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Real Estate Management

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Cash Flow Today - The Key To Longevity

Real Estate Investment Club

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When you own the houses, you have your own personal money machine! Obviously, you must maintain the property and provide the necessary management- But, in exchange for doing that, you control the money! It's yours to spend any way you choose. Owning your own widgets is the surest path to financial independence. The basis for wealth behind nearly every rich person can be traced back to the ownership of a patent, a copyright or a deed! Owning income real estate puts you in with the right crowd.

Well-Financed Houses Are Very Little Risk

In terms of investment risk, I'm talking about the risk of losing your assets - Rental properties, like the ones I own, are about the safest kind of investment you can make. Naturally, you must avoid paying too much and taking on too much mortgage debt. Residential renters are a much easier bunch to attract than commercial tenants. Also, everyone needs a shelter. Houses are considered a basic necessity of life. The danger of anyone taking your investment houses, with any equity, is almost nil! If you buy them right and structure the financing so your tenants can pay them off, you'll be very well rewarded for your initiative.

Your Own Personal Money Machine

After many years of trying different strategies to make money with real estate, I can tell you without the slightest "hiccup" - it's not a sound idea to buy houses that don't pencil out on the day you acquire them or shortly thereafter! There's only one reason in the world that I know of to buy investment real estate, **THAT'S TO MAKE MONEY**. If it don't or can't, then I don't want it regardless of whatever else I may like about it.

Buy Properties That Earn Big Profits TODAY

I have been "sucked-in" on **FUTURE VALUE, HIGHER POTENTIAL** and **PRIDE OF OWNERSHIP** so many times, I'm embarrassed to admit it! Fortunately for me, I learned my hardest lessons early in my career before I

lost the ranch.

If your goals are similar to mine, which are investing for current income and long-term security (at least until I'm senile), with the least amount of daily management involvement, then my strategies will work for you like they do for me. Naturally there are many things to learn and most of it should be accomplished during the early stages of your investing. On-the-job training is most effective! There are several important things you need to consider without delay.

I Have Been 'Sucked-In' - Don't Let Big Mortgage Payments Rob Your Profits

When you acquire properties with financing, which most of us do, you should always insist on long-term paybacks. The longer the better, but nothing less than 10 years.

Be very careful when you agree on the amount of the mortgage payments. In my opinion investment properties that have combined mortgage payments higher than 50% of the scheduled income are a bit too risky, unless of course, you have adequate back-up resources to pay for negative cash flow.

I'm always satisfied when my mortgaged properties earn me a small positive cash profit consistently every month. Little profits allow me to buy more properties, which in turn provide additional little profits! First thing you know, little profits add up to big bucks.

Walt Disney was delighted to draw the first cartoons that moved on a big theater screen. He was paid just \$12 apiece for each one, but he kept drawing lots of them, over and over again. Needless to say, his \$12 drawings eventually made Disney a very wealthy man. It didn't happen overnight, by any means, but when you consistently keep the profits rolling in, you have the money to take on bigger and better opportunities when they present themselves.

There Is No Substitute for Cash Flow

There are several good economic reasons why I favor keeping a flock of rental houses but the reason dearest to me is - they furnish me with a pocket full of cash every month, come rain or shine! Over the years, as the mortgages are retired (paid off) I have extra cash on hand to buy discounted mortgages,

including buying back my own debt. It's a very lucrative companion business to my real estate investing.

In my opinion, nothing comes ahead of cash flow! If you have it, you can continue to grow. You can transition from smaller properties to larger ones or fixers to pride- of-ownership. You can use your cash flow to buy mortgages for passive income or take a trip around the world every month when the rents come in. Cash gives you choices!

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Jay P. Decima, known to many as "Fixer Jay" is a seasoned real estate investor with more than 40 years of hands on experience; nearly half that time has been devoted to Jay's specialty - fixing-up rundown houses and adding value. Fifteen years ago, Jay Decima began teaching others about his money-making strategies at seminars and at his popular house fixer camps in Redding, California. Reprinted with permission from www.reiclub.com

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Obviously this is not the bit of advice that you would be expecting, but once you get this concept, success will be laid before you. You want to fail in the right ways limiting financial and legal liabilities.

To give you a better idea of exactly what I am talking about you simply must know where I'm coming from and possibly a bit of my personal story will help make sense. Why? That is because over my 10 year real estate career my first five years were anything significant and needless to say 'fun'.

I found myself with 25 properties after the first five years. Not bad right? WRONG!!! I had 25 properties barely cash-flowing AND I also had my corporate job still to keep everything afloat. Definitely not what I had expected.

It all sounds so nice, right?.....become a landlord with no money down deals and you can be taking vacations on the beach six weeks a year while tenants pay you to fire your boss and live the life you've always wanted. Am I the only one here that bought into that? I didn't think so but there is always a silver lining.

So after my first five years of real estate investing I had graduated with an MBA from the school of 'hard knocks'. The only good side from those experiences was a sense of, 'well, I'll never do it that way again'. Believe me its not the easy and profitable way to learn in real estate.

Still determined and passionate about real estate beyond description I literally wrote myself a note which is the focus of principles I sorely want you to learn and burn into your short and long-term memory. This is my motto that I still live by on a daily basis today: 'What is the absolute worst-case scenario that can happen on this deal...and if it does, am I financially and legally prepared for the consequences?'

There is NEVER a no-risk scenario when it comes to real estate investing. Let me quantify that before anyone starts talking about contingency clauses and the such. You will always be risking at the very minimum your time that has value and not to mention even some marketing dollars to find the deals.

Now that doesn't sound as bad now does it. This in summary is what I mean: limit financial and liability issues as much as possible in real estate investing.

For example; if I know ALL there is about how to structure contracts to wholesale flip for quick cash to other investors and limiting any possible negative liability consequences, then what is my risk? Possibly only 'risk' would be a couple hundred bucks mailing to absentee owners. Even if not one deal is made, then that is a consequence I can live with.

Another example; if I finance this rehab project through a hard-money lender do I have enough reserves to make the interest only payments? What happens if I come into some unexpected repairs that are outside the LTV of what the lender will allow for repairs? If the house is still on the market after six months and hasn't sold, what will I be prepared to do? A little bit more serious risk that I need to look at in great consideration.

There is this guy 'Murphy' that shows up a lot of times in real estate deals. You know, 'Murphy's Law'! It means what- ever can happen sometimes does and it is most of the time not to your advantage. Just be prepared and it would be prudent to have some vision in working through all possible scenarios.

Recently I closed on a property making \$7,000 as a quick flip. This property I secured through my probate marketing simply gaining an option on the property with no legal liability to perform if I didn't buy it or get someone else to buy it. I knew there was a chunk of equity in the property but it was heading straight to foreclosure. Not enough equity for investor offer, but GREAT deal for a retail buyer. So after tying up the property under contract I then advertised 'handy-man' special. Then I had \$100 in advertising invested. I can live with that risk if I don't make any profit on the property.

From there I found a buyer the next day with an 800 Beacon score! Never had that happen and probably won't again. Went through the loan process controlling the whole approach. Loan went through to underwriting and termite/inspection report revealed some moisture damage as required by my state to report. Loan wasn't going to close until repairs done even though was sold 'as-is'.

The house then needed \$725 worth of repairs in order for the loan to close. I paid the repair bill and now I've got \$825 in the situation. If the loan STILL doesn't close and I lose my \$825, I still can live with that risk. Funny things and not in a 'ha-ha' kind of way can happen at underwriting so nothing is still

guaranteed.

After all the dust settled, I realized a \$7,000 net profit after the repairs and advertising expenses were paid. I had a total of \$825 at risk in the entire situation and if the deal never closed then that is an amount I could live with as a loss----definitely NOT be happy with but I wouldn't lose sleep over it at night.

If you're concentrating on deals and real estate holdings that literally keep you awake at night when you should be sleeping.... start asking yourself how you can limit those risks to a bare minimum.

This whole business is about QUALITY of deals and not QUANTITY. Continue to invest in the education of yourself and limiting your worst-case scenario downsides, then build up to a quantity of quality deals! That is called putting your real estate business in overdrive for true financial security that corporate America just can't provide for you like real estate can and does for investors on a daily basis.

To your success and good hunting as luck has absolutely NOTHING to do with it!

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The Hidden Secrets of a Real Estate Technician

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If you wanted to learn how to prepare a deed, perform a title search, draft a strong option contract, or understand how to fix a bad title, where would you go? It's hard to answer, because, frankly, this information is tightly controlled by title companies and lawyers. Go into any bookstore and try to find this sort of highly protected information. You won't find it. Believe it or not, it's tough to find even in most law libraries.

Title companies and lawyers consider this hidden knowledge a major profit center, and they're not about to share it with you just because you're a nice person. For one, lawyers don't have time. They are in one of the most high pressured, time-driven industries. Spending hours explaining a process to you isn't nearly as profitable as punching a few computer buttons - and out comes a boilerplate document that they'll sell for \$250. Title companies won't tell you either, because it just doesn't make sense for them to give away trade secrets that earn them many hundreds of dollars per customer!

Title companies and lawyers are good people just like any other group of business people. In fact, they are a part of every investor's team. Always have been, always will. I need lawyers and you need them - they are invaluable to society. What I'm suggesting is that serious investors begin to take a new form of control over their deals by having a strong understanding of the more technical side of investing. Sound boring? Let me tell you why it's not.

Serious investors know that most outrageously underpriced deals are distressed deals. There is some sort of tangled up mess involved. Either the property is trashed, or the finances are trashed, often both: back taxes, judgments, liens, questionable contracts, etc. Most deals, especially those private, sleeper deals, have problems that need to be understood. If you, the aggressive investor, are able to intelligently understand the paperwork, title search, and closing procedures, you can craft deals that the conventional folks may not understand. Colossal deals. High equity. Cash flow.

Let me give you a true example, a few years ago I found a foreclosure deal that was excellent. The terms were pay the owner's back mortgage payments to reinstate the mortgage and give the owner \$55 to deed me the house (it was trashed and nasty). Knowing the fundamentals of title searching I immediately

performed a title search. I wasn't happy about what I found. A \$5000 lien along with the defaulted mortgage. I did some further legal research and discovered this type of lien was not to be feared. It was a particular type of lien that almost never is pursued. Plus, I know the lien's statute of limitations. With this and other knowledge I decided to take title anyway. Voila, a few years later, the lien is gone!

Now friend, you must never, ever do this unless you know what you're doing. Underline that twice in your brain. This is not an arena for dabblers. But, the more you learn about the legal facets of these distress deals, the more money you'll save in professional fees, and the more money you'll make by maneuvering these rough but highly profitable waters. Also, remember, the bigger the stakes in terms of total dollars involved, the more legal counsel you need.

Okay, back to why this information is hard to find. There isn't a huge market for this type of specialized knowledge. This is for elite investors only. Not one-time real estate buyers. This information makes absolutely no sense at all for the occasional homeowner or buyer!

If you start hanging around real estate investment associations and clubs you will eventually meet some elite investors. These are the guys who really know their stuff about the inside world of distress property. And let me tell you, these guys are tight lipped. They might throw you a few crumbs now and then, but the real secrets of judgments, defaulted mortgages, title searching is off limits to the uninitiated. They too want to keep this information to themselves.

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About the Author :

Bryan Wittenmyer has been investing in real estate for the past 15 years. In the past five years he has written extensively in the real estate field. His articles have appeared in Creative Real Estate Magazine and the Real Estate Entrepreneur. Bryan served on the board of directors of the Real Estate Investment Association of Berk's County for 3 years. Reprinted with permission from www.reiclub.com

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It's Still Location, Location, Location

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Contrary to what many creative investing courses may tell you, the old standby "location, location, location" still matters. I've seen both courses and speakers attempt to dispel this adage because the technique being promoted miraculously makes physical location a non-issue. I was foolish enough to buy into it. You don't have to.

If you're wholesaling, does location matter? Certainly. If you've spent any time in this area, you quickly realized that some areas are better than others not only for locating deals, but for moving them as well. True, you're not looking for the end buyer, but what about the rehabber who will buy the deal from you? That investor will have the best success selling the property as a retail property or filling the property as a keeper if it's in a desirable location with convenient amenities, good schools, etc. This should be an important consideration for you if you want to attract serious rehabbers and a large number of them. Yes, if you've got good numbers, you can still get the deal done, but why make it harder than it has to be? Supply the market what it wants.

Where you happen to fall in the investor food chain doesn't change the location variable. Regardless of whether you're bird-dogging, optioning, wholesaling, rehabbing, owner financing, lease optioning, short selling, etc., at some point there has to be an end user with some cash to make it profitable.

As always in real estate investing, there are no hard and fast rules. One caveat to the location issue might be if you're in a scorching seller's market and you sell everything for cash. The challenge in that situation is when you're buying since in you're on the wrong side of the market. Perhaps it requires working harder, smarter, etc., but when you locate a deal, it doesn't really matter where it is because your business model is in and out. The only trick there is knowing when to begin to weigh location a little heavier as the market cycles back to a balanced market or a buyer's market.

But what if you like to keep some properties and offer creative terms such as owner financing or lease options? Again, in a strong seller's market, it's not that big a concern because it's true that your phone will ring off the hook. You get to decide how many hoops you want your end user to jump through. It's great to be able to funnel prospects to voicemail, a web site, and require them to fax

a copy of their driver's license and an application before you even speak to them. Been there, done that.

However, if you happen to get lazy on your screening process and put some not-so-qualified folks in your property, that not-too-desirable location could come back to bite you. You end up evicting or foreclosing on your residents or they just leave after a while. The market's changed on you and is now a buyer's market. Everybody and their mother is offering owner financing, lease purchases, free rent, free vacations, free dvd's, whatever just to attract a prospect. No longer are there any hoops for the end user, other than can you fog a mirror? Which properties will go first, second, third? It won't be the one that's a bit out of the way, in a mediocre school district, or the one where the grocery store is five miles away.

And do you really want to drive an hour to change the locks, make sure the cleaning folks did a good job, check to see if the yard's actually getting done, etc.? When you're in a strong buyer's market, this routine can become the norm. So, don't forget to factor in "proximity" to your normal stomping grounds when evaluating location.

I ask these questions to cause you to think about these issues. I didn't. I happen to still own what I call "hassle" properties that fit these criteria. I didn't expect to own them today. They were supposed to be gone long ago. After all, if you're selling with terms, location doesn't matter, right? Yeah, right.

Give the market what it wants, and ultimately, the market wants a good location.

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About the Author :

Tim Randle bought his first investment property in 1994 and he is a full-time investor in Round Rock, Texas. He licenses his web site, www.QuickOffers.com, to other real estate investors who need a turnkey web site to use in their own investing business. He also owns and operates www.REIClub.com, an online resource for creative real estate investors. Reprinted with permission from www.reiclub.com

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Is Your Real Estate Investing Comfort Zone Being Threatened?

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Have you ever imagined yourself putting through a multi-million dollar deal, going to closing and picking up a check with six zeros? It's the ultimate dream for real estate investors. But why must it be a dream when it can just as easily be a reality. Every day there are real estate investors making offers on high end houses just as there are real estate investors making offers on median price range houses and below. There are just a lot fewer going after the big game.

High dollar houses naturally instill fear in real estate investors as they feel if they make a mistake they will be sued for hundreds of thousands. Real estate investors perceive they need perfect credit, a high net worth and millions of dollars already to buy million dollar houses, so they exclude themselves as buyers and don't pursue high end deals. Most real estate investors feel they don't deserve to buy a million dollar house or to be talking with the people that own them. They have a self image that equates themselves with lower price range houses and the people that own them, so those are the houses they pursue.

All of these reasons are fear in one form or another, and none of them are real. The beings that own high end houses are people, and they get divorced, lose their jobs, go out of business, make stupid mistakes, have bad financial management, and do all of the things that result in financial distress and necessitate a quick sale. The high dollar properties they own are real estate, just like the two bedroom one bath house in the median price range neighborhood, It can be put under contract, optioned, or creatively financed just like any other house in any other price range.

But real estate investors avoid them, and in doing so, prevent their most heartfelt dreams from coming true. The key point all real estate entrepreneurs and investors must understand is that owners of high end houses who are experiencing problems need the solutions that well trained investors can provide. And as with all real estate deals, when done properly, everybody wins. The seller gets the house sold and some cash to move, the bank gets their loans paid off, the new buyer gets a house they love, and the investor makes a profit.

A Six (or Seven) Figure Profit!

Going after high end houses is a choice. Real estate investors can attract these million dollar deals to them by setting up marketing systems that target high end houses only, and leave the lower price ranges alone. By making high end homeowners the only people you contact with your marketing, high end homeowners are the only ones that call in response. And when real estate investors have a steady stream of motivated sellers with high end houses calling them every day, their desks begin to fill up with million dollar deals. Just like a hunter going after big game, the real estate investor who sets their marketing sights on high end deals, and persists, the moment arrives when their real estate investing dreams come true.

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Ben Innes-Ker has been a full time real estate investor for 7 years and is author of the Motivated Seller Magnet - Automatic Lead Generating System. He is constantly fine-tuning his marketing and business systems to make his investing more profitable with less effort, so he can spend more time enjoying life with his wife and 2 young children. He shares these unique profit making systems with his Power Marketing Members. Reprinted with permission from www.reiclub.com

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Take the Fear Out of the Home Buying Process

Jeanette Joy Fisher

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Especially if you're new to the home buying experience, it can seem like an intimidating process, fraught with frustration and full of potential pitfalls. It can be a scary proposition to buy a home, but here are some ideas you can use to take the fear and risk out of the home buying process.

Your first step is to remove any doubt as to whether you can qualify for the home of your dreams by getting an approval from your financial institution before you even begin looking. Believe me, after you've fallen in love with a home is NOT the time to find out that you can't qualify for the loan it will take to get into that home. Knowing how much home you can buy will take a huge amount of uncertainty out of the process. It will let you know what price range to shop in, and can save heartache later on, once you've located the home you've been looking for.

Visit your new home at least three times before making your final decision. Each time you visit, you'll notice different things, including flaws that you didn't notice when you first fell in love with the home. You'll be amazed that the things you missed on your first visit, and on your second!

When you do find a home you love, buy an owners title policy. This type of policy is different from a standard title policy, which covers only your loan amount. An owners title policy is relatively inexpensive and also protects your equity in the home.

If your new home includes any land, have the property surveyed so that you'll know exactly where your boundaries are. It's not good enough to have the owner point out which trees mark the boundaries. Often those boundaries have only been agreed upon by various neighbors for many years, and may have no relevance to your actual property lines. If that's the case, it's best to find out before you take possession of the property. Remember, agents can help you with the various sales conventions of the area, but not with legal questions.

If the home is in a subdivision, read the developments covenants, conditions, and restrictions (CCRs) carefully. These will spell out specifically what you can and can't do with your property. The same is true is you're buying a condominium. Find out what your legal rights are and what your association

fees entitle you to.

Make certain that the sellers move out according to schedule. This is especially true if you're buying the home directly from the owner. If you're using a real estate agent in the transaction, you can probably ask them to help if it seems as if you might have any difficulty in that regard.

Overall, buying a new home should be an exciting and fun experience. If you pay attention to the details, you can make sure your next purchase is rewarding and trouble free.

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About the Author :

Author Jeanette Fisher helps home buyers with FREE ebook, [Home Buyers Guide](#): How to Buy Your Dream Home, at Joy to the Home Realty, <http://www.joytothehomerealty.com>.

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Nothing Down Home Loans Help Tenants with Rising Rents

Jeanette Joy Fisher

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Is it time to stop paying someone else's mortgage payment?

Now that the housing market appears to be slowing down, rental prices are going up. Many renters find that saving up the 10-20% down payment to buy a home beyond their means, especially since the last five years have seen home prices soar. That's why Zero Down loans are becoming increasingly popular ways for buyers to get into their new homes.

A number of lenders offer various programs for buyers to purchase homes without down payments. For instance, Countrywide, America's leading independent lender, offers no down payment loans of up to \$422,300, providing 103% financing on homes to cover the closing costs.

Wells Fargo makes similar loans through their No Money Down Plus program. Wells Fargo offers an 80/20 loan package, in which they will extend a mortgage for 80% of a home's purchase price along with 20% home equity line of credit for the difference. Buyers have to pay a 1.1% fee for the loan, but it helps them get into their homes without having to come up with tens of thousands of dollars.

Part of the impetus for banks offering special mortgage terms to low and moderate income buyers is the Community Reinvestment Act, which requires lenders to provide a certain number of loans to those buyers. However, since prices in many areas of the country average more than \$300,700, Zero Down loans can be considerably more difficult to locate.

One option is an 80/10/10 loan, which allows buyers to avoid purchasing private mortgage insurance (which can typically equal 20% of the mortgage amount). Buyers are given a first mortgage, usually for 80% of the home's value, and a second mortgage or home equity line of credit for 10%. However, they must come up with a 10% down payment. (The Wells Fargo 80/20 loan mentioned earlier increases the line of credit to 20%, and other lenders sometimes increase the second mortgage by a similar percentage to eliminate the need for a down payment. However, the buyer must have excellent credit, a good job history, and limited liabilities.)

There are government loan programs that can help, too, although they only include loans of less \$300,700. For instance, Fannie Mae offers a loan that only requires a 3% down payment (Flexible 97) and a Zero Down loan (Flexible 100). Freddie Mac offers similar loans, called Alt 97 and Freddie Mac 100. There are no income restrictions, but buyers need a FICO score of at least 700.

Veterans can get loans from the Department of Veterans Affairs that don't require a down payment, eliminate the need for private mortgage insurance, and with lower interest rates. They can borrow up to \$240,000 to buy or build a home, but they'll have to pay a funding fee of up to 2.75%.

Although you'll probably need to do some research, there are Zero Down loan programs out there, and if you're looking to buy a home but struggling to come up with a down payment, they will be well worth the effort and could help you get into your new home much sooner than you thought.

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About the Author :

[Jeanette Fisher](#) teaches first-time home buyers the five mortgage requirements besides credit scores. <http://www.recredithelp.com>.

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Strategies for Real Estate Investing Through Flipping Houses

Jeanette Joy Fisher

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If you're like most real estate investment wannabes, you've taken seminars, read books, watched infomercials and DVDs, and have spent considerable amounts of money to learn about the ins and outs of the field. If you're still struggling with how to get started, here are some of successful investors favorite ways to make money in real estate.

The first has become popular with the advent of several television programs. It's popularly known as flipping houses, which just means buying, fixing up, and reselling a property for a profit. It sounds simple enough. Find a rundown house, spend what can be a considerable amount of time and money to upgrade and repair it, and then recoup that investment, along with a sizable profit, when you resell the property.

Other investors like to buy homes that are in need of the repairs and upgrades you see so often portrayed on television and sell them **WITHOUT** doing the repairs. It's not as crazy as it sounds. All it involves is buying a property by contract, structuring that contract so that you have the right to sell the underlying to a building contractor or other investor who will have the means to be able to subcontract out the work.

This process is sometimes called bird dogging or wholesaling. Investors don't make as much per transaction, but the turnaround time is much faster. You don't have to deal with the 101 things that can and do go wrong, as you well know if you're a fan of the various television shows that follow the ups and downs of investors as they try to flip their homes.

Real estate investors have always looked for houses that have the potential to be fixed up and upgraded and then resold at a profit. That's partly because, depending upon how hot your local real estate may be, the potential profits can be in the five-digit range for each transaction.

There are dangers, of course, since many projects have at least one hidden problem that throws a giant monkey wrench into the process, reducing profits and lengthening the time to finish. Therefore, it's important for you to know your market and how much things will cost to repair before you start working

this popular investment strategy.

Lease options can also be a profitable way to get into a rundown house, bring it up to standard, and then either resell or rent it, depending upon your taste. This allows you to generally get into a house without the real estate agent's fees, which can be considerable. Once you've got the property up to standard, you can then sell the home on a lease option to someone else, which is generally good, because they'll have more incentive to keep it nice.

There are many other ways to make money in real estate, of course, but these are some investors favorites. The main thing is to pick a strategy you're comfortable with and stick to it until you're an expert at it!

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[Jeanette Fisher](#) is the author of best-selling real estate books on Amazon including Doghouse to Dollhouse for Dollars. Learn how to fix and flip houses with an interior design advantage.

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Luxury Homes: Custom Features Which Bring the Outdoors Closer

Elaine VonCannon

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The trend in luxury home building is to help create livable spaces on the exterior as well as the interior of the home. The selective luxury home buyer may be looking at a home for outdoor as well as indoor qualities and features. Even if these features are not included in the home at the time of purchase, the luxury home buyer may still be able to have them, provided the right amount and type of space is available. According to an article by Realty Times writer Blanche Evans, "41% of luxury homebuyers plan to do major renovations on their million-dollar properties."

Here are some popular features of new and existing luxury homes:

Outdoor Living Rooms in Luxury Homes

Outdoor spaces that resemble interiors are becoming more popular in luxury homes. Outdoor living areas need to reflect the overall style of the home. If it's Victorian it will lean towards traditional and formal. For Spanish style homes - select furniture, terra cotta pots, and lots of color and flowers might work best. A Cape Cod could be more relaxed and informal. Whatever the decorating needs, functionality and privacy, as well as appropriate seating for entertainment, are also factors in decorating an outdoor space. For privacy, hedges and fences work well. For flooring, stepping stones, decks, or actual slate tiles may be installed on wood. And, ceilings can include trees, retractable awnings, or permanent roofs.

For ambience, homeowners may choose to add a trellis with roses or other colorful vines and professionally landscaped gardens. Flower and herb gardens, a small vegetable garden, and specialty flowers and shrubbery can also enhance outdoor living rooms.

Outdoor Kitchens for Luxury Estates

These days, many homeowners are cooking outdoors. There is more than a barbeque grill or fire pit and picnic table involved. Outdoor kitchens, now incorporated into luxury homes, can even rival indoor kitchens in the style and quality of materials used. Custom builders are beginning to incorporate grander

outdoor kitchens than ever before to accommodate this trend in home buying. A properly outfitted outdoor kitchen means the host does not have to shuttle items from indoor spaces. Thus, the outdoor kitchen is rising in popularity with the home buyer. Some items included in outdoor kitchens are sinks, stoves, and cabinetry. Countertops are often made with high-end natural materials such as marble, granite or stone. Some are outfitted like a full kitchen with grill, refrigerator, sink and eating area. Kitchen appliances are sometimes incorporated into the outdoor kitchen. Outdoor flooring types that are popular in luxury homes are ceramic, marble, and brick.

Pools/ Hot Tubs

A nice addition to any living space, pools offer a place to relax outdoors, exercise, spend time in the sun, and entertain. And, hot tubs are almost becoming the norm in the luxury home. Hot tubs are an ideal place to relax after a stressful day, or spend romantic time with a loved one. For privacy and convenience, erect a fence and build a small deck around the hot tub.

Luxurious Porches in the Old South

Old southern porches with swings are back in style. Sitting on the porch brings back nostalgic memories of grandmas' porch, drinking iced tea, courting, or eating a family supper on Sundays.

There are many different types of porches suitable for the luxury home. Choose from: covered front and back porches, wrap around porches, screen porches and sunrooms, and breezeways.

Courtyards and Piazzas

For the luxury home owner with a large space in the front or rear, a courtyard may be an option, and these are usually decorated with a spectacular fountain as the focal point.

Piazzas are usually paved and form a grand entranceway to a formidable building, such as an estate property, or a luxury home built with Roman architecture. A well-designed piazza can offer distinction to the luxury homeowner who wants to set his property apart from others.

Do not neglect the outdoors of a luxury home when assessing a property and feeling if it is right for you and your loved ones. The exterior spaces, when

designed well and for functionality, are just as important to the luxury of a home. Decorating outdoor spaces allows more room for entertainment. Outdoor living spaces are spilling into all sectors of home buying from empty nesters, to large families, to people with no children.

Trend setting in home building begins in the luxury home market. Often these trends are emulated by the middle class home buyer on a smaller scale.

In Southeastern Virginia, a temperate and agreeable climate exists for 6-9 months out of the year, making for a comfortable temperature outdoors. The exterior of any home can easily be part of the overall living space. It can be custom designed with features that make for luxurious living, even outdoors. Why not retire, relocate, or purchase a second home that brings you and your loved ones closer to the outdoors?

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In a Buyer's Market, Don't Throw Your Money Out the Window with FSBO or Limited Service Brokerage

Elaine VonCannon

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Thomas M. Stevens, president of the National Association of REALTORS® (NAR), recently said there is, “good news for buyers who have been on the sidelines; now there is a window of opportunity in the market.” “In most of the country, buyers can take their time to make an informed decision. We advise buyers to consult a professional in negotiating the buying process, and to cautiously review mortgage options-especially on non-traditional loan products,” he continued. As the real estate market settles more solidly into a buyer's market sellers must consider the best route to a successful real estate transaction.

Debunk the myth of FSBO and Limited Service Brokerage.

For Sale By Owner and Limited Service Brokerage transactions are risky and often confusing. In the current real estate market competition for buyers' attention gets more heated every day. It is essential to have experience and knowledge about selling your home. Selling and buying a home involves important steps, timelines, appraisals, inspections and required paperwork and approvals. If something went wrong with your car would you do a major engine overhaul or take it to an expert? Why risk your biggest investment, your home? Real estate agents have access to different information regarding lenders and know trade secrets that can save you time and money.

Limited Service Brokerage is another questionable choice in the real estate market today. Limited service agents generally charge a one-time fee for listings. However, all this often pays for is a sign in the yard and a place on the MLS system. Then you are responsible for inspections, showings, paperworks, and contacting the lawyer and titling company. If you are like most sellers who have a job, a family and other parts of life to attend to. Do you want to risk missing qualified buyers? A limited service broker is less affordable. Actually, without a trained real estate professional who knows the business, you'll lose time and money. Now that the market has cooled, why risk trying to sell your home alone without help?

Always consult a professional.

On REALTOR.org the article NAR Asks Home Owners: If You Sell It, Will Buyers Come? reports “home owners who try to sell their home without professional help must overcome a number of hurdles.” “The obstacles include making the appropriate disclosures, preparing the home for sale, pricing the home appropriately for a dynamic market and, most importantly, attracting qualified, motivated buyers,” it continues. The NAR also reports that sellers who work with a qualified professional real estate agent can expect to make approximately 16 percent more than those selling For Sale By Owner. The NAR estimates that the average home sale is a process that requires over 20 steps. Why not find an expert who completes this process hundreds of times instead of going it alone? There are specific factors that lead to a successful real estate sale. First and foremost, use the Internet! In 2005, according to the NAR, 77 percent of all homebuyers use the Internet to begin their search for the perfect home. To see the online presence of your potential listing agent, type their name into the search engine.

Don't Believe the Hype

In the field of real estate there is a lot of hype, just like any other sales-based profession. There are a few things everyone should know about the changing market, especially when attempting to sell a property. First, agents and companies that place large real estate ads and hold open houses are not doing it to benefit you. Although many say this helps the seller all it really does is attract more buyers and sellers to the agency. Large ads don't often attract a qualified buyer and open houses just bring the agent more work. It can also be dangerous. It gives people you don't know the ability to see your home and plan burglary jobs. This is why real estate is considered a high-risk career; you are often alone and inviting perfect strangers into your home.

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Elaine VonCannon is an award winning REALTOR with RE/Max Capital in Williamsburg, Virginia. She specializes in retirement and relocation in the Williamsburg, South Eastern Virginia area and in Virginia Estate properties. To learn more visit <http://www.voncannonrealestate.com> or <http://www.estatesinvirginia.com>. Email Elaine at yonmor1@cox.net

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