

# 7 STRATEGIES FOR ORLANDO REAL ESTATE INVESTING



## **Are you considering Orlando for your first or next real estate investment?**

Orlando is definitely a smart investment to consider in 2022 and beyond. It's growth rate is the 2nd fastest of the 30 largest cities in the U.S., with the region welcoming more than 1,000 new residents each week, according to Orlando.org.



## 01. BEGIN WITH THE END IN MIND

- Do you know where you want to be in 3, 5, or 10 years with this investment?

Before you buy a property, you want to have clear goal and exit strategy for your investment.

- Are you investing to generate rental income, or appreciation for capital gains in a future sale?
- Will it be investments that you'll leave in a will or trust to your family one day?

*Knowing what your end goal is will help you manage your expectations when shopping and find the home that will best suit your long term plans.*



## 02. INVESTMENT TYPE AND INCOME STRATEGY

- ***Is it a short term or long term rental?***

Buyers with the primary goal to earn rental income from their investment properties should be clear if the investments is a short term(vacation rental) or long term rental, the two are not alike.

When the goal is to obtain the steady and set income, most investors want to purchase a home that will rent for 12 month periods with a long term lease, rather than a vacation home for short-term renters. However, If you are into the vacation rental market and don't mind being involved in the operation and income generation, and a little bit more of risk, a vacation rental could pay higher dividends.

For long term rentals, the amount and variety of properties is fabulous! But You will also need to clarify if the goal is the highest income through rentals in an established neighborhood or a home with lower rental potential in a location that will grow in value for future profit when you sell.

Having clarity of your goals and sharing them with your agent will make it easier for the two of you to find the ideal investment property.



## 03. LEARN ABOUT SPECIFIC ORLANDO TRENDS THAT CAN HELP YOU SUCCEED

There is a growing need for housing for long-term rental. Orlando is not just a wonderful place to vacation but it has grown tremendously in recent years, bringing thousands of people from all over the world to live permanently; Orlando is on the rise and it has become a residential destination for people of all ages that move here from all over the world.

We have a diverse array of communities, winning-award education system, great technological facilities, extensive business opportunities, numerous shops and state-of-the-art health centers.

Its reputation as a meeting place for scientists, aerospace employees, artists and renowned chefs continues to attract more people to live here permanently.



While you may not know the Orlando real estate market, your agent will. They can help you pinpoint trends in the rental market to make the wisest investment decisions.

You'll want to ask your agent about the advantages of different properties based on your goals.







#### 04. CONSIDER LOOKING AT DIFFERENT TYPE OF PROPERTIES AND DIFFERENT LOCATIONS BEFORE YOU BUY

It can be easy to paint a rosy picture of a property at first glance, but what you see as a promising investment may not meet your long-term goals. You need to look and consider every aspect of several properties and locations before making the final decision.

The neighborhood, safety ratings, schools, easy access to main roads, and the renovations required will all play important roles in deciding which home is right for you. In order to find a home that will rent well year-round and provide a handsome return when it's time to sell, you want to be selective.

When you have see the right # of options and found the winner, act on it! Stop looking or you may end up making a bad investment.



#### 05. WORK WITH AN AGENT WHO SPECIALIZES IN INVESTMENT PROPERTIES

Finding a good agent isn't just about hiring the one with the best reviews or metrics. You also want to choose an agent who specializes in finding rental property investments, rather than one who helps families find starter homes or vacation homes in Orlando.

A specialized agent can give the best professional advice about all of the aspects of your investment, including the type of market, the potential of the house rental and equity, and help you estimate the costs of being the owner-investor.

Buying a home in Orlando comes with some responsibilities and charges, not just the initial investment, the agent can also help you with estimates of the numbers involved in owning different types of properties or similar properties in different communities and create real expectations about the net income and cash flow you'll have from your rental. You may also want to look for an agent who provides property management services as part of your long-term investment plan.



#### 06. BUY RIGHT OR DON'T BUY AT ALL

To make your investment successful, you need to purchase at the right price in order for things to play out later on. Many real estate investors will tell you, "You make your money when you buy, not when you sell." This means that your purchase price should be the main factor to determine your profit. You can't rely on an appreciating market, or your best intention for construction and renovations coming in under budget to create your profit margin; or even imposing on tenants to hit your desired percentage of return on investment. You must find and buy the property at the numbers where you need to be to ensure success.



#### 07. HIRE AN AGENT, AND... A PROPERTY MANAGER.

Everyone knows that hiring a realtor makes investing in real estate much easier. They have knowledge of the local area, the requirements of buying a home, and can guide you through the lengthy process with ease.

However, not everyone thinks about the professional services needed when renting out an investment property. After you buy your property, the best decision is to hire a property management company that handles the marketing and all aspects of property management, including tenant screening, maintenance, rent collection, managing escrow and annual reporting.