



When is weal Estance

- · Real estate development is the act of purchasing real estate, making improvements to the buildings on it or constructing new buildings and selling th estate again.
- more millionaires • It has been sai earned their first
- this rs are p siona specia ype or work.
- ate deve highly s but

can also result in heavy losses as well.

Thecasesolutions.com

rcial Real utions com

re 2 main

Real Estate.



• Commercial Real

Estate

Thecasesolutions com

Cor I Rea

Thecasesolutions.com

- Commercial real estate is business-centered.
- It includes property that is sold, rented, or used to accomplish a foreordained business target.
- It's utilized as an investment to accomplish a foreseen rate of profit for the assets contributed.
- In commercial real estate, you can purchase, offer, lease as a leasor, lease as a resident, syndicate, joint endeavor, develop, option, and put resources into an extensive variety of business land classifications, including retail, office, industrial, apartments, investments and area renting.



Advantages of Commercial Real Estate

Thecasesolutions.com

- *Greater Return*. Commercial properties generally have an annual return off the purchase price between 6% and 12%, which is a much higher range than it is for a residential property. (1% to 4% at best).
- *Limited hours of operation*. Businesses usually go home at night. The owner wouldn't have to worry about receiving a midnight call because a tenant wants repairs or has lost a key.
- Triple net leases. The general concept is that you as
 the property owner do not have to pay any expenses
 on the property. The lessee handles all property
 expenses directly, including real estate taxes. The
 equ'll have to pay is your mortgage.

Disadvantages of Commercial Real Estate

Thecasesolutions.com

- Bigger initial investment. Acquiring a commercial property typically requires more capital up front than acquiring a residential rental in the same area, so it's often more difficult to get your foot in the door.
- More risks. Properties intended for commercial use have more public visitors and therefore have more people on the property each day that can get hurt or do something to damage your property.
- *Time commitment.* With commercial the owner has more to manage and is dealing with multiple leases, more maintenance issues, and public safety concerns.

Residential Real Estate

- Residential real estate rotates around the needs and wants of a property holder and his crew.
- It includes property acquired for individual use, regularly to give housing to families.
- Residential real estate is not so straightforward in light of the fact that it's more of an emotional purchase opposed to commercial real estate.

Theco ions.com