

MAKE BIG MONEY IN REAL ESTATE

Real Estate is one of the oldest forms of investing known to man.

Real Estate investing is easy and fortunes are made in a simple manner. For example, an investor decides that a desert area will eventually become an industrial development. He purchases a number of acres at a very low price. If his guess turns out to be correct, ten years later he sells the land hundred times more than what he paid for it. This can happen in any part of the country and is not an exceptional case.

As the population keeps growing in the U.S., land prices continue to raise and it means that Real Estate will continue to offer one of the best investment opportunities in the country.

Compared to most forms of investment, Real Estate offers greater profit potential. Of course, not every piece of land will turn out to be a winner, and despite the great potential rewards in some cases risks are involved, so the necessity of careful study before invest.

One of the problem of Real Estate is his lack of liquidity. Liquid assets are those easily converted into cash like stocks or bonds. Most Real Estate investments take years before you can make some money, so it is not wise to tie up all your assets in this type of investment. Your financial situation will determine how much you can wisely invest in properties.

There is a difference between a land speculator and an investor. A speculator buys land with the intention to make a quick sale and fast profits and will not hold land for a long period of time. An investor, on the other hand, looks for a long time gain, and usually buys only what he can afford to keep for an indefinite period of time.

If you are new at this field, it is wise to refrain from any speculation until you become more informed, and you will have to devote considerable time to study and research. It is wise also to consult specialists before you act.

Without realizing it, you already made a very successful investment in Real Estate if you bought your own home.

Before you look for areas to invest, consider the condition of your own house. If you have any plan for selling it, good landscaping has been known to considerably increase the value of a home.

Large profits can be attained by purchasing run-down homes and restoring them for eventual selling, but some factors have to be considered:

- * You must know something about architecture and remodeling and get an idea of how much it will cost to get the house back into shape. Consider what you will be able to do yourself and what it will cost you if you have to have it done.

- * The location of the house is the most important factor to consider. Study the neighborhood, shopping, and transportation facilities.

It can also be profitable to lease land for commercial use. Land which borders highway is extremely valuable for purpose such as warehouse, gas station, etc.

Land development companies frequently run advertisements offering country retreats. Be wary of these offers as they themselves make a large profit at the time they sell you the land, so it is much more profitable for you to buy your own.

When you buy property, buy at a price that involves a minimum financial risk. Invest only a modest amount of your own capital, when you sell, determine if a cash or installment sale is the best, based on your over-all income tax status. Learn by looking back on the mistakes made in the past and by reviewing the opportunities you have missed.

Prepare a list of all properties available in your area and think up the best future use of the properties. Learn to purchase land before there is a demand. To buy land well in advance is the only economical way at today's prices. Then hold the property until you can resale for large profits. Don't sell all your desirable properties and keep just lemons.

If you are willing to leave the cities, you should not have any

trouble finding inexpensive land for sale. If you discover a tract of land appealing to you but not listed for sale, contact the Country Register's Office and he will tell you who is the owner. Get in touch with him and he could be willing to sell.

As a rule purchasing tracts of land within thirty miles from a growing city is often a sound investment. Deal only with qualified realtors. Be careful of individuals who offer quick profits.

Before taking any action, study what has been written about the subject. Know why you should and should not buy. Stay conventional and don't buy white elephants. Look for hidden defects and make the property attractive before offering it for resale. Study local conditions and be sure it is practical. Constantly look for bargains and quality properties with exceptional features that will make the sale easier. Follow up on For Sale signs, make inquiries.

When discouraging elements occur, minimize your losses by whatever means available. Don't throw away money on repairs for poorly located property or in an area of surplus rental units.

Before you attempt to sell, find out how the prospect can use the property profitably. Ask yourself if you would purchase it if you were in the prospect's shoes. Ask yourself if the future use will fit any of the many types of specific businesses. Can a hospital, a bank, an apartment complex, condominium or professional building be located on the property.

Learn to analyze the pros and cons of a real estate problem. Break it down into its various elements. Know if the answers you come up with are satisfactory and practical. Try different approaches to the problem.

You are necessary looking for the "top" or "bottom" of the market, or the current economic situation. You are looking for a variety of properties which have a higher value dependent on the use that can be established for them.

There are always opportunities in Real Estate during good times and bad, but it is up to you to pick and choose only those very best deals, especially during times when it appears that Real

Estate values and demand have reached their peak or in times when it is practically impossible for most anyone to get bank loans due to the tight money market or impossible interest rates.