

Key Terms for Getting Started in Real Estate Investing



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Real Estate Investing Terms for 2022



1. OFF MARKET PROPERTY

Off-market listings are properties that are for sale but aren't listed on multiple listing services.

2. FSBO

For sale by owner (FSBO) is a term that refers to a method of listing a property for sale.

3. EQUITY

Equity, typically referred to as shareholders' equity (or owners' equity for privately held companies), represents the amount of money that would be returned to a company's shareholders if all of the assets were liquidated and all of the company's debt was paid off in the case of liquidation.

4. ARV

The after repair value is the value of a property after it's been improved, renovated, or fixed up.

**”LEARNING THE LANGUAGE OF
REAL ESTATE INVESTING
HELPS OTHERS SEE YOU AS
MORE PROFESSIONAL”**

-Lyle Leads

5. EXIT STRATEGY

An exit strategy is a contingency plan that is executed by an investor, trader, venture capitalist, or business owner to liquidate a position in a financial asset or dispose of tangible business assets once predetermined criteria for either has been met or exceeded.



6. ASSESSED VALUE

Assessed value is the dollar value assigned to a home or other piece of real estate for property tax purposes.



7. AS-IS

The phrase "as is" means that either the general condition of the property is already accounted for in the purchase price of the home and the seller will not address the inspection issues that may arise either by way of making actual repairs or offering a reasonable credit for same.

8. COMPS

In real estate, comps are used to assess a property's value by comparing it to similar properties.

9. HOLDING COST

Carrying or holding costs in real estate are the recurring expenses paid by an investor during the time they own the property.

MORE MONEY

One of the first deals we did as a group involved a four plex. We bought it from a wholesaler, someone who sells contracts. After building a relationship with a private money lender, we were offered more than we asked. In essence, we were given money to buy the property and to fix it up and we didn't even have to ask for it.

"If you find a good deal, the money will be there. Learn to build relationships and work within a solid community of real estate investors. "

-Lyle Leads

**”REAL ESTATE CAN BE ONE OF THE
LEAST RISKIEST INVESTMENTS
WHEN YOU REALLY UNDERSTAND
HOW IT WORKS.”**

-Lyle Leads

10. DUE DILIGENCE

Due diligence is an investigation, audit, or review performed to confirm facts or details of a matter under consideration.



11. APPRECIATION

Appreciation, in general terms, is an increase in the value of an asset over time.



12. DEPRECIATION

The term depreciation refers to an accounting method used to allocate the cost of a tangible or physical asset over its useful life or life expectancy.





13. AS-IS

Return on investment (ROI) is a performance measure used to evaluate the efficiency or profitability.

14. CASH-ON-CASH RETURN

A cash-on-cash return is a rate of return often used in real estate transactions that calculates the cash income earned on the cash invested in a property.

15. CASH FLOW

The term cash flow refers to the net amount of cash and cash equivalents being transferred in and out of a company.

OPEN OPPORTUNITY

One of the properties we bought was a four-plex, but it was being sold as a duplex. The person selling it, did not realize the 'shed' in the back yard was actually two more smaller units.

"Learn to observe the world you live in and you will see opportunities all around you."

-Lyle Leads



16. AMORTIZATION

Amortization is an accounting technique used to periodically lower the book value of a loan or an intangible asset over a set period of time.

17. EARNEST MONEY

Earnest money is a deposit made to a seller that represents a buyer's good faith to buy a home.

18. ESCROW

Escrow is a legal concept describing a financial instrument whereby an asset or escrow money is held by a third party on behalf of two other parties that are in the process of completing a transaction.

19. HARD MONEY LOAN

A hard money loan is a type of loan that is secured by real property. Hard money loans are primarily used for real estate transactions and are money from an individual or company and not a bank.

20. PRIVATE MONEY LOAN

Private money loans refers to lending money to a company or individual by a private individual or organization.

21. SELLER'S MARKET

A seller's market is a market condition characterized by a shortage of goods available for sale, resulting in pricing power for the seller.

22. BUYER'S MARKET

A buyer's market refers to a situation in which changes to the underlying economic conditions that shape supply and demand mean that purchasers have an advantage over sellers in price negotiations.





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You can also learn how to make money while you learn and between deals!

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I know it may sound weird, but if you had the cure for financial cancer, wouldn't you want to tell everyone? Now imagine if you got paid for everyone you helped get out of debt, buy a house, improve their credit, pay off their mortgage early, etc. You can earn \$300-\$11,200 just to be part of our earn as you learn program. Just go to reistartnow.com to find out how easy it is.

"The decision to change your life is only as good as the action you take based on that decision."

-Lyle Leads

BONUS COMMERCIAL REAL ESTATE TERMS

1. MULTI-FAMILY

Multi-Family is any residential property that contains more than one housing unit, such as a duplex, a townhome or an apartment complex.

2. NOI

Net operating income (NOI) is a calculation used to analyze the profitability of income-generating real estate investments.

3. CAP RATE

The capitalization rate (also known as cap rate) is used in the world of commercial real estate to indicate the rate of return that is expected to be generated on a real estate investment property.



BONUS 2: Financial Video Library

If you are not quite ready to get started, click on the buttons below to view these insightful videos.

THIS INFO MAY CHANGE YOUR MIND ABOUT THAT GREAT RATE YOU GOT ON YOUR MORTGAGE. SEE HOW RATES REALLY WORK.



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STOP BUILDING YOUR NEST EGG AND START A CHICKEN FARM INSTEAD! CHECK OUT THIS VIDEO TO SEE EXACTLY WHAT THAT MEANS FOR YOU.



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Personal Credit

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