

8 Ways To Make Money Through Real Estate

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One of the first investments many people make is usually their house. Furthermore, anytime I speak with someone about what they'd do if they fell into a large amount of money, their first step is to invest in real estate. Why is this the case? It's no secret that real estate is an incredibly lucrative field to be working/investing in. Even with the market becoming more and more saturated with agents, this does not mean that you can't make money anymore! Let's take a look at some ways that you can make money through real estate!

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1. Lead Generation

For those of you who don't know, lead generation is to be viewed as a bridge. A bridge that connects the agents to the customers! I've known a few people who've done this and they made quite a substantial amount of money. The best part was that they were already in the real estate sphere and were just using warm connections. However, imagine if you were to take your marketing know-how and were able to pass that quality lead to an agent!



One way you can do this is by building a quality website and running Facebook ads. Once you've gotten enough leads you can begin giving them to real estate agents. Then, take a commission if they end up being a sale! This would make you the middle man in the transaction!

2. The Classic Fix & Flip

A video thumbnail for 'LIMITLESS TV'. The main image shows a man with a beard and short hair, wearing a black t-shirt with the 'LIMITLESS' logo, speaking directly to the camera with his hands raised. In the background, a house is under renovation, with a man in a white shirt kneeling on the floor. The text 'LIMITLESS TV' is in the top left corner. Overlaid on the bottom left is a graphic with the words 'PROS & CONS' in white text on orange and white backgrounds.

<https://youtu.be/Vwg-Yv3RVLk>

There is a lot of money to be made in finding undervalued houses, renovating them and then selling! However, if you think this is an easy path then you'd be wrong but it can be extremely rewarding. The concept is simple, find a house that is grossly undervalued based on size, area, and other factors. Once you've done this and determined that it is a steal, you'll buy it. Mind you, through this whole process you're going to have many expenses like a real estate agent, taxes and legal fees! However, after you buy it the renovations will begin!

These renovations including fixing what's broken and made many upgrades to the house that will drastically increase the value of the property! Once that is all done it is time to find a buyer. Once you find a buyer and the house is sold at a price that is significantly higher than you bought it for, you reap the rewards. However, like I previously stated, you're going to have to pay taxes and other fees!

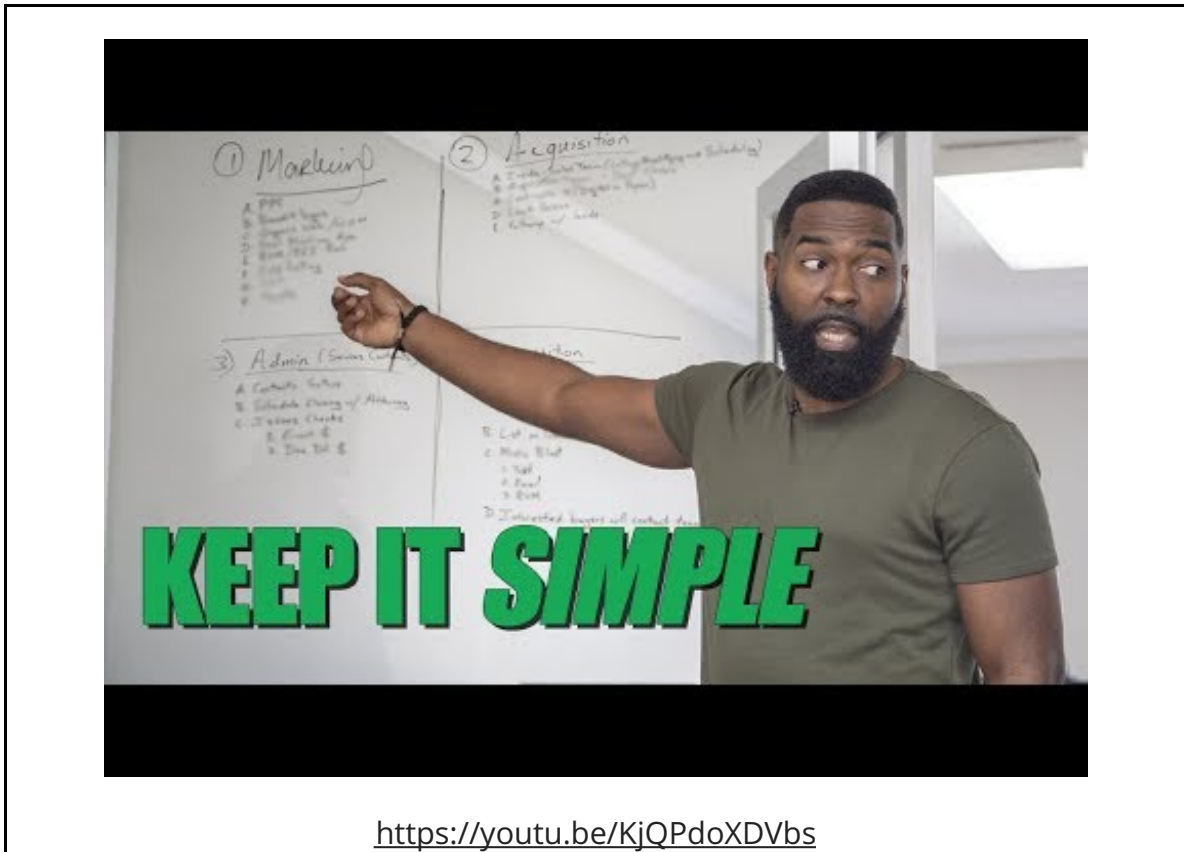
3. Short-Term Rentals

With the creation of services like Airbnb, short-term rentals have become a growing investment. Many people have vacation homes or apartments within the city that are vacant for extended periods of time. Therefore, it was only a matter of time before a concept would be created that would let people gain income through these pieces of real estate. This is where you could possibly come in. If you have a home or property that is only in use for half a year or for vacationing, why not rent it out for a short amount of time?



I recently went to a friend's get together at an Airbnb and it cost him \$300+ for one night. That really isn't a bad amount of money for such a short amount of time. Especially since that house most likely isn't in use a lot. Although it is really a toss in the air whether buying property to exclusively do this is lucrative, it's definitely a concept worth looking into.

4. Wholesaling Real Estate



The avenue is for those who are looking to invest without a lot of money. In wholesaling, investors such as yourself will find properties that are usually undervalued. Once they find a property, they put it under contract with the condition that they'll hand the contract over to another buyer in a short amount of time. Furthermore, they will find a buyer who is willing to take the property for a higher price. Once they are found, assign the contract to them and keep the difference as profit at the time of closing. As I said, this is good for those who have very little capital. However, this area is pretty competitive and should not be taken lightly.

5. Long-Term Rental Properties

This is the obvious one that everyone knows and really wants to invest in. It's safe to say that investing in a property, finding tenants and paying down the mortgage with the rental income is a good route to go. This is because as time goes on your property appreciates and you're building equity through their payments. However, there are obviously many fees that go into this such as legal fees and capital gains when you sell the house. This does not change the fact that real estate should be apart of your investment portfolio over time.



This one takes quite a bit of capital to get started because you'll need money for the down payment. Furthermore, you'll need to be approved for a mortgage which is a whole different process. Lastly, if anything goes wrong in the house that isn't the tenant's fault (plumbing, furnace), you're responsible as the landlord. All this needs to be taken into account when deciding to become a landlord!

6. House Hacking



House hacking is a term used for those who own property, live in it and rent out various parts of it to mitigate expenses. An example of this is when you see a family of two living upstairs and renting out their basement because they don't need it. This is smart for a multitude of reasons. First, they're making money off of something that would otherwise be a waste of space. Secondly, they are effectively halving their living costs passively through their rental income. This can be done through condominiums as well.

With a two-bedroom condo, you can rent out one of the rooms and your parking space if you don't need it. Especially in downtown Toronto, parking spaces are a hot commodity. Finding a two-bedroom condo with a parking space can be very lucrative if you're single and don't drive.

7. Appraisal

This is definitely one way to make money through real estate. However, this option is more of a career path. If you're looking to sell your house, you're going to need to find the estimated value of it. This is where an appraiser comes in! As an appraiser, you'll be looking into every nook and cranny to see if everything is up to par and determine the value.



Appraisers check for any health and safety violations, damaging of any sort and evaluate any upgrades! You can make a considerable amount of money in this field. However, it is a relatively tough industry to break into. Therefore do your research and make sure this is something you want to do!

8. Inspector

A home inspector is integral to every homeowner! They save people from a lot of headaches in the long run! What you'll be doing as a home inspector is taking a look at your customer's house. However, you are doing a full rundown and inspecting everything from the roofing to the heating system. You will then find any problems within the customer's home that are damaged or not up to standard.

When the housing market is doing well, you can also charge a premium, making the job much more worth it!

