



From Crunching Numbers for Fortune 50 Companies to Analyzing Profitable Fix and Flip Deals: A Calculated Success in Real Estate Investing



“So it isn't like you just deal with one person and then you're left in the dark. That is one good thing I liked about working with LendingOne. Everyone was very helpful through the whole process”

Naveen is a real estate investor from New Jersey who has a great deal of experience as a financial planning analyst for Fortune 50 Companies. With a background in finance operations and his strong attention to detail and organization, he has been able to build a successful real estate investing business. He explains the strategies he follows when looking to make a profitable investment and the specific resources he used in order to learn more about the real estate business. From his research, Naveen determined that he needed a funding partner to help finance his projects and found LendingOne and their team of professional loan specialists who were able to help provide him with the capital he needed to grow his fix and flip business.

OBJECTIVES

- 1 • **Background:** How he uses his financial planning experience to make his real estate investing business a success.
- 2 • **Strategies:** The four stages he follows when sourcing new deals.
- 3 • **Case Study:** A closer look at the two properties he invested in and what he plans to do with them.
- 4 • **Financing:** Learn how LendingOne provided the funding he needed for his fix and flip investments.

Purchase Price

\$62,000

Rehab

\$40,000

Loan Amount

\$81,600

Expected Sale price

\$179,000

Profit

\$35,000

(net projection)

THE MAN BEHIND THE BUSINESS

Naveen is a full-time real estate investor who has used his extensive skills and background in financial planning to build his real estate investing business into the success it is today. Before coming to the United States, he is originally from India where he got his start in real estate investing. During his time working in New Jersey, his company was planning on transferring him out of state, so he was faced with a choice of either relocating, finding another company to work for, or starting his own corporation. The decision was clear, and from there he formed his investment group and began his journey down the path of residential real estate investing.



STAGES FOR SUCCESS

Naveen is an investor who knows how to diligently organize and conduct his business in stages so he can locate a profitable investment. Research is the first phase of his process where he considers the condition of the property, examines the neighborhood and school district, and looks at what the current state of the market is for that area and whether it is good for resale. After determining if it has potential, he'll move onto the second phase where he or his agents will go and physically look at the property and the area it is in, crunch the numbers, and analyze the comps.

If it seems like the right property to pursue, he'll move into phase three where he brings the general contractor to the property and has an assessment done so they have a good estimate of how much the rehab will cost. Once all this is completed Naveen explains that he "runs the numbers, does his financial analysis, wears his financial hat, and then determines if it is a good deal or not and how much of an offer he should make."

A CLOSE UP ON THE PROPERTIES

Taking a closer look at Naveen's investments, one property he recently purchased was a 1,700 square foot single family home with three bedrooms and two bathrooms. He recognized that when a potential buyer comes to the property, three things they look for are curb appeal, remodeled kitchens, and updated bathrooms. Therefore, his plan is to take this bank-owned property with a significant amount of land and create a nice exterior with good landscaping, and then focus his efforts indoors and rehab the kitchen and bathroom so his after repair value (ARV) increases.

The second property he invested in was located in the same area and also situated on a large lot of land. The house was 1,500 square feet, with three bedrooms and two bathrooms, but for this particular property, his plan was to add another bedroom and use this new addition as a compelling attraction for potential buyers.

RECOMMENDED RESOURCES

To strengthen his knowledge and skills as an investor, Naveen realized he would need to familiarize himself with the United States' real estate market. He started out by participating in webinars and local real estate investing seminars to learn more from professionals in this business. Furthermore, he utilized sites like BiggerPockets, marketing reports from his agents, and emails about market trends from reliable real estate investment sources.

It quickly became clear to him that if he wanted to succeed in the fix and flip game, he needed funding partners. He recognized that the alternative was to have his own capital tied up in each property, which would limit his ability to grow. It was from here he started looking for a funding partner and his extensive search led him to LendingOne.

LENDINGONE TO LEND A HAND

Naveen describes LendingOne's loan process as smooth and transparent, something he appreciated most about working with us. He explains that "it is not the kind of process when you go for a conventional loan where you can grow old sometimes waiting for it to go through," referring to the typical 45-60 days approval process from conventional lenders compared to LendingOne's 10-14 days to close. He also liked the fact that there was a dedicated person there to help throughout each step of the process after the initial online application was completed, once it went to the underwriting team, and even during the construction draw stage. He explains that "it isn't like you just deal with one person and then are left in the dark." His loan specialist was very responsive, which is important since time is essential during these deals. Overall, his experiences working with LendingOne were very satisfying and he would recommend LendingOne to other investors as well.



WHAT THE FUTURE HOLDS

Currently, Naveen focuses his time on residential fix and flip single family homes and is considering doing some rentals in the near future which will allow him to take advantage of LendingOne's unique 30-year fixed-rate rental loan. He would also like to develop land for residential construction from the ground up. He explains that although there are many distressed properties out there, it is better to not just take anything that comes along. There has to be a certain expected return, and the numbers need to be right before deciding to pursue it. With his skills as a financial planner and the ability to recognize a profitable investment, Naveen will keep sourcing more and more deals and further grow his real estate investment business.



ABOUT LENDINGONE

LendingOne is a direct private lender that specializes in real estate loans for non-owner occupied residential properties, specifically involving fix and flip, rental units, and lines of credit to fund larger projects. Because it is not a bank, but rather a lending partner, LendingOne prides itself on speed and efficiency when it comes to supplying investors with the money they need in a timely manner. LendingOne has achieved this through direct access to its own capital and a user-friendly online application that has streamlined the process so investors can receive approval in as little as 10 business days. By putting the investor first and foremost, LendingOne is devoted to providing exceptional customer service and an overall easier lending experience for investors looking to finance their next real estate investments.

 888.443.2177

 www.lendingone.com/investor-spotlight


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