

PILLAR OF WEALTH REAL ESTATE CHEAT SHEET

01

SAVE FOR A DOWN PAYMENT

Save 3-5% of a down payment and use an FHA loan to begin the process. Be sure to also save at least 1-3% for Closing costs and potential repairs.

HIRE A REAL ESTATE AGENT

02

03

Find Tenants or Roommates

For this particular property, your goal should be to occupy some of the living space yourself and rent out other rooms or spaces to others. This is what's known as House Hacking. Your roommates/tenants will help you quickly pay off your loan

After 1 year, do a Cash-Out Refinance

A cashout refinance will allow you to take out money from the latest value of your house. For example, if your house is worth 300k and you owe 100k, you could take out 200k in cash. This example, is a very basic one to illustrate the idea. Note that you'll likely pay other fees in an actual cash out refinance. Speak to your real estate agent for more info.

04

05

Repeat the Process

Use the cash from the refinance to purchase a new house by restarting the process from Step 1. This is one of the most straightforward ways to building wealth.



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