

Real Estate Investing for Women

BUSINESS
ORGANIZATION
Module 2

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Sole Proprietorship

Advantages:

- Complete control of the business;
- No corporate tax payments;
- Minimal legal fees to forming the business entity;
- Can use social security number for all business transactions.

Disadvantages:

- The owner of the business held personally liable;
- Investors and transactional funding lenders will not do business with sole proprietorships because of usury laws complications.

Do not Use this
Entity for Real Estate

Corporation

Advantages:

Limited liability – self standing legal entity;

Corporate tax treatment separate from the owners;

Attractive to investors for stock ownership possibility;

Owner/Employee – deductions, benefits;

Operational organization structure;

Easily transferrable through shares.



Disadvantages:

Fees;

Formalities and Paperwork;

Dissolution Formalities;

Tax Consequences – double taxation for C Corporations.

Limited Liability or LLC

Advantages:

- Combines the advantages of a sole proprietorship
- with the protection of a corporation;
- No formalities or requirements like a corporation;
- Flexibility in management and organization;
- Flexibility in allocating income to the members;
- No annual requirements, paperwork and fees;
- Easy dissolution.



Disadvantages:

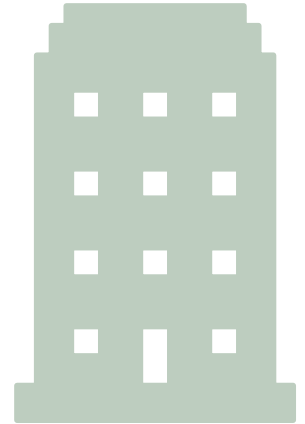
- More difficult to raise capital with an LLC than a corporation entity;
- Operating agreement is suggested, but not required;
- Organization sometimes confusing.

My Suggestions for RE Investing

- LLC or Corporation
Secretary of State Website or See
Internet Resource
- Elect Your Entity as an S-Corp
- Form One LLC or Corp per RE Niche

... in order to be “in business”

- Form an LLC or Corporation
Secretary of State Website or See Internet Resource
- Obtain your FED ID #
See link below where to get the FED ID#
- Operating Agreement
Optional, but some banks require it to open a business account (see sample)



Real Estate Investing for Women

**BRANDING &
IDENTITY**
Module 2

Branding

**Business Cards & Marketing Material
- Consistency**

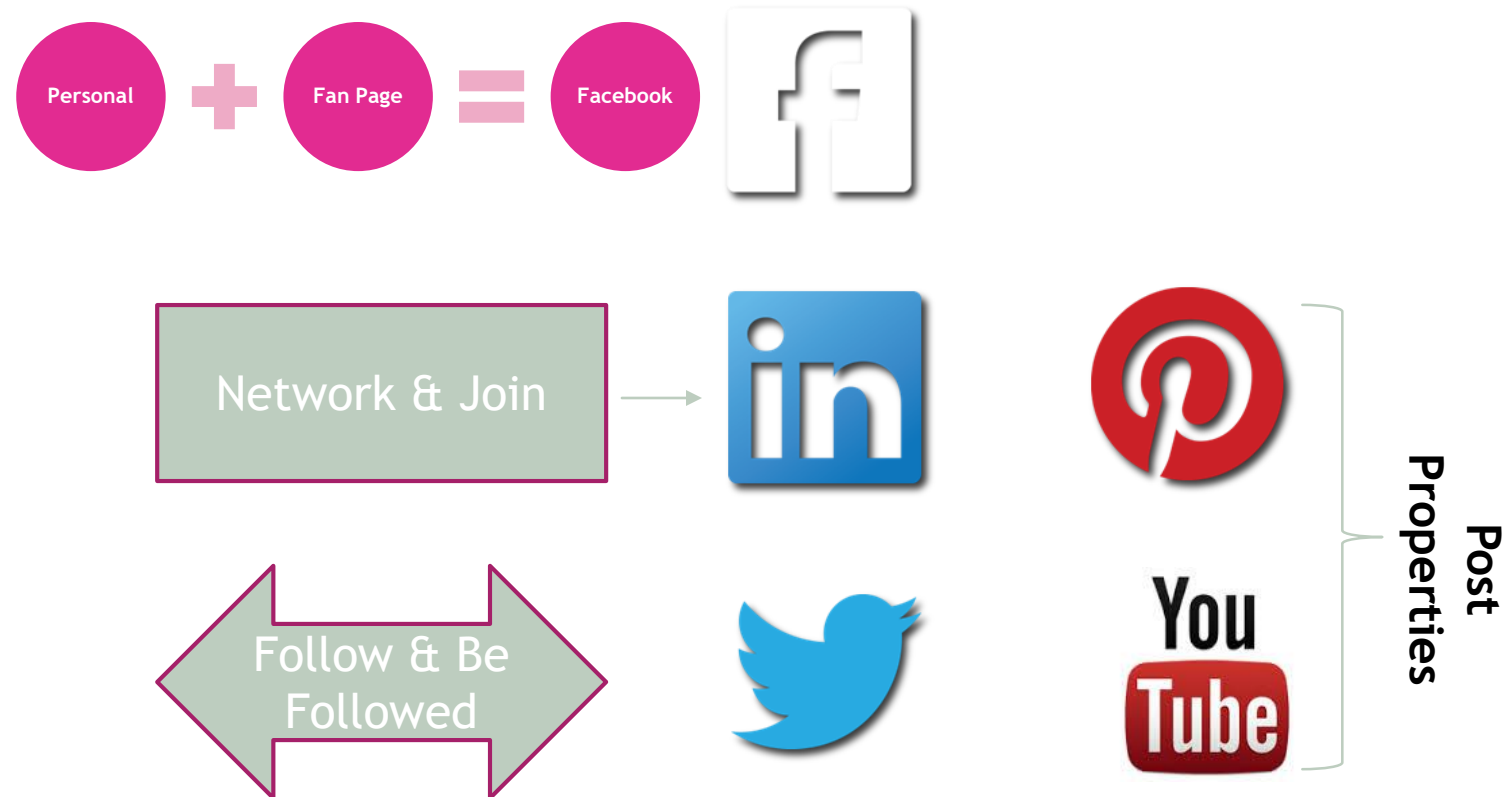
Logo

**Business Name (preferable if tied to
personal name)**

**Address – NO PO BOX (UPS Store or
Post Office)**

Online Presence

Social Media



Real Estate Investing for Women

TEAM
DEVELOPMENT
Module 2

Title Company



- **Investor friendly**
 - ✓ Accepts simultaneous closings;
 - ✓ Experience in dealing with judgments, liens and lenders for revisions.
-

Real Estate Agent

Agent who is assertive and willing to learn

Examples of need:

- For running comps and BPOs;
- Research of high cash sales areas;
- Listing on MLS when needed.

How to locate this type of agent:

- Recommendations;
- Local real estate investors meetings;
- Ads on Craigslist;
- Internet sites – blogs, forums.

Transactional Funding and/or Hard Money Lenders



If you plan on:

Flipping/wholesaling properties

Buying/Selling notes

Use Transactional Funding

If you plan on:

Fix and Flip

Long Term Rental – Refinance

Use Hard Money Lenders



Other Team Members

- **Virtual Assistant**
- **Local Assistant**
Local tasks, prepare paperwork, etc.
- **Mortgage Banker** – with in house underwriting
- **Property Manager** – for Buy and Hold strategy
- **Negotiator** – for Short Sales and buying Notes
Flat Rate or Percentage of Sale Price (10% +)

Real Estate Investing for Women

Ready Set Go!
Module 2

Action Plan

Step 1: Decide on a Geographical Area (zip codes, neighborhood)

- Demand (cash buyers & sales volume)
- Start with lower to mid range homes



Action Plan

Step 2: Start Building your Buyers' List

1 Strategy at a Time (Module 3)

- Cash Buyers Strategies
- Internet Lead Generation

Step 3: Follow Up Strategy

- Autoresponder
- CRM - Realtyjuggler.com

Action Plan

Step 4: Locate Properties

- Free Leads (Social Media, Online)
- Paid Leads (Direct Marketing)

Step 5: Set Up Goals

- 3-5 Contracts a Month (Wholesaling)
- 1 Purchase a Quarter (Buy & Hold)
- 5 Properties under contract by ...

Skills Development

Establish Business Entity

Locate Your Essential Team Members
* Real Estate Agent *
(Title Company)

Start Building Your Brand and Identity

