

# DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

## Chapter 1 : Financing Real Estate for New Investors

*Guide to successful real estate investing, buying, financing, and leasing [George Mair] on calendrierdelascience.com*  
*\*FREE\* shipping on qualifying offers.*

Home Equity Loans and Lines of Credit Partnerships Other investment Tools Why You Need to Understand Real Estate Financing The purpose of this chapter is to fill you in on the many different types on real estate financing that you can use in your real estate investing. In chapter 3, we looked at the different investment vehicles you can take to invest in real estate such as single family homes, commercial real estate, apartments, and more , as well as some of the different strategies buy and hold, flipping, and wholesaling you can use to make money in real estate. This chapter is designed to help you turn those strategies into reality. Finally, the following list is by no means comprehensive, but will give you a good idea of some of the financing methods used by real estate investors to finance their real estate. By having a good broad overview of these methods, you can combine an investment vehicle, an investment strategy, and a financing method to handle any real estate investment. Do you need to have a lot of money to invest in real estate? The short answer is: The longer answer, is more complex. There are numerous strategies that investors use to invest in real estate without having a lot of cash. Some deals can be done without using any money, period! If you want to get a copy of this book, head to BiggerPockets. All Cash Many investors choose to pay all cash for an investment property. Other times, the money is sent via a wire transfer from the bank. This is the easiest form of financing, as there are typically no complications, but for most investors and probably VAST majority of new investors , all cash is not an option. Additionally, the return given from an all cash deal will not be the same as when leveraged. Conventional Mortgage As you can see from the example above, financing your investment property can produce significantly better returns than paying all cash. Most investors, instead, choose to finance their investments with a cash down payment and a traditional conventional mortgage. Conventional mortgages are the most common type of mortgage used by home buyers and generally provide the lowest interest rates. Click here to find interest rates in your area. To learn more about mortgage financing and what you can qualify for, check out the BiggerPockets Mortgage Center. Portfolio Lenders Conventional mortgage loans can originate from a variety of sources, such as banks, mortgage brokers, and credit unions. In most cases, these lending sources are not actually using their own capital to fund the loan, but are acquiring or borrowing the funds from another party or reselling the loan to government-backed institutions, like Fannie Mae and Freddie Mac, in order to replenish their own funds. As a result, most lending institutions must adhere to a very strict set of rules and guidelines when it comes time to financing an investment. These strict rules can make conventional financing difficult to obtain for many, especially for real estate investors and other self employed borrowers. However, some banks and credit unions have the ability to lend from their own funds entirely, which makes them a portfolio lender. Because the money is their own, they are able to provide more flexible loan terms and qualifying standards. This means that they are able to make loans available at any terms acceptable to them. Oftentimes a portfolio lender will have funds available with less restrictive qualifications than a conventional lender. You can also simply grab a phone book, call each one, and ask if they offer portfolio lending. If you have health insurance or car insurance, you already understand the concept: However, you can take advantage of the exception to the rule that allows the FHA-financed home to have up to four separate units. In other words, if you plan to live in one of the units, you could buy a duplex, triplex, or four-plex. The benefit of the FHA loan is the low-down payment requirement: However, every blessing comes with a curse. The extra PMI payment can make your monthly payment slightly higher, thus reducing your cash flow. John can now get the new paint and carpet paid for by the loan , move into his renovated home, rent out the other half, and begin making cash flow and building wealth. John is a happy camper. Owner Financing Banks or other giant lending institutions are not the only entities that can finance a property for you. In some cases, the owner of the property you want to buy, can actually fund the property, and you will simply make your monthly payment to

## **DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.**

them rather than a bank. Typically, the only time a property owner will do this for you is if they already own the home free-and-clear, meaning the seller cannot have an existing mortgage on the property. This is due to a legal clause written into nearly every loan called the "Due on Sale" clause. This clause gives the former lender the right to call the note immediately due. If the conditions are right, owner financing can be a great way to gain ownership of real estate without using a bank. Use hard money with caution, making sure you have multiple exit strategies in place before taking out a hard money loan. To find a hard money lender, try the following tips:

# DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

## Chapter 2 : How To Finance Real estate investing courses Deals “ Mint Dental Works

*Details about Guide to Successful Real Estate Investing, Buying, Financing, and Leasing by Be the first to write a review. Guide to Successful Real Estate Investing, Buying, Financing, and Leasing by.*

Real estate investment loans can come from a variety of sources, and be structured in at least as many ways. Further, there are ways to increase your investment yield through creatively structuring your loan terms. Some successful investors, even those with the cash to cover their real estate investment cost completely, have made sizable purchases with minimal cash outlays “ sometime even with zero dollars down. Commercial loans, unlike home loans, are not backed by a government entity, so the rates are traditionally higher than those for home loans. Balloon loans are common among traditional bank lenders, so you must determine whether your projected income will be enough to pay the mortgage off when the balloon payment is due. If you cannot, you may be forced to refinance and pay a higher interest rate. There are also ancillary charges that you must add to the lending price, such as survey fees, loan application fees, and legal fees. Often, these must be pre-paid before the loan application process begins. You should also make sure that you have an up-to-date business plan and realistic financial projections to accompany your historical information, though lenders may pay more attention to your past financial history. Some banks require investors to sign covenants that require you to meet certain cash flow requirements, debt-to-cash ratios, and other conditions; failure to mean these conditions for whatever reason will trigger a higher interest rate. You should also ask a bank lender for as much information about the typical terms and required documentation for a commercial loan before applying as it can be a time-consuming process. Private Lenders Private lenders are not just professional lending institutions. Private lenders can include family, friends, neighbors, and co-workers. There are then of course professional investors, who you can find through online searches, and private professional lending institutions. Hard money loans, also known as predatory loans, are the most restrictive and are extremely expensive. You should carefully consult the terms of each loan with your financial advisor. Credit line agreements Credit line agreements are a popular financing strategy for those who already own at least one property. If the initial property is paid in full or if you have built up significant equity in said property, pending credit and other assessments, a bank will typically extend you a line of credit secured by that initial property. Using this as a financing method can be lucrative, but risky. If, for example, your net income on the second property is negative, you will be stuck paying off the cost of the credit line used to obtain financing and the mortgage payments out of pocket; missing payments could then cost you both properties. There are many types of credit lines in addition to balloon loans, including, but not limited to: These are usually secured loans for a term of a year or less. These are secured by your professional, or in some cases, your personal assets. This involves your work as a business owner being compensated through the contractor making direct payments to your lender. These are loans, typically made by traditional lenders, and typically secured, for a fixed term, at least partially determined by your income statements and projections. These loans are secured by other real estate you own. These loans are typically for 3 to 15 years and are indexed against a Treasury index. Bank financing Bank financing options for residential real estate investments are not dissimilar from those for primary home purchases. Grants Federal agencies often offer potential investors grants to facilitate their purchase of distressed properties. These grants come with stipulations, including that the investor must mean certain financial qualifications, that the investor will improve the property, and that the investor will not attempt to resell it before the improvements are made. More information on these types of programs is available on the websites of the Small Business Administration and the Federal Housing Authority , as well as the websites of many state and local housing authorities. Creative financing Creative financing refers to financing methods beyond those used by traditional lenders, and are used when both your credit and assets cannot secure you favorable traditional loan terms, or when you can spot and leverage a lucrative financial advantage using them. They include, but are not limited to: Commercial real estate financing strategies One such strategy that is

## DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

difficult to emulate unless you are a multi-millionaire is one of buying massive amounts of stock in real estate rich firms. In an interview with the Wall Street Journal, Roth stated: He was so successful that he was able to pay it back within a year. She counsels against using home equity loans as a financing strategy, citing the following personal experience in an interview with Bankrate: In , I remember I got percent financing from a very friendly mortgage broker on a country home, a renovated school house in Pawling, N. It was either that or sell the house, and that would have broken my heart. The money did float the business for about seven or eight months, I drained it right down, and I also paid for the mortgage with it, but it saved my business. I thought credit lines were there for the trouble times; that was an interesting business lesson. But then my good old house saved the day. I still have it. I was able to pay off the entire mortgage on it two years later because the business was doing so well, so the business returned the compliment, I guess. The most significant of these include: This is equivalent to the operating expenses plus the debt payments divided by the gross operating income and can be used to quickly assess whether the property is in danger of default. The value of the property divided by the lesser of its appraised value or selling price. When a seller reveals something about the property that had been previously undiscussed. Consumer protection laws stipulate that certain facts about the condition of the property must be disclosed to the seller before a transaction can be completed. A partial down payment to show your commitment to make a property purchase. Usually, you will pay the balance of the down payment at closing. This refers to an account maintained by a neutral third-party where your funds are stored during closing, and released at the conclusion of the transaction. A special fee you pay if you pay off a loan before the loan term ends. This is often stipulated in loan documents. Insurance that covers the lender in case you default on the property.

# DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

## Chapter 3 : Buying vs. Leasing a Commercial Property (Pros & Cons)

*Guide to successful real estate investing, buying, financing, and leasing. by George Mair starting at \$ Guide to successful real estate investing, buying, financing, and leasing. has 1 available editions to buy at Alibris.*

Previous Next Easy methods to Finance Real estate investing courses Deals To be successful in real estate investing, you should be effective to solutions your promotions. It is usually important to help recognize of which that loan possibilities are available to you so of which you construction your prices accordingly. This article explores often the financing choices you own on true estate investments. A great example for offers you actually can undertake with tiny to zero funds is definitely wholesale offers. If you from suppliers buildings, anyone primarily get low and even sell at a low price, while building some earnings. There are actually a couple of solutions you can execute this. You actually put a house under contract at any low expense. You receive that commitment that will your headline company and also attorney to perform title operate. You afterward finish as well as determine the commitment for you to another real estate investor who sales techniques the offer. A person move home using an work fee if the deal shuts. The terms of the deal including your assignment price are exposed the mission contract. You set a house with long term contract to shop for with your encouraged, then put it under agreement to offer for a comprehensive individual. With wrapping up, an individual buy your home and peddle the idea on the exact same shutting down kitchen table. One stroll dwelling having the significant difference between your own price and also the purchasing price, fewer any wrapping up costs. They experience a large interest pace and are generally in most cases depending on equity around the premises instead of your individual personal consumer credit. Hard bucks can always be offered within a almost instantly or days and nights which tends to make it alluring for real estate investors. You actually might have to have to set certain money down but financing part of the option through very creative financing. This is always a big revenue creator as well as can let you do several deals without being limited by bucks. Imaginative financial is actually not a strong option when owner hopes to sell meant for cash, or even when the exact premises requires improvements. You may well need to be able to get month to month payments in addition to interest times will be huge. You have confined number of credit ratings and also the number of money you can get. Their cash is held by property to bring in more compared with they can find utilizing bank investments. Non-public money is actually the almost all desired choice of financing for real estate investment deals. The desire prices happen to be generally small and the main the house loan are usually concerning You had to have good credit ranking and a person happen to be restrained to the number of loans you can take. Read a tad bit more:

# DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

## Chapter 4 : Becoming A Real Estate Entrepreneur: Complete guide

*Guide to successful real estate investing, buying, financing, and leasing Item Preview.*

Of course, this guide is not an all-encompassing "how-to" manual about every aspect of investing in real estate, but a broad-stroke overview of the best ways to start down your path to financial freedom through real estate investments. If you can master these, you increase your chance of building wealth through real estate and minimize the risk of failure or loss. This guide will walk you through the following: Your Real Estate Investing Education Before you start investing in real estate, it is imperative that you get educated in the important concepts. There are dozens of ways to get educated and build your knowledge base, and Chapter 2 will focus on those areas in great depth. Choose Your Real Estate Niche and Strategies There are a number of different strategies and angles from which to approach the business of real estate investing. The more you focus on one specific thing, the better and more knowledgeable you become at it. This will be the focus of Chapter 3, as we dive deeper into looking at the various niches and strategies you can profit from in your real estate journey. By creating a strong foundation that your real estate endeavors will stand upon, you will create a more sustainable business that can weather the storms you may face. Chapter 4 will show you the best ways to build that foundation to maximize the odds of your success. Chapter 5 will dive into the specifics of how to set proper criteria to guide your investment decision making. Financing Your Real Estate Investments Paying for your investment is much different than paying for a loaf of bread - and the method used can often mean the difference between success and failure in a real estate investment. Chapter 6 will dive into the various financing tools you can use throughout your investing career. Mastering Real Estate Investment Marketing Regardless of what aspect of real estate investing you choose to focus on, you will undoubtedly need to have a strong marketing skill set. Putting together the right marketing program and allocating the necessary amount of resources towards it is absolutely crucial to the success of any real estate investment business over the long term. Chapter 7 will focus on the marketing aspect of your real estate investing business. Knowing and Executing Your Exit Strategies How you plan on exiting your real estate investments is just as important as the way you enter them. Whether you sell, rent, or exchange your property, it is vitally important to have a clear understanding of your exit strategy options for any investment deal from the beginning in order to minimize your risk. Chapter 8 will discuss these exit options in detail to help you plot your investing course. Are You Ready to Begin? As you work your way through this guide, remember that this is not all-encompassing. It is a 40,000 foot view of how real estate investing works and is designed to give you the basic tools to get past the all important question of how to get started. As you read along, make note of any questions or highlights, and then come back to BiggerPockets. If you are new to BiggerPockets, start with our real estate forums. The BiggerPockets Forums contain more than 2,000,000 posts about every aspect of real estate investing, updated hundreds of times daily. Also, check out the BiggerPockets Blog , which holds more than 7,000 articles from experienced investors in many different real estate niches, as well as the BiggerPockets Podcast , now the leading real estate podcast on iTunes. These sources, along with hundreds of other pages on the site, make BiggerPockets. Within these chapters, there are numerous links to additional articles and discussions found on BiggerPockets. Of course, if there are questions that this guide or the articles do not address, please be sure to ask them in our real estate investing forums. If you are not a member already, please take a moment right now to sign up for a free membership on BiggerPockets. It is perfectly natural to be intimidated, but our goal at BiggerPockets is to help you overcome your fears and your countless questions by providing as much free information as possible to help you make the best decisions for your own needs.

# DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

## Chapter 5 : Real Estate Investing: Tips Before Buying a Condo in the Philippines

*Get this from a library! Guide to successful real estate investing, buying, financing, and leasing.. [George Mair].*

There are several fundamental indicators to take into consideration when evaluating the viability of commercial real estate investments. As a natural progression for many investors, it offers several advantages over residential investments: Higher income potential, steady cash flow, more attractive leasing contracts and lower vacancy risks are just a few of the benefits that coincide with this part of the industry. While they offer substantial upside, these complex undertakings require investors to do their due diligence when seeking deals; the first step is understanding the ins and outs of how they work. Unlike residential real estate, commercial investments generally consist of purchasing properties used solely for business purposes, and then leasing the space in order to collect rent from each business that occupies the respective space. These properties are commonly referred to as retail, office, industrial and apartment buildings, warehouses, and mixed-use buildings. The first step to getting started in commercial real estate investment is understanding what benefits they include, and how they can potentially benefit you. A commercial redeveloper can take advantage of the following benefits: The hallmark benefit of investing in commercial real estate is higher potential income. Generally speaking, commercial properties typically have a better return on investment, which averages from six to 12 percent, while single-family home properties fetch between one and four percent. Secondly, commercial real estate provides lower vacancy risk because properties are spread over several units. In addition, lease contracts are generally longer than those you will find with residential real estate. Commercial real estate has one very distinct advantage: Lastly, commercial properties generally consist of multiple units which means multiple streams of income. In some cases, tenants will also pay operating expenses on a commercial property. Another advantage of commercial real estate is less competition. For experienced investors, commercial real estate represents viable opportunities to increase their financial wealth. Perhaps the biggest perks of commercial real estate are the attractive leasing contracts. Commercial buildings generally have longer lease agreements with tenants than residential properties, which offers impressive returns and considerable monthly cash flow to investors. In many cases, lease agreements for commercial properties are signed for multiple years. Once the benefits of commercial real estate investing are recognized, the next step is to consider the currently market conditions. Like any investment deal, it pays to do your homework and due diligence is a critical element to ensure success in real estate. Learning the ins and outs of commercial investing is important, but actively conducting market research is even more significant. In essence, the function of due diligence is to verify the commercial property is a viable investment option. The first step as an investor is understanding that commercial real estate is valued differently than residential properties. That said, commercial property leases are longer than residential leases and will pave the way for greater cash flow. Real estate location is another important feature for investors to consider. If the location of the property is not in demand, more than likely finding tenants will be difficult and result in vacancies. Beginner investors should also examine the neighborhood a potential commercial property is located in. By going to open houses and talking to property owners in the neighborhood, investors can gain a better understanding of the property as a long-term investment. The next step is to analyze comparables in the area, including researching future development. Analyzing comps will help investors determine the current market value of a property. A general rule of thumb when determining comps is to choose a property where the square footage does not go beyond 10 percent higher or lower than that of the property being evaluated. This will allow for the most accurate comparables possible. The third step is understanding the common key metric used to assess real estate. To be a player in commercial real estate, there are several formulas you should know. This is a calculation that equals all revenue and costs from a particular property. This is essentially the ratio of net operating income to property asset value. Used to measure commercial real estate, cash on cash is a metric that provides investors with a rate of return on their real estate transaction. As an investor, market research holds the key to

## **DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.**

commercial investing success. Although learning these formulas can be confusing at times, investors who master these real estate numbers will significantly increase their odds of success. For those looking towards commercial real estate investing, the above mentioned steps will ensure investors get off to the right start. Commercial Real Estate Investing: Financing Options And Loans. By subscribing, you agree to receive blog updates and relevant offers by email. You can unsubscribe at any time.

# DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

## Chapter 6 : Real Estate Financing

*Of course, this guide is not an all-encompassing "how-to" manual about every aspect of investing in real estate, but a broad-stroke overview of the best ways to start down your path to financial freedom through real estate investments.*

Investing in real estate is one of the best ways to multiply your savings. If you have a decent amount of savings in the bank, it might be a wise idea to start thinking about how you are going to make it grow. Some people put their money into the stock market, while others start their own businesses. Property values around the globe are on the rise. Foreign investors often buy property for little money in non-industrialized countries, and then sell at a significant premium once the area has grown. For first-time investors, investing a large sum of money might not be easy. The following property investment guide will make it easy for you to understand how the property market works. Knowledge is Power Before making any investment in the property market, you should have every piece of information available at your disposal. Almost every successful real estate investor will tell you that knowledge is the most important ingredient for making any successful investment. If you buy property on a whim or after hearing rumors that values are going to rise, you might end up facing a huge loss. Always confirm the information you receive from multiple sources before taking action. Work with Local Realtors Local realtors in different neighborhoods have a lot of knowledge about what is expected to happen in the market. For instance, if a foreign investor has expressed interest in starting a new development project, the first thing the investor does is scope out the area. Local realtors generally offer their own opinions, and are always in the loop. Realtors work for commission, so a lot of their information will be exaggerated to increase their chances of making a sale. Patience is Important Unlike other markets, the real estate market is best for people who have a lot of patience. You might have to hold off a particular piece of land for at least a couple of years before you can make a sizable profit on it. Many real estate investors often miss out on huge profits because they are quick to sell. Experienced investors know that the key to making money in the market lies in being patient. However, if you are investing money in the foreign market, you should always keep an eye on the political news of the country. It might be a wise idea to pull out if the country is experiencing political uncertainty and instability.

# DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

## Chapter 7 : Real Estate Investing: The Ultimate Beginner's Guide

*To be successful for real property investing, you ought to be have the ability to financing your specials. It is certainly important in order to fully understand which usually investment alternatives are on hand so the fact that you shape your specials accordingly.*

Previous Next How To Finance Real estate investing courses Deals To be successful for real property investing, you ought to be have the ability to financing your specials. It is certainly important in order to fully understand which usually investment alternatives are on hand so the fact that you shape your specials accordingly. This post explores the main financing opportunities you have around real estate installing. An example regarding specials an individual can undertake with bit to basically no revenue is usually below wholesale discounts. Once you general dwellings, one essentially shop for cheap plus sell for less, while generating some income. There usually are only two techniques you can certainly execute this. One put a building under deal at your low value. You will get the following commitment in order to your brand company or simply attorney to carry out title function. You subsequently submit and even designate the written agreement to another real estate investor who closes the offer. Anyone move residence through an mission fee as soon as the deal shuts. The terms of the deal including your assignment service charge are disclosed the paper contract. You put a home less than agreement to get out of your determined, then said under commitment to will sell in your comprehensive client. On shutting, you buy your place and peddle it at the same final dining room table. You walk around the block your home through the variation between your own value along with the purchasing price, significantly less any final costs. They get a substantial interest price and are often depending on the justness on the building as an alternative to your own personal personal credit ratings. Hard funds can end up being on the market inside a that same day or days and nights which would make it appealing for small real estate investors. One might have that will put many money lower but finance part regarding the work through inventive financing. Landscaping design big capital company in addition to can allow you to do a lot of deals without becoming limited simply by money. Resourceful that loan will be not an option as soon as the owner would like to sell to get cash, and also when typically the real estate requirements vehicle repairs. You will get reasonably limited level of credit score as well as telephone number of loan products you will be able to get. Their funds is held by properties to earn more as compared with they will become having traditional bank investment strategies. Personal dollars is normally the almost all favorite style of a finance for bulk reo deals. The appeal fees are generally very low and the exact terms of the home finance loan are usually around You must have good consumer credit and one will be reasonably limited to the sheer numbers of loans you could make.

# DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

## Chapter 8 : Guide to successful real estate investing, buying, financing, and leasing | eBay

*There are a number of ways to make money in the residential real estate market, including making home improvements, flipping houses, owning and renting property, investing in residential real estate, and investing in mortgage notes.*

Everything You Need To Know Traditionally, there are a few ways to make serious money as an entrepreneur. They include business ownership; securities investment and speculation; and, perhaps the most personally rewarding, real estate entrepreneurship. Not for the faint of heart, making money in real estate is filled with potential challenges and pitfalls. But with an understanding of the various real estate entrepreneurship strategies, proper implementation, assessment, and adjustment where necessary, one can make substantial profits. The first step is understanding how to make money in real estate. Real estate entrepreneurs typically estimate ROI – the return on investment of the asset in question, as a way of evaluating whether it is worth purchasing. The basic ROI formula for any investment is: Two alternate methods are the Cost Method: These formulas should be taken as a starting point, as they do not take into account factors like time spent on repairs, tenant management, sudden falling real estate prices, difficulties selling the property, or other unforeseen occurrences that can affect the success of failure of a real estate investment. Home Improvements Real estate entrepreneurs often make improvements to residential properties to increase their value. They use this increased value to justify selling the property for more than they paid for it. This strategy is commonly employed when flipping houses. Sometimes, entrepreneurs will look for distressed properties – properties with liens on them, or in need of substantial repair in order to be issued a Certificate of Occupancy. The latter are known as fixer-uppers, and should be carefully assessed prior to purchase to ensure profitability. Buying and Selling Flipping Houses One of the most common ways to make money with residential property is by flipping it. Frequently, once residential property has been purchased, the new owner will make improvements, designed to drive up the value. Once the entrepreneur is able to obtain an appraisal for the property substantially higher than what they paid for it minus expenses, then they will sell it for a profit. The typical time frame is 30 to 60 days. Often entrepreneurs will flock to areas in which real estate prices are rising. This can be a dangerous game however, as rising asset prices often are a part of an asset bubble – in this case, a real estate bubble. Owning and Renting Property Many real estate entrepreneurs buy residential property to rent to others. Expenses can be considerable, including closing costs, maintenance and upkeep, property taxes, any existing debt, and problem tenants, among others. Because of this, this strategy makes sense when the rental income minus expenses is a net positive. This is known as a cash-flow positive property. Investing in Residential Real Estate Other entrepreneurs buy and hold several residential real estate properties for property appreciation and rental income. Historically, in the U. Some entrepreneurs purchase a property or multiple properties they feel will be appraised at a much higher value over a long time horizon 15 to 30 years or more. They may then sell those properties for a profit, keep them as a store of value, or hold onto them in the hopes of further appreciation. Long-term buy and hold strategies often involve improvements on the properties in question. Additionally, they often employ a property manager or the services of a property management firms to manage their holdings, uninterested in the day-to-day work of being a landlord. Investing in Mortgage Notes Some real estate entrepreneurs buy and sell mortgage notes, to and from other investors, banks, and financial entities. Such an entity often provides the true owner certain tax advantages and insulates them, to a certain extent, from some forms of personal liability relating to property ownership. One can, and should, set up such an entity to buy; own and rent; and invest in commercial property. Buying Commercial Property Some real estate entrepreneurs seek to make their fortunes buying commercial property. Much like with residential real estate, they can do this with the intentions of making improvements on the property, driving up the value, and selling it; renting the property to commercial tenants; or holding it for price appreciation, in addition to rental income. Owning and Renting Property Commercial property rental income can be extremely lucrative, depending on the property, location, and tenants. A long-term lease of a retail space in a centrally

## DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

located building could be worth anywhere from tens of thousands of dollars to millions of dollars per year depending on the location and size of the space. Investing in Commercial Real Estate Real estate entrepreneurs often invest in commercial real estate , developing portfolios of properties that not just provide lucrative rental income, but are also expected to appreciate in value over time. Many of these investors roll over the profits from their successful properties into new ones, leaving the daily management of the properties to property management firms. Investing in Real Estate Securities Real estate entrepreneurs can also invest in real estate securities, including, but not limited to REITs and municipal bonds. REITs are a form of limited partnership that is securitized. The limited partnership invested the monies raised from the sale of its securities on the capital markets in real estate, usually commercial. The limited partnership handles the day-to-day management of the portfolio of properties, including buying and selling them. Municipal bonds are issued by cities and states to raise funds for a number of different municipal initiatives, including capital construction projects. By investing in the debt issued to finance the securities, you are, in essence, investing in public property. Municipal bonds often come with certain tax exemptions, which can be advantageous to bondholders. The easiest is an outright cash purchase, for those who can afford to do so. Some entrepreneurs use home equity lines of credit, buy new homes while renting out their existing ones, or purchase duplexes or multifamily homes. Sometimes the property owner will even assume the note for your purchase, meaning you pay them directly, a method known as seller carry-back. A thorough understanding of real estate financing methods is critical to your success. They include , but are not limited to: There may be more or fewer factors at play with your planned investment, but it is critical that you know how all the key trends affect your market s of interest. Successful real estate entrepreneurs are clear about their real estate goals, often writing them down before taking any other step. They understand their market s , because they do thorough and rigorous research. They determine their time horizon and exit strategy before entry. They put together a team of professionals to compensate for their knowledge deficiencies, including but not limited to: And they do their due diligence. Real estate entrepreneurs need to be tenacious. Real estate investing is not an easy thing to do and there are many people trying to do it. Successful entrepreneurs stick with their plan, adjusting it to address challenges, often setting aside a set time per week to pursue their real estate goals. It is also critical to study trends and use them to find opportunities. It is challenging to be successful with a less than stellar credit history, or during periods where regionally or nationally, lenders are making fewer loans. Another challenge is finding properties that provide the proper return on investment. For one, there are many real estate investors and aspiring real estate investors. Further, many properties require substantial work, rather improvements, payment of liens, or other investments of time and money. The time required in particular may not make particular properties worth it to investors. Finding those ideal properties that, after the time and cost, provide a lucrative return requires tenacity. Other challenges include the many variables at play. With a typical rental property â€” commercial or residential, a hundred things could go wrong over which the investor has little control, from inclement weather to nightmare tenants. Proper contingency planning is essential. In fact, contingency planning is one of the only things in real estate entrepreneurship over which an investor does have control. Trump has amassed a multi-billion dollar portfolio of commercial real estate across the globe. Another is Steve Wynn , who helped revitalize the Vegas Strip, through the development and refurbishment of popular Vegas resorts, such as the Bellagio, which his company owns. On a smaller scale, real estate entrepreneurs like Janet French, owner of SilverMoon Entities , rehab, flip, and acquire income generating properties. But not every entrepreneur makes their money through property ownership. There are a lot of steps in the process of acquisition and opportunities to make money along the way. For example, take Ankit Duggal , the founder and owner of RER, LLC, which started as a firm focused on structure short sales for homeowners facing foreclosure, and now makes money by flipping these properties. While their paths may have been different, each of these real estate entrepreneurs set goals, researched opportunities, implemented their plan, and made adjustments to overcome the challenges they encountered.

## DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

### Chapter 9 : Easy methods to Finance Real estate investing courses Deals “ Mint Dental Works

*As with any real estate investment - buying rental properties takes a lot of homework. Rental properties don't necessarily come with the glamour and huge paychecks that "flipping houses" is known for - but it is a proven method of building multiple streams of permanent income.*

You can either handle the renting yourself if you have the time and the interest, Or you can also avail of property management services like arminjimenez: We ourselves offer property management services here at Phil. Pen and Brush I hope Ive come across this website and thread earlier. Ive got 3 condos so far but until now, whenever someone questions my decision, Ive always doubted and contemplated on buying house and lot instead. But I still buy condos because of the following reasons: Most house and lots are in the suburbs. Condos are located where more workforce and businesses are. And it has amenities like gym, pools and gardens. So rental rate is more expensive than a house and lot in the suburbs. At the end of the day, condo investing is a matter of preference. Resale is a big problem!!! Furthermore, marketers make it sound rosy but once you have committed and the ownership transferred building maintenance becomes a huge problem. Building issues also start raising their ugly heads. Be warned about water leaks thru outside walls, pipe leaks, electrical problems, problematic transfer switches and cockroaches. Security and enforcement of policies also becomes a problem. Policies pertaining to noise, smoking, cooking odors, etc are not enforced. SMDC is an example of many building related issues and lack of enforcement of policies. Suntrust is another for no enforcement of policies “ smoking in condo units which affects other units. Smoking is a safety issue in high-rise condominiums than can result in fatalities. Nimrod Flores Well, you have your own observations and experiences. But what you can do to make things better, as one of the owners of your condominium community, is to be more active within your association, urge your officers to better implement your policies. From my observation it takes roughly years to turn-over a condo from the developer to the owners. During this time, developer pretty much do not do anything to correct any building issues nor enforce policies. Their main goal is to sell every unit and once that is done its sayonara. The owners then are left with a problematic building with a long list of unresolved issues. This includes unenforced policies like smoking and noise that the association has a difficult time enforcing bc the norm has been established in the first years. I have seen this and all the association does is struggle to keep the building above water. So simply passing the buck to the association does not work if they are handed a chaotic situation. No offense but I will have to say that is a very naive question. In the Philippines, the inspectors are bribed to look the other way. Contractors cut corners all the time. Building codes are suggestions “ not code. No one enforces anything. Nimrod Flores I share the same frustration with you when it comes to the problematic system we have here in the Philippines, although, I might just have a different way of reacting about it. This way, they may follow the regulations more carefully for their next clients. We are not sugarcoating things here, we might even be the only ones in the business who openly say that there can really be problems that you can encounter whichever developer you end up buying a property from. And of course, getting the right kind of help from the right people, if you need it. If, after looking at things you think condominiums are not for you, nobody can force you to get invested. We only do our best to minimize risks by understanding how things work and knowing what to do. Nimrod Flores I have to say, you are right in saying that when a building is not built properly, it can be hard to maintain by the association. If they have to, they can take it to the courts. Now, I know this can be a long process, but it is the proper way to really enforce rights. But ultimately, if I am one of those residents, the policy is there for my benefit. You mention the courts and how long it takes to get things resolved. Since you appear to not have lived anywhere else, the courts in many other countries act swiftly. I know of many unresolved cases in the Philippines that are years old. Who the h3ll wants to wait that long let alone years. Technically, there is no need to go to any court if local housing agencies are effective in enforcing the law. But there is no accountability by anyone in the Philippines. Its been going on for years and no one has been arrested. Let me

## DOWNLOAD PDF GUIDE TO SUCCESSFUL REAL ESTATE INVESTING, BUYING, FINANCING, AND LEASING.

know if you want more examples. The only way to work the system is to bribe people. It reflects the character of the ppl who have absolutely no discipline or regard for rules. I know of a situation where residents are smoking a floor so much that the smoke infiltrates other units. A complaint has been filed to the Admin office 8 mos ago but nothing has been done to stop it. This condo is still held by the developer " Suntrust. So please do not talk to me about policy enforcement. I cringe when I see posts in various countries about this scam. If a visitor is greeted by this terroristic act what do you think are they thinking about the rest of the country?! Nimrod Flores Good point. And we are doing that actually. Except maybe by helping in condemning it and urging the proper authorities to do their job on this matter which we are already doing also. Nimrod Flores A hasty conclusion that I appear not to have lived anywhere else. Anyway, the year old cases that you mentioned assuming they are in fact still unresolved up to this day are most probably a lot more complicated than simple housing issues that are the subject of our discussion here. If the subject matter of your problem is under the jurisdiction of one of the administrative agencies authorized to resolve conflicts, then you can actually go to them instead. But I politely disagree about the country being lawless. Your experience may be different. And judging on the way you express your views here, you might have gotten the shorter end of things too many times because of that roughness. But it could have gone on for years only because nobody fought it all those years. Exactly a good case in point! Thanks for bringing it up actually. Maybe you can share where these countries that are similar to the Philippines. As to the court system, with all the articles of unresolved crimes and courts case one can only assume that bc nothing is ever solved and the same crimes continue that the country is lawless. If it is happening at the highest level why would anyone expect it to be any different for the entire system. There are still motions, appeals, reviews, etc, etc. The authorities in different countries have their own prescribed time limits on how long should cases be resolved. But depending on the type of case, the efforts of the parties and their counsels and a lot of other factors, our courts here in the Philippines may take more time to come up with a just and equitable decision than courts in other countries. For example, felony cases in New York US take somewhere between months before getting resolved. If I compare this to how fast I compelled through the legal process the bad developer I have dealt with in the past here in the Philippines, it took me almost half the time only. And it was a final, favorable relief that I got. This is the same thing you did by comparing those supposedly to year-old cases with overly simple housing issues that are the subject of our little discussion here. Not all cases are created equal and resolved equally fast or slow for that matter. You cannot compare criminal cases with civil ones which is what our subject housing issues are. Buyers must keep in mind that buyers are in control and they do not have to do anything they do not want to do. You can also dictate your terms. Just bc its in the contract does not mean you cannot change it.