[[[Grant Cardone]]] I always beat yesterday and if you can't be yesterday, why are you going to go to come off anyway? I don't even think about whether I can do that or not. **I'm gonna beat whatever I did yesterday.**

You may not know this guy's name because he's not a household name yet but I think he will be. He has helped me so much in my career. **You can't do great stuff without the help of somebody else. You got to collaborate with other people. Nobody's ever done anything phenomenal on this planet by themselves.**

Introducing Robert Given:

He is a *$50 billion producer*. And he came from the part of the country that aren't very good itself. His first job was a bartender. I think his favorite drink is a Long Island Tea or something like that. Who loves those Long Island teas? How many of you love real estate? Please stand up and welcome Robert Given.

Robert. 50 investments. What were you doing [before real estate]?

[[Robert Given]] I grew up in Memphis, Tennessee. I moved out when I was 17 years old and I was bartending off Kirby Parkway. I went to high school. I graduated in '88. I have a great mom and dad, have a great family, have a great brother and started bartending to try to make my way to make some money to get into school—University of Memphis.

[Grant Cardone] Did you say you went to college?

[Robert Given] I drove by it. I'm not a college dropout. [I] never started.

[Grant Cardone] So how do you transition from bartender to real estate?

What is success?

[Robert Given] So I'll just preface this by saying one of the things that I tell my two boys that are teenagers right now...is that I **think success is at the crossroads of being prepared, and a little opportunity coming your way**.

So you can be prepared all your life but if the opportunity never comes up, it's hard to be successful. And you can see opportunity come across your TV screen or in front of your lap all day long but if you're not prepared to take advantage of it, you're not going to be successful.

From bartending to real estate:

So I was bartending and the folks at the bar that kept coming in were real estate developers. They enjoyed my Long Island Teas. And after about a year of getting to know each other, they're like you should come to work for us. I'm like, "I appreciate it. I'm trying to get into school you know?" So on and so forth. "No, come to the work force and you can go to school at night or on weekends." And I said, "Okay, great!" And so I went to work for a real estate developer. They put me on a property, leasing apartment...a brand new property in Memphis. It was a 400 unit garden...institutional apartment building stuff, like you buy in Germantown, Tennessee market.

And so the first day on the job, one of the buildings catches on fire. And I'm like flipping to the employee handbook. What do I do? And so I finally threw that down and I ran out to the fire and I wouldn't say I put the fire out. The firemen did that. But I sure put my shoulder into trying to put it out and everybody could tell because afterwards my face was full of smoke and black soot. So I went to work for Trammell Crow Residential, which at the time was the first national developer of apartments, made their national internal newsletter for their company the first day on the job.

[Grant Cardone]So what is your first deal? You're leasing apartments, you're managing a property, learning from the ground up. You're being paid nothing to do that as well.

[Robert Given] They were giving me free rent. They didn't pay me a lot. So for perspective, this is 1989. We had just come through a complete reset of the tax laws in the United States. Everybody prior to 1988 was trying to invest in what's called a PIG, which is a "passive income generator." So it was okay if you invest it in an apartment building and lost money because you use it to offset your income on other projects.

When you bought a property, you couldn't you write off the whole thing. You had run off a little bit? Yeah. So guys, if I bought a $40 million property, then the entire $40 million was a tax deduction. That's the tax law that was changed. So you didn't have to have the property cash flow to make sense of it, because you basically set off any purchase. So I pretty much gotten the business the first year that you had to actually turn a profit when you built an apartment building. 1989. That's the first time that you had to do that. Because now the law changed how much of it could be written off at purchase. Then it was on a depreciation schedule at that point. 27 years? The income had to be higher than the expenses at that point. And at that time, people thought it was going to kill real estate?

Well what happened was...I think that there prior to when I got in the business in the early 80s, national apartment development by institutional quality investments were not in the multifamily space. If you go outside the United States it's not a big investment class, either. Historically, it's been office industrial, that sort of thing. And outside of the US, that's the case. So if you don't know it, institutional investing for multifamily is very unique to the United States. And there are companies in the US now that are branching out to Europe, Mexico, Chile, to initiate institutional investments in those countries. But late 80s was really when it kind of took a foothold or got traction here in the United States.

[Grant Cardone] 40 years ago, multifamily investing was not a big thing like it is today. So now that's back when single family homes will be built. Today, fast forward 40 years, multifamily is more of a residential build than single families.

The advantage of multifamily as an asset class in real estate:

[Robert Given] **So you'll see now they do a very detailed analysis every year of how many multifamily units are built nationally and so you'll hear figures of 300,000 or 400,000 a year for that class. And but the need is closer to a million. So you know, we need to build more. And so we're building about a third of the rate that the demand has generated.**

[Grant Cardone] So your first deal? How big was your first commission?

[Robert Given] So the first deal had to have been around 1999 or 2000. And so we had some properties. The Trammell Crow folks. I started managing properties for them and in Shreveport, Louisiana, Texarkana, Memphis, and eventually went to work for a company and was managing properties and in a portfolio that included Indianapolis, Chicago, Houston, Alabama, Cuthbert, Georgia, Philadelphia, Mississippi. We're getting into places you probably don't know. So tertiary market. **So typically, large institutional investors are going to be looking mainly at assets of a million people or more. And that's because there's more resiliency in a downturn.** The bigger, stronger population numbers that you have, Phoenix, Denver, Houston, Jura, Miami, you know, New York, LA, etc. And then as investment portfolios mature, then they will even take a subset of that and they will look at the growth factors within those.

Examples of real estate markets:

Fort Lauderdale would be a primary. Miami is really all of South Florida. So it'd be Miami, Fort Lauderdale, Palm Beach. And so that's a primary MSA right now. We're number seven. We just overtook Philadelphia.

Tertiary would be Naples. Naples would be Fort Myers. Fort Myers would definitely be tertiary.

Phoenix is a primary. Tucson secondary. Houston's primary.

So I actually invested in what's called farmer's homes...rebuild 10 units out in the middle of nowhere. So the tertiary is generally the class that folks would go to. But its primary, secondary and tertiary. So I would say Orlando and Tampa has moved up from secondary to primary markets over the years of last couple decades. And then, if you look at the top 10 MSA is in the in the United States. You have people you have places like New York, LA, Boston, Chicago, etc. Some of these MSAs are over 100 years old, founded 400 or 500 years ago in some cases. Miami was founded about 120 years ago. So the other high growth markets that are young that are moving are Atlanta, Houston, Dallas, Austin, Boston, Asheville...Nashville is on the rise.

That first deal was a deal in Gainesville, Florida. It was called Fairmont Oaks. Everything's either professional or student project. This was a professional project, that when the occupancy got low, we'd love some students. And so yeah, I sold that deal to a group out of Chicago. And I don't know I probably made $50,000. But let me let me just say this. I remember when I made my first $10,000 Check. It was in June of 1999. And that's the first time I'd ever gotten a $10,000 Check. Harvard Business School had asked me to do a study on housing in Tampa, and to come up to Cambridge and present. And they said if you do this, well, we'll pay you $10,000. And so June 99, my wife and I got this $10,000 check in the mail, and it's a Harvard Business School on the top of the check. I took a picture of it. And I went and I put it in the bank, and I was so excited. I made reservations. For a steak dinner. First time I'd ever had $10,000 in my bank account. And the bank froze my account. So I didn't know for a while because I put it in the account on a Friday and nobody would talk to me over the weekend. But you know, I'd never had $10,000 in my account before they said you've been banking with us for 10 years you've never had $10,000 in there. Something must be wrong. I've said it says Harvard Business School at the top of that check right there. Just call them. So they froze my account for 22 days. They froze my checking account, my savings account, and my credit card. **So here's another one of my ideas of success: don't keep all your money in the same place. I learned that lesson the hard way.**

[Grant Cardone] What is the biggest deal you've done?

[Robert Given] So, first of all, it's not just me, and I have a team of partners, and they are terrific. So one of my keys to success has been surrounding myself with great partners, and associating yourself with folks that can make things happen and there's been a few mentors that I've had in my life. I think mentors are very important. I think it's very important to work with someone that has had a string of success or has had a successful career. He's got great relationships and then they introduce you to that they show you and mentor you how to do that is very important. I've had two really important ones in my life. One was Jay Masterman. He is now retired and the other is Joel Altman, the Altman Development companies.

Well, up to $50 billion. Oh, I've done several billion dollar deals. They're usually portfolios of assets. We just had one in January, it was over a billion dollars. You get that one now you didn't get to talk about why didn't get it. I mean, I gave you a list of things to do and you were like, I'm not sure about that. You know, my middle name is the blueprint.

[Grant Cardone] What Tillman[Fertitta] was saying yesterday. He's trying to do a $3 or $4 billion deal. And he's like, I'm competing with guys that make him look small. And he's worked 10 or $12 billion.

His biggest deal:

[Robert Given] Yeah, there's always a bigger guy. There's always a bigger guy.

Well, we've done a few several billion dollar deals. We just closed one in January this billion dollar portfolio it was I think 14 assets, 2200 units across the state of Florida. It was a billion, just over. It's core plus value… add stuff, need some work done to it, and it was all over the country. But that's not the deal.

So the deal that I made the most money on is this gentleman who was an old concrete guy out of New Jersey. And he was 80 years old. He had a house, a beach house, up at Highland beach here in Florida, on the sand. Nonetheless, he owned this property called Holiday Isle. And Holiday Isle is where they invented the drink The Hurricane. And a lot of people refer to it as the tiki hut in the Florida Keys. And I think he bought that deal circa 1985 or so on the doorsteps of the bankruptcy court for probably around $5 million. And so he told me he wanted to sell it but he didn't like brokers. And so he said, Robert, you know, if you bring me an offer, you know, for $70 million, I'll think about it. And I bought it for five but he'd had it for a while and was an all cash bar for a long time. He had one of those deals where you had eight bars. They were all cash. We had a little floating thing out in the ocean that you can land helicopters on. I don't think we had a permit for that one. It's a little resort hotel, bar and marina down the isles. And I said okay, that sounds great. And so I started bringing him folks that wanted to redevelop the project. I'll go beat the $70 million. And he's like, I don't like brokers. I don't want to lose my property. So I'll tell you what I do. I said, you pay me my expenses kept up to $50,000 bucks, and I'll go market it for free. And all I want from you is 10% over $70 million. So if I sell for $72 million, you're gonna give me $200,0000. If I sell for $75 million, you're gonna give me $500,000. He said that's fair deal. So I took that property out, long story short, close the property in December of 2005 at $98,000,002.50 And I've sold that property twice since.

[Grant Cardone] How many properties have you sold multiple times?

[Robert Given] I don't know. We've sold one deal six times. Been paid six different times on the same deal.

[Grant Cardone] Did every buyer make money or every seller make money?

[Robert Given] Yes. Did anybody lose money in that cycle?

Well, that guy for $98,000,002.50. He lost a little money. Yeah, we sold it for $60,000,000.

That was a resort. You know the difference for multifamily. It's a good point.

The advantage of multifamily:

The difference between multifamily and some of these other asset classes are several fold. But one is that multifamily is one of the most resilient real estate asset classes there are. And the reason for that is because you know, you know, typically they are 300+ units. 8% of those 300+ leases come up every month, and so you can move the rents up or you can move the rents down and maintain pretty good occupancy and the demand factor for apartment homes are very high.

It's almost like a utility. Typically you don't think of your electric company or your gas company or your oil company or your grocery stores ever going bankrupt. **Housing is one of the cornerstones of life. So, in any case, it's one of the most resilient asset classes there. And the reason it's such a big asset class in the United States is because we have financing available for that asset class in good times. And in bad times. We have what's called Fannie Mae and Freddie Mac and the HUD. HUD loans, those debt sources keep that asset class stable in a downturn. And in there's more competitive debt products in an upturn, but other asset classes don't have that.** And you certainly don't have that when you get out of the United States. And so if you're in a recession, and you want to buy something, sometimes the lenders are just not there. The banks, have their sidewalks rolled up, but we have we have that benefit.

[Grant Cardone] I think a lot of people in this room are "Oh, am I buying too high? Is it too expensive? Are we in a bubble of 32 years?" Have you ever seen an owner have to use bankruptcy in an apartment transaction or lose the property in 32 years?

[Robert Given] Yes, in 40506. We were selling a lot of apartment communities to convert to condominiums. And so back then you could get financing at 103% of your purchase price. mean you could buy something for $100 million in the loan, the day of closings, $103 million, because they're giving you cash to go get the sales generated going to sell them out as condos. A lot of folks did really well with that, but some folks when the market crashed were left holding the bag and they had financed these deals at 100%. And they weren't able to sell condos anymore because the end users couldn't get the loans. They lost what we call fractured condominium buildings in the downturn, but that's very specific.

I've never had someone lose money on apartment

[Grant Cardone] In 32 years, have you ever seen a bigger block 300 units go back to the bank?

[Robert Given] No, not in Florida. South Florida. I don't know about other parts of the country. I've done over 800 apartment sales...over 800 projects like that. I sold me and my partner's $50 billion in 32 years, and not a single one is ever gone back to them. **We have liquidity in the market, in the debt markets, for that product. You can always get a loan. The amount of leverage and the rate fluctuates too. It's a utility. It's something that people need.**

I remember the first car I bought was a red Ford pickup truck with a red leather bench. I sold it two years later to upgrade to a Mazda3 which was ridiculous. Nothing against Mazda. I sold that truck. I bought brand new for more than I paid for it.

Because people see [housing] as a utility it does things for you. So we always have debt. We have liquidity. It's a utility. You can fluctuate those rents up and down to adjust for your for your business model. The demand factor for this stuff is very high. I'd say it's very hot. We have 340 million people in United States and they're all having babies. We're growing.

[Grant Cardone] Can you talk about how apartments today are different than the ones we grew up with? How they're building them...these complexes with the Jim the security, the technology, and how people want to live today. When I was growing up, people that rented apartments did it because they couldn't afford a home. Is that is that changing? Now?

Multifamily niches—the renter by choice:

[Robert Given] **Somewhere in the 1990s, developers started to catch on that there is a renter by choice. And for the last 25 years, we've been trying to perfect that**. I mean developers have been moving in that direction quite a bit. The other thing I think it's happened over the last 10 or 15 years is that developers have gotten so good at it that we've started creating niches in the apartment development world for certain segments of people that are renters by choice.

So to give you a great example of that is there's a lot of senior housing being built. It's just age restricted to 55 and older. They're typically smaller communities. And they do take a little longer to lease up but people rarely ever move out. Turnover is a lot lower, so the cost to run them are lower. And folks will pay a premium because you're creating housing in an environment that they want to be part of. There's more social areas of the project...walk and shop and entertain. That's true for other segments of the market too. So just by building a market rate deal for different asset classes or demographics is important. So millennials are still very price conscious about where they want to live. They're pinching pennies a little bit. They don't have as big of a savings account.

You guys have savings accounts. You're prepared to take advantages of opportunities when they come out. So now niches are available. And in so we're building smaller, more efficient units, 750 square foot average or 800 square foot average for folks that still want very high quality, but they don't need as much space. All of these different niches want to be in really walkable areas around their project.

[Grant Cardone] So is location still the number one key?

Location, Location, Location:

[Robert Given] **Location is key. Eight out of 10, location is the most important thing. And that's because folks need the neighborhood amenities**...what you can walk to, what you can drive to what you can access for jobs, mass transportation.

Like what everybody says Location, location, location.

Like in Houston, Texas, you have to be very careful. It is the largest multifamily market in the world. They grow developers in Texas. They have no zoning. Like we have heavy zoning here. The highest building standards for apartments in the world is South Florida. That's because of hurricanes. So in Houston, they have no zoning, you can have a strip joint and a grocery store. That's not allowed here. Neighborhoods that are very controlled here, right. So in Houston, we have to even be more selective about the location.

I will tell you investors that invest in large urban areas, big city, downtown, they look at every 150 to 200 feet. It's as important which side of the block you're on. They're looking at the walkability.

[Grant Cardone] You've sold me how much real estate? What have we done together to 2 billion?

[Robert Given] Probably 20 deals, probably on a million average.

[Grant Cardone] What do you like about what I'm doing?

[Robert Given] First of all, I think you and your team have honed on being efficient, being connected, being relateable. You're very much a relationship person. And I think that you are you come across to sellers as a very genuine person. I mean, you're just a very genuine person and everyone on your team is pretty genuine. From Ryan to Brandon. There are no hidden agendas. And I've been doing business with you since 2011, a dozen years. Everybody I hear from and me personally, tend to think that you're very genuine, your team's very genuine, very straightforward about what you're doing. I mean, you've honed on your skills. He's $100 million ticket. When we sell these things, if we're not asking you to put a seven figure deposit up at the execution of a contract, that's if we're not asking you to do that, we're asking you typically to do that within 21 to 30 days. So when you think about buying, you know $100 to $200 million dollar building, and you only have 21 to 30 days to go put up 2%...if you don't get your loan, if you don't get your insurance... you have to you have to be ready to go.

You know, Grant has wanted to do some things here and there and sometimes I call you up, "I don't think we should do that." I know it's gonna cost, it's higher risk. But the relationship that you have with this group is such that we need to let this go and grant's eight out of 10 times, "you're right."

You're competing with the biggest equity funds on the globe: Blackstone, Invesco, Prudential, Heidemann, AIG, Northwestern Mutual Life.

[Grant Cardone] Do you like the model that I'm doing with letting other people invest with me rather than me going to Blackstone and getting a check?

[Robert Given] So Blackstone has is a great model by the way. So they are trying to track him. I just don't know. I know there's a difference, right? So they have they have a great model.

Why Grant Cardone's real estate model is unique:

Why is your model good? Your model is good because it's a direct model. It's an efficient model. Most equity funds over time, what they do is they start like you started, they have what's called identified investments. So anytime you guys invest with Grant, he has an identified investment. Here's the qualities for it. You can invest directly into this with me. What tends to happen as you get into funds, it gets so big. And these groups get so big that they need discretion. And the discretion is "Go put money in my venture, my fun, and I'm gonna go buy whatever I'm gonna buy and I'm not gonna ask your permission. I'm not going to show it to you. You're just invested in the Fund." And there's definitely a place for that because in order to be efficient and get as much investing done, you have to have that space. Your space is different. And it's because it allows people to know what they're putting money into...location, the property, an address, a certain number of tenants, we see every tenant in the property. We know where they work. You guys can

get on an airplane and get a taxi and drive by that property.

[Grant Cardone] If you put it enough money with me, actually you can get on my airplane and we can go visit it together. Okay, so let me ask you this last question. How do you feel about real estate right here right now at this at this present time?

Real estate as a safe asset class:

[Robert Given] **Guys, it should be intuitive to you that this is the safest place on earth.** If it wasn't. If you didn't realize that 90 days ago, you should know today. The safest place on earth. **So not only is this the safest place on Earth, and people aspire to live here, raise their children here, own their homesteads here, investors that have money. They want to be here because they know you can get title insurance. They know you can get property insurance. They know there's a rule of government. They know if they buy that building, they're gonna own that building till they sell it.** There are parts of the world right now. I was with a gentleman earlier this week, who owns something here in Hollywood, who owns a huge building in Hollywood. It's probably worth $253 million dollars and he's from a country that is overseas. And he told me that he owned a building there with a friend of his and they built a high rise and basically the mafia came in. The police did nothing to move them out. And they went in eventually over the course of six months, went to every resident and tenant in that building and said you're no longer paying his rent, you're gonna pay me [the mafia]. That guy's building was practically taken from him. That wouldn't happen in America. He had to go get an international military group to go in there and take that building from the top down, empty it out, put security around it. Basically, the moral of the story is investors want to be here. And our population is growing and hence international money has been coming to America to invest in multifamily for the last two years because of COVID restrictions. The only thing that's stopping them usually is their own government.