

SHERMAN BRIDGE LENDING

Myth or Fact: The Truth Behind Real Estate Investing



WE HAVE CLEARED UP THE FACTS

- When it comes to taking the leap to invest in real estate, you want to make sure you do your research. The world of real estate investment is a complicated one, but you can rest assured that your hard work will pay off.
- Don't let myths about investing in real estate dissuade you from following your financial dreams. Here, we aim to separate fact from fiction to help you begin your journey to financial freedom.



#1) YOU NEED TO BE RICH TO INVEST IN REAL ESTATE

FALSE!

While, of course, it is preferable to have plenty of cash reserves in the bank before you decide to invest, research shows that the number of investors who used financing to fund their investments make up the majority of situations. Only the minority of real estate use cash that is on-hand to pay for their investments.

This means, for you, that you don't first need to be a millionaire to fund your investments. While you do need a sufficient source of income to receive financing, there are many affordable options available for you to investment loans.



#2) TOO MANY INVESTMENT PROPERTIES WILL HAVE A NEGATIVE EFFECT THE NEIGHBORHOOD

FALSE!

There is a myth in the real estate industry that says that the worth of a neighborhood will greatly decrease if there are too many houses flipped.

The fact of the matter is, investors are actually doing a great service for neighborhoods!

When an abandoned, run down, or outdated home is flipped by a real estate investor, the whole community pays off!

After the property is renovated and resold, this results in nicer neighborhoods that have appreciated in their value. This type of appreciation leads to a higher tax revenue for the county, and a higher revenue will ultimately bring better schools, roads, and city resources along with it!



#3) YOU DON'T NEED A LOT OF EXPERIENCE TO BE A REAL ESTATE INVESTOR

TRUE!

Luckily for you, this happens to be absolutely true! We all know that experience comes with practice, and you won't gain this practice without taking this first step.

Many investors start off slowly, but soon develop their skill and go on to build their property empire.

After all, today's top real estate investors had to start somewhere, right?



#4) YOU SHOULD ONLY INVEST IN HEAVILY POPULATED, MAJOR CITIES

FALSE!

When it comes to investing in a major city, it is a good idea to keep an eye on the outer fringes and suburbs of the area.

As the properties near the heart of the city begin to rise, residents will be looking for cheaper areas to live, and this is where you come in.

It is also wise to look for any area that is about to install a major train stop or bus route. This commuter convenience will drive up the value of your investment property, even on the outskirts.



#5) ONLY FULL-TIME PROFESSIONALS ARE ABLE TO MAKE MONEY OFF REAL ESTATE INVESTMENT

FALSE!

This is a common misconception. What we see, time and time again, are residential real estate investors and amateurs making their investment in single family homes.

Whether you are a stay-at-home mom or a full-time working professional, you can do this as a retirement plan or supplemental income to their day jobs.

You don't have to be a licensed real estate agent or have a certification to invest in real estate. All it takes is hard work and dedication, which we know you can do!

