



Real Estate Investment

Retirement Planning Strategy

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Right At Home Realty

Today's Discussion



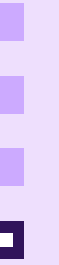
- Biblical Perspective to Wealth
- Some Money Facts
- What is Real Estate Investing?
- Why Invest In Real Estate?
- Types of Real Estate Investments
- Features Of An Ideal Real Estate Investment
- Your Next Steps To Becoming A Real Estate Investor

Biblical Perspective to Wealth

- To be wealthy is scriptural and God is the primary source of wealth for a believer. 3Jn 2; Gen 12:1-2; Gen. 13:1-2
- God does not print money and send, rather He gives power to get wealth Deut 8:18; Prov 10:4; Matt 25:25-28
- Real Estate (land) is a major strategy for generational wealth throughout the scriptures Gen 15:7; 17:8; 50:24; Ex 6:8; Num 33:53-54; Ps 37:11

MONEY FACTS

- Two things are needed to become financially independent - Enough Income & Enough Net Worth
- “It is a crime to have only one source of Income” (Matthew Asimolowo)
- Investments/ Assets are part of the legacies we can leave for our children (not certificates, positions, job title etc).





Real Estate Investing:

Real Estate investing is a broad category of operating, investing, and financial activities centered around making money from tangible property or cash flows somehow tied to a tangible **property**.

Why Invest In Real Estate?

- Simple, real estate investing has proven to be a consistent wealth generator for decades.
- Many of Canada's wealthiest and most influential people (worldwide) either got their start in Real Estate or are tied to Real Estate Investment & Property Holdings.

Why Invest In Real Estate?

- **Cash Flow** - Cash flow is the net income from a real estate investment after mortgage payments and operating expenses have been made. E.g Rental income, Airbnb etc
- Ancillary Real Estate Income e.g laundry coin machine
- **Appreciation** - Real estate values tend to increase over time, and with a good investment, you can turn a profit when it's time to sell.
- **Build Equity & Wealth** - Most reliable form of forced savings.
- **Real Estate Leverage** - Because real estate is a tangible asset and one that can serve as collateral, financing is readily available.



Canadian Real Estate Tycoons

The Gagliardi Family - Northland Properties:
Net Worth \$3.92 Billion

Peter Gilgan - Mattamy Homes: Net Worth \$3 Billion

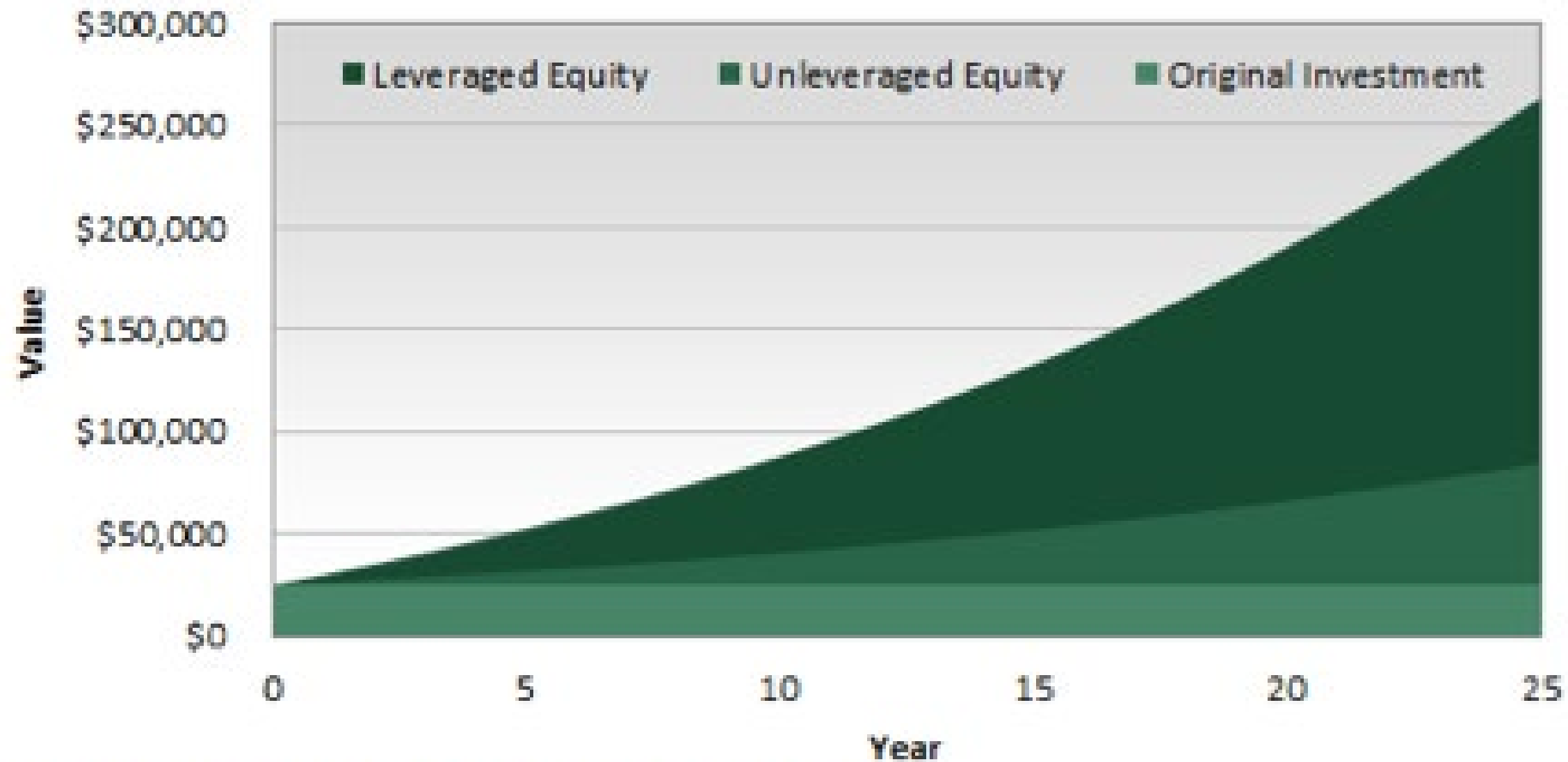
Mitchell Goldhar - Smart REIT / Smartcentres:
Net Worth \$2.77 Billion

Bruce Flatt - Brookfield Asset & Property Management:
Net Worth \$1.93 Billion



How They Got Started..

Leverage Model



Note: Value assumes \$25,000 investment and 5% annual appreciation

Many of these tycoons got started in Real Estate by using the Power of the Leverage Model. This means taking mortgage loans to buy more with every dollar invested.

The bank is paid interest on the money they loaned, but cash flow beyond loan payments, as well as 100% of the appreciation belong to the owner.

In this way, applying leverage in real estate is much like having 1 dollar do the work of 3 or more



What are the **Most Popular Ways** to Invest In Real Estate?

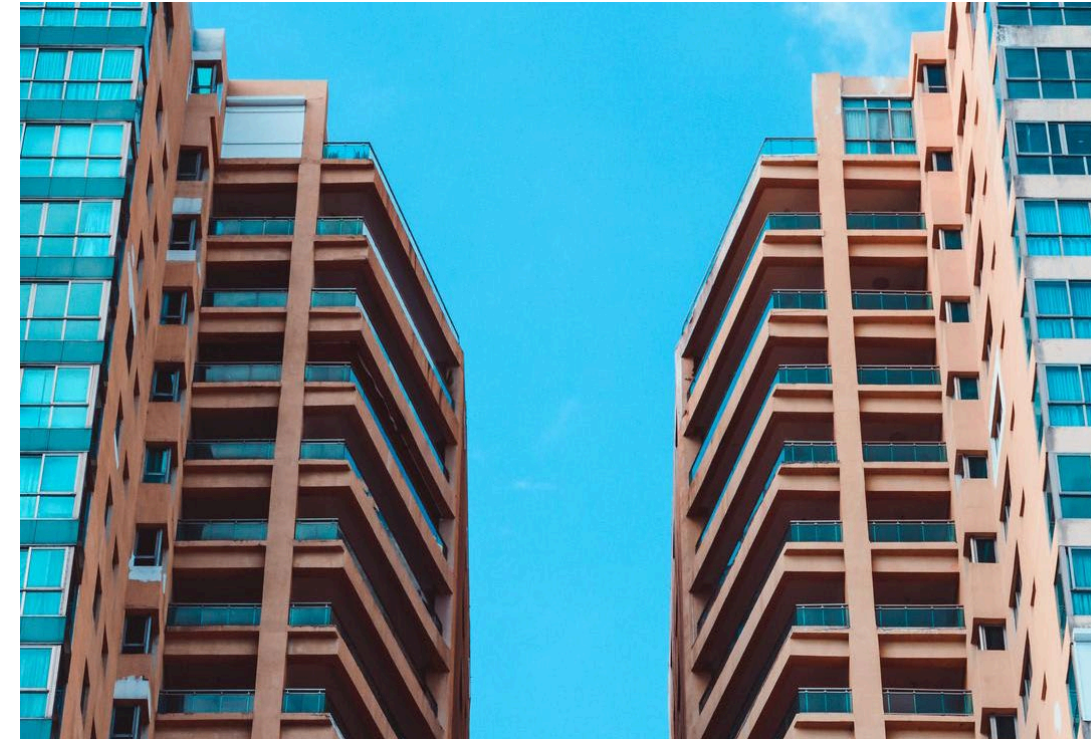




2 Key Categories



Residential
Real Estate



Commercial
Real Estate

Residential Real Estate



Single-family home

A single dwelling not attached to any other dwelling or structure



Condominium Apartment (condo)

A set of living quarters that is owned individually, while land and common elements are held in joint ownership with others.



Duplex/Triplex

Duplex is a property with two houses on the same lot.

Triplex is a property with three houses on the same lot.



Residential Real Estate

- Investing in real estate tied to houses or apartments in which individuals or families live.
- Leases usually run for 12 months, leading to a much more rapid adjustment to market conditions.



Commercial Real Estate



Retail



Office



Industrial



Multi-Family



Hotel



Special Purpose



Commercial Real Estate

- Investments properties with businesses as their primary use.
- Leases can be locked in for many years.
- Pros: are long-term tenants who sign up to high lease rates, provide cash flow even if the lease rates on comparable properties fall.
- Cons: the opposite may occur - you could find yourself earning significantly below-market lease rates on a commercial property if a long-term lease was signed before market lease rates increased.



Choosing The Best Property Class For You?

- Newly-Built (Pre-Construction)

VS.

- Resale Properties



Brand New Builds

(Pre-Construction)

- Pre-construction properties are purchased off-plan through a builder

However, this option has its advantages and disadvantages:

Pros:

- Customizable to your tastes
- Brand new, never occupied units

Cons:

- Closing dates are often delayed
- Potential for unforeseen additional costs and charges

Resale Properties

- Resale properties are purchased from an existing owner. They account for the majority of properties on the market for sale

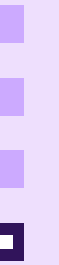
However, this option has its advantages and disadvantages:

Pros:

- Quicker closing dates
- Lower down payment options
- Ability to see the completed property

Cons:

- Usually an already used/existing property
- Due diligence and Home Inspections a must for potential issues



Features of an Ideal Real Estate Investment

- **Property Location**
“Location, Location, Location!”
- **Valuation/ Appraised Value**
“Buy Low, Sell High!”
- **Property Potential**
“The diamond in the rough!”
- **Expected Cash Flow & Profit Prospects**
“Cash is king!”

FEATURES OF AN IDEAL REAL ESTATE INVESTMENT

There are a few important factors when it comes to picking an ideal real estate investment:

01 Property Location

02 Low fixed costs

03 Cash Flow

04 Multiple Exit Strategies

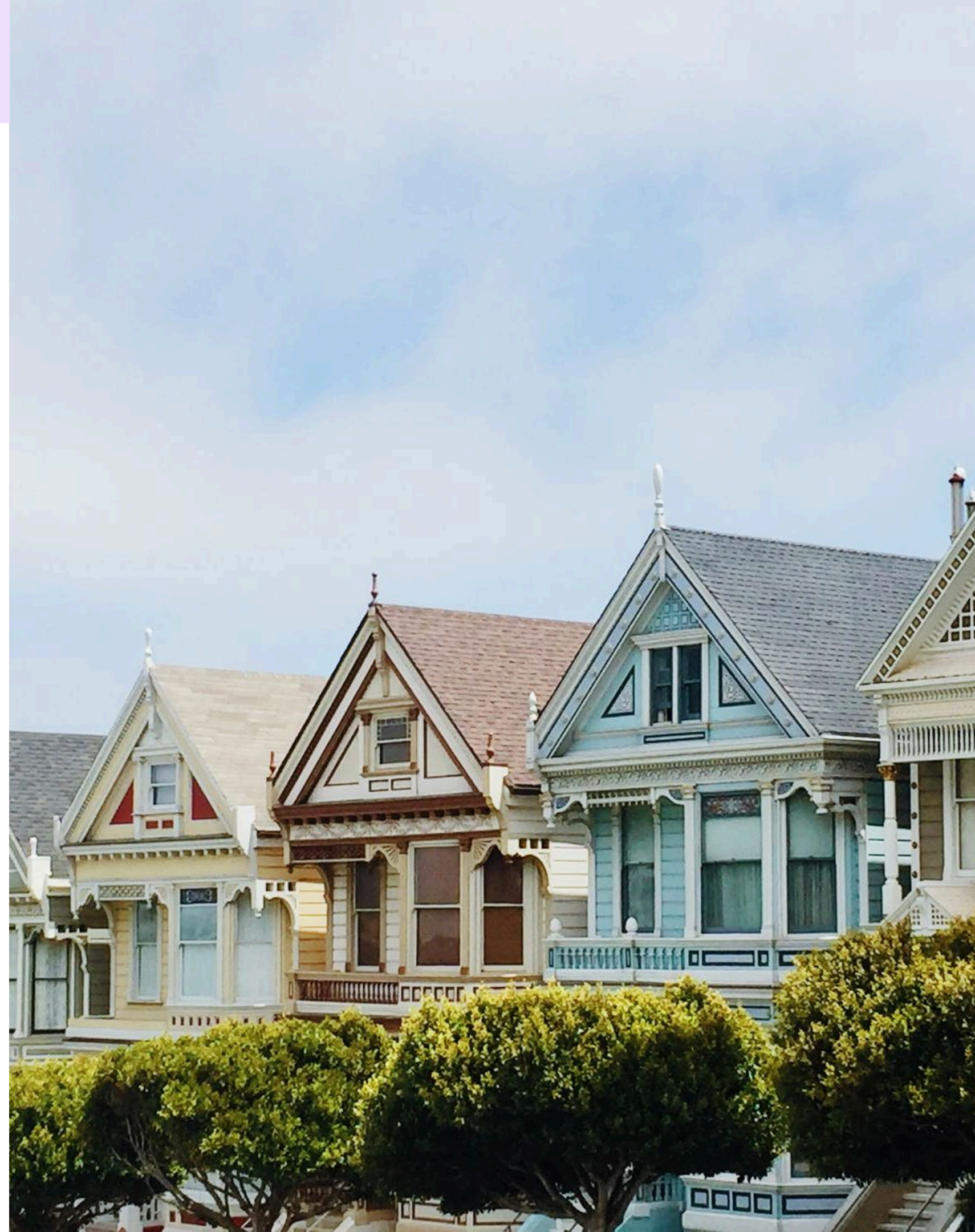
05 Potential for Capital Appreciation

06 Other Profit Opportunities



Funding For Your Investment Properties

- Savings for Down Payment
- Use equity in existing property
- Consider Joint ownership
- Consider alternate financing



QUALIFYING FOR A MORTGAGE

There are 3 important factors when it comes to qualifying for a mortgage:

01 Income

02 Credit History

03 Down Payment



Next Steps To Becoming A Real Estate Investor

- Acquire Knowledge/hire professional realtors
- Set a Goal
- Mentorship
- Pick a Location
- Choose a Strategy



In Conclusion:

- Take Action
- Teach, Encourage & Support your young adult children
- Teach others in your local church

Wealth will return to the church in
Jesus name!!!





Thank you
for the
opportunity!

Any Questions?



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