

Real Estate Investing For The Busy Professional

By Dennis Kamensky, Tax Accountant, Author, and Real Estate Investment Consultant ©2005 All Rights Reserved

Through the 30 years of my real estate investing I have met many people who have wanted very much to invest in real estate, but don't have the time to adequately do so. These are people who are very successful in their own right, but see investing in real estate as a wonderful way to both make more money and preserve their present and future wealth.

Whenever I meet someone in this situation, I always think back to when I myself first began investing in several different properties. I had began my own accounting/tax practice and was making a very good living. But, I really like the prospects of making more money through real estate acquisitions especially properties that I could make money through rental income. I started buying various properties with the idea I could manage them myself (even do my own fixing-up). What a disaster! Here I was making over \$100 a hour being a tax accountant (doing what I loved and knew best), and then trying to paint a rental apartment in my "spare time." Instead of finding a professional painter (in those days you could get a terrific painter for \$35 per hour), I tried to do the work myself. After a short period of time, I not only hired a professional painter, but an entire crew of excellent repair people. The point is to always do what you do best, and do what is most cost effective.

Even with property management, I have found it is well worth paying a good property management company to find tenants, take care of daily problems, and help in the decision-making process. Be a real estate investor, and real estate money-maker, not be I the day-to-day real estate business. As time went by, I realized with the right property managers I had more time and energy to find better real estate deals and was able to make more money.

Also, by having these terrific contacts and an ongoing network, I wasn't limited to investing in my own geographic area. In the early 1990's when San Francisco Bay Area real estate values went down, I partnered-up with a real estate investor in Arizona, Texas, Florida, and Nevada. He had been investing in hundreds of real estate deals in these states and had built up a wonderful network of real estate managers, brokers, repair companies, and even mortgage lenders. By using this expertise, I was able to invest with him, and greatly broaden my horizons and areas of real estate wealth.

The United States has over 200 different real estate markets. While one may be overheated and does not give you enough income for the cost (i.e. SF Bay Area, NYC), another may be just beginning to bloom (i.e. Dallas, Orlando) and by working with the right experts you can invest in the best places. You don't have to quit your job, or spend all your time, or even become a real estate expert yourself. Henry Ford was asked, "what the secret of his success"? He did this by

finding the right experts who could best advise him, and by using their expertise to make money. Real estate investing should be part of everyone's portfolio, whether it by through your retirement accounts or through a good real estate partnership. Let the experts run the properties and find the deals, while you excel at your own business or profession.

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