

# PROPERTY INVESTMENT STRATEGY FOR BEGINNERS

## Residential Income Property

- if you were looking for a greater rental income, the best option would be a low-cost flat and also an apartment.
- a low-cost flat is not available to everyone unless your income is really low and you can buy only one such property.

## The Advantages of Investing in Single-family homes

### 1. Higher liquidity

- very easy to sell, the demand is always there.
- single-family homes have a higher liquidity

### 2. Stable tenants

- rent out a single family home, you get stable tenants.
- take the responsible family type.

### 3. Easy financing

- banks also easily provide loans for this type of investment.
- borrow up to 90% of the house's value, sometimes you can even get 100%.

### 4. Easy to rent out

- always a ready market for this type of property.
- When property prices are skyrocketing and more and more people cannot afford to buy them, they will be forced to rent.

### 5. Low down payment

- acquisition of this type of property.
- lesser capital to get started on this type of investment.

### 6. Growing demand

- So if you were thinking of buying a home in a growing town, definitely the demand would be there.
- that it is a form of an enforced saving program.

### 7. Enforced Saving Program

- insurance endowment plan.
- having a family home investment
- save money in order to pay for the mortgage

## Single-family Home Specifications

- Larger types of houses are not very practical when you are just starting on real estate investing.
- With the slightly bigger type of property you will be able to accommodate four persons or more and is ideal for smaller sized families.
- opt for a 600 to 800 square feet property but these are only for those who are in a really, really crowded city areas.

## Risks of investing in Properties

### 1. Interest rates hike

### 2. Vacant for a long time

### 3. Bad Tenants

### 4. Management hassles

### 5. Stagnant price

## Profits from Investing in Residential Income Properties

- When you rent out the property, the rental income would generate cash flow.
- When the property appreciates, you get a capital gain.
- When you have finished paying for your mortgage, you will also be able to build up your own equity.
- While you are gaining your equity, you can also enjoy cash flow through your rental income.

## Profit at the time of buying!

- when you invest in something, this is the most important characteristic that it should be able to provide you.
- realize the profit at the time of buying and not at the time of selling.
- concentrate on these types of investment.
- "If you can't find this type of property that can ensure profit at the time of buying, you are not looking hard enough."