

ROBERT IRWIN

America's #1 Real Estate Expert

Buy, Rent, *and* Sell

**How to Profit by Investing in
Residential Real Estate**

SECOND EDITION

Buy, Rent, and Sell

*How to Profit by Investing
in Residential Real Estate*

Second Edition

ROBERT IRWIN



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Preface

Welcome to the second edition of *Buy, Rent, and Sell*, your complete guide to investing in residential real estate.

The first edition came out just as the so-called real estate bubble of the early 2000s began, and it made quite a splash. For some it quickly became the investing bible that led them to making quick fortunes in the market.

But the market never continues forever in any one direction. Thus this second postbubble edition has been completely updated and rewritten to help investors take advantage of a slipping market as well as a second wave of buying.

This new edition of *Buy, Rent, and Sell* shows you how to take advantage of new market conditions—how to find and buy foreclosures, bid at auctions, flip properties, and make lowball offers that get accepted. In short, once again it gives you, the investor, everything you need to turn a healthy profit in real estate.

Making money on real estate investments may sound simple, but the devil is in the details. Finding an advantageous property to *buy* can take great skill and patience. You might have to bid on several to get a good one. (And you'll have to know *when* to quickly flip a property.) To successfully *rent* out the property requires endurance, common sense, and knowledge. And then to *sell* the

property for a profit, especially when the market is slower, often entails cleverness and sometimes flair.

Of course, thousands do it every day, and they make enough money in the process to quit their day jobs and, in many cases, even retire. The potential for making profits in real estate investments is big. It's just a matter of finding out how to get to those potentially profitable properties.

That's what this book offers: clear-cut examples, guidelines, and tips and traps.

Read it cover to cover or move to the chapter that best fits your situation. Either way, I hope you'll find it informative, productive, and worth many times over the cover price.

Good fortune in your real estate investing!

Robert Irwin

Buy, Rent, and Sell

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Getting Started

Today's Real Estate Opportunities

When someone tells you it's the right time to buy, either it is the right time to buy, or it's the seller's right time to sell!

I recently received a call from an investor friend asking me this question: “Where are the opportunities in real estate today?”

He had been investing in property for about four years, and he commented, “I can’t find any more homes to flip, there aren’t any apartment buildings around offering positive cash flow, condo conversion no longer works—where’s the smart money in real estate going right now?”

I might have dismissed the question if he had been a beginner who wasn’t willing to do his homework, but my friend had completed half a dozen deals in different types of property and had reaped significant rewards. He was not inexperienced but instead was a highly successful investor—he had made well over a

million dollars in profit. If he couldn't find good deals, how could anyone else?

So we got together, and I looked at what he was looking at. And, indeed, from his perspective all the deals around did seem poor. But then again, he was using a dull pencil to make his calculations. Having done well in the past, he was now looking for no-brainers. He wanted deals in which, with a minimum of effort and risk, he could go in and quickly pull out at least two or three hundred thousand in profit.

Yes, he had done those in the past, but I pointed out that easy deals were anomalies—they do occasionally happen, but you can't really count on them. Most of his big deals had happened when the real estate market was soaring prior to 2006. Back then, you could expect almost any amount of money you could throw at real estate to come back in profits.

Today, the market wasn't nearly as hot. Not everything was going to be profitable as quickly. I explained that nevertheless, by careful investing, it was still possible to find good deals—in fact, excellent ones. Today, I told him, it was time for bread and butter deals, those that required a new attitude, some energy, and some effort.

Today's good deals weren't going to come over and kick him to get his attention. Instead, he had to go looking for them. I pointed out many areas where they could be found including these:

Opportunities Today in Residential Real Estate

- Foreclosures
- Fixer-uppers
- Apartments (for the longer term)
- Lowballing (in which you make very low offers that are accepted by the sellers)
- Auctions
- Single-family rentals (for the longer term)