

SPECIAL REPORT

8 Real Estate Investor Mistakes That Can Kill Your Profits

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Here Is The FREE Report You Requested!-

8 Real Estate Investor Mistakes That Can Kill Your Profits

Dear Investor:

Thanks for requesting this important report on smart real estate investment strategies. My name is Tony Antaya and I'm your local expert in real estate investment financing.

Let's face it, there are lots of ways to amass wealth. But why take the risks involved in the stock market, bonds, mutual funds or retirement plans, when this revealing report can show you a way to get wealthier FASTER! Sure, wealthy people invest in those other things, but most of them got wealthy in the first place by investing in real estate. If you want to get rich the PROVEN way, join today's wealthiest people and start investing in real estate!

By making the right real estate investments and structuring the financing properly, the money you worked so hard for can start working hard for you for a change.

So why isn't everyone investing in real estate?

Here are some of the "ya buts" I hear all the time:

- **Ya, but the real estate market isn't great right now.** The truth is, no matter what happens to the economy and housing markets, smart investors will continue to invest in real estate and continue to make money. If you understand the market, have realistic goals, and make the right financing decisions, you WILL make money. There's a time for flipping properties, and there's a time for holding a property and earning rental revenue. As an expert in real estate investment financing, I can help you understand the difference and make the right decisions.
- **Ya, but isn't real estate investing risky?** Regardless of the economy, people always need a place to live. If you invest in the right properties, you'll always have a steady income from tenants. In fact, even in recessions, rents tend to creep up rather than go down! Plus, no matter what's happening to the market right now, real estate WILL be worth more in ten years than it is today—so in addition to rental income, your investment will appreciate over the long term. Investing in essentials like housing is nowhere near as risky as investing in things like stocks and bonds and mutual funds!
- **Ya, but I don't want to fix toilets and broken pipes in the middle of the night.** Do you think Donald Trump—one of the biggest landlords in the world—gets up to fix toilets and broken pipes? Not on your life! And YOU don't have to either. It's all about knowing what your expertise is and where you can invest it most profitably. If you're skilled at plumbing and enjoy it, by all means save yourself some money and do it yourself. Otherwise, hire someone else to do it (a tax deductible expense!) and spend your time managing your investments instead.

- **Ya, but I don't know anything about investing in real estate.** Sometimes it's not what you know, it's who you know. By teaming up with experienced professionals who can educate, advise and coach you, suddenly you'll have all the knowledge you need! For example, as a mortgage broker who specializes in real estate investment, I can suggest several creative investment strategies to help you leverage your money into monthly income, reduced taxes and long-term growth. That's how the wealthy got wealthy—and I can show you how!

Nobody ever got rich by saying they didn't have the time, experience, knowledge or confidence to invest in real estate. Instead of focusing on what you don't have, let me introduce you to all the tools and expertise you need. By removing the emotions from the decision-making process and using sound underlying economic fundamentals, I can show you how to start taking advantage of immense opportunities.

As I said, real estate is the surest and safest way to create wealth. Returns of 12%, 30%, 100% and greater are not only possible, they're common. Even if you just break even on rental income, you can still profit from price appreciation as well as the tax breaks available on rental property. Maybe the time has come to stop saying "ya but" and start saying YES instead!

**Check off some of the reasons
why real estate is your
best investment opportunity.**

- Cash flow.** Real estate produces positive income flow. Would \$2,000, \$5,000 or more of positive cash flow a month interest you?
- Tax savings.** All your expenses are tax deductible.
- Deferred taxes.** You get to defer paying taxes on your money while it appreciates tax-free.
- Cover your mortgage.** Let your tenants pay down the mortgage instead of you.
- Increased equity.** Accumulate equity quickly and easily. Remember, banks love using equity as collateral to secure a future for you and your family.
- Growing assets.** Real estate appreciates in value so you can create a legacy to leave your family.
- Combat inflation.** Real estate values keep pace with inflation and often surpass it—unlike most investments.
- Multiply the profits.** By leveraging other people's money, you earn far greater returns than simply investing your own cash.

No matter what the economy is doing, NOW is the best time to start earning returns from real estate. By getting in now, you can benefit from low interest rates (which are predicted to drop even farther) AND rising foreclosure rates—which means it's cheaper to buy and finance than at any time in recent history!

All you need is the right advice, access to the right financing and the right strategies...

**10 strategies for making money
by investing in real estate.**

Here are some proven strategies for successful real estate investing. As you can see, each offers strong benefits as well as a downside. Understanding which strategies are right for you depends on your financial situation, goals and abilities. I'd be happy to sit down with you at any time and take you through a FREE analysis that will help you set realistic goals and develop a plan to achieve financial security.

1. **Renting a single family home.** This is generally the easiest way to get started and can offer a good long-term return on investment. However, since you only have one property, you can lose your income when the house is vacant, you have to perform landlord duties yourself in order to make a profit, and you typically wait a long time for the big payoff.
2. **Flipping a fixer-upper.** A great way to earn a fast return on your investment, and you get to be creative with renovations. But since the time frame is shorter, there's more risk and you get taxed heavily on the capital gain.
3. **Owning low income housing.** The high demand in this sector means higher cash flow, but it often comes with more repairs and tenant problems.
4. **Selling rent-to-own houses.** When you buy then sell on a rent-to-own basis, you get higher rent and the buyer is usually responsible for maintenance. However, bookkeeping can be tricky, and most tenants don't complete the purchase (while this can be a benefit to you, it does mean more work).
5. **Owning commercial properties.** Multi-year triple-net leases mean little management and high returns. But this is a tough market to break into, and you can lose income on vacant storefronts for a year at a time.
6. **Buying land, subdividing and selling.** This can be simpler than other real estate investments and offers the possibility of big profits. But it can be a slow process, leaving you with expenses and no cash flow while you wait.
7. **Owning boarding houses.** You can generate more cash flow by renting a house by the room, especially in a college town. However, renting by the room can also generate more headaches, especially in a college town!
8. **Investing cash, then selling with terms.** You can earn a high rate of return by paying cash to get a low price, then selling on easy terms to get a high price and high interest rate. The downside is that you need a lot of cash and you tie up your capital for a long time.
9. **Buying a property, living in it, then selling it.** Tax law lets owner/occupiers fix up the property and sell it for a big tax-free profit after two years. Then you can start the process

again. Of course, you end up moving a lot, and what if you become attached to the property?

10. **Pure speculation.** Big profits are to be had by buying in the path of development and holding until values rise. While this makes a low-management investment, growth in value isn't always predictable, you have expenses and no income while you're waiting, and transaction costs can eat up much of the profits.

As your local real estate investment specialist, the biggest benefit I can offer is helping you avoid the mistakes that even seasoned investors can make. By talking to me BEFORE you venture into the market, you can save time, frustration and a LOT OF MONEY!

Here are 8 real estate investor mistakes that can kill your profits!

1. Waiting for the “perfect time” to invest in real estate.

Trying to time the market is one of the biggest mistakes you can make. As I said, there are profits to be made in all phases of the economic cycle, as long as your strategy is right. While you're waiting for the “perfect time”, other investors are scooping up fantastic deals and starting to generate profits. Even if you don't have much of a down payment—and even if you're a first time home buyer—I have access to innovative financing strategies that allow you to start benefiting from real estate investment today!

2. Not developing a strategy in advance.

As they say, fail to plan and you plan to fail! It's essential to set some realistic goals, define a plan for achieving them and establish clear benchmarks so you'll know how much progress you're making. Be clear on the number of properties you can handle, financing strategy, investment strategy, due diligence, etc. Most important, know your exit strategy before you buy. Are you in it for quick short-term profits or long-term appreciation and cash flow? I can help you evaluate each option and develop the strategy that works best for you:

- **Long-term appreciation.** Historically, real estate doubles in value every 7 to 11 years (equivalent to 6% per year on average throughout the period). So, a house worth \$100,000 today would on average be worth \$200,000 after 11 years. And while your asset value has doubled, the amount you owe has dropped substantially, thanks to the payments you've been making—which are typically covered by rental income. So you end up with a huge increase in equity which can be used for further investments! NOTE: Long-term appreciation is a strategy well suited to cautious investors.
- **Short-term profit.** In many real estate transactions, money can be made within days or weeks (sometimes even hours or minutes!) of the purchase. These transactions are often referred to as “flips”. The key here is to buy low and sell high. If you buy a property for 50¢ on the dollar, you've already won—you've made your money on the “front end” of the deal. Of course, when the money made from such transactions is reinvested in other properties, the rate of return is even higher. For example, let's say you buy a

property for \$85,000 which is 15% below market value. Even if you sell the property for \$95,000—still 5% below market—you net well over \$5,000 after closing costs and expenses. That \$5,000 can then be used as a down payment for another transaction, which will yield an additional discount on the new property. As you continue to roll your profits through further purchases, you could eventually start making full cash purchases, which would easily qualify for 30% or higher discounts from sellers! NOTE: Short-term profit is a strategy better suited to experienced, risk-tolerant investors.

3. Waiting until you have the cash.

While offering full cash can result in big price discounts, it's unrealistic for most investors, especially first timers. But there's no need to spend years saving and missing out on opportunities! The key to most successful real estate investments is using OPM (other people's money). Let's say you purchase a \$1,000,000 property using \$100,000 of your own money and \$900,000 of the bank's money. The returns you earn are based on the \$1,000,000 and not the \$100,000 you put in! This is known as leveraging. You're leveraging the bank's money so your returns can be up to 10 times the amount that you invest! Instead of waiting until you have a down payment, you start earning dramatically higher returns in a matter of only a few years! As a mortgage broker, I have access to many specialized lenders and private investors, so you can benefit from leveraging and amass wealth more quickly.

4. Not doing the research and getting to know your market.

The only good decision is an informed decision. Don't even think about buying an investment property unless you fully understand the local market, zoning laws, pricing trends, wholesale opportunities, rental demand, local transit and amenities, etc. Here's some of the research that's required:

- How to find motivated sellers. You make your profit when you buy a property, not when you sell it. Pay too much, and you'll never recoup as much as you could have if you'd driven a better bargain. Look for buyers who are being forced by circumstances to sell. And don't be in a rush to buy. If it's obvious that you're prepared to walk away, you'll usually get a better deal.
- Watch for notices of mortgage foreclosures, tax foreclosures, estate sales and fixer-uppers.
- Study home prices by following the sales in the newspaper and noting trends.
- Review the classifieds for fair rental values and visit properties that may be similar to the one you're going to list.
- Study trends. If the number of For Sale notices is rising and the number of For Rent notices is falling, there are fewer people buying and more people renting. This could be the ideal time to pick up a great long-term real estate investment. On the other hand, if both the For Sales and For Rents are decreasing, a flipping strategy may work best.

The key is not just doing your research, but having an expert to help analyze the findings and provide unbiased advice. As an expert in real estate investment financing, I'm happy to sit

down with you at any time, discuss the local opportunities and offer innovative strategies to help you start profiting today.

5. Not taking advantage of a tax deductible mortgage.

Americans aren't the only ones who can benefit from tax deductible mortgages! I can show you a proven strategy for transforming your personal mortgage into a tax deductible mortgage, so it not only saves you money at tax time but also helps fund your real estate investments. Instead of simply letting your equity build up, you extract it and use it to purchase revenue properties. Any time you borrow money to make an investment, the interest is tax deductible, which in effect creates a tax deductible mortgage on your home. If you use your increased yearly tax refund to make further investments, the benefits multiply even more. Talk to me today about this highly effective strategy!

6. Getting the wrong financing.

Paying too much for the property is bad, but paying too much in interest is just as bad. This is where the expertise of a mortgage broker is invaluable. As an independent, I have access to hundreds of mortgages from dozens of lenders so I can tailor one to fit your investment needs.

Generally, if you put more money down, you qualify for better rates and terms, you're more likely to be funded, and you end up with more cash flow. (In addition, the better your credit, the more attractive financing you'll get.) However, as we've seen, if you put too much cash down, you can't benefit from leveraging. Finding the optimal mix of financing is something I specialize in.

Another consideration is what your plans are for the property. If you're looking to flip it, consider a variable rate mortgage since on average you'll pay less interest. However, if you're making a longer-term investment, a fixed-rate mortgage may be better because its predictable payments allow you to budget your cash flow.

I'm happy to do a no-cost analysis of your financial abilities and prospective real estate investments to help ensure you get the best available mix of interest rate, features and flexibility.

7. Paying it off too soon.

When you buy something, it's only natural to want to pay it off as quickly as possible. But remember, with rental properties the rental income is helping to cover the mortgage payments. So since someone else is making the payments, what's the big hurry to pay it off? Especially since your mortgage interest is tax deductible! The best strategy is to keep your mortgage as big as possible while still being covered by rent. This generates the maximum tax deductions and constantly frees up new equity that can be used to make new investments. Again, I can help tailor a strategy and a mortgage to suit the needs of your real estate investments.

8. Trying to do it all on your own. As I said, it's not what you know, it's who you know. There's no way one person can be an expert at all the steps involved in real estate investment. But by developing a team of professionals to rely on—such as mortgage broker, accountant, financial planner, lawyer, real estate agent, contractors, property manager, etc.—you'll have all

the resources and knowledge you need.

Just as with any other business venture, networking is essential. Join a local real estate investment club or a property owner's association. Make friends with city hall clerks or bank employees who know which properties are about to be sold. Work with real estate agents to identify possible buys.

As a local specialist in real estate investment, I have a stable of trusted professionals I can recommend, as required. With a single phone call to me, you can access all the expertise and support you need to turn your dreams of real estate investment into reality!

**Getting started is as easy
as picking up the phone!**

All you have to do is call me at **905-689-3213**. I'll sit down with you, share my knowledge about the local real estate investment market, point out some innovative financing options and answer all your questions. Then, when you're ready, I'll perform a no-charge analysis of your financial abilities and goals, and formulate an effective investment strategy.

Are you ready to start amassing wealth the way wealthy people do it? Are you ready to start leveraging other people's money? Are you ready to start profiting from real estate investments today?

If so, call me now at **905-689-3213**.

Sincerely,

Tony Antaya

PS: There's no better time to act than now. Lucrative opportunities are passing you by with every day that you put this decision off. This is your chance to find out if real estate investment is for you, with NO obligation and NO cost to you. Simply give me a call at **905-689-3213** and I'll take you through a comprehensive process that will answer your questions and point you in the direction of an abundant new future!