

Presented By:



**NEAL BAWA**  
Grocapitus & MultifamilyU



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# LOCATION MAGIC

BEST CITIES & NEIGHBORHOODS IN THE U.S. FOR REAL ESTATE INVESTING

# CITIES REALFOCUS #1: Population Growth



**21.25%**  
POP. GROWTH

If the city is between a 250K and 1 million in population, you want 21.25% population growth between 2000 and 2017.



**LARGE METRO CITIES**  
(1-2M POPULATION)

Phoenix, AZ  
Philadelphia, PA  
San Antonio, TX  
San Diego, CA  
... and more



**MICRO CITIES**  
(<250K POPULATION)

St. George, UT  
Durham, NC  
Fort Wayne, IN  
... and more

**21.25%**  
APPLIES TO 2020

IN 2021, ADD 1.25%

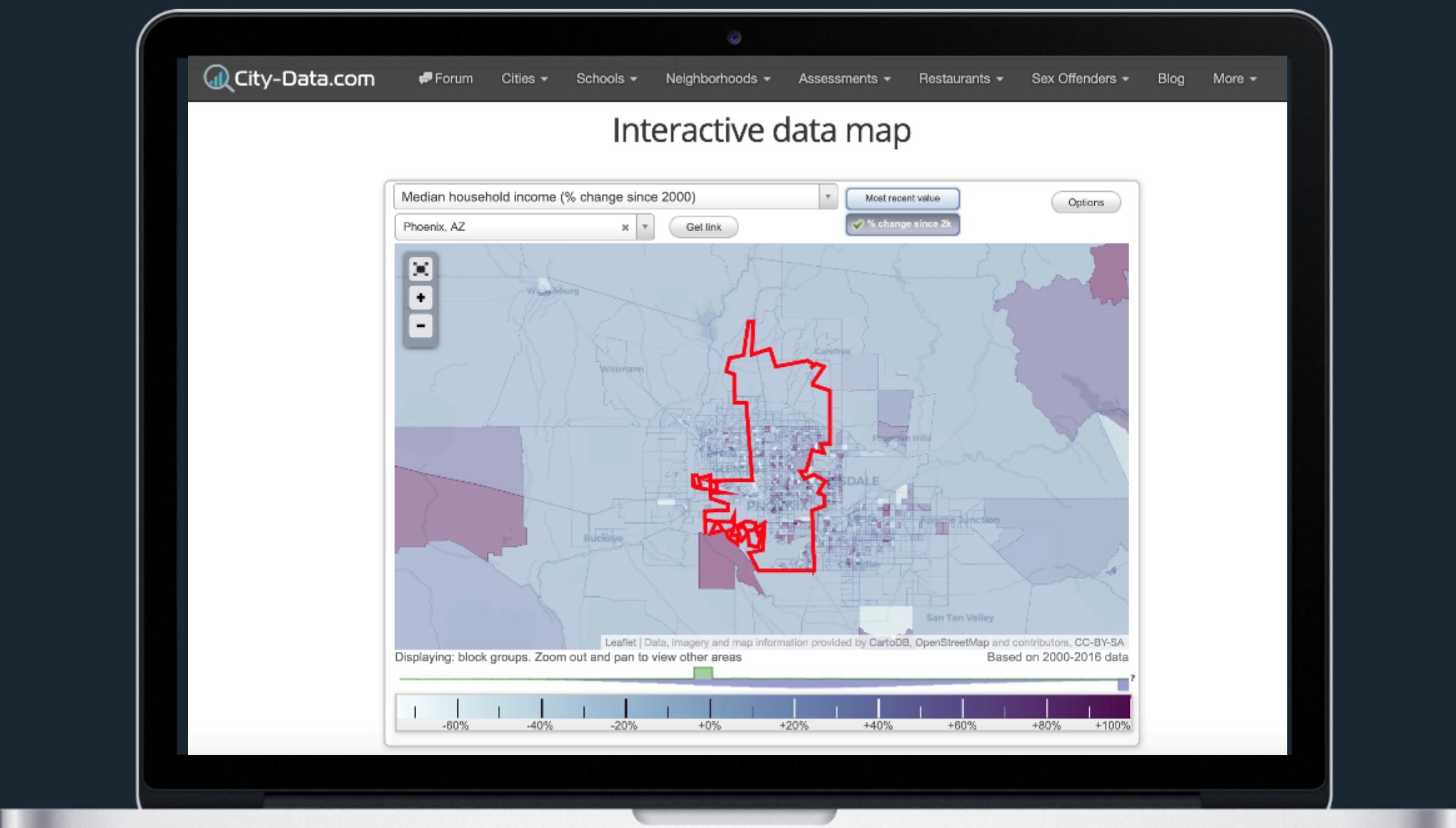
Large Cities +1%  
Micro Cities +1.5%

# CITIES REALFOCUS #2: Median Household Income

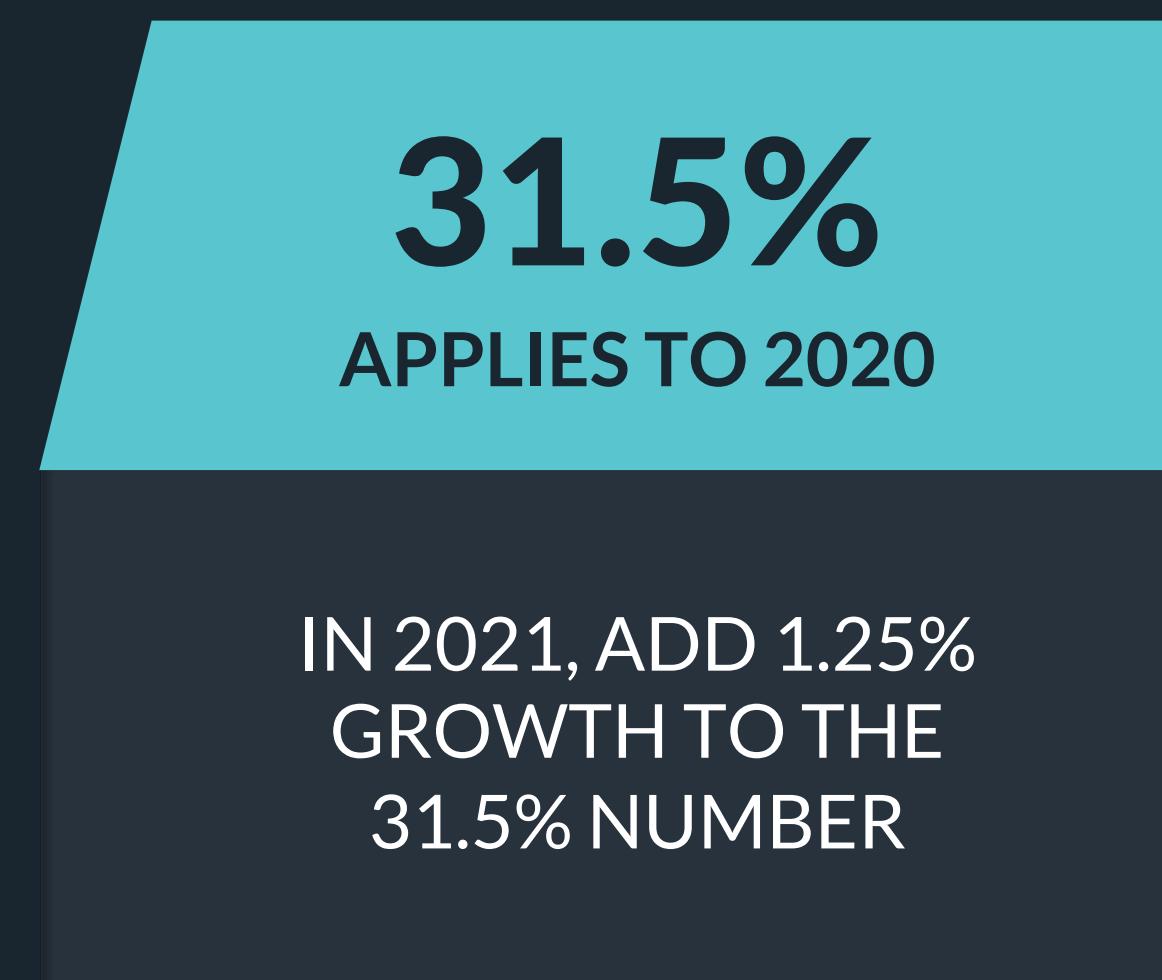


**31.5%**  
INCOME GROWTH

Look for 31.5% median household income growth between 2000 and 2017, using [www.city-data.com](http://www.city-data.com). Applies to cities of all sizes.



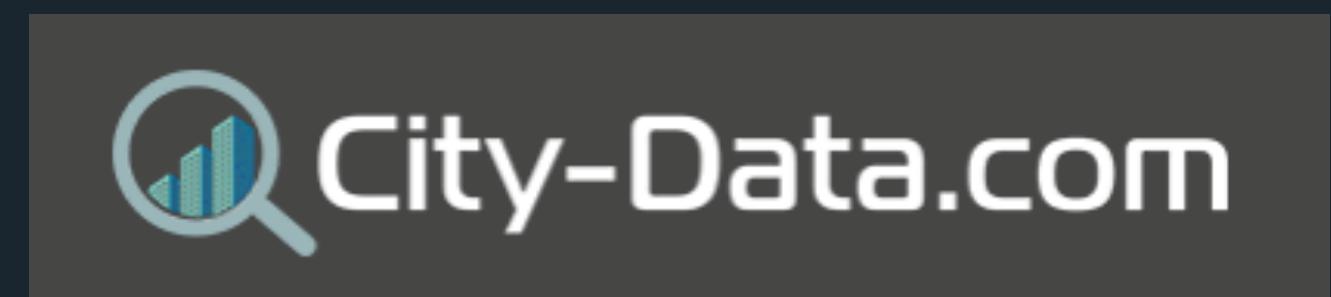
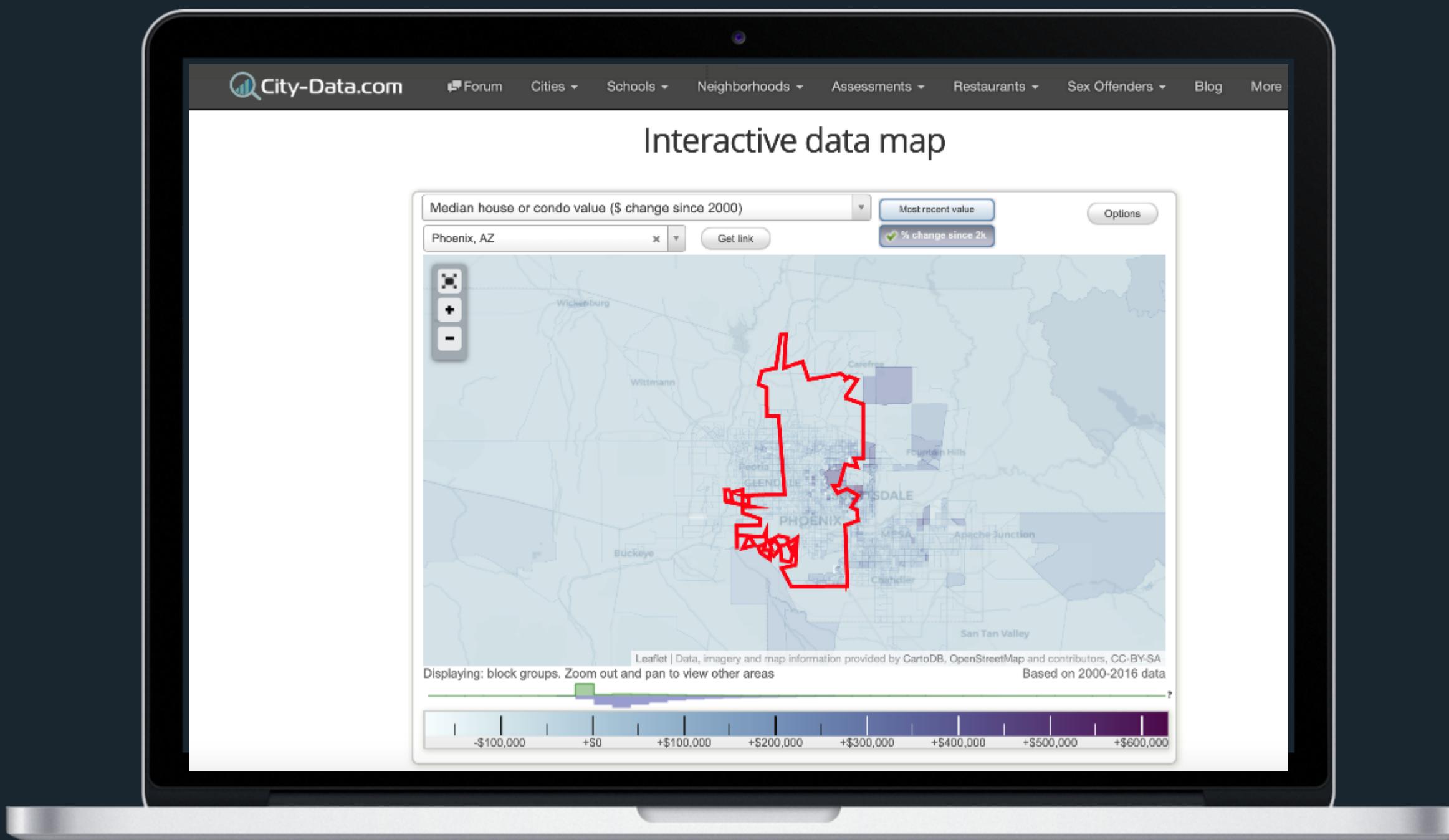
- Search for a city on City-Data.com home page
- Scroll to Median Household Income.
- Compare the 2000 and 2017 numbers
- Look for cities with 31.5% or more in median household income growth.



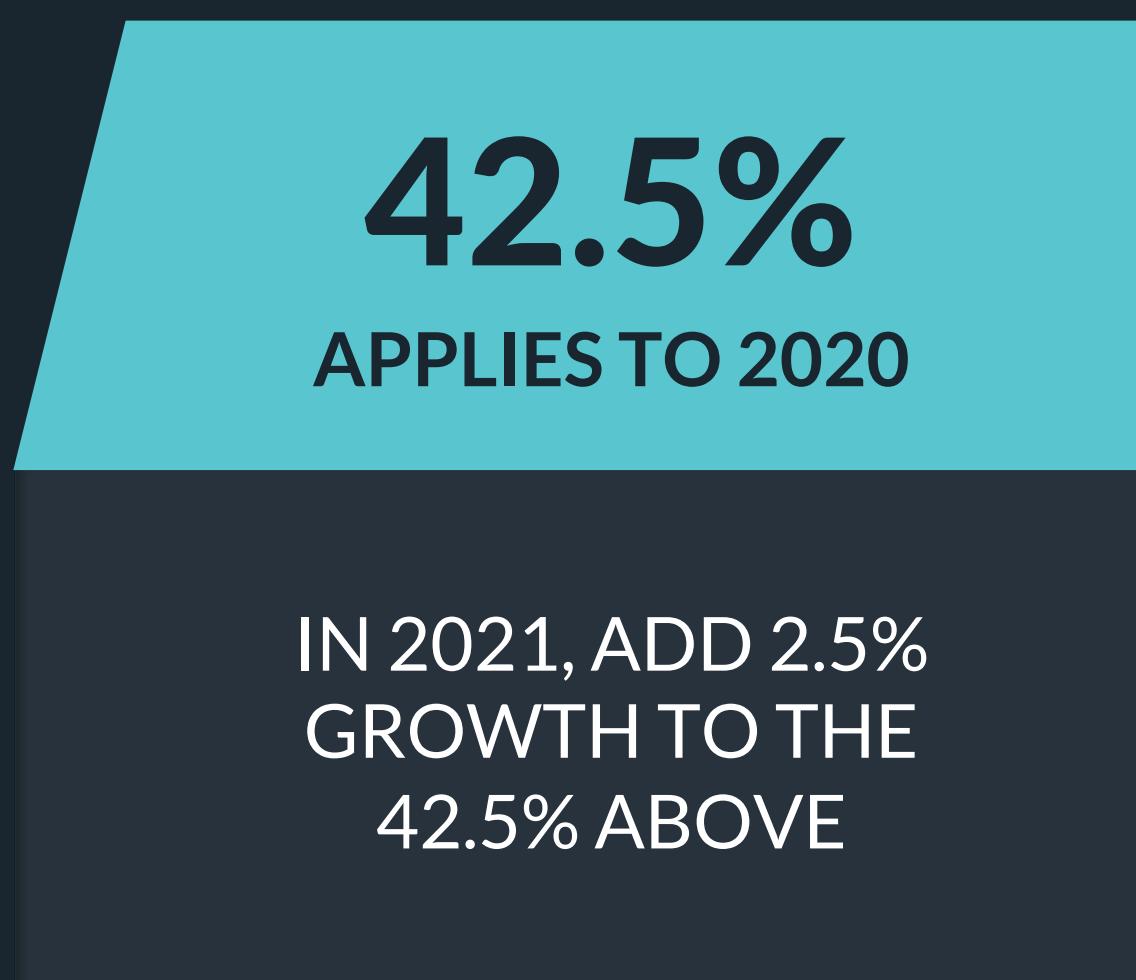
# CITIES REALFOCUS #3: Median House / Condo Value



Look for 42.5% growth in median house / condo value between 2000 and 2016, using [www.city-data.com](http://www.city-data.com). Applies to cities of all sizes.



- Search for a city on City-Data.com home page
- Scroll to 'Median House / Condo Value' by city, compare the 2000 and 2017 values.
- Look for cities with 42.5% or more in median house / condo value.

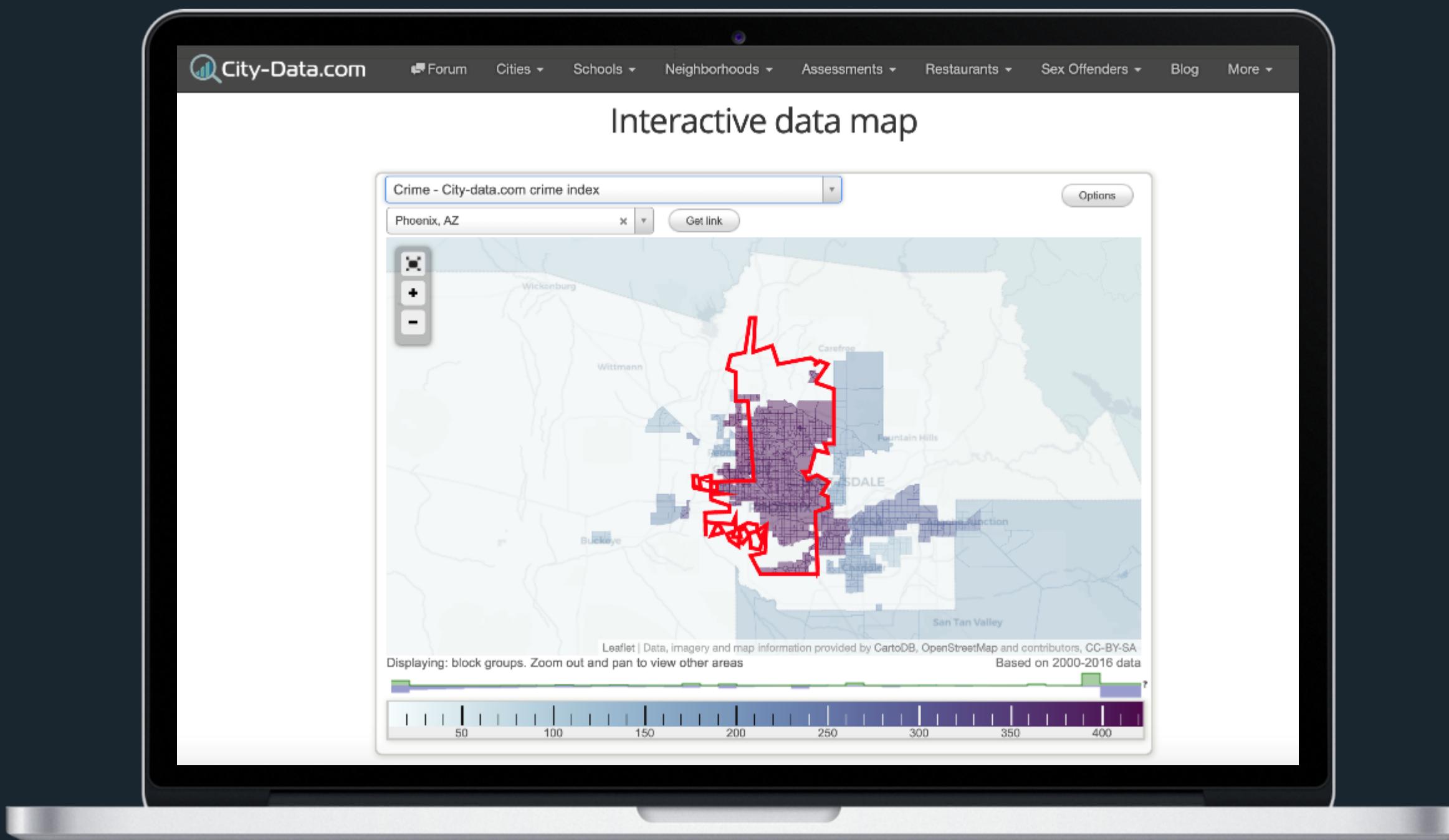


# CITIES REALFOCUS #4: Change in Crime Levels



BELOW  
**500**

Look for crime to go down and for the most recent crime number below 500 in the crime table at [www.city-data.com](http://www.city-data.com).  
Applies to cities of all sizes.



- Search for a city on City-Data.com home page
- Scroll down to the crime table and look at the last line.
- Look for cities with a crime index of 500 or less in current years. and declining crime (from left to right).



# CITIES REALFOCUS #5: 12 Month Job Growth %



**IDEAL:** Look for numbers above 2% annualized job growth (1.5% for cities over a million) at:  
[www.deptofnumbers.com/employment/metros/](http://www.deptofnumbers.com/employment/metros/)



The screenshot shows a table titled "Job Growth by Metropolitan Area" with data for December 2019. The columns include City, State, December 2019 CES Jobs Added, December 2019 CES Jobs Percent Change, 1 Year CES Jobs Added, and 1 Year CES Jobs Percent Change. Green arrows point to the "1 Year CES Jobs Percent Change" column for three cities: Lewiston, ID; St George, UT; and Austin, TX.

City, State	December 2019 CES Jobs Added	December 2019 CES Jobs Percent Change	1 Year CES Jobs Added	1 Year CES Jobs Percent Change
Lafayette, IN	1,200	1.16%	-700	-0.67%
Lewiston, ID	200	0.69%	600	2.09%
St George, UT	500	0.69%	2,800	4.02%
Kankakee, IL	300	0.65%	300	0.65%
Austin, TX	7,100	0.64%	36,600	3.40%

## DEPARTMENT OF NUMBERS

- Look for cities with 2% annualized job growth and more in the '1 year CES Jobs Percentage Change' column.
- In the screenshot, the following cities match the criteria: Lewiston, St George, Austin.



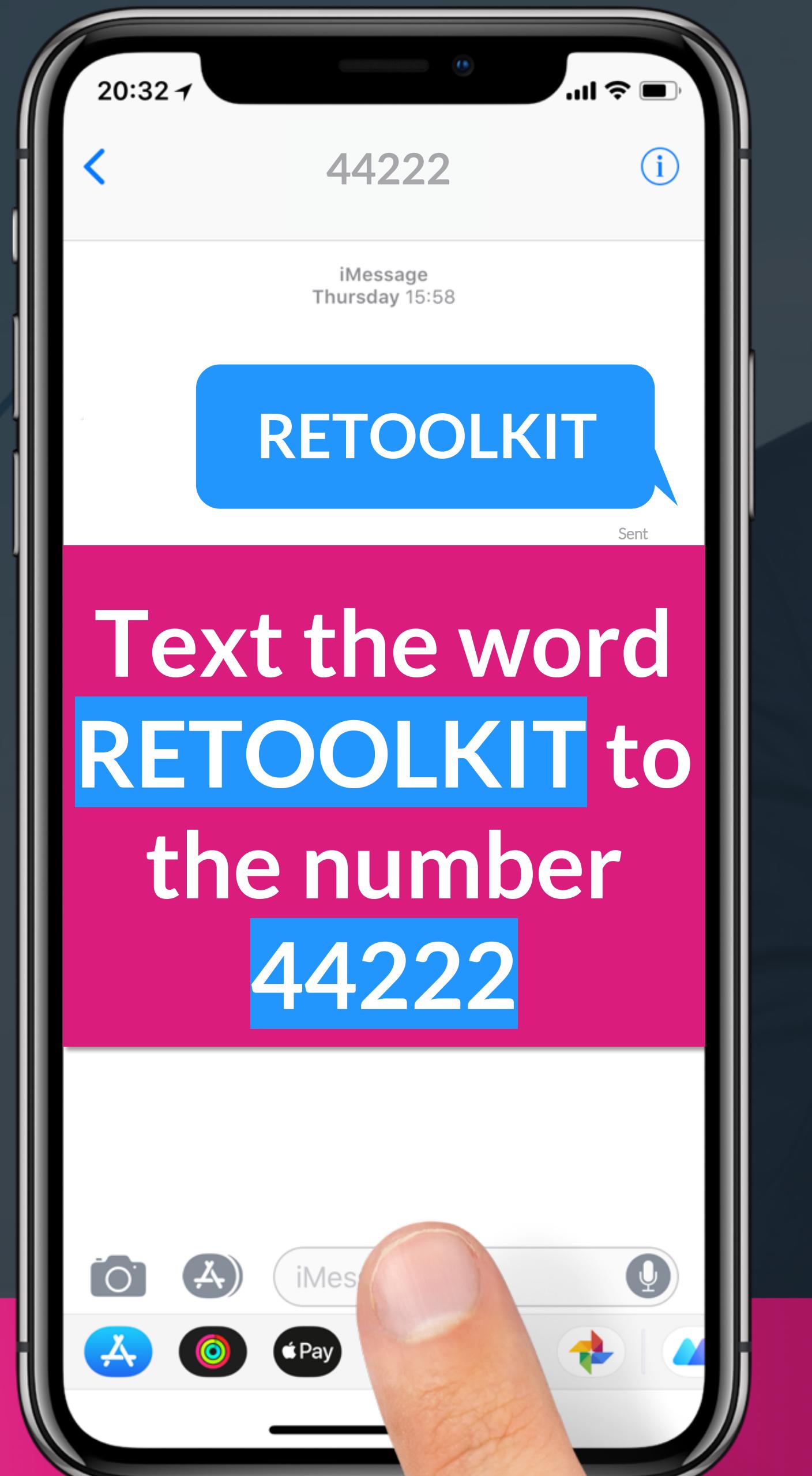
# Top Cities to Invest In For 2020



*Get the List + Bonuses:*

- 5 City Rules
- 5 Neighborhood Rules
- Excel spreadsheet with rule list

Upper case or lowercase ok, make sure that your phone does not add a space between RE and TOOLKIT



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# NEIGHBORHOOD REALFOCUS #1: Median Household Income



**\$40-70K**  
HOUSEHOLD INCOME



**IDEAL:** The neighborhood's median household income should be between \$40K and \$70K.



**\$40-70K**

APPLIES TO CASH FLOWING RENTALS

IF INVESTING FOR APPRECIATION,  
AIM FOR

**\$55-90K**

# NEIGHBORHOOD REALFOCUS #2: Median Contract Rent



**\$700-1K  
CONTRACT RENT**

**IDEAL:** The neighborhood's median contract rent should be between \$700 and \$1000.

”



## BUMP UP NUMBER

FOR EXPENSIVE METROS (DEPENDENT ON CITY)

IN THE RUST BELT, BUMP DOWN BY \$50,  
BUT DO NOT GO BELOW

**\$650**

# NEIGHBORHOOD REALFOCUS #3: Unemployment Rate



**<2.5%**  
HIGHER THAN CITY  
UNEMPLOYMENT RATE



**IDEAL:** The neighborhood's unemployment rate should be no more than 2.5% higher than the city's unemployment rate.



**NEW YORK CITY, NY**  
(CITY)



**BUFFALO, NY**  
(NEIGHBORHOOD)



**BUFFALO**  
**MEETS REQUIREMENTS**

# NEIGHBORHOOD REALFOCUS #4: Poverty Rate



**<20%**  
POVERTY RATE

**IDEAL:** The neighborhood's poverty rate should be under 20%, but under 15% is strongly preferred if you are risk-averse.



MESA, AZ



JACKSONVILLE, FL



DURHAM, NC



**MEETS POVERTY RATE  
REQUIREMENTS**

# NEIGHBORHOOD REALFOCUS #5: Ethnic Mix

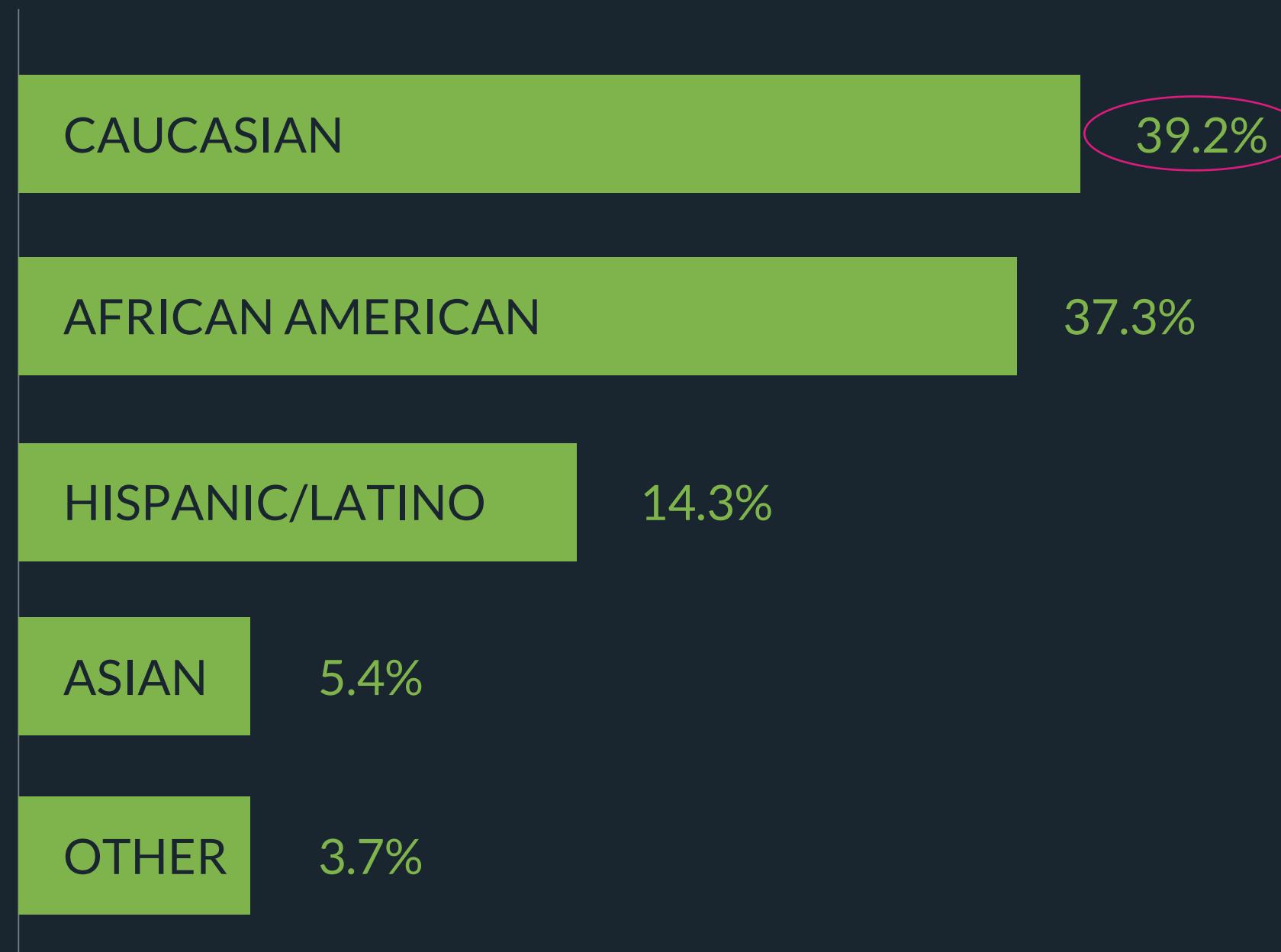


**<75%**  
BIGGEST ETHNIC SLICE



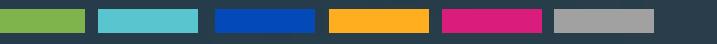
DURHAM, NC

**IDEAL:** Look for multiple slices, with the biggest ethnic mix slice being smaller than 75% of the neighborhood's residents.



**MEETS ETHNIC DIVERSITY  
REQUIREMENTS**

# Top Cities to Invest In For 2020



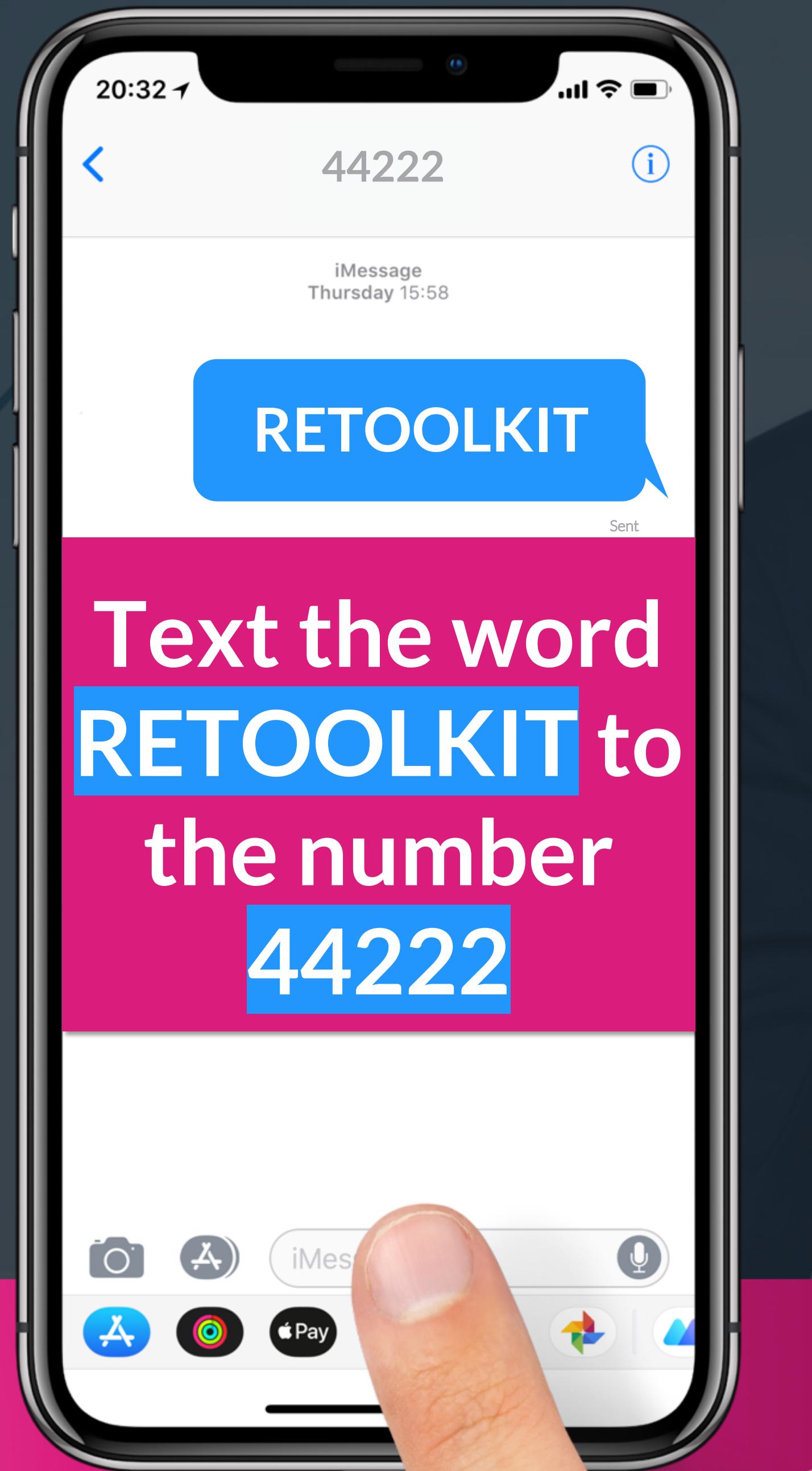
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QUESTIONS?



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