment firm itself. Yeah, the idea is to go in and exit, keeping in mind that

August Biniiaz: we make our money on the buy and on the sales side. So we want to do deals. It's just the nature of the beast, be it us more boutique firms or larger groups, like like the Blackstones of the world. They don't have evergreen funds. Their funds are a 10 year fund that they put together. They have it there as our 1 billion dollar fund, and it's

August Biniiaz: university endowments and family offices. And you know, sovereign wealth funds who are their investors. In our case, it's your retail investor, or maybe a smaller family office. But yeah, the idea there is, you know. Do your acquisition execute a business plan and start divesting so theirs might be 10 years. Ours might be 5.

Dan Breslin: Yeah, yeah, that's smart. We recently did that. One of our funds was winding down.

Dan Breslin: and me and one of the fund managers, and I think one other individual

Dan Breslin: we bought that mobile Home park out of the fund. So it wasn't 1 of these buy it, drive the rents and turn around and sell it kind of a deal like we know we're holding it for 10 years.

Dan Breslin: and we paid a retail price to the fund. But there were like some tax advantages and things that made it make sense, and some long term debt where

Dan Breslin: the deal made sense plus it was already run full cycle. So we were familiar with that asset, and it was already stabilized, and we knew what the Capex was, all that Capex was executed. So we felt like we were buying like the coupon clipper, if you will, and we're just gonna sit here and hang on to that for 10 years and let you know. Maybe it's a 1 and a half percent rent increase per year. But at the end of that whole thing I don't know the

Dan Breslin: not including the tax advantage. If you put that back in, then the returns are probably 18 to 22% at the end, with modest rent increases. But I think it's like a 12% irr if you're not counting the tax advantage like no one's going to do that deal.

Dan Breslin: Unless you're getting the tax advantage, and you're comfortable with the asset, and you feel good long term, and you got some cash to park

Dan Breslin: in the deal. Have you? Have you heard of Trammell Crow.

August Biniaz: No.

Dan Breslin: Trammell Crow's big national

Dan Breslin: public builder developer. Probably, you know, 100,000. I'm not sorry. Not 100,000, maybe, like 50 acre, you know, 1 billion dollar mixed use developments. That kind of thing. Now

Dan Breslin: Trammell Crow started his career. He was actually a guy at 1st from Texas. I believe he started with warehouses, and he built a lot of the office buildings that you see that were built in the sixties and seventies. Around were trammell crow buildings. The book, if you wanted to check that out is Trammell Crow, Master Builder

Dan Breslin: and his model was sort of like what it sounds like you're doing in San Antonio, which is why I brought this one up because it was a strategy that worked for him well was he would always find the local partner who was familiar with the zoning.

Dan Breslin: was golfing with the mayor already had to prearranged bribe with the zoning official. I'm just kidding, but I don't know if that actually might have been the case to lean on that local knowledge of that developer. Because you're absolutely right to think that

Dan Breslin: you're you're, gonna you know, hell helicopter into a city and plant your flag and successfully build out a project. You're probably on your 4th or 5th project before you're good enough at it where your yield on cost comes out, and acceptable

Dan Breslin: great, and you're ahead of the game. So if anyone wants to check out Trammell Crow, I really enjoyed that book. It was like the history of probably one of the greatest developers and commercial real estate investors in Us. History. He was hands down the largest builder in.

Dan Breslin: There was one other guy who was bigger, who I forget the name. This guy was the more Pr. Public guy Trammel Crow and his company still exists to this day. So interesting. Read on the side there. Yeah.

August Biniaz: I'll check it out. Dr. Horton is another one that I hear often, as far as.

Dan Breslin: Oh, yeah.

August Biniaz: Merchant builders.

Dan Breslin: I don't know the history on Dr. They're they're out here doing their business, and we actually sell

Dan Breslin: one of my partnerships.

Dan Breslin: we have land, you know, 2030, 40, 80 acres 100 200. Lots. Get the approvals, get them entitled. And then Dr. Horton is one of the buyers on on those projects, and they put in all the roads, and they build the houses and and kind of exit, and bring them vertical. So

Dan Breslin: we are.

August Biniaz: In what market are those that you're working on.

Dan Breslin: Texas, Florida, Washington.

August Biniaz: Oh, nice!

Dan Breslin: Alabama. Maybe we have one.

August Biniaz: Okay, we should chat after the show.

Dan Breslin: Yeah, yeah, for sure.

Dan Breslin: Cool. And so while we're on a while, we're on the topic of books, are there any one or 2 that you found interesting. That might also be interesting to the readers.

August Biniaz: I would say, a book that has been really somewhat life changing without even having to open the book to start reading it is, who not? How? By Dan Sullivan

August Biniaz: adds value without having to, even, you know, having to open it up or checklist manifesto o't. Those are, you know, some of these great books good to great another one. Good books. Attraction is a great book if you're trying to build your company. But yeah, these books, some of them that the title alone adds value to you. That's a book they all deserve to read.

Dan Breslin: Yeah, yeah, everyone probably checks out the 4 h work week because they want to work 4 h.

August Biniiaz: Keep in mind reading books. I hear a lot of times. Oh, Ceos, read 5 books a week I'm on, please. Reading a book is not just reading it, just for the fact of saying you've read it. Reading a book is immersing yourself in it and using it in your life or business. It's, you know, implementing the ideas of the book. So just by reading something is like a textbook, really, that you're not just reading it just for the fact, saying you read it. It's implementing. It is the most more important part of it.

Dan Breslin: Yeah, you got. You can't just check the box. I found also, when I make book recommendations. Not in a public forum like this right, because we can't like get into the lives of the reader. But if you have a mentor who

Dan Breslin: who who has aligned interests with you

Dan Breslin: perhaps they don't. Perhaps it's a straight mentor, and they just want you to succeed. And it doesn't. It's not gonna make a difference to them. If you do or don't. But they took a care.

Dan Breslin: and asking a few questions or noticing. You're dealing or struggling with something, and they make this recommendation. It's like timely for you. Custom, pay extra attention to that in life. I found some of those books that I never would have read

Dan Breslin: recommended by mentors of mine that have just moved the needle like books that are out of print. You know. They're like yellow pages, and you can only get a used copy, and they're all highlighted, and there's like pages falling out. And yet that probably at that point made the biggest difference in my career, and I never would have found that book because it's not on the New York Times bestseller list at the moment. Right?

Dan Breslin: So when you take a recommendation.

Dan Breslin: also notice who's making the recommendation? And did they actually, like custom, make that one for you? So nothing against, you know, you heard a book on a podcast and it can change your life. But, man, if somebody

Dan Breslin: who you view is successful and you consider a mentor recommends a book at a certain time, it's kind of like a drop everything that you're doing. Get that book, get a notepad with it. Underline highlight. Take your notes, and just like you said you really got to absorb that book, because that person knows it's going to change your life.

Dan Breslin: Absolutely great advice.

Dan Breslin: Yeah, for sure. Before I ask my final question here, did we leave anything out that you feel like might be interesting or relevant along the conversation that we've had here today. August.

August Biniiaz: No, I think we covered everything. I mean, the only thing is kind of recent events, of new administration coming into office and interesting things as far as

trump being in office, me having moved from Vancouver to Naples, Florida kind of tells you about my

August Biniaz: political views. And what have you? But it's interesting that a real estate guy is getting back into the office, but some of the initiatives that he's looking to put into place like tariffs and mass deportations are actually inflationary that could actually have a negative effect to real estate. Hopefully, these are just posturing for

August Biniaz: Canada and Mexico as far as tariffs go, and as far as mass deportation hopefully is not going to affect.

August Biniaz: You know, a lot of people who live in some of these communities. I remember, in Florida there was a there was a new regulation coming in that was going to affect a lot of people, and occupancy dropped in some areas and and certain jobs were not available no longer. People were so concerned that left the State. I think it was.

August Biniaz: It was something that was on State level that the governor was putting into place, and I saw it personally firsthand. So yeah, that's the only conversation. Happy to chat briefly about it. But that's kind of

August Biniaz: long term, I think, is great for the Us. Me. Myself have gone through tens of thousands of dollars, and so much work to try to get our live and work visa here in the Us. Which is still, it will eventually lead to a green card, which then eventually leads to a citizenship.

Dan Breslin: Wow!

August Biniaz: Which is a path we want to go. But somebody could just come from the southern border and come in here, and they can actually get a monthly paycheck from the government. It's asinine, in my opinion, and it really hurts because of what I'm going through to try to come here. And I'm coming into this country bringing money, bringing my brainpower, bringing.

August Biniaz: you know, buying older apartment communities, renovating them, creating hundreds of jobs, not only for people working there, creating better communities, but having to jump through so many hoops to try to be here. So when I see people just being able to come here and abuse it. I'm very right leaning, if you want to call it, when it comes to immigration.

August Biniaz: but at the same time we have to also be cognizant that mass deportation could have a negative effect, particularly on workforce housing, which is, you know, the the business we're in as far as apartment communities across the Us. But yeah.

August Biniaz: I want to briefly touch on that.

Dan Breslin: Yeah, it's very interesting. When

Dan Breslin: I mean, I don't have the percentage. I didn't track, you know. Oh, is this person, us citizen? I put that on, you know. Have our booking agents make sure, they answer, whether this guy's a Us. Citizen before it comes on the show. I don't have the data.

Dan Breslin: A surprising number of my successful friends in the commercial real estate. Even the residential house flipping arena. A surprising number of the guests who've come across this show are in a situation like yours at some point along the way. Maybe they went through this years long, arduous process to get their citizenship

Dan Breslin: 5, 1015, 20 years ago, and it was a big deal to them then, and it's a big deal to them now as it is, I'm sure to you as you're going through this process. And yet guys like me who were born here, I never think twice about it. I do. Now. When I look around. I see my friends who are going through the process. And I'm like, Wow, I guess I am grateful. And I did happen to win the location lottery, as it were, when I was born. How about that? That's great. I'm grateful for that

Dan Breslin: and then on the flip side, I mean.

Dan Breslin: I don't know. You know you you come in and you see, the streets are paved of high cap rate, real estate deals compared to Vancouver. Right? And for me standing here, I'm like, oh, all these things are overpriced.

Dan Breslin: So it's maybe that's like the gift and the curse, you know. But it's

Dan Breslin: it's amazing to see people come and help build our country like you're doing. We appreciate that here in this country. I and it looks like that's what you know the immigration policies are trying to

Dan Breslin: acknowledge. So whether that's

Dan Breslin: largely impactful on inflation or not, I guess, remains to be seen. I'm over here cheering for the tax code. I want our bonus depreciation to come back. I want our tax code to favor me making large investments in deals like yours that help move the needle of transformation in real estate in a big way. Right? If I could be a part of the

Dan Breslin: 136 units being optimally run in Tampa, Florida, or whatever other deal that we're going to go in and turn around like I'm all for that. I love to have my capital doing that. I like that more than old watches and Lamborghinis and Ferraris, and that kind of thing, or even multi-million dollar homes I have.

Dan Breslin: I love when the Government can incentivize us through the tax code to help move the needle for the greater good. And I think that cost segregation studies help do that because it makes it easier

Dan Breslin: to raise large amounts of money to do larger scale projects than you know. (234) 560-\$0000 single family deals. It's a

Dan Breslin: yeah, I think, in my opinion, it's a necessary thing. So I'm I'm hopeful they get that thing circulating here sometime soon. Yeah.

August Biniaz: Yeah. And and just briefly, on the kind of me coming in here. And you know, helping in some level build build us is also for my sons. Both of my sons were Apollo and Atlas. They were both born here in the Us. Apollo was born earlier this month, January 3, rd and Atlas was born November last year. So I'm I'm hoping to build their future here. So the way I look at it is for them and their progress here.

Dan Breslin: Wow! Congratulations. January 3.rd

Dan Breslin: Yeah. Is that what you said then this year.

August Biniaz: Yes, sir. Yes.

Dan Breslin: Oh, it's been a busy month then. Huh?

August Biniaz: It has definitely because it bags under my eyes because of the light.

Dan Breslin: That's great. Yeah. Good for you. Congratulations. You have a lot of memories and and fun years and love there coming down the pike. So.

August Biniaz: Absolutely looking forward to it.

Dan Breslin: Cool.

Dan Breslin: Cool. Would you like to share some contact information before I do? Ask what will be my final question here?

August Biniaz: Absolutely. Yeah. I'm very active on LinkedIn. August Benihaz on LinkedIn. Reach out! Let me know you've seen on this show. See me on this show love to connect and chat about whatever you wish to chat about. And yeah, our website, cpicapital.com. If you'd like to visit. And we have lots of resources on our website.

Dan Breslin: All right. Sounds good. So my final question, August, what is the kindest thing that anyone has done for you?

August Biniaz: Kindest thing anybody has done for me. But there's been a lot of kind things.

August Biniaz: Oh, gosh!

August Biniaz: I mean it's hard to pinpoint. One kindest thing ever, I think, is a combination, I think

August Biniaz: overall. I would I would break it down this way. I would say.

August Biniaz: Humanity humanity has been kind to me. Kindness overall. I think I'm starting to look at

August Biniaz: people not as individual, but as an organism.

August Biniiaz: A great Persian poet has has a poem where it's actually in the United Nations you can see, his poem is saying that

August Biniiaz: you know the mankind is part of the same body. So if one body part hurts, the whole body, hurts, might be chopping it up there a bit. But I think human beings, we have such

August Biniiaz: capacity for kindness, and you know greatness also for the bad side as well. But I'm beginning to see myself as far as part of a community rather than like on an individual basis. And I'm enjoying that now, having moved 3 times in my life 4, 4 times, actually. And yeah, I would say.

August Biniiaz: there's been a lot of kind things happening to me from throughout my life, from from mankind, from

August Biniiaz: from everyone, not just one particular one, which is, which has allowed me to try to be a better person. I'm not trying to be a better person because of one individual situation, or one person, or my family, or parents or my children, I'm trying to be a better person for mankind, for humanity, because that humanity has been good to me and been kind to me.

Dan Breslin: Beautiful.

Dan Breslin: With that we will close. I have several pages of notes. I had a blast here recording this, and I appreciate your time. August.

August Biniiaz: Thank you, my friend.