MAXIMIZING RETURNS

Understand the macro economics of the real estate market

Optimizing Your Investment Portfolio for success

By: Duriel Taylor

AGENDA

- Analyzing **macroeconomic** factors is crucial for navigating the dynamic real estate market and making informed investment decisions

- Diversify your portfolio to mitigate risks and maximize **long-term investment gains**

- Case Studies - Examples

- Bonus

- Conclusion & Q&A

ABOUT ME

BACKGROUND

I'm a licensed real estate advisor that covers the South Florida market. With over 18 years of experience in the real estate industry, I have dedicated my career to helping property owners and investors maximize value, optimize investments, and negotiate the best deals. My expertise, backed by industry-leading certifications and leadership roles, ensures my clients receive top-tier guidance in today's competitive market.

✅ TOP 5% SALES ASSOCIATE

✅ TOP 20 REALTOR UNDER 40 (2024)

✅ RPAC MEMBER (REALTORS® POLITICAL ACTION COMMITTEE)

✅ FLORIDA REALTORS STATE DIRECTOR

✅ MIAMI YPN LEADERSHIP COUNCIL

✅ WOMEN'S COUNCIL OF REALTORS®, BROWARD

✅ MIAMI ASSOCIATION COMMERCIAL REAL ESTATE AMBASSADOR

TOP 20 UNDER 40

MIAMI REALTORS

Zelle

954.439.XXXX

CONTACT ME

MACRO ECONOMICS

In relation to Real Estate refers to the broad economic factors that influence the RE market at a national - global level.

Interest Rates

Higher rates increase borrowing costs, reducing affordability and demand, while lower rates stimulate buying and investing.

Inflation

Rising costs can increase property values and rents but may also lead to higher operating expenses and mortgage rates.

Economic Growth & GDP

Strong economic growth typically boosts job creation, wages, and demand for residential and commercial real estate.

Employment & Wages

Job market strength influences people's ability to buy or rent homes, affecting housing demand.

Government Policies & Regulations

Tax incentives, zoning laws, and housing policies impact development and investment opportunities.

Supply & Demand

Population growth, new construction, and housing shortages or surpluses influence property prices and rental rates.

MAXIMIZING RETURNS OVERVIEW

MARKET CONDITIONS

LOCATION (3X)

FINANCING & LEVERAGE

RENTAL INCOME & CASH FLOW

TAX BENEFITS & INCENTIVES

RISK MANAGEMENT & DIVERSIFICATION

PROPERTY APPRECIATION & VALUE-ADD STRATEGIES

MULTI-FAMILY PROPERTIES

BUY & HOLD

COMMERCIAL REAL ESTATE

MULTI-FAMILY PROPERTIES

Buy in High-Growth Areas

Macroeconomic

Optimize Cash Flow

Financing

Investment Scope

Diversify

Value-Add

Market Cycles

Strategies for Best Investment Returns

REAL LIFE EXAMPLE

$10,500,000 Deal

Highlights
1. Backed by a strong corporate tenant
2. NOI: $390,000
3. 20 year initial lease term
4. Price/SF: $1,968.13/SF
5. Rent/SF: $8.70/SF
6. Cap Rate: 3.71%
7. 1.326%/Yr Pop. increase 2020 -25

Pros
1. Location
2. Tampa's pop and RE entry
3. Absolute NNN: taxes, maintenance, utilities
4. Proximity to great retail and traffic drivers
5. Chick-fil-a anchor
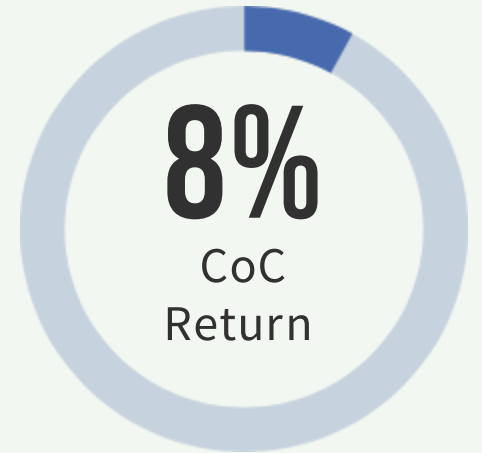6. Brand new property/development
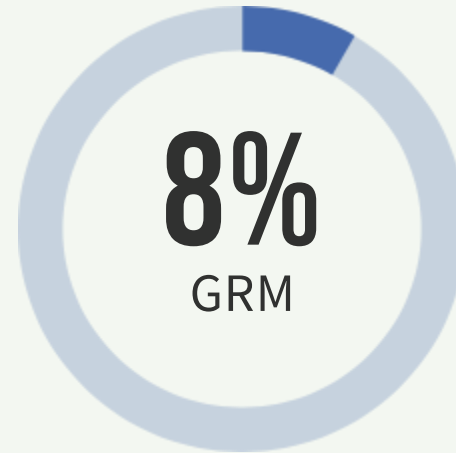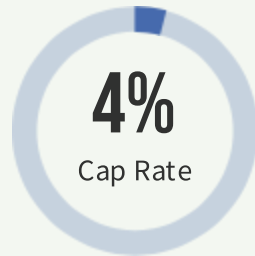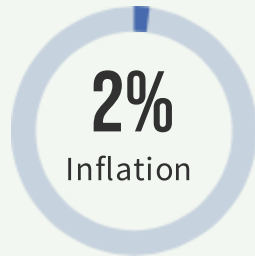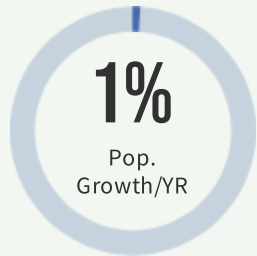7. 8% rental increases in options.

Cons
1. CFA great anchor but a unattractive investment grade
2. Cap was too low for my client (5%<)
3. Negative leverage
4. Content creation + planning for next month
5. No rental rate increase for 20 years
6. Depreciation > CF

Conclusion
This is a solid asset and a dependable tenant with long-term success potential. However, if investors are comfortable with a lower cash flow rate, it remains an excellent investment opportunity. My client decided to pass on this opportunity as their focus is exclusively on acquiring investment-grade tenants, and my client(s) require higher cash flow.
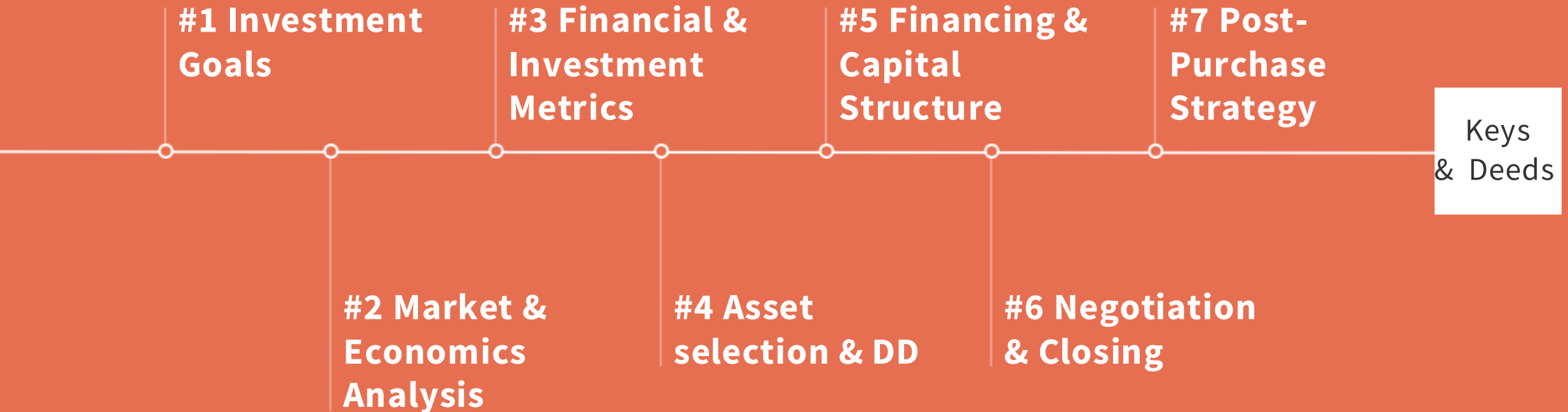
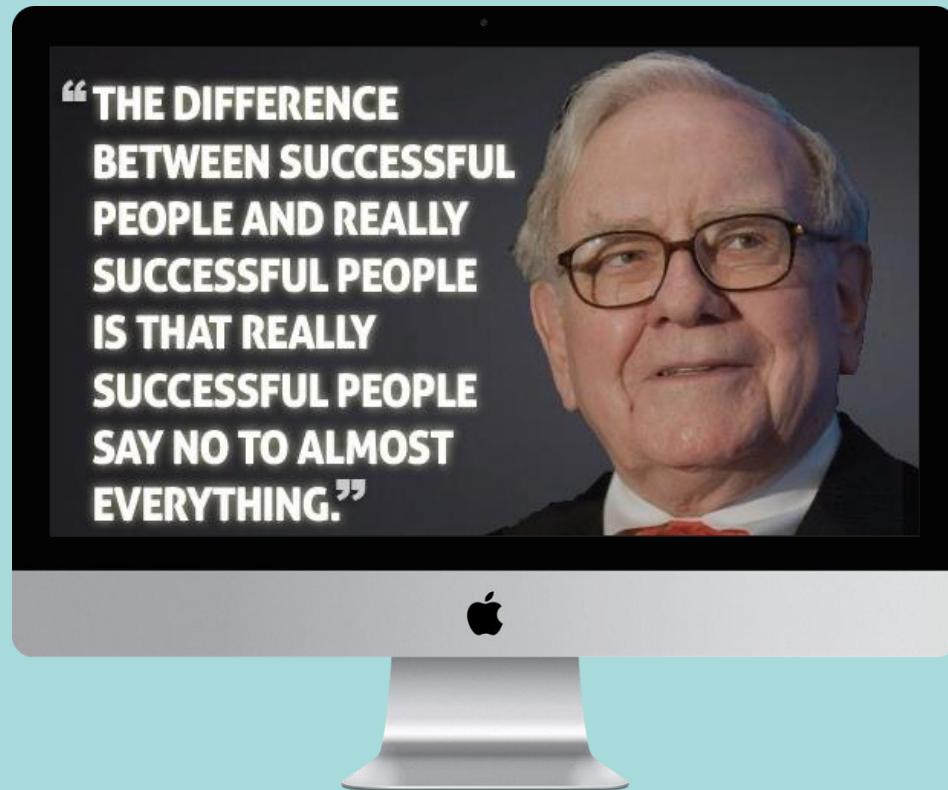# BY THE NUMBERS

"Good" or "Bad" Returns

1%
Pop.
Growth/YR

2%
Inflation

4%
Cap Rate

8%
GRM

8%
CoC
Return

ACTIONABLE ITEMS

Next Steps for Investors

#1 Investment Goals

#3 Financial & Investment Metrics

#5 Financing & Capital Structure

#7 Post-Purchase Strategy

Keys & Deeds

#2 Market & Economics Analysis

#4 Asset selection & DD

#6 Negotiation & Closing

MIND SET
WARREN BUFFET

"THE DIFFERENCE BETWEEN SUCCESSFUL PEOPLE AND REALLY SUCCESSFUL PEOPLE IS THAT REALLY SUCCESSFUL PEOPLE SAY NO TO ALMOST EVERYTHING."

- **Long Term Weath Building**
- **Market Cycles**
- **Compounding Returns**
- **Leverage and Financing**
- **Long-Term Wealth Building**
- **Strategic Improvements**

QUESTIONS