

# Purpose & Vision



Vision Forward Realty and Purpose Home Loans are a Real Estate Brokerage and Mortgage Company that focus on the Vision and Purpose in everything we do, and when you look to spend money in real estate, we believe you should do the same.

Everyone's goals and aspirations are different:

**What drives you?**

**What are you hoping to accomplish short term and long term?**

**Do you have generational goals?**



# Where are you currently at?

## **Current Income**

How much do you currently make?

Do you need to make more?

What's left over after all your bills?

## **Money Saved**

How do you currently save money?

Do you have money in retirement?

Do you have equity in your home?

## **Time Available**

How much extra time do you have in your week?

How much mental strain and stress can you take on?

What are your non-negotiable time commitments?

# Key Terms and Misconceptions

## Equity

The difference between what is owed as debt on the property and the current value of the property. This is not free money, but unrealized money.

## PMI & Down Payment

Most people believe they need 20% down in order to buy real estate. Others believe you should never have PMI, but how much do you need down? How much is the PMI?



## Appreciation

More often than not, appreciation is overlooked in long term goal setting. Appreciation cannot happen if the property deteriorates at a faster rate.

## Building Equity

Building equity is the same as adding value. You can do this by making renovations, adding space, increasing rents, and/or decreasing operation expenses.

# Key Terms and Misconceptions

## CAP Rates & Cash on Cash Return

Capitalization Rate is dividing annual net operating income by purchase price or current value, but is that all?

Cash on Cash Return is dividing the net cash flow by the cash invested.

## Tenant Issues

Are tenants really as bad as people say?

Tenant Screening.

Communication.

Quality over availability.

## Upside Potential

We look at properties based on your goals so that we can best evaluate the upside potential. A good deal is not necessarily based on the current condition and situation.

## Is it really Passive Income?

It is said among many successful business people that there is no such thing as truly passive income, since everything takes work. Define your levels of passive income.







# Just Starting: Small or Go Big

Start small or start big? It depends on where you are at first, then it depends on your goals.

Where you are at determines risk tolerance and affordability. This is where leveraging equity plays a big role.

Bigger deals at the start of your portfolio does not mean higher risk. This is where we analyse your portfolio goals and projections.



# Mobile Homes and Condos?

## Upside:

Low initial cash investment.

Less cash to renovate.

HOA handles maintenance.

More cash for more purchases.

Ability to leverage equity for future portfolio growth.

## Downside:

Less return due to HOA fees.

Possibly less appreciation.

Possibly higher turnover.

Appreciation is a percentage. The lower the total value, the lower the equity growth.

# Single Family

## Upside:

- Higher rental amount per unit.
- Higher buyer pool when liquidating.
- Steady appreciation.
- Possibility to add an ADU/JDU.
- More loan options.
- Higher tenant pool.
- Lower turnover rates.

## Downside:

- Higher cost to renovate per unit.
- Ongoing maintenance fees. (if not renovated for tenants)

# 2-4 Units

## Upside:

Higher rental amount per unit when there is a backyard.

Easier to qualify for loans using DSCR.

More loan options when owner-occupied.

Equity growth based on the ability to increase rent.

More upside growth potential when acquiring.

## Downside:

Lower inventory.

When purchasing, sales are based on wrong CAP rate, and rents are typically below market value.



# 5 Units and Beyond

## Upside:

Highest potential for Cash on Cash return.

Lowest renovation cost per unit.

Highest appreciation growth.

Highest total rent increase.

Highest potential for instant income.

## Downside:

Highest initial and ongoing cash investment.

Lowest inventory.

Higher maintenance fees.

More time to setup and plan.

Need for legal resources.

# Commercial

## Upside:

Higher rent per unit.

Better terms for the landlord.

Higher chance of qualifying only based on DSCR.

Sourcing tenants.

Upside growth potential with less demanding and attentive landlord/property manager.

## Downside:

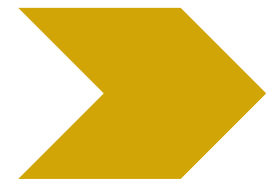
Lower inventory.

Market is changing.

Higher downpayment and less loan options available.

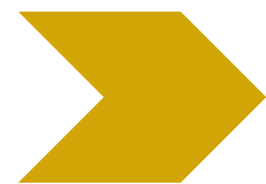
Lower tenant pool.

# Loan Programs & Investment Strategies



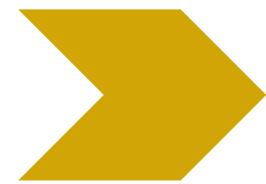
## **Wealth Building 1st, 2nd, 3rd Purchase**

Plan your budget and credit growth.  
View long term goals and match with the right equity plan.  
Area appreciation and built equity opportunities.



## **Short Term & Long Term Loan Programs**

Evaluate the different programs available for your long term goals, current finances, and current income.



## **Product Shopping**

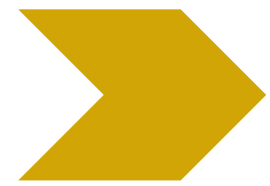
Access to a multitude of lenders with new and unique programs. As the interest rate market gets worse, the product options get better.



**PURPOSE**  
**HOME LOANS**

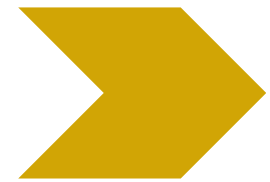
# Sourcing Deals

## Managing Properties



### **On Market & Off Market**

Time and knowledge of the market, inventory, area, and buyer pool.



### **Constant Networking**

Commercial and multi family can be a who you know deal finder.



### **Property Management**

Several property management options.



**VISION FORWARD REALTY**

# Let's Build Your Wealth

Next steps is to sit down with one of our team members to start planning the best path for you.



VISION FORWARD REALTY

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