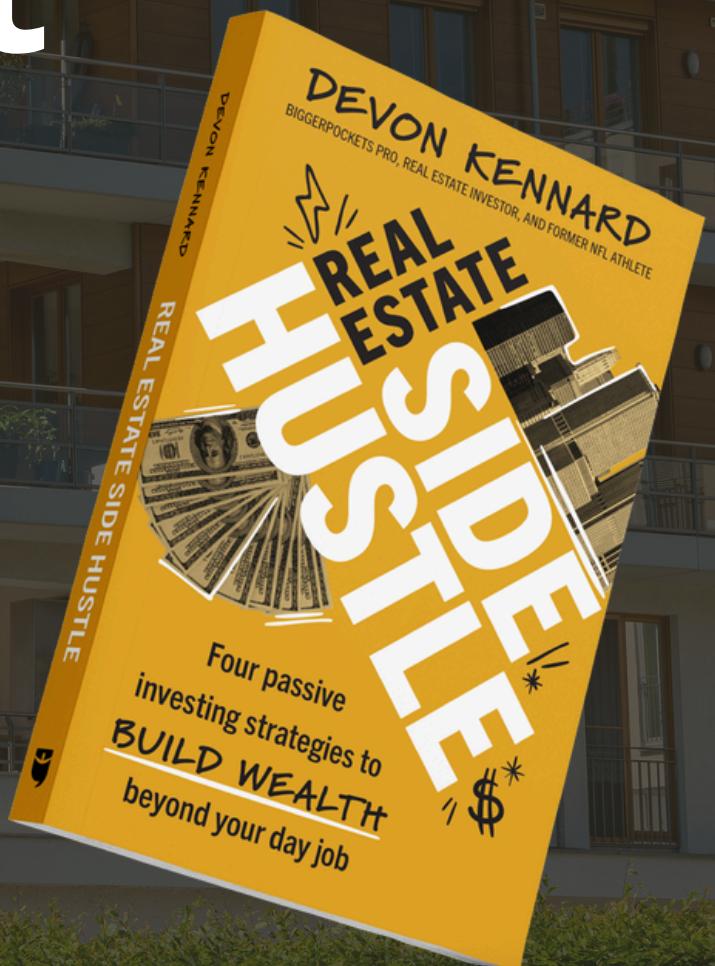


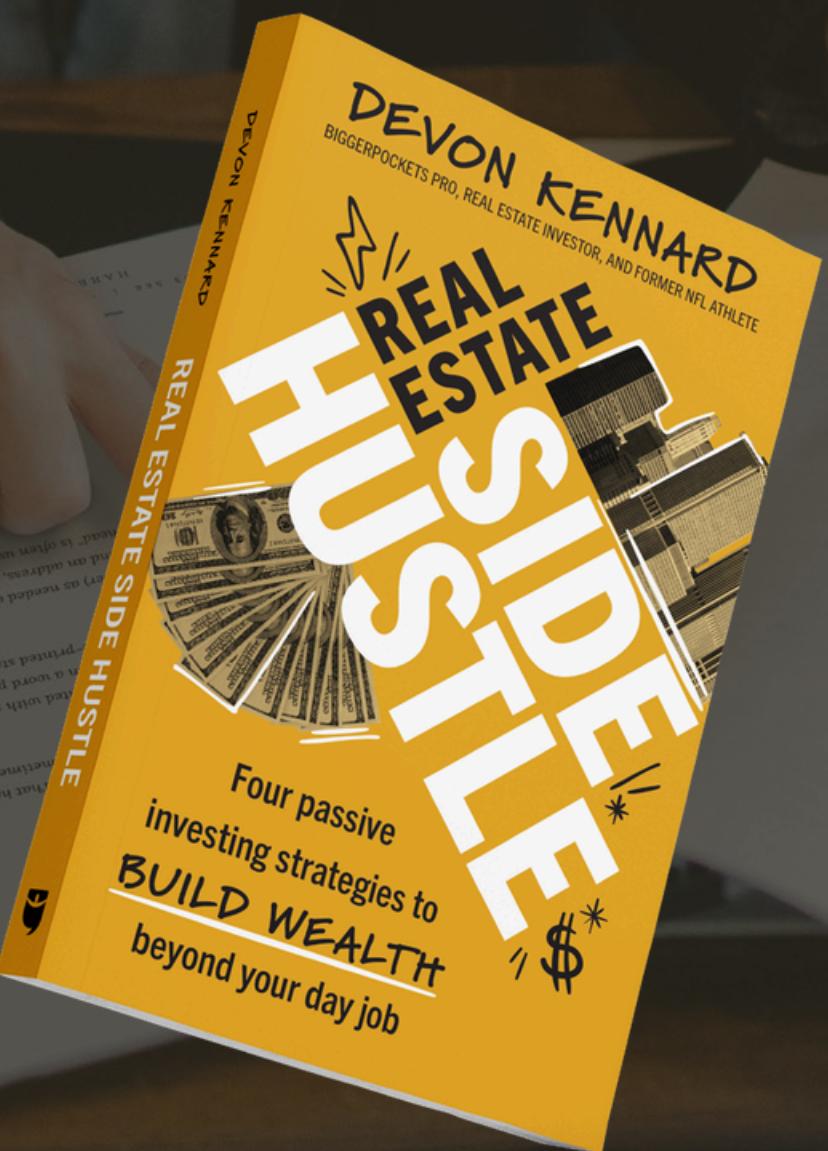


Single & Multi-Family Toolkit





The Lender Package



The Lender Package

If you are serious about getting a loan put together an organized and professional lender package with all the below information. Whether it is a bank, private, or hard money lender they will appreciate this!

Personal Side—When asking for a loan most banks, hard money lenders, and private lenders will want some or all of this information.

- Drivers license
- Credit report from all three credit bureaus
 - Experian
 - Equifax
 - TransUnion
- Last three years tax return
- Personal financial statement (PFS)
 - Listing all of your assets and liabilities
 - You can find PFS document templates online and fill one out
- Personal bank statements to support your PFS
- Complete schedule of real estate
 - Detailed breakdown of all of your real estate holdings
 - Should have spreadsheet showing each property and a break down of:
 - + Purchase price
 - + Loan amount
 - + Down payment amount
 - + Renovation budget (if applicable)
 - + Current rents
 - + Fair market value
 - + Comps to support value
 - + Gross Revenue
 - + Net Operating Income
 - + Mortgage

The Lender Package

Property Side—When you approach bank, you should have a deal you are looking to get funded. Here are the specific things you need.

- LLC documents
 - Employer Identification Number (EIN)
 - Articles of organization
 - Operating agreement
- Bank statements from all business accounts associated with your LLC
- Property/deal details
 - Your underwriting and pro forma of the deal
 - Purchase price
 - Rehab budget
 - Fair Market Value (FMV) of property at purchase
 - Expected After Repair Value (ARV) once property is renovated
 - Comparative market analysis (CMA) showing all the comps that support your underwriting
 - Appraisal (when applicable)

The Lender Package

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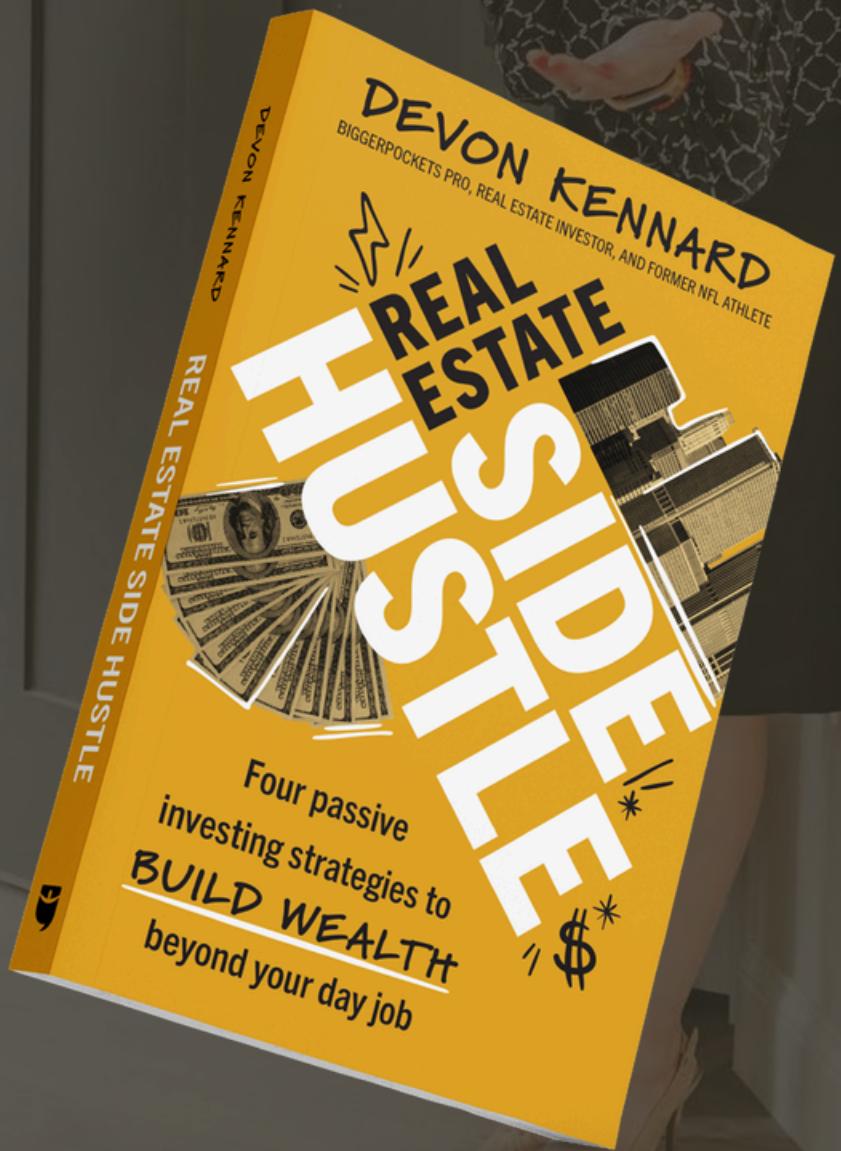
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2 Proven Single-Family Investing Strategies for the Passive Investor



2 Proven Single-Family Investing Strategies for the Passive Investor

I consider single-family investing the F-150 of real estate because you will be hard-pressed to drive 10 minutes on any street or freeway in America and not see at least one F-150. Similarly, most people who have an interest in real estate investing own at least one single-family investment property. With that in mind, I wanted to share the two best single-family strategies for passive investors. No matter how busy you are with your career with intentionality, you can manage either of these strategies.

- **Turnkey Providers:** A turnkey provider is a person or company who offers fully renovated, ready to rent properties to investors looking for passive income. These providers handle all aspects of the property acquisition, renovation, and management, allowing the investor to purchase an income-producing asset without the hassle of handling the details themselves.
 - Pros
 - Very passive—a streamlined process that saves time
 - Great introduction for the beginning passive investor
 - Dealing with professional
 - Good cash flow
 - All tax benefits of owning real estate
 - Cons
 - Buying properties at or near retail value reduces the annual cash return as well as the equity you have in the property.
 - Dependent on the provider. If the provider provides subpar management, your returns can be reduced.
- **Core 4 Investing:** This strategy is dependent on you building out your core 4 team. This team consists of a deal finder, contractor, property manager, and lender. This strategy is contingent on you finding a great deal finder, who is someone finding you deals for below market value. Because these properties are below market value, they are likely distressed and need renovations, so you need a contractor on your team who can handle the renovations. Once the property is renovated, your property manager will handle the day-to-day operations. The lender, of course, helps you buy the deal in the first place.
 - Pros
 - Ability to get properties at a discount (ideally 20% or more below market value).
 - Ability to reach much higher cash on cash return as well as forced appreciation through renovations.
 - Full control over your team, locations you invest, and so on
 - Cons
 - Takes more time and effort to build out your team.
 - Team members can fail you. Run the risk of choosing the wrong team member, and they do not deliver.

2 Proven Single-Family Investing Strategies for the Passive Investor

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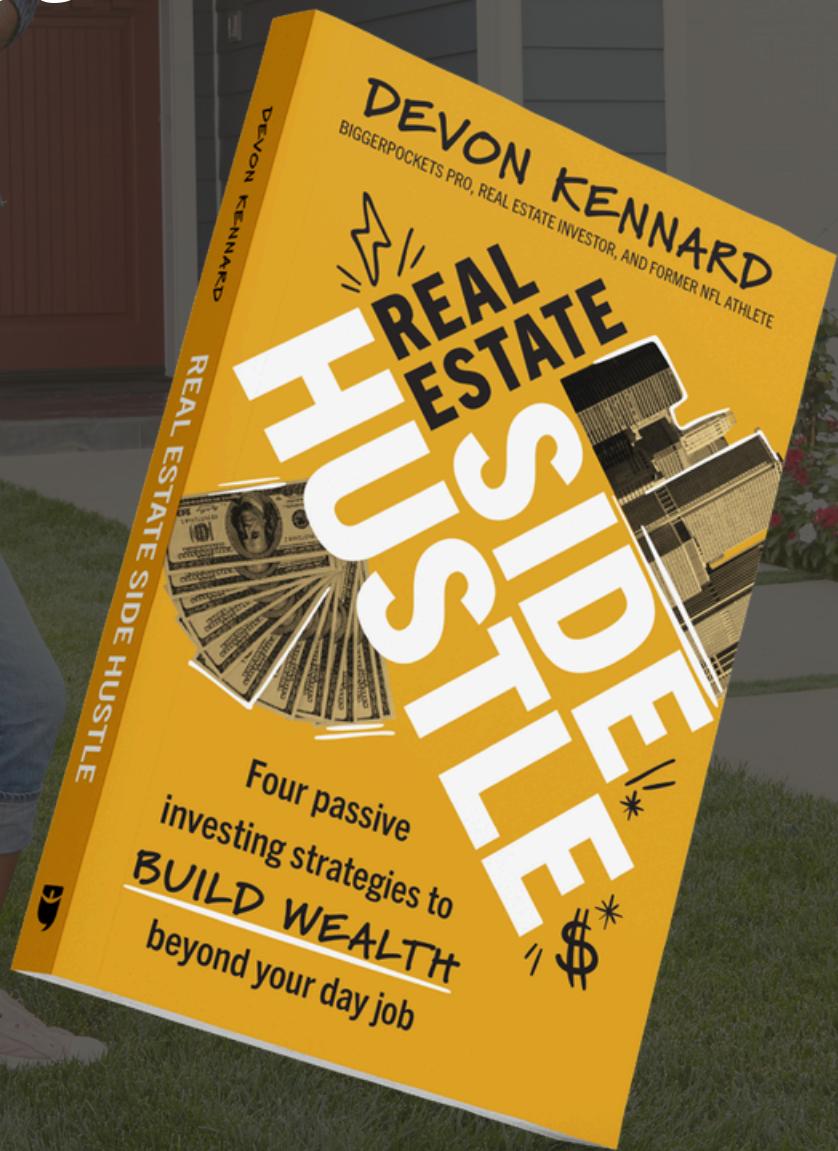
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Single & Multi-Family Jumpstart Checklist



Single & Multi-Family Jumpstart Checklist

Software

- Quickbooks:** I recommend starting a Quickbooks account and handle bookkeeping personally or work with your accountant and/or hire a bookkeeper. Track profit/loss statements for each LLC, individual property, and investment.
- Dealcheck:** Utilize Dealcheck to quickly underwrite deals on your computer, tablet, or phone. The paid version allows you to create PDF documents instantly that give you the full financial report of the potential property.
- Stessa:** Use Stessa to track and manage everything involving each property you own. Stessa allows you to input or store all pertinent property information like purchase date, purchase cost, renovation budget, insurance policy information, tax information, and so much more. Anything involving your properties can be tracked, stored, and managed within Stessa. It's a one stop shop to know exactly what is going on with each property and your portfolio overall.
- Appfolio:** There are other property management softwares out there, but from my experience, the majority of property management companies use Appfolio. I recommend you create an account as an owner and familiarize yourself with the software and how to read and analyze monthly statements your property management company will be sending you.
- Google Drive:** There are many different storage services out there (Dropbox, iCloud, OneDrive) so this is based on your preference but I personally like Google Drive best for general document management.
- www.bestplaces.net:** Provides detailed data on various cities, towns, and neighborhoods across the U.S. It helps investors compare and explore different locations based on factors like cost of living, crime rates, schools, housing, climate, and quality of life.

Team Members

The investment vehicle you choose will dictate who you need on your team. But here is an overview of potential team members.

- Deal Finder:** Someone to help you find discounted properties
- Contractor:** Someone to handle all renovations
- Property Manager:** Someone to handle the day-to-day operations
- Lender:** Someone to help you fund the deals
- Accountant:** Someone who understands real estate and how to benefit from tax law
- Lawyer:** Someone to write and review contracts and legal documents to ensure you're protected
- Bookkeeper:** Someone to keep you financially organized and aware
- Virtual Assistant:** Someone to handle all administrative work on your behalf personally and professionally.