



Often times we hear the question, “How much money can be made in real estate investing”?

Obviously there are a lot of variable to that question but here is how we analyze the deal so we can explain the projected returns.

High-level, here’s how the returns work.

- For each and every real estate deal we source it has been thoroughly vetted and underwritten with projections to achieve a 100% rate of return over 5 to 6 years.
- A Limited Partner (LP) can double your wealth every 5 to 6 years – without ever having to deal with all the headaches of being a landlord.

To help simplify we have broken a deal down on a year by year basis. For this example, we’ll use an investment amount of \$100K to keep the math simple.

Year 1 – Investor Makes \$10,500 / 10.5%

Year 2 – Investor Makes \$11,600 / 11.6%

Year 3 – Investor Makes \$12,100 / 12.1%

At this time we also like to refinance! Investor receives \$40K back of original \$100K investment leaving \$60K invested in the project.

Year 4 – Investor Makes \$9,000 / 15% (based on \$60K still invested)

Year 5 – Investor Makes \$9,200 / 15.2% (based on \$60K still invested)

•Year 6 – Investor Makes \$9,500 / 15.8%

Sale Occurs, investor receives \$38,400 from sale proceeds and receives remaining \$60K of original \$100K investment.

Over the life of the project, the total amount of money made \$100,300 – or a 100.3% rate of return over the 6 years.

Imagine what your wealth would look like if you could double it every 5 to 6 years... how would that change how you feel about your family's financial future?

Not only has Multifamily proven to be recession-resistant across many market cycles, but you also don't have to take on additional risk to achieve great returns.

Investing in real estate has proven to be one of the best ways to build wealth over time!

Personally we invest some of our money in the stock market, although what rollercoaster it has been and we haven't made anywhere near the returns we have in real estate.

Hopefully this gave you a better understanding of the returns that are very achievable in real estate. Obviously there are different variables for each and every project and the returns shown above aren't exactly the same each time. The example above is just a blueprint for how we analyze deals to make the decision if we are going to purchase it or not. If our underwriting lays out the projections as indicated above, we will be moving on it!