

Austin & San Antonio Metro Areas *Real Estate Investment Deals*



Rental Income Deals Heat Map

November 2019 Edition

Bell

1
Deals

Travis

21
Deals

Williamson

17
Deals

Bexar

217
Deals

How do you succeed in Real Estate Investing?

The answer is simple – You need to be very good at finding great investment deals. But finding deals is one of the hardest parts in real estate investing. It is time-consuming, and the market is very competitive – if it is a good deal, everybody will be fighting for it. You need the right tools to give you a competitive advantage.

We have developed a proprietary engine that constantly monitors the major Texas Metropolitan Areas to give you a leg up in this highly competitive market.

This engine looks for the best residential investment deals, and it works 24/7 for you.

We have created some useful statistics and infographics to help you keep up with the current Texas residential investment Market. Enjoy!

How we find deals

Our Deal Finder engine monitors the MLS for all new updates. As soon as a new deal hits the market, it automatically runs a CMA (Comps Report) on the property.

1. Discounted Properties

If, based on the sold comps, the CMA value is much higher than the listing price, then the property is very likely to be under market value – a discounted property. The discounted properties we find tend to be short sales, foreclosures, estate sales, or distressed sales. In most cases, they are sold by motivated sellers who need to sell fast, so they are willing to take less money. These deals are perfect for wholesales, flips, or rehabs.



Based on 5 comps found:

CMA Value = \$327K

Listing Price = \$205 K

DISCOUNT = \$122K

Searching by Discounts

With a database of all active deals along with their corresponding discounts, we can help you find the best deals as soon as they hit the market.

2. Rental Income Properties

If, based on rental comps, the rental CMA shows that the property's estimated monthly rental income can pay for all the expenses of owning the property, then it is a good rental income deal. These types of properties are great for buy & hold investors, or buyers who would like to own a 2nd, 3rd or 4th home and start building a portfolio of real estate investments.

Comp #3 – DOM: 3
Leased Price: \$ 1,800

Comp #2 – DOM: 9
Leased Price: \$ 1,500

Comp #6 – DOM: 20
Leased Price: \$ 1,850

Comp #5 – DOM: 6
Leased Price: \$ 1,650

Deal Found!

Status: Active
List Price: \$130K
Rental CMA: \$1,683
Rental Index = 1.29

Based on 4 comps found:

CMA Value = \$1,683
Listing Price = \$130K
Rental Index = 1.29

The “1% Rule”

Purchasing a rental property for investment requires a thorough analysis of future rental income compared to the cost of owning that property. In general, property owners would want to create a cash flow greater than the costs.

For example, let's say an investor is looking to purchase a home priced at \$150,000, with the goal of renting the home out for income. If the investor places \$0 down payment, then he needs to borrow \$150,000. The one percent rule says that the home would have to be rented for no less than \$1,500 per month ($\$150,000 * 1\%$) to be a good income property.

$$\frac{\text{Monthly Rental Income}}{\text{How much you borrow}} > 1\%$$



Good Income Property!

Searching by Rental Index

Similar to the 1% rule, the Rental Index allows us to search for good rental income properties based on the Estimated Monthly Rental Income and the Listing Price.

$$\text{Rental Index} = \frac{\text{Estimated Monthly Rental Income}}{\text{Listing Price}} \times 100$$

A Rental Index of greater than 1.0 means a property can create cash flow to cover all monthly expenses of owning the property, with \$0 down payment.

$$\text{Rental Index} > 1$$



Good Income Property!

Every buyer has his/her own minimum Rental Index

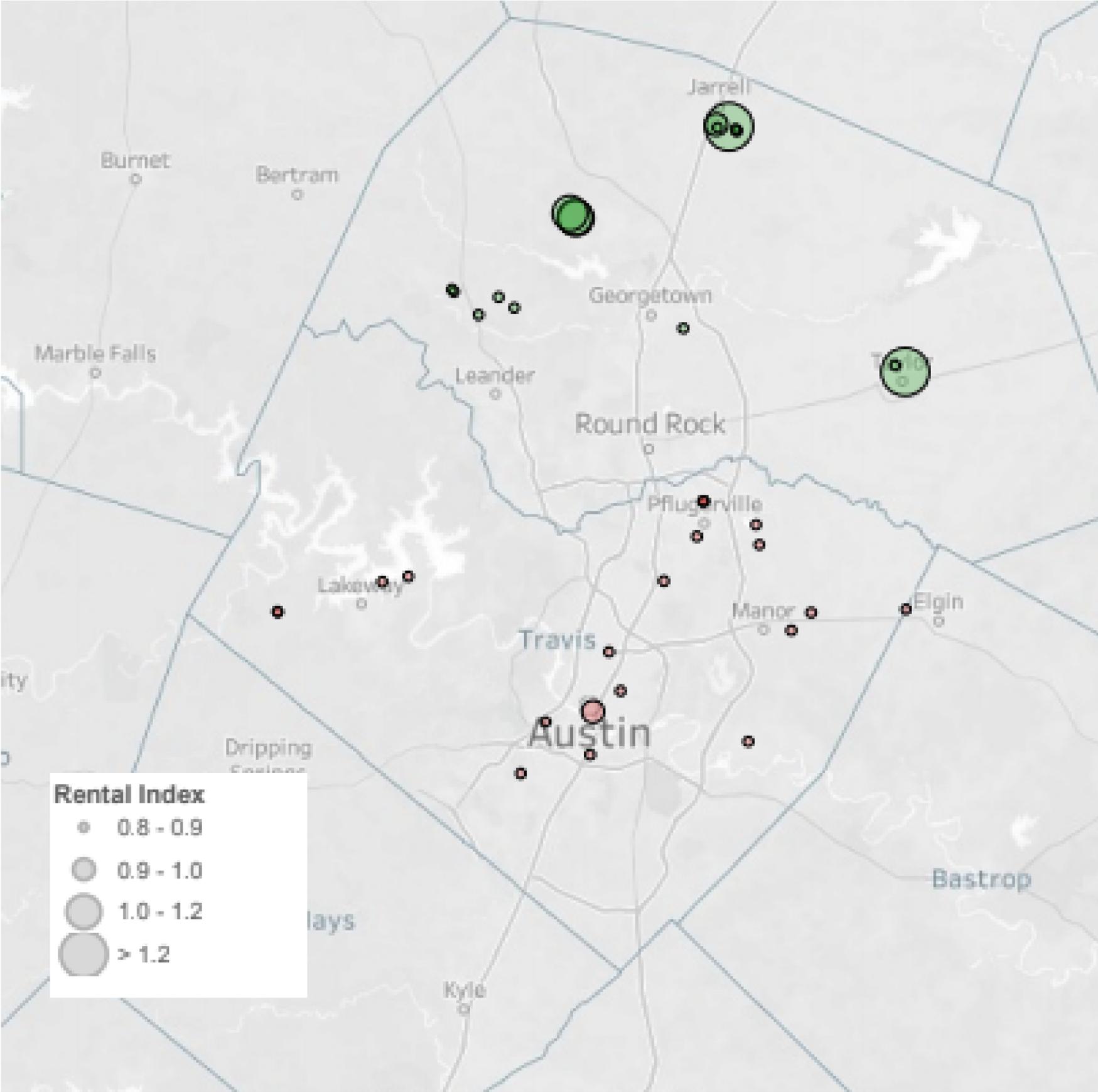
Generally speaking, a buyer usually makes a 20% down payment when purchasing a property, so a Rental Index of 0.8 or greater can indicate a good rental deal for the buyer. On the other hand, if a buyer has to borrow a loan with a very high interest rate, he may need a property of Rental Index of 1.2 or greater.

Bottom line – the Rental Index is a general rule of thumb to decide if a property can be a good rental income deal.

The higher the Rental Index, the more positive cash flow the property can potentially generate.

AUSTIN Rental Deals Heat Map

Deals found in the last 30 days



AUSTIN Rental Deals Statistics

Deals found in the last 30 days

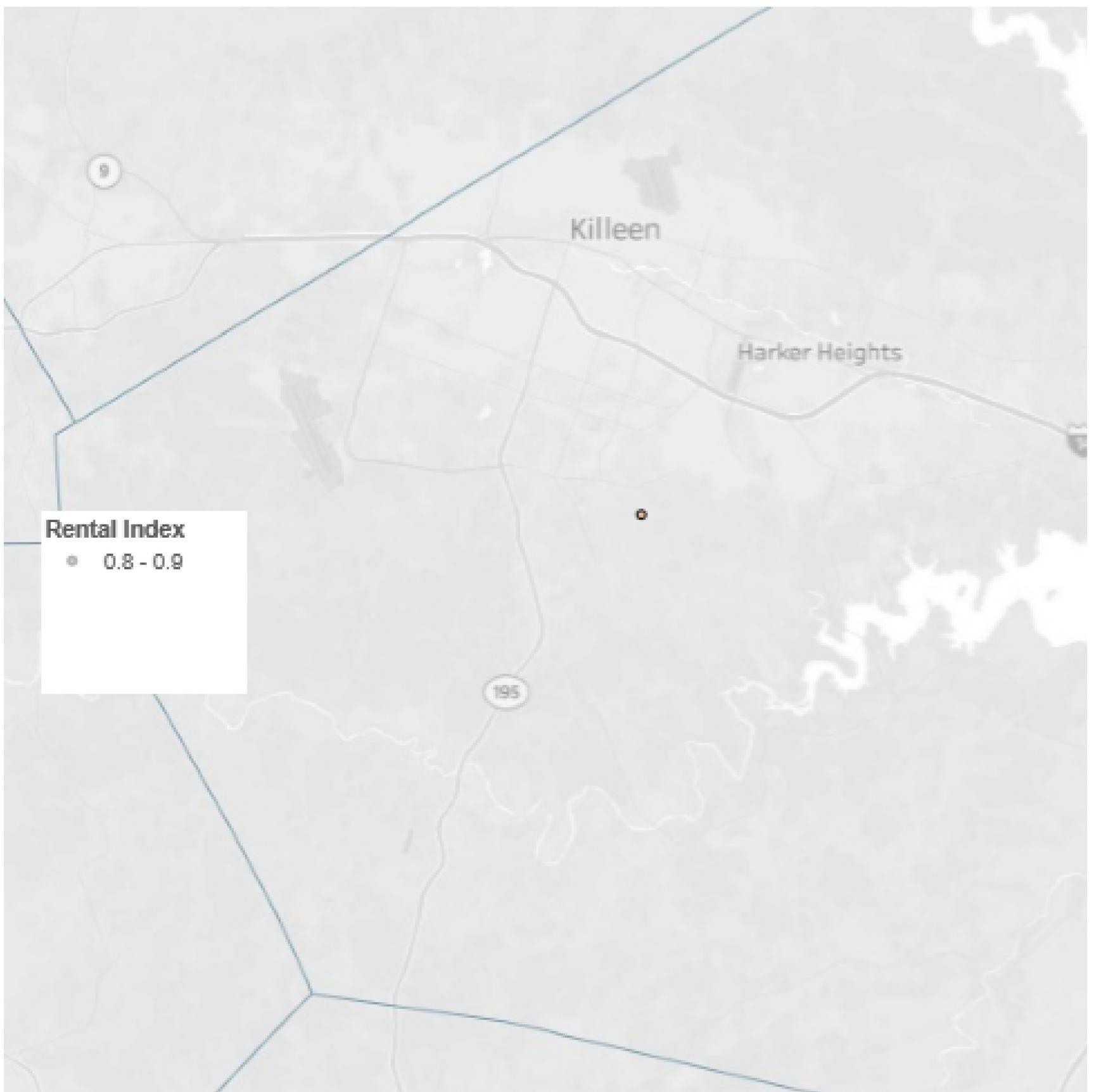
Deals Found:	54
Avg. List Price:	\$246,759
Avg. Estim Lease Monthly:	\$2,164

Opportunities in Rental Income Properties

County	List Price (Avg)	Est. Monthly Lease	Rental Index(Avg)
Bell	\$166,900	\$1,370	0.82
Travis	\$302,318	\$2,560	0.84
Williamson	\$226,577	\$2,048	0.92

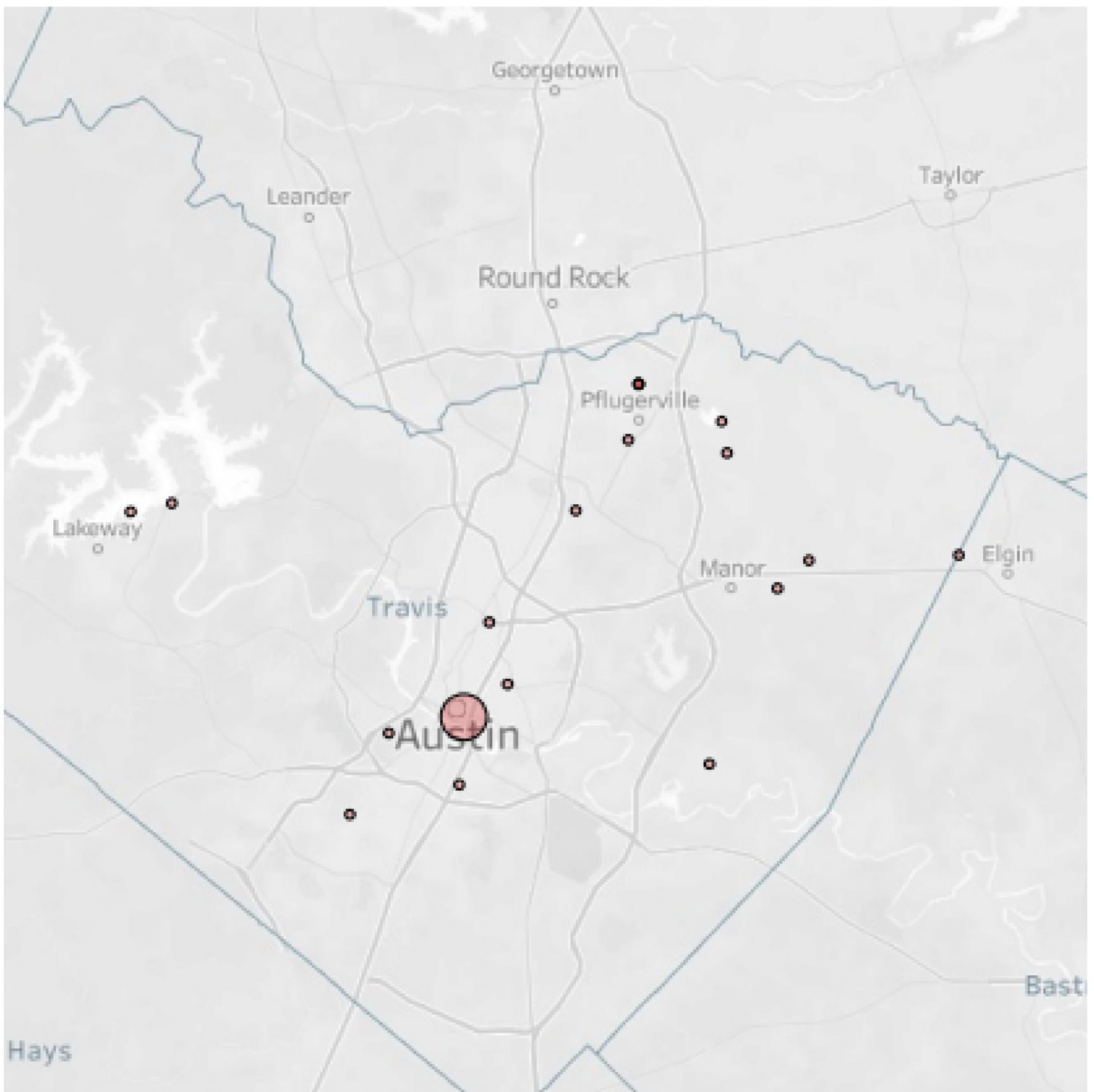
Bell County Heat Map

Each circle represents a rental property found in the last 30 days. The size of each circle reflects the rental index – the bigger the circle, the larger the potential cash flow the property can generate.



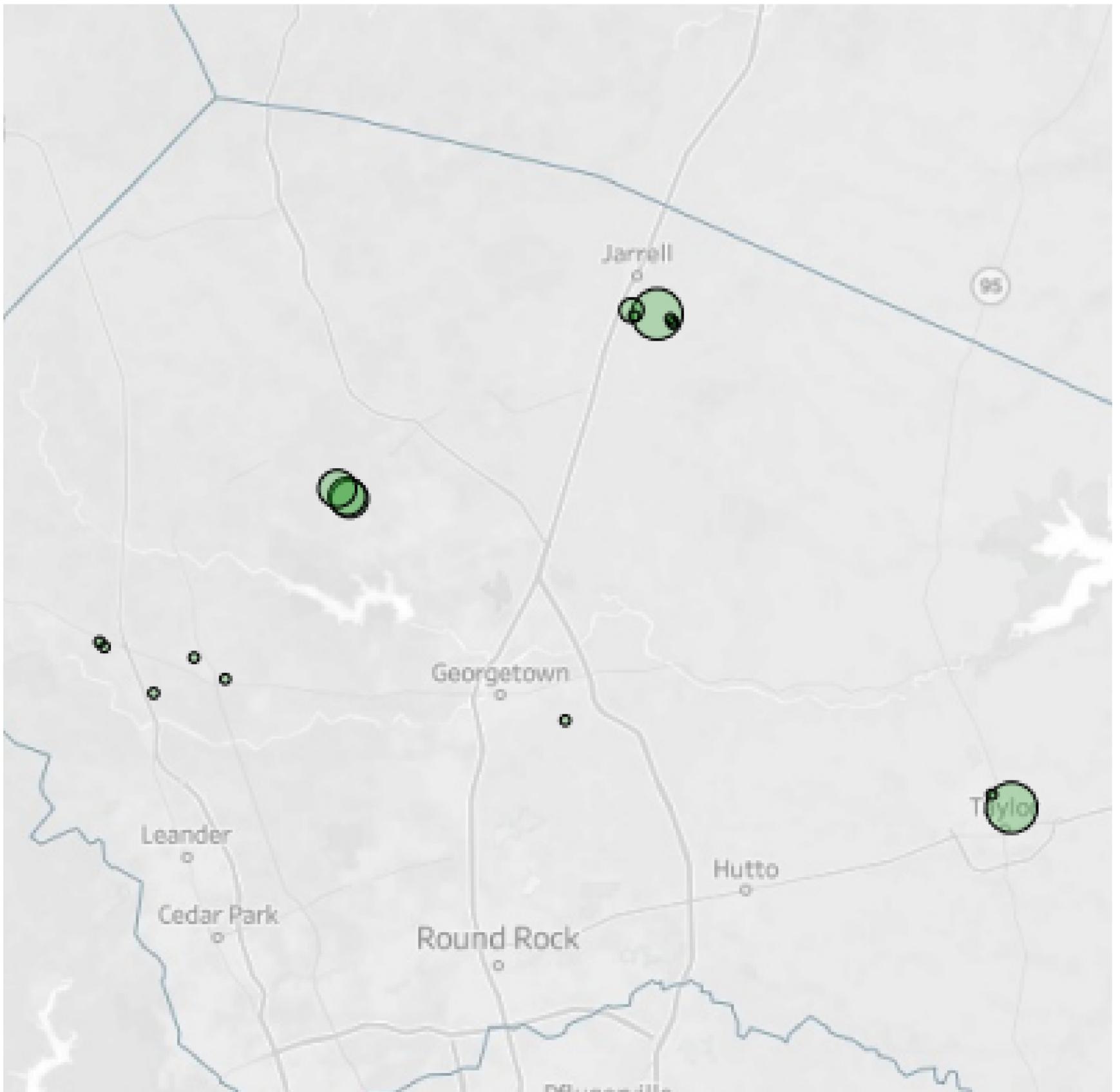
Travis County Heat Map

Each circle represents a rental property found in the last 30 days. The size of each circle reflects the rental index – the bigger the circle, the larger the potential cash flow the property can generate.



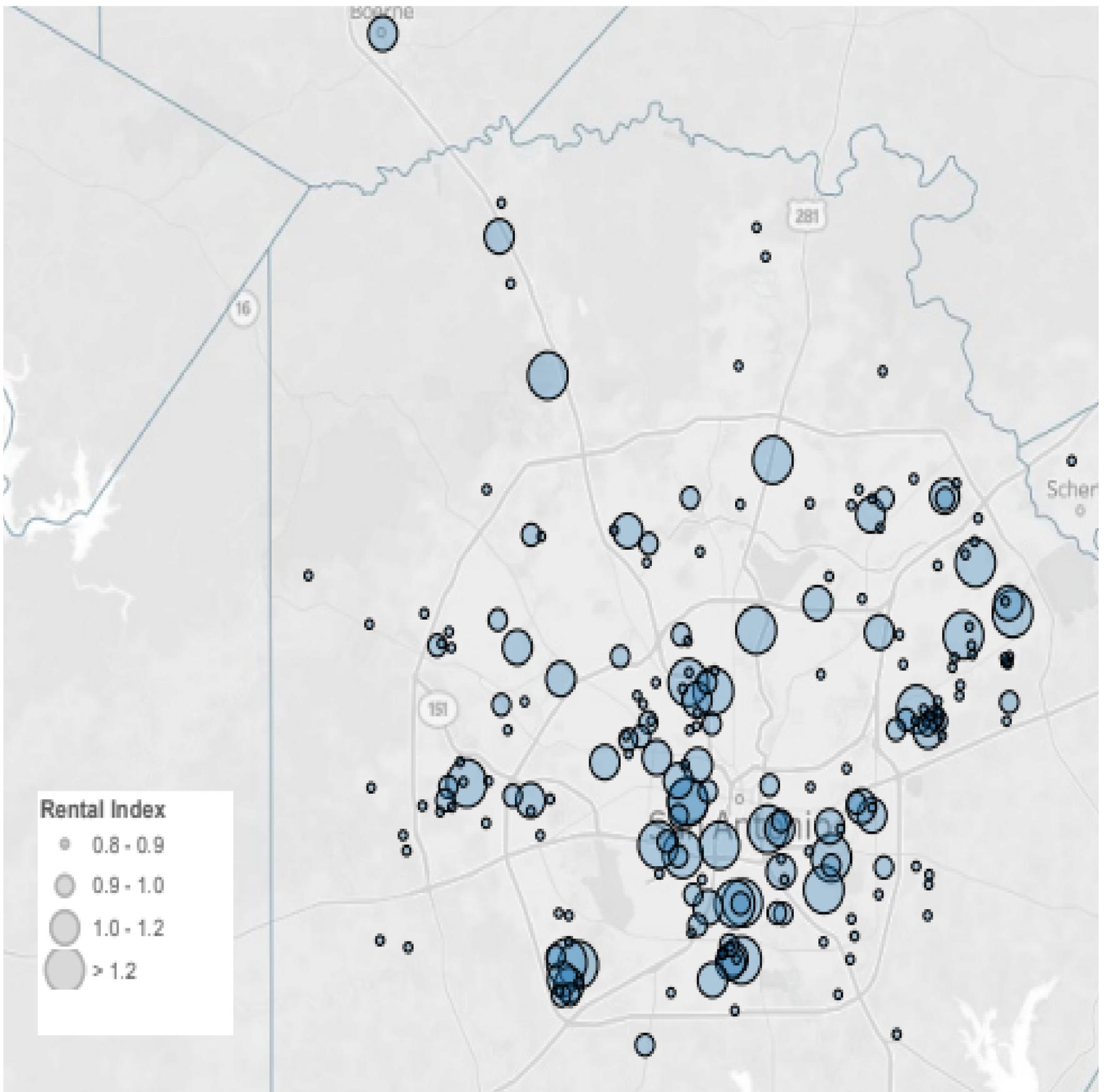
Williamson County Heat Map

Each circle represents a discounted property found in the last 30 days. The size of each circle reflects the percentage of the discount – the bigger the circle, the larger the potential cash flow the property can generate.



SAN ANTONIO Rental Deals Heat Map

Deals found in the last 30 days



San Antonio Rental Deals Statistics

Deals found in the last 30 days

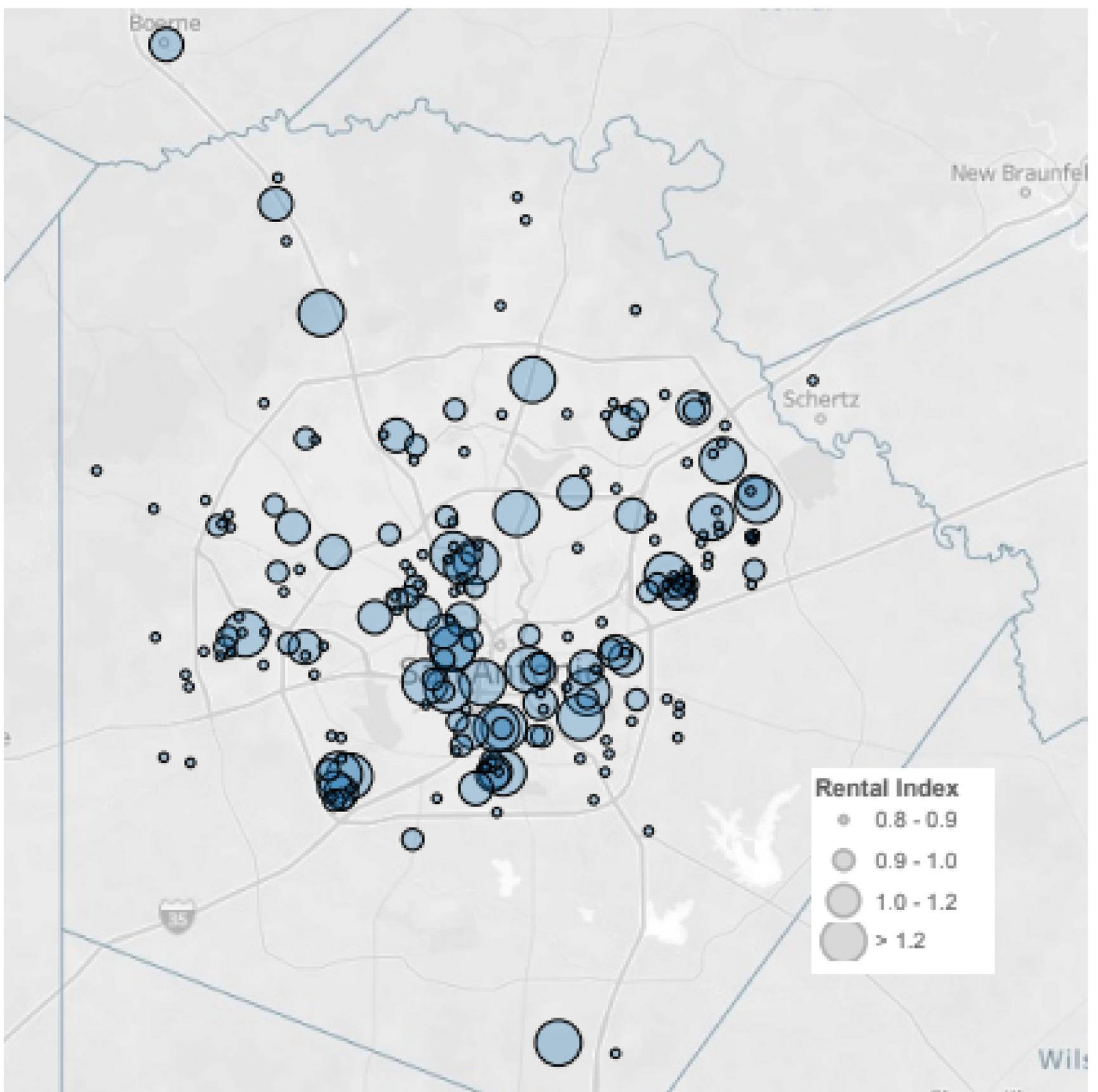
Deals Found:	217
Avg. List Price:	\$147,403
Avg. Estim Lease Monthly:	\$1,368

Opportunities in Rental Income Properties

County	List Price (Avg)	Est. Monthly Lease	Rental Index(Avg)
Bexar	\$147,403	\$1,368	0.96

Bexar County Heat Map

Each circle represents a rental property found in the last 30 days. The size of each circle reflects the rental index – the bigger the circle, the larger the potential cash flow the property can generate.



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