

## 90 TRG Transcript

Mike Stohler

What if you could be doing something smarter with your money that creates income. Now, if you're wanting to get ahead financially, and enjoy greater freedom of choice, if you want a comfortable retirement, and you know you'll have more choices, if you can do more with your money. Now, if you've wondered who else is creating ways to make their money work for them, and you want actionable ideas, with honest pros and cons, and Bill flow. Welcome to the richer geek podcast. We're here helping people find creative ways to build wealth and financial freedom. I'm Mike Stoller, and in this podcast, you'll hear from others who are already doing these things, and learn how you can to the Richard geek.

Today we welcome Ian Ippolito is the founder and head of an alternative asset investing club called the private investor club. Now, what is alternative asset investing? Not only can you invest in real estate, private debt, private equity, venture capital, but did you know that you can invest in litigation finance, and even music royalties, the private investor club is the premier choice if you're looking for a different ways to invest. The club has 4500 plus members with over 8.3 billion in investable assets. This place gives investors access to high quality deal flow, detailed due diligence and a special deals that they couldn't find on your own. Now, he has been featured in USA Today, Bloomberg News, The Wall Street Journal realtor.com, curved and more.

Very happy to have on Ian Ippolito. He's the founder and head of it's very exciting. It's an alternative asset investing club. And it's for the private investors and we're going to dive into it. You know, I'm excited. I think that our listeners are really going to, you know, dig this. You know how you're doing and let's just jump right into it.

Ian Ippolito

Yeah, I'm doing great. How about you

Mike Stohler

Doing fine, though? Where are you located?

Ian Ippolito

So I'm in Tampa, Florida.

Mike Stohler

Oh, wow. Okay, I don't feel sorry for you. I like making fun of the Northeast jersey. I'm in Scottsdale. So.

Ian Ippolito

Okay, well, it's pretty good there. I'm pretty good to hear. We really can't complain.

Mike Stohler

Yeah. Whether or not you know, you want cactus or the ocean for your view? I guess. That's right. I love Tampa. It's a great place. So you are if I'm not misinformed. Were you when you were in tech?

Ian Ippolito

Yes, that's right. So originally, I was a an entrepreneur, actually, originally originally I was a programmer. And so started out doing that, and then kind of wanted to start my own business. So I started a company was called renta coder, it eventually became v worker, but was a way for programmers to do work on the internet. And for people to hire programmers on the internet Originally, I then kind of expanded into working into like, all sorts of remote work, like writing and translation and legal work and stuff like that. And, you know, had my exit from that. And that's kind of what transitioned me into the new my new world of investing and things like that.

Mike Stohler

Yeah. And this is, to me, extremely exciting. It's a concept that I haven't heard of, because, and we'll get into it a little bit later, but you're actually investing in the different type of alternative things that I didn't even know you could. Now but before we get into the exciting meat, you know, it's a little teaser, everyone. What is the private investor club?

Ian Ippolito

So, so what it is, is that so I told you, I had this, this company that it did well, and I sold it. And so now it was time for me to figure out how do I invest my money. And, you know, the traditional advice was just to go out there and buy a certain amount of stocks and certain amount of bonds. And you know, I didn't really feel comfortable with that. So at the time, real estate crowdfunding had just started to become popular. There were all these websites that were you could invest in real estate, but it was really hard to figure out, you know, which ones I want to put my money into. They all say they're awesome. So I basically did a whole bunch of research. I spent a couple months I hired an assistant and we, we dug in all these individual websites. We interviewed

different investors and then this See who liked them and who didn't. And so I had all this analysis for me to invest in. And the word kind of got out that I had created all this. And so people started asking me, hey, Ian, can I get a copy of that? Can I get a copy of that, and I got tired of everyone asking me for a copy of it at one point, and I said, Look, it's gonna be a website, I just put it all out there in the website, and you can go and grab it. So it became this website called the real estate crowdfunding review. And even today, it still gets, you know, probably about 15 or 16,000 people coming in every single month. Look at stuff about real estate, crowdfunding. But what I realized is I really wanted a place where so it's great, I love it. I love I love that. But I wanted a place where I could like talk privately, about deals, or like we can record source deals, because, you know, a lot of times, it's hard to find a good deal. So a place where, you know, people are cooperating together to find good deals, we could talk privately and do due diligence on them. Because maybe I don't know how to really dig into this particular type of deal. But there's gonna be somebody else who does so collaboratively the idea that we have to do that, and then sometimes be able to aggregate enough money to bring something significant to a sponsor, and get a good discount where individually, I wouldn't be able to do myself. So that's how the club got started. And, and that's grown like crazy. There's over 4500 members, 8.7 billion in investable assets. Actually, we just went over 5000 just recently. So it's just growing like crazy. And doing well.

Mike Stohler

Yeah, that's, that's Wow, that's fantastic. Now, are you on both sides? Do you have people that want to put money? invest with you. But do you also bring in the sponsors? Or do you or the types of deals that you're dealing with? Is it something that if someone's listening that wants to do a syndication or fund, they can approach you on the sponsor side also?

Ian Ippolito

Yeah, that's the way it works. So So basically, the club itself does not run any syndications or things like that. It's a place for investors to invest passively. And so we get we take deals from wherever we can find them, we take them from the crowdfunding sites, we have, like you're talking about individual syndicators that come and they have certain deals, we'll look at those. And there are just be club members were like, Hey, I ran into this deal. And they'll put it out there. So we look at all of those things together. And that's how we find our deals.

Mike Stohler

Wonderful. And on the investor side accredited only what is your requirements? And minimum?

Ian Ippolito

Yeah, it is accredited. In the past, it was not. And it just became that 99% of the offerings have, you have to be accredited to get into. So now now it is accredited. And we actually have some

offerings where someone's got to be accredited. And somewhere you have to be a qualified client, which is 2.1 million and some we have to be a qualified purchaser, which is 5 million. So we have all these kind of levels of things that people can invest in, but the minimum is accredited.

Mike Stohler

Yeah. And that makes sense. You know, with the syndications that I've done, it's to me. How do I say it? The anxiety level goes down? When I have accredited investors only, you know, you kind of live and learn with those types of things. Now. On the investor side, we'll stay on that. Now. What has made me extremely interested in as piqued my curiosity is the types of off platform investment types of deals that you deal with. I couldn't believe that litigation. You know, we'll financially probably talking about Yeah. Yes. Tell us about some of the some of the very cool things that I can actually invest in. It's crazy.

Ian Ippolito

Yeah, yeah. And most people don't realize these things exist, because they are kind of esoteric, or they're kind of strange. But litigation finance is one that I like, I mean, so So the basic idea is, you know, maybe that person has their real estate investments and their stock market investments, or whatever they are, and they all have kind of their own cycles, you know, things go up, things go down. The nice thing about litigation, finances, it's not really tied to any of these cycles. So that's the first thing so basically, what it is, is this so the very basic type of litigation finances is like purchasing a stake in a case so it's a you know, if a lawsuit and And the litigation funder can be on either side of the lawsuit. But typically, you know, they are expecting the lawsuit to come out with some sort of benefit to them in the end. And if it does, well, they're going to they're going to profit from it. If it does poorly. Now, this is the interesting part, because of the way the legal kind of arena works. You can't make a loan to a to a legal firm, it's not allowed. So they're not allowed to say, hey, well, if you lose, you still owe me the money. This is a loan. So it has to be structured in a way where if you lose, you don't get back any money. So there's that binary risk, right? you're investing in if you invest in one of these easily could go the wrong way. So so there's things that they're done to kind of mitigate that risk. So one is to invest in a lot of cases rather than one. And then they have other ones where what we'll do is, well, they'll say, Well, if I'm lost, in this particular case, I still want the money that comes in from like these 10 other cases, if they don't, so, so it's called a port. So there's different ways that they structure it, to make it a lot safer than that binary risk. But the advantage is just that it has nothing to do with the economy. It has nothing to do with the cycles, it has nothing to do with recessions. It's just picking it's picking well, and if you pick Well, you know, then you do well. So that's the pages on correlating

Mike Stohler

the loan is someone that it's not the law firm, but you're basically they're giving loans to people in order to have them afford the legal fees.

Ian Ippolito

What there's multiple types, actually, so it I found interesting is, it's done almost every day, all sorts of different types of law, and are different ways of funding, like what you're talking about. The ones that we typically are looking at, are usually funding the attorneys themselves. You know, maybe they wouldn't be able to an example of this. Okay, say that there's been a large company that did something, you know, that looks like a pretty strong case, it did something bad. Maybe they have a product that is hurting a lot of people or, you know, maybe it caused a lot of health problems or something. Well, that's not really huge company, right? So with a lot of resources, huge, huge team. And then you have this lawyer who has a case that they believe, but they're just like a single law firm, a lot of these law firms are not actually very big. So how do they go up against that party? It's not that they can't, and, and these big firms depend on our law, you don't have a champ. So, but instead, what that person can do is they can take it to a litigation funder and they go, Well, this is actually a pretty good case, the person just have that money to be able to go the distance with this big company. In fact, we think it's like it's a slam dunk. So we'll go ahead and we'll finance that. And what we'll do is we'll set up like milestones. So we'll go Okay, well, here's the first step where there's like motion to dismiss is usually the first step. I guess, I'm not an attorney, but I've learned all this stuff, which is basically, you know, the first the other side would try to give them a throw it out of court. And so that motion to dismiss comes in, hey, if it's still hanging in there, okay, we'll give you a little bit more money, they get to the next step. Okay, we'll give a little bit more money. And so you know, as it goes higher and higher and higher, they're like, okay, and by this, if it's gone all the way, there, they are fully funding that thing, and feeling confident, you know, that they hopefully can get a return. Fantastic. Yes.

Mike Stohler

It's amazing. I have no clue. Now, another one that I noticed that piqued my interest is royalties.

Ian Ippolito

Yes, yes. Music, royalties, you know, something also, I never really thought about it even a couple years ago. Okay. So, again, the idea here is very recession resistant. So it's like, if we think about what just happened with COVID-19. There, some companies didn't find other ones got hammered. But all of us were a lot of us were at home. And at home, we were listening to music, and we were watching movies that have music in them. So all those things are things that trigger music, royalties. So every time you listen to music, or you're watching a video or a show as playing music, money is paid to whoever created that music and a bunch of parties actually, like the person who wrote the music, the person who performed the music, and you can participate in all sorts of different ways. So what's really cool about these music royalty investments, is it's considered a very steady stream of income, because like I said, it's like, you know, people, even if even if times are bad, you kind of want to listen to your music, no matter what, you know, maybe even especially when times are bad, you kind of want to look at your music. So you know, it tends to be

a steady stream of income. And you can kind of play it in different ways you can kind of invest in like the hot hits the latest if you kind of feel you have a good feel for what's going to be coming out and what's really popular. Other ones will invest only in like the tried and true ones that have been the iconic songs that have lasted for decades. You know, and and that everybody loves. That's another strategy that you can go with. So there's different kind of strategies to, to kind of play it but but then To the general idea.

Mike Stohler

And it's, it's amazing. And you have, of course, you know, everyone, you also you have the tried and true the real estate, private debt, private equity, the venture capital, and things like that if the investors are like, you know, I don't know about these things, you know, it's kind of like a hotel, you know, stay and things like that. Yeah. Now on the sponsor side, for our listeners that are active in syndications B funds. Let's talk about with the sponsor, what is your requirements? For me to bring a possible deal to you?

Ian Ippolito

Yes, well, you know, what's interesting is, it's such a wide club, that I'm not the one that goes, you know, what, I think this is a great deal, or I think this is a bad deal. Because with the wine club, everyone's gonna have a different opinion, you know, there's gonna be people with different risk tolerance. So it's like, you know, I may say, like this deal, but there might be someone else that goes, look, this is right, exactly what I was looking for. So I don't go in and say that this deal is going to go in, or it's not gonna go in instead. So we do we do some due diligence on the sponsor themselves, just make sure, you know, they look legitimate. I mean, obviously, we don't want to give access to our club to someone that we can tell, we're going to try to take advantage of people. But you know, but in general, it's, you know, we'll put it in front of the club and let people decide. And so and that's where the club works. So basically, it goes in front of the club, and people start asking questions. So it's a very powerful thing, like I said, with that many people that can barely very quickly surface, you know, problems and issues like that. And so ask certain rounds of questions, and just kind of go from there.

Mike Stohler

Okay, yeah, that's, you know, I didn't know because there are similar clubs. But you know, like, the deal has to be at least 10 million, or, you know, 5 million. Yeah, you know,

Ian Ippolito

there's no requirement for that, like a minimum size or anything like that.

Mike Stohler

Is there a minimum to get into your platform on the investor side? Is there you have to put at least \$50,000 into, or do you? Well, let's talk about you know, as we go through this, he just more more and more these questions pop in. What does it take to get into the club? On the investor side? How do I get involved?

Ian Ippolito

Well, okay, so, yes, yeah. So, so the main thing to be an investor, okay, so so you understand the reason why it's like, we don't, the most important thing is that we get honest discussion in the club. And we don't want to sponsor a coming in and pretending they're an investor, and bad mouthing, sponsor B. And you know what I mean, and just, let's get up, so. So rule number one actually, is, you know, anyone that's a sponsor, they cannot participate as an investor, we just cut that all out. That way, we know investors talking about something, it's real, you know, there's none of the backbiting and all that sort of stuff. So someone has to be an investor, you know, so they can be a sponsor to come in on the investor side, and then they have to be an accredited investor. But as far as you know, having like a certain minimum amount, there's no minimum because all the deals, there's so many, I mean, there's some that have \$1,000 minimum or a \$500. Minimum, there's not a lot, but there's a few. So, you know, so we're not going to set, you know, any sort of minimum, it's, you know, whatever people are interested in and they can find,

Mike Stohler

and is it is there a fee to join? Is there are royalties paid, you know, you know, or can you you just sign up and start investing on the platform.

Ian Ippolito

Yeah, there's, there's no fee to join, there's no fees to be referred to the sponsors. And we don't charge the sponsors to bring the investors so. So they're, like, really important things. And it's kind of weird, because most clubs don't work that way. Yeah. So, but it's important, because so I retired, right. So you know, I retired, my main goal is to be able to get good deals. And that's my goal. I want to help my own investments the best. Yeah. So. Okay, so the best way to do that is to grow the club as big as possible. And that's why there's no no fees or membership fee to join the club. And we don't say, Oh, well, we're going to take a fee every single time we refer an investor over to a sponsor, which is way most of them work. Because then there's a little bit of a conflict of interest, because then we're like promoting certain sponsors. We don't want to be in that position. We just want to be in a place where, you know, everything is just like, very transparent. You know, here's the information. If you want to go invest, that's great. If not, it's not like we're losing money. So, you know, it's everyone understands what's going on. It's very transparent, no conflicts of interest. So, so we don't charge for any of those things.

Mike Stohler

Yeah, that's, uh, yeah, I think that that was an important thing to mention. And, you know, I smile, because it's, that's it's such an entrepreneurial thing to say is, is, you know, I'm creating this entire platform in order to help me find ways to invest. So that's just, that's so awesome. It's so perfect. You know, the things that I've done, you know, this, this podcast, I'm helping other people, but I'm also getting ideas myself, you know, there's, there's always it with the entrepreneur mind, there's some little bit of a selfish intent, and then a lot of things. But if you if you can help a lot of people, but also help yourself, then it's a win win on everything, you know, every side. thought, Yeah, I was, I was giggling about that. Can someone and this is going to be selfish on my part? Because I may want to do both sides? Can someone be an investor? And then stop being an investor and then go into being a sponsor? Or is it all in on one or the other?

Ian Ippolito

It's all in on one or the other. And basically, we have people that will be like, you know what, hey, I was an investor. But now I'm doing syndications now. So I want to switch over. So we switch them over to a sponsor account. But they can't be bold, just because it's too difficult to say, hang on, take off my, my sponsor hat, I got put on my investor hat right now. And then we'd have to like monitor people. And we don't want to have to do that. So okay, we just keep it very clean one or the other.

Mike Stohler

Okay. That makes sense. I wanted to know, cuz it's like, Huh, you know, do I put my next hotel deal? Or? Or another thing, right, I may want to invest in royalties, you know, so I was like, going, how can I?

Ian Ippolito

Yeah. Unfortunate, there's no way to do both.

Mike Stohler

Yeah, that's, that's, that's okay. Any other thing? You know, you started this? I think you're I was looking at 2015. And it is, it's really, I would say, just an organic way. For passive investors. And, you know, if you're listening, everyone, I think most of our listeners are passive investors. It's a great way to go in. And now once you're a member, does it break down? Okay, these are the royalty ones that you know, the different tabs, how is it? How can they browse and find? And and how's it set? You know, because I'm not a member? I don't see what, how looks like inside. So I sign up today?



Ian Ippolito

Yeah, the biggest breakdown is by the type of investor because like, if you are accredited, and you're not a qualified client, Nothing's more annoying than seeing all the qualified clients do that you can't get into. So. So the first breakout is basically by the type of investor that it's in. And there aren't too many breakouts as far as like categories, but people can do searches. So and there's also like a feature where people can say, Oh, well, what are the what are the most popular things that other people are investing in, I just want to kind of check those out and kind of see, so they can do that. There's also like a page of specials. So it's like the sponsors that have given a special deal to The Club. So a lot of people will start there when they're new and say, Oh, well, you know, I'll least look at what the specials are. So there's kind of several different ways that someone that's new can kind of get used to it. And it can be a lot at first because there's just there's a lot of deals out there.

Mike Stohler

Okay, and you know, to wrap up a little bit, and let everyone know, it's 4500 plus members, over 8.3 billion and counting and investable assets I know that you know, you're getting noticed because I think I was reading that you were featured in USA Today Bloomberg Wall Street Journal. So you know, everybody this is not somebody that is just created websites say hey, you know, again let's rush something in so you know, you're vetted and and you're extremely experienced. How can people find you? What is the website?

Ian Ippolito

The easiest way is to go right to private investor club calm. Or if someone wants to, they can actually go to that other side. I was talking to you about real estate Crowd Funding review calm but that's a big long name. So probably private investor club.com is easier.

Mike Stohler

Alright, and, and I appreciate your time. This has been wonderful. I think that everyone will be extremely excited to check this out and you know, I'm gonna have to make a big decision is like, Okay, what side do I want to be on? But I appreciate the time and thank you very much. You're welcome. Thank you. Thanks for tuning in to the Richard King Podcast, where we're helping others find creative ways to build wealth, and financial freedom. For today's show notes, including all the links and resources from our show, and more information about our guests, visit us at [www.therichergeek.com/slash/podcast](http://www.therichergeek.com/slash/podcast). And don't forget to jump over to Apple podcasts, Google Play Stitcher, or wherever you get your podcasts and hit the subscribe button. share with others who could benefit from listening and leave a rating and review to get the podcast in front of your eyes. I appreciate you and thanks for listening