MULTIFI

MULTIFAMILY INVESTING: TIPS & TRICKS

TABLE OF CONTENTS

MULTIFI

VALUE ADD MATH

See "Reviewing the T12" for a sample T12 and further explanation of the T12 outline.

- Value add is implemented in Multifamily to force appreciation of the asset.
- Value add means to complete renovations, increase efficiency, or do something to increase NOI (net operating income).

Industry Lingo:

- **Delta** = Difference
  - In multifamily we refer to delta as the difference between the current rent of a particular asset's units and the market rent of similar units.
- **Debt Service/Service the Debt** = Paying your loan
- **Debt/Note** = A loan
- **Trading** = Buying or selling
- **Restabilize/Reposition** = Implement the value add plan
- **Releverage/Relever the Debt** = Refinance
- **Fair Market Value** = What the market is willing to pay for a particular asset. **-** An increase in Fair Market Value also represents an increase in equity. **-** How to calculate: NOI/Cap rate = Fair market value
- **NOI** = Net operating income or cashflow (this type of cashflow is **before** debt service). **-** How to calculate: Total Income - Total Expenses = NOI
  - **Free/Net Cashflow** = **After** debt service (you will utilize this to pay your investors) **-** How to calculate: NOI - Debt Service = Free/Net Cashflow

Note: When someone says cashflow, they could be talking about **NOI/Cashflow** which is the number **before** you service the debt. Or they could be talking about **Net/Free Cashflow** which is the number **after** you service the debt; you will want to clarify which one they are referring to.

- **Above the line** = Above NOI on a T12
- **Below the line** = Below NOI on a T12
- **The line** = The NOI on a T12

Broker outreach lingo: What kind of below the line expenses did the seller have? = What was the amount spent on CapEx?

You will want to know this because CapEx can be depreciated under accelerated depreciation but OpEx cannot; they are taxed differently. (Discuss this with your tax strategist)

MULTIFI

Increasing NOI:

- We look to increase NOI after acquiring an asset; this creates a higher fair market value number.
  - The greater the NOI increases (provided the cap rate stays the same) the higher the fair market value increases.
- We have 2 ways to increase NOI:
  - Decrease controllable expenses. (remember taxes and insurance are non controllable expenses)
  - Increase income.

Ways to increase income include pet fees, trash fees, amenity fees, increasing rent, etc.

CALCULATING VALUE ADD:

Fair Market Value Increase

- We acquired an asset that has an NOI of $350,000 and a 5% cap rate.
  - $350,000/.05 = **$7,000,000 fair market value**
- We increased the NOI of that same asset by increasing rents and charging trash fees to all tenants which increased our NOI by $100,000.
  - - Our new NOI is now $450,000 and our cap rate is still 5%.
  - $450,000/.05 = **$9,000,000 new fair market value**
- This is the power of Multifamily. By increasing the NOI, we increased the fair market value of the asset and increased our equity by $2,000,000.

QUICK VALUE ADD FORMULA

Finding the value add number shows you how much you've increased the fair market value of the asset by.

Formula: # of units
x $____rent increases per month x 12
x _____% occupancy
= increase in NOI
NOI/cap rate = Value added

MULTIFI

EXAMPLE #1
100 units
x $50 rent increase per month x 12 months
x 95% occupancy
= increase in NOI
NOI/5% cap rate = Value added

- **Answer:** 100 units x $50 x 12 x .95 = $57,000 increase in NOI

$57,000/.05 = **$1,140,000 value added**
If you bought this asset at $5MM the new fair market value is $6.14MM. $5,000,0000 purchase price + $1,140,000 value added = $6,140,000

EXAMPLE #2:
45 units
x $150 rent increase per month x 12 months
x 97% occupancy = increase in NOI
NOI/5.5% cap rate = Value added

- **Answer:** 45 units x $150 x 12 x 97% occupancy = $78,570 increase in NOI $78,570/.055 = **$1,428,545.45 value added**

EXAMPLE #3:
308 units
x $250 rent increase per month x 12 months
x 92% occupancy = increase in NOI
NOI/5% cap rate = Value added

- **Answer:** 308 x $250 x 12 x 92% = $850,080 increase in NOI

$850,080/.05 = **$17,001,600 value added**
NOI increase/cap rate = new fair market value $17,001,600 (this is what we can potentially sell the asset for or refinance the asset and pull out our equity)

EXAMPLE #4:
242 units
x $25 valet trash fee per month x 12 months
x 93% occupancy = increase in NOI
NOI/6% cap rate = Value added

- **Answer:** 242 x $25 x 12 x .93 = $67,518 increase in NOI $67,518/.06 = **$1,125,300 value added**

MULTIFI

EXAMPLE #5:

242 units
x $5 pest control fees per month x 12 months
x 93% occupancy = increase in NOI
6% cap rate = Value added

- **Answer:** 242 x $5 x 12 x .93 = $13,503.60 increase in NOI

$13,503.60/.06 = **$225,060 value added**

EXAMPLE #6:

48 units
x $300 rent increase per month (current rents are significantly under market) x 12 months x 100% occupancy = increase in NOI
NOI/6% cap rate = Value added

- **Answer:** 48 x $300 x 12 x = $172,800 increase in NOI

$172,800/.06 = **$2,880,000 value added**

Important Note: While the increase in NOI is $2.88MM, the fact that current rents are significantly under market is probably why the occupancy is at 100%. Once you bring the rents up to market, you can reasonably expect your occupancy to drop from 100% to whatever the average occupancy is for that asset's location.

This is a good example of looking at the big picture when underwriting. It is not just black and white; many factors should be taken into account as underwriting is just as much an art as it is a science.

EXAMPLE #7:

494 units
$130/mo rent increase
$25/mo valet trash fee
94% occupancy
5% cap rate

- **Answer:** First add $130 + $25 = $155 in income increase

494 x $155 x 12 x .94 = $863,709.60 increase in NOI
$863,709.60/.05 cap rate = **$17,274,192 value added**

MULTIFI

Additional Information:

- Depending on your debt, you will have what's called a lockout period that prevents you from refinancing/relevering the debt for a certain period of time. This is usually 1 year in today's market.
- Most people will look to restabilize/reposition the asset in the first 2-3 years then releverage/relever the debt with the new fair market value.
- You cannot increase rents on units that are already occupied. You can immediately increase rents on all vacant units and increase the rents on the other units as leases expire.
- Cap rates go up and down but generally don't move too far off from the original cap rate in a short period of time. In solid markets, the cap rate will remain fairly stable. This is one of the reasons why the location is so important.
- People with service dogs are protected by law and exempt from paying pet fees/pet rent.
- You should know the average vacancy rate for your market; your property management company can help you with this.
- You can assume around 8.3% of your leases will expire each month.
    - 1 month/12 months = 8.3%

MULTIFI

Tax Strategies

- When raising capital, a lot of investors are interested in knowing the tax advantages toinvesting with you.
- It also benefits you to be aware of the multiple tax strategies you can utilize to hel keep more of your income and grow your wealth.

Real Estate Tax Advantages

- Real estate is one of the best ways to save on taxes because of depreciation. Your passive income is offset by passive losses.
- Although you can depreciate things such as equipment for your business, real estate still beats out other assets because it appreciates over time and you also build equity. You can pull the equity out at some time in the future tax free.

Example: If you cashflow $120k per year and your operating expenses are $30k you would normally only be taxed on $90k. However, depreciation which is not a true expense that goes out the door, can be used to further offset your cashflow.
If depreciation allows you to wipe out $120k, you still have $90k in the bank that you don't have to pay taxes on and the extra $30k can carry over to be used in another year.

Benefits for Investors

Investors derive tax benefits in 2 distinct areas:

1. Make more but don't pay more: You make more money but you don't necessarily pay more taxes.

- Real estate allows you to keep more of your money through leverage and depreciation. Leverage by not expending all of your capital to actually buy the asset and using depreciation which is not true cash flow or a true expense that goes out the door.

MULTIFI

2. Make more money and pay less taxes: The less tax part comes along when you are able to qualify as a real estate professional or investing as your primary business and source of income.

- There are strategies you can deploy to make more money and depreciation can also be leveraged to offset income from other sources, which results in paying less taxes.

You can share this information with your investors and it is important that we as sponsors know how to talk to them about this as it is a very important topic they will be interested in.

What if investors ask if they can use the depreciation or negative K1 they receive to offset their W-2 income?

1. You should let them know that it depends and they should speak with their tax professional.

- Because everyone's situation is unique, you don't want to give them a definite yes. This can ruin your relationship with your investors when they find out you gave them incorrect information.

2. Losses that are generated are considered by the IRS as passive and unless they have other passive sources of income, typically the losses will be what are called suspended.

- This doesn't mean they lose it, it will carry over into a future year until they can use that suspended loss.
- At some point these suspended losses will become useful to them when you sell the asset because it can offset their capital gains that are generated, or if they have other passive investments they can use it for that.

If you are not comfortable talking about this with investors yet, you can use some form of Veena's script:

"This is such a nuanced situation and it greatly depends on what you're doing personally, I don't have any licenses to give you advice about this and I know enough to be very dangerous. What I would do is reach out to your CPA and let them know you will be receiving a K-1 which we anticipate to be significantly negative in year 1 because we plan to take bonus depreciation after running a cost segregation study. I can answer you, but trust me no one wants me to answer you, it's not going to be good for you or for me you'll be really mad at me if I give you the wrong information. We have a tax strategist on our team specifically because we want him to know about this information."

Active & Passive Income

Active income: Having to do an activity to generate income such as a W-2 or running a business.

Passive income: This is investment related income (such as real estate, interest, dividends, etc.) and things that generate money without you having to do any activity.

- Keep in mind, there is a difference between mostly passive and actually passive income.
- For example, an Amazon business on the side may be passive and automated on the side but is still considered active income because it is not investment related.

Is depreciation an active or passive loss?

- It all depends on how the original income is generated. In real estate, the losses are passive but if you have a business and depreciate all of your equipment, this would be considered active as it is an active business.
- Losses from any business can be active or passive, it depends.

REP Status

- Real Estate Professional status (REP status) is an IRS designation and is the biggest tax advantage someone can have.
- You will want to know about this designation as you dive deeper into real estate.

Benefits of REP status

MULTIFI

The IRS considers rental income to be passive income, this means it's not subject to social security and Medicare tax which is 15.65%.

You get immediate savings based solely on this type of income, but the IRS also says if the loss is passive you cannot use that loss to offset your active income (generally providing a service, selling a product, usually a job or business).

Example: You make $100k in rental income and your spouse has a W-2 job (active income) making $500k/year, the depreciation from these rental properties is $600k and considered passive losses. You can use this to offset the $100k but you are now suspending the $500k leftover in losses. The $500k can't be transferred over to offset your spouse's active income. This is because:

- Active losses can offset active income
- Passive losses can offset passive income

Having REP status changes this because the losses that are generated from real estate can now be considered active and allows you to offset income from other active income areas. Make more money but pay less tax.

If you and your spouse file taxes together and you can qualify for REP status, you can use your losses to offset your spouse's active income.

Example: Your spouse is making $150k per year in active income, they are paying 15% of this in taxes. If you qualify for REP status you can offset this income and keep more of your money.

Example:

- $500k in 2022 active income
- $2mm in 2022 active income (REP status) $3mm in depreciation losses
- $2.5mm active income total $3mm depreciation = $500k left in active losses.
- 2023 same amount of income $2.5mm only $2mm in losses. The $500k loss rolled over from last year helps to fully cover the $2.5mm in income.

- For the spouse making $500k, if they were not married to a REP they would end up paying around 37% of their income in taxes. They would only take home $315k.

You can also choose to invest for tax benefits.
For example, for every $1mm you invest, you receive a negative K-1 of $500k in losses.

You should discuss this strategy with your tax strategist. This can help get you to $0 in income and also provide additional income if it's the correct investment.

How do you qualify for REP status?

1. You have to re-qualify for REP status every year. More than 50% of your time has to be in real property trade or business, meaning you have to perform services in the real estate sector.
2. More than 750 hours have to be in this real property trade or business.
3. Material participation (this is the most important) you have to materially participate in your own rental activity. Meaning, you have to actively manage your rental portfolio such as making decisions, managing contractors, collecting rents, etc.
   There is a 7 part IRS material participation test; you only need to meet 1 of these 7 requirements.

Once you hit all 3 of these requirements, you are able to qualify for REP status changing your losses from passive to active.

The key to this is documentation. You want to have a log of activities you are executing each year to add up to the totals discussed above.
At the very least you want to have a 5% ownership stake to have this be considered your own

rental portfolio.

You will have a harder time meeting these standards if you have a property management company. Acquisitions and underwriting do not typically fall under the material participation category.

You can attempt to qualify for REP status each year.

Cost Segregations

- For accelerated depreciation on real estate, it is recommended to do a formal cost segregation study to have the engineer's report. This will give you the validity to stand up to a potential audit.

- Cost segregations should typically be done when the bigger part of the renovations are done so they can also be included in the depreciation. The study has to be done before the tax return is filed. For partnerships, this is before March 15th, for a corporation this is before April 15th. For the renovation itself, whatever expenses have occurred up to December 31st are counted for that year. If there are additional expenditures done in the new year, that will reset an entirely new depreciation clock that won't count towards the previous year's.

- Your depreciation deduction is based on the purchase price of the property, not the fair market value. If you make improvements, your capital expenditures are added to your depreciation each year that they're made.

Q&A

1. If your investors ask you about depreciation recapture you can tell them to talk with theirtax professional to see if they have suspended losses from the prior years, when

that asset sells those losses can offset the capital gain and recapture to an extent. If they have enough suspended losses they may not have to pay capital gains taxes.

- They can also choose to be paid out their proceeds and reinvest them with you.
- The key is to always keep the dollars rolling, the moment they take their money out and run there's almost nothing they can do from a tax perspective.
- If they reinvest, new bonus depreciation happens and those losses can offset the gain. This needs to be done in the same calendar year to benefit from reinvesting.

2. A deferred sales trust is basically an installment sale. The reason people do this is because as cash basis taxpayers you only recognize the tax in the year you actually receive the income which allows you to break up how you pay taxes. 1031 exchanges and deferred sales trusts are very complex scenarios and require that you satisfy your legal team, tax team, investors, and lender. Although it is a very complex structure, 1031's offer great tax benefits and need to be structured correctly.
3. The IRS considers short term rentals to be an average stay of shorter than 7 days. If the average stay is longer than 7 days, it's typically considered long term and passive.

Additional Info

- Lifestyle creep is very hard to resist and is very common. The longer you can delay gratification, the sooner you can get to financial freedom.
- The mindset evolution and shift needs to happen throughout your journey. You want to have other really successful people around you that are like minded and provide you with new opportunities to leverage each other's wealth.
- When you first start off you will constantly be saying "our team does xyz" and leveraging their credibility. You can also add someone as a strategic partner with a minority equity share to the entity. This allows you to say that you have this person on

your advisory board with xyz experience which adds to your credibility and reassures your investors.

RAISING CAPITAL TIPS

- **REMEMBERING NAMES:** When meeting someone new, repeating their name three times during your conversation can help you remember it. Although it may seem small, this is an important part of raising capital.
- **KEEPING TRACK OF INVESTORS:** When first starting out, a Google form is great to use to keep track of your investors in place of an investor portal as portals can be expensive and may not be ideal for a new investor trying to bootstrap.
- **INVESTOR APPRECIATION:** Ask for each investor's birthday and send handwritten birthday cards to those that are active. This helps add an additional touch point to your investors.
    - You can use postable.com to help with this.
- **INVESTOR GIFTS:** Instead of sending the typical wine or food gift basket, you can opt to donate to a charity of their choice. You can also get your employees involved by having them compile a list of charities for investors to choose from.

VEENA'S TIP: "Thanks" is a great app to show employee appreciation. You can send gifts such as a coffee or dinner to show your gratitude.

SPARKING CONVERSATION WITH POTENTIAL INVESTORS

- While it's important to know your investor avatar to best market to your audience, you do not want to put yourself into a position of not knowing how to speak to a potential investor without knowing their avatar.
- There are some basic principles that you should implement when speaking to any potential investor.
    - You should always approach the conversation from a place of **presenting an opportunity**, not from a place of needing money.
    - You want to **start by sparking interest**, you do not want to jump straight into deal specifics.
    - Your ultimate goal should be to be able to tell investors that you don't want their money, it has to be a good fit for both parties.

EXAMPLE: Hi Al what do you do for a living? That's great we have so many engineers that invest with us. I create double digit returns for investors to passively invest in multifamily real estate. Obviously you have tax issues right? This is a great way to mitigate that. You have a really busy job so you can't spend time worrying about the tenants in each unit and wondering when they're going to pay rent. You don't want to have to deal with all that, you just want to invest your money and have the benefit of investing in real estate and reap the tax benefits right?

BREAKDOWN: In the above example, questions are asked to the potential investor that they are going to say yes to. This conditions the investor to be in a yes mindset. The points that are touched on in this example are things people can agree on. No one wants to pay more in taxes.

RAISING CAPITAL TIPS

EXAMPLE: A lot of our investors invest in two or more deals and our engineers love our deals. Do you have a team you work with? So what I've seen in the past is once one person invests in a deal the whole team will invest into the next deal because it's such a great opportunity.
(Your personal claim to why you're better should also be touched on.)

I don't typically have deals on the table but right now the opportunity I have is 200 units Class B. It's in Dallas which as you know is one of the hottest markets, it's increased by 27% and it's the hottest market in the country. The opportunity we have right now has gotten our investors really excited because it's a 14% IRR and you're almost going to double your money in a 5 year hold which is unheard of. You can't do that in the stock market right? I'd love to go through all of this with you but if you're like me you're a visual learner and you'd like time to read it, digest it, think about it, and see the pretty pictures. Why don't you give me your best email and I'll send you the OM. You can let me know what you think about it, if you have any questions, or if you see anywhere I can improve because I know you're really smart, you have an engineering mind. I would love to get your eyes on this to get some feedback on the deal.

BREAKDOWN: Notice the deal specifics (asset class, IRR,etc.) are being mentioned later in the conversation after interest was sparked.

<u>A day or two after they've received the information, follow up.</u>
EXAMPLE: Hey Al! I wanted to know if you had any other questions, something another investor just asked me is X and I thought maybe you would be interested because we were talking about X. This asset has a green component to it and I know how important that is to you. So the green component on this is, we are going to put new LED lighting all throughout the asset so we can save money on electricity but also help the environment. Isn't that kinda cool?

BREAKDOWN: This is a great way to get a second touch with your potential investor and potentially increase their interest by pointing out deal characteristics that matter to them.

<u>You should develop a sense of urgency while also taking the pressure off of the investor.</u>
EXAMPLE: I'm going to send the information to you, take the time to review it and let me know if you have any questions. We're already kind of late into it because we already put the investor deck out there so we're already 50% full. Our deals move really quickly because our investors love our deals so it's really tough to get into them. Don't worry if you don't get into this deal, you can make a decision on the next one especially if you need more time. Since this is your first deal, it can be a little bit more challenging to make a quick decision. Also, if you don't like the deal that's totally fine you can tell me anything about why you don't like it. It helps me get to know you better and then I can help direct you in the future. So you can tell me, "I don't like the market, I don't have the money, I don't want to work with you" whatever the reason." I want to hear your feedback.

BREAKDOWN: This takes the pressure off of the investor by saying they're not pressured but also gives them a sense of FOMO because it is a great deal. This gives them a sense of urgency to invest or pass on the opportunity and also gives you a chance to better understand their investment goals.

RAISING CAPITAL TIPS

SETTING REALISTIC RETURN EXPECTATIONS

- You should constantly be educating your investors on the current market cycle to set their expectations.
    - As you're building your investor base, you can do a weekly or monthly roundup of the best blogs, articles, podcasts, and other free resources that your investors can read to inform them of the average projected returns based on the current market cycle.
    - You should talk to your investors about what the market is offering in terms of returns and also what smart money is doing. Family offices and billionaire investors are investing in lower risk deals.
- If investors claim they are seeing way higher returns than what you are projecting, they are likely taking on a significant amount of risk.
    - Ask them for more information on their claims; use this as a chance to educate them.
    - Without significant risk you will not see extremely high projected returns. These are risk adjusted returns and conservative investments hedged to the market, this is an alternative investment class that the wealthy elite utilize to make and keep their money.
    - You can also anchor your return projections to another sponsor's offering if your projected returns are higher than theirs. "Blackstone is offering 12% to their investors, we're offering 15%." This helps position you to say you're offering something better.

Q&A

Q. How do you respond to investors telling you your offering is a pyramid scheme?

- **A:** It's very important to address something like this as you don't want other investors walking away from the call thinking this is true. Point to all the places that this deal is being put through a legitimacy test.
  Response: "If this is a Ponzi scheme, it's going to be really tough for me to have title and it's going to be really tough for escrow to stand behind it. Fannie and Freddie are not going to let me borrow X amount of dollars. You can also go to the SEC's website at **sec.gov/edgar** and in about 4-6 weeks you'll be able to look this deal up. People who run Ponzi schemes or pyramid schemes don't register on the SEC website to tell the SEC what they're doing."

Q. How do I compete on price?

- **A:** You have to compete on terms, not price. Terms and surety of close should be high. Ways to compete on terms can be paying the broker fee, paying the transfer taxes, or paying for title to name a few. Although there are many more ways you can compete on favorable terms to the seller. Hard money, quick close, surety of close, and track record are all things that will help you when trying to close a deal.

Q. With respect to competing on terms, how do you open up that conversation with the seller?

- **A:** "Other than price, what's going to motivate you to close this deal?" "I know I need to be competitive on price, what are the other terms that are important? We're not some big company with a bunch of corporate boards we need to meet and get corporate resolutions met. We're very nimble and that makes us really good buyers because we can be very flexible and very fast."

RAISING CAPITAL TIPS

Q&A

Q. When do you ask potential investors if they're accredited?

- **A:** If you are in the middle of a raise, the conversation starts out with finding out if the investor is accredited or not. When there is no deal on the table, Veena's team will talk to everybody, accredited or not.
    - You should have an intake form or zoom scheduling link such as Calendly. You can have them fill out a form answering questions when scheduling the call to determine if they are accredited or not.
    - Recording a video with FAQs to send to unaccredited investors can be a time saver. You can also send them your company brochure and a recorded webinar centered around it.

Q. When underwriting can I use a B class 30 unit for rent comps on a 1990's build B class 300 unit?

- **A:** This is not a good way to go about it. A 300 unit will have amenities that a 30 unit does not have which will affect the market rent. If you are unable to find an asset built around the same time, same size, and same asset class, a better way to do it would be to look at a 1980's asset and see what you can do better. You can also look at an early 2000's asset to see what you can add to bring it up to that level.

Q. If I want to come in as a GP but don't want to bring in any of my own money, what are my alternatives?

- **A:** The best thing to do in this case would be to take a smaller equity position in the deal and come in as sweat equity.

Q. I'm focused on direct to seller, how can I go about pulling lists of multifamily owners?

- **A:** You can use Axiometrics, Yardi, and Costar.
    - Other ways to obtain leads:
        - Go on Loopnet and call the seller on a listing. Let them know you're going to make an offer and ask about what else they own.
        - Get in touch with property managers in your area who handle the type of assets you want, and offer them an incentive to possibly give you leads. Let them know that if you secure an asset, you'll use them as your property manager.

TIPS FOR A SUCCESSFUL INVESTOR CALL

Take Detailed Notes: Make sure to take thorough notes during the call so you can refer to them later and bring up relevant topics in future discussions.

Make it a Conversation: Rather than starting with a formal presentation, aim to have an open and engaging conversation. Get to know the other person, understand their ideal investment, and answer any questions they have.

Be Authentic: When engaging with potential investors, it's important to be genuine and let your personality shine through. This will help build trust and establish a stronger connection.

Listen Carefully: The main goal of the call is to get to know the investor and their investment goals. Let them do the majority of the talking and make sure to listen attentively. A good rule of thumb is to speak only 30% of the time and listen 70% of the time. This applies to in-person meetings as well.

Research and Prepare: Take the time to research the potential investor and their interests before the call. This will give you an idea of what topics to discuss and help you tailor your approach to their specific needs.

Start with a Strong Introduction: Begin the call by introducing yourself, your company, and the purpose of the call in a clear and concise manner. This will set the tone for the rest of the conversation.

Ask Questions: Don't be afraid to ask questions during the call. This will help you understand the investor's needs and determine if your product or service is a good fit for them.

Highlight the Benefits: Make sure to clearly articulate the benefits of working with you and how it can help the investor achieve their goals. Be specific and provide concrete examples.

Address Objections: Be prepared to address any objections the investor may have. Anticipate common objections and have answers ready to address them.

End with a Next Step: At the end of the call, make sure to provide a clear next step for both parties. This could be scheduling a follow-up call or meeting, or sending additional information.

Follow Up: Make sure to follow up after the call to maintain momentum and keep the conversation going. Send a thank you note or email to reinforce the value you bring to the table.

Subject: Exciting Investment Opportunity - Let's Make Your Money Work for You!

Dear [Name],

I hope this email finds you well and that [personal reference about them, e.g. your job at GM is thriving, your kid is excelling in baseball, etc.]. I just wanted to reach out to you today about something that has been life-changing for my family.

I've recently made some major strides in my real estate business and I'm now in a position to bring on a select few investors to share in my success. As someone who has [personal experience in real estate], I know firsthand the tremendous potential of this industry, and I'm eager to partner with people I trust to take advantage of the best deals that come our way.
I would love to set up a time to chat with you about your financial goals and see if this could be a fit for us to work together. Not only could it be a great way to grow your wealth, but it would also be fantastic to catch up and see how you're doing.

Are you free on [date/time suggestion]? If not, let me know what works for you and we'll make it happen.

I look forward to speaking with you soon and bringing you one step closer to financial freedom.

Best regards,

[Your name]
[Company name and address/phone]

Subject: Invitation to Discuss Investment Opportunities

Dear [Name],

I hope this email finds you well and that [personal reference about them, e.g. your job at GM is progressing smoothly, your kid is enjoying baseball, etc.]. I wanted to take a moment to update you on recent developments in my real estate business.

I have recently expanded my operations to include a limited number of investment opportunities.
As someone with [personal experience in real estate], I understand the potential of this industry and believe that partnering with trusted individuals can lead to mutually beneficial outcomes.

I would like to schedule a call with you to discuss your financial goals and explore the possibility of partnering on investment opportunities. This would also be an opportunity for us to catch up and discuss any updates in your life.

Please let me know if you are available for a call on [date/time suggestion]. If this time is not convenient, I would be happy to arrange an alternative that works for you.

Thank you for your time and consideration. I look forward to hearing from you soon.

Best regards,

[Your name]
[Company name and address/phone]

Subject: Get Rich or Die Laughing

Hey [Name],

I hope this email finds you in a great mood and that [personal reference about them, e.g. your job at GM is going bananas, your kid is hitting home runs left and right, etc.].

So, I've got some big news to share with you that just might make you laugh your way to the bank. I've recently expanded my real estate business and I'm now offering a limited number of partnership opportunities to a select few folks who I think are ready for a financial revolution.

As someone who has [personal experience in real estate], I know how boring and dull this industry can be. That's why I'm on a mission to bring some humor into finance and make investing a joyful experience (yes, you heard me right).

Let's chat about your financial goals, have some laughs, and see if we can make a deal that will have us both laughing all the way to the bank. How about we set up a call for [date/time suggestion]?

Looking forward to hearing from you soon and adding some humor to your financial portfolio.

Cheers,

[Your name]
[Company name and address/phone]

Subject: Be a Part of Something Inspiring - Share Your Career Lessons

Greetings [Name],

I hope this email finds you in a fantastic state of mind and making waves in your career. I have an exciting project in the works, and I can’t think of a better person to highlight!

I'm putting together an article for my blog that will showcase the wisdom and lessons of savvy business professionals like yourself. The aim is to inspire others and help them grow in their careers by learning from the experiences of those who have come before them.

That's where you come in! I would love to hear about some of the valuable lessons you've learned throughout your career and include them in the article. How does [date/time] work for a quick chat?

I believe your insights will be truly valuable and will make a real impact on those who read the article. Plus, it'll give us a chance to catch up and chat about your exciting journey thus far.

Looking forward to connecting with you soon!

Best regards,

[Your name]
[Company name and address/phone]

Subject: Be a Beacon of Inspiration - Share Your Career Wisdom

Dear [Name],

I hope this email finds you thriving in your career and making a positive impact in the world. I am excited to reach out to you today as I have an opportunity to highlight your achievements and share your wisdom with others.

I am currently writing an article for my blog that will feature the insights and lessons of only the most successful business professionals like yourself. My goal is to uplift and inspire others by sharing the experiences and knowledge of those who have paved the way.

That's where you come in! I would be honored to hear about some of the valuable lessons you have learned throughout your career and include them in the article. Would [date/time] work for a quick call?

Your insights and wisdom have the power to make a real difference in the lives of those who read the article, and I am confident that they will be inspired by your journey.

I am looking forward to connecting with you soon and hearing about your exciting career journey.

Best regards,

[Your name]
[Company name and address/phone]

Subject: Confirming Our Meeting Details

Dear [Name],

I hope this email finds you well. Our scheduled meeting is set for [Date/Time]. To provide some context, I've attached an overview of my company, [Company Name].

I'm eager to have a conversation with you and discuss potential opportunities for collaboration. I look forward to speaking with you on [Date/Time].

Best regards,

[Your name]
[Company name and address/phone]
[Address/Phone]

ABOUT THE AUTHOR

VEENA JETTI | MULTIFI
FOUNDER | PARTNER
Multifamily Owner / Operatpr & Philanthropist.

Veena Jetti

"Creating relationships and helping others succeed is at the core of my values. I love to be surrounded by strong, successful, like minded individuals." - Veena Jetti

Veena Jetti is a founding partner of MultiFi, a unique commercial real estate firm that specializes in curating conservative opportunities for investors.

Veena brings a dynamic perspective to targeting, acquiring, managing, and operating assets using best practices combined with cutting edge technologies. Her professional expertise includes driving corporate strategy and business development opportunities.

After graduating from the University of Illinois at Chicago with a degree in Finance at 20 years old, she pursued her passion for real estate. Veena has over a decade of real estate experience and over $1B+ in real estate assets over her career in both the startup world as well as the corporate world.

Because of her diverse background, she is often a panelist and speaker for various podcasts, global conferences, and radio shows.

Aside from professional endeavors, Veena is a passionate philanthropist. She has founded and served on the board for a national non-profit organization. In 2017, she was one of only three women to receive the Politico Woman of the Year award for the significant amount of time and focus she spent on aiding in a grassroots Hurricane Harvey disaster response. She continues to be involved in helping companies and charitable organizations develop better disaster recovery protocols for future emergencies.