

Mission

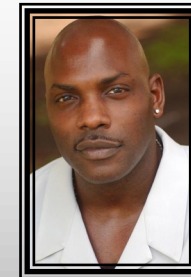
Whether a First Time Home Buyer or Seasoned Investor we all have a "Next Level" in Life, Health, Business, and Real Estate. I look forward to the opportunity to provide clients with Innovative Real Estate Options and Solutions to get you there.

What's Your Next Level? We'll Help You Get There.....



COMMERCIAL

Why Invest in Commercial
Real Estate?



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WHY INVEST IN CRE?

If you are reading this page, you are considering, already own, or at the very least, interested in real estate ownership. Now, all you need to know is why invest in Commercial Real Estate!

Why Investment In Real Estate?

Cash Flow

Commercial Investment Real Estate assets make money in the following ways:

The first way commercial real estate makes investors money is cash flow or return on investment (ROI). Simply put, most commercial buildings will cash flow enough to pay the mortgage and expenses and have some amount of cash return. That cash return will rise over time and with turnover of tenants as higher market rents are realized. Most investors do not run their assets with maximum efficiency so it possible on some purchases to improve the cash flow from the onset.

The second way commercial real estate makes investors money is appreciation. Unlike single family houses, appreciation of commercial property is not determined solely by market conditions. This is a huge consideration in purchasing. If a building is purchased for 10 times the gross annual rent when the gross rent equals \$100,000 per year, that building would be worth \$1,000,000. If, say, in a few years time, the building's gross rent was improved to \$140,000 and THE MARKET HAS STAYED THE SAME, that same property would at a value of \$1,400,000.

The third way commercial real estate makes investors money is by depreciation. No other asset available allows you to depreciate the asset over time (27.5 years for multifamily and 39 for commercial). Although you pay taxes on the depreciated amount at the time of sale, the benefit is huge.

The fourth way commercial real estate makes investors money is Leverage. How many other assets can you think of where you can borrow money to purchase it and the act of borrowing can actually INCREASE your return on investment?

The fifth way commercial real estate makes investors money is as a tax shelter. Did you know that investing in commercial real estate with the use of financing can actually lower an individual's tax bracket? Please ask me to demonstrate

Multifamily-Lowest Risk

Multifamily apartments are low risk for the basic premise that people will always need a place to sleep. If a unit is not renting, lower the price and see how many tenants apply. The same is not true for other types of real estate where the property does not cure a basic necessity. Want to find out what units are renting for in the area where you own your investment? Then follow this link and fill out a Market Study Request Form.

Leverage

Right now financing is the cheapest ever. Although qualifying is a bit trickier, let me refer you to a good lender.

1031 Exchanges

If the money you're investing in property is strictly for the future and you're not going to sell and cash out, a 1031 Tax Deferred Exchange could help you build wealth. This section of the Tax code says that you can sell your investment property and buy another property without paying taxes on your taxable gain. This strategy is commonly termed using the "Property Ladder." Simply put this means I can sell a property and buy a property of like kind with the total proceeds if I follow the 45 day identification period regulation and close the sale within 6 months of the date of sale of the first property without paying capital gains taxes (other conditions also apply).

This allows an investor to effectively leverage the money he/she would usually spend on taxes at the time of sale to leverage the financing of a more expensive property or multiple properties. The tax is deferred indefinitely until you sell and take the cash (be careful about the basis considerations in doing this). There are a few more rules to completing a 1031 exchange successfully so, contact me if you are interested.