CARLTON LANE
CAPITAL

Transcript

How much oversight is required of me?

Well, oversight generally means time. How much time do you need to invest in this? And a lot of that is the difference between an active real estate investor and a passive real estate investor. A lot of people who invest with us started as active real estate investors. I did as well.

I always joke? I read Rich dad, Poor Dad about 25 years ago and bought a bunch of rental homes.

And then I created an extra job for myself that I really didn't need or want because I already had a good job. And that's very normal. We see that a lot, and we have a lot of our investors that do that as well.

A lot of times at some point everybody will retire from running the real estate. And so you go into the passive markets, you become a limited partner. There's a reason an LP is a limited partner. You don't have to carry the burden of the debt. You don't have to roll up your sleeves and do any of the day to day.

You're purely a passive investor. And so then at that point, you can be as involved or uninvolved as you want. Now a smart investor should read the quarterly updates. They should ask questions. They should stay involved. They should go drive the site if they can, if it's nearby. I have a lot of investors. I love that. I love doing site visits.

You should be as involved as your risk tolerance demands you to be as involved. And we're all different people, so it's really hard.

There's not a one size fits all with that. The beauty of going passive, though, is once you find somebody you can trust to do the job for you, you don't have to roll up your sleeves and do any physical hard work. It's more of do a review, just like you do with your advisor on your stocks, right? Understand the investment, understand where it is, and then go go back to what you were doing.