



BRRRR

Buy Properties with No Money!



HardMONEYMike

WHAT IS *BRRRR?*

BRRRR is a method used by real estate investors to quickly build a rental portfolio with little to no money out of pocket.

How is this possible?

Here are 3 key components of BRRRR that lead to BIG success:



Purchase rental properties at a price that's *lower* than the current market value.



Update properties so they're worth the market value.



Use a proper 2-step loan program to legally replace your down payment.



Want to see the entire path of the BRRRR method? Check out our BRRRR Roadmap below!

Set Goals

Why do you want to invest? How many properties do you want to own? How much cash flow do you want to generate?

START

Search

Find under-market properties (i.e. wholesale properties)



Long-Term Loan Approval

BEFORE you buy a house, find out the amount you can qualify for. That way you can maximize your refinance.



Buy with Short-Term Loan

Short-term loans are key for closing fast. And wholesale and other under-market properties require FAST closings.



Rehab!

Improve the property so it meets the after repair value (ARV).



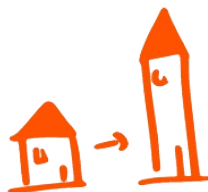
Rent

Start generating monthly cash flow!



Refinance

Get out of your expensive short-term loan and into a cheaper long-term loan ASAP!



Repeat

Repeat the process and multiply your cash flow.



BRRRR

Stands For...

BRRRR is actually an acronym that stands for Buy, Rehab, Rent, Refinance, Repeat.



B

Buy an under-market property.



R

Rehab to bring up to rental grade.



R

Rent to qualified tenants.



R

Refinance using a proper 2-step loan program.



R

Repeat process to multiply cash flow!

BENEFITS *of BRRRR*

So, why should you consider using the BRRRR method? Well, here are just a few reasons to give it a try...



Build a real estate empire FAST! You don't need to wait months or years to launch your real estate business. Get going now and get going quickly.



Buy properties with little to NO money out of your pocket. That means if you don't have a lot of money saved in your bank account, you can still invest in real estate.



Boost your monthly cash flow now vs later. Why take twice the time to build your portfolio the old-fashioned way (ahem, retail)? Buy and make money now. The faster you buy, the faster you can reach your goals and boost your cash flow.



Build your wealth rapidly with free equity. Capture equity by buying wholesale and using the full appraised value to refinance into a long-term loan. All of that equity acts as your down payment, conserves cash, and builds tons of free equity.



Offers protection from downturns in the market. Those who pay retail go upside down on their rentals when a market correction occurs. When you purchase properties at a discount, you enjoy built-in equity that comes free with the property. So, you have a cushion to keep your property above water.

3 KEYS to BRRRR

If you want to succeed with the BRRRR method, then you need to understand three key components.

1

Prepare before you begin!

Before you start investing with the BRRRR method, you need to answer the following questions:

- What type of properties do you want in your portfolio?
- Where can you find a supply of under-market properties?
- What type of financing can you qualify for?

2

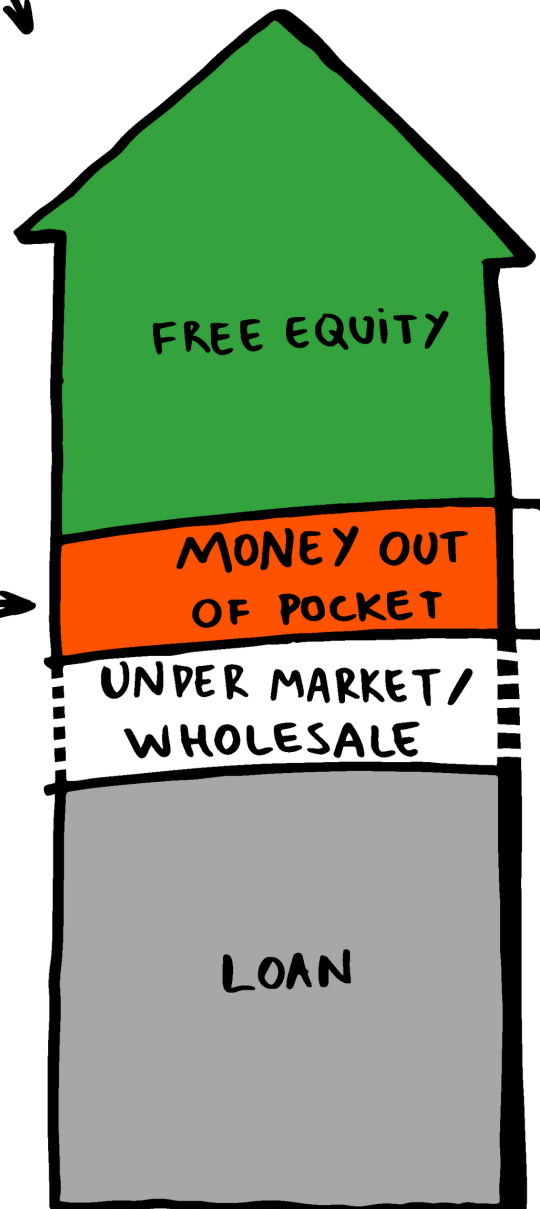
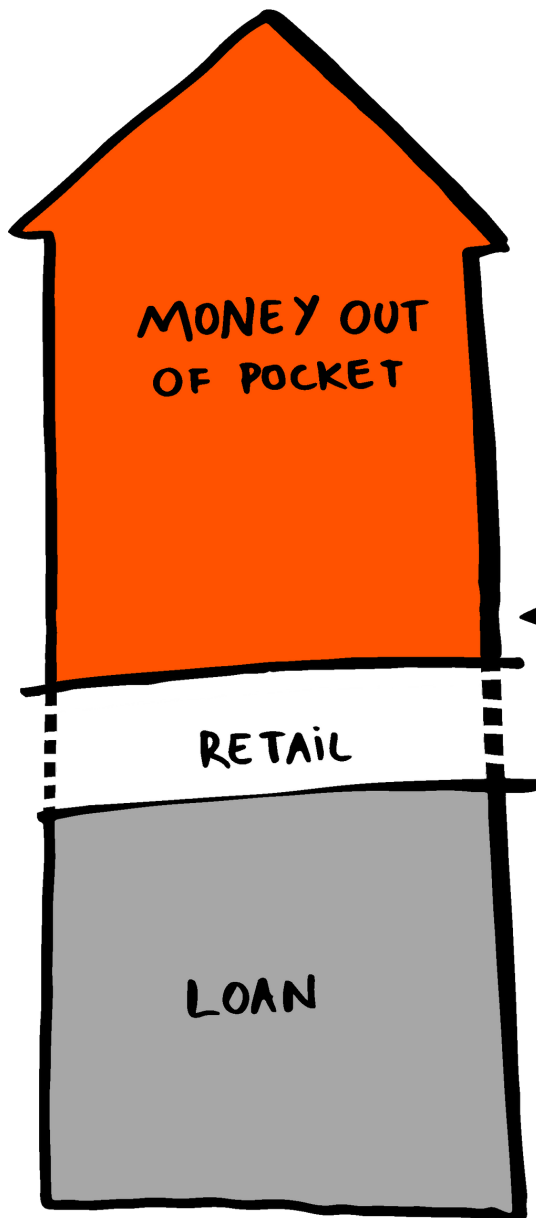
Buy under-market properties!

BRRRR is all about buying under-market properties. So, instead of looking for retail priced properties on the MLS, you need to find discounted properties via wholesalers and investor-friendly realtors.

Check out the following graph to see the difference between buying retail versus BRRRR properties:

RETAIL

BRRRR



3

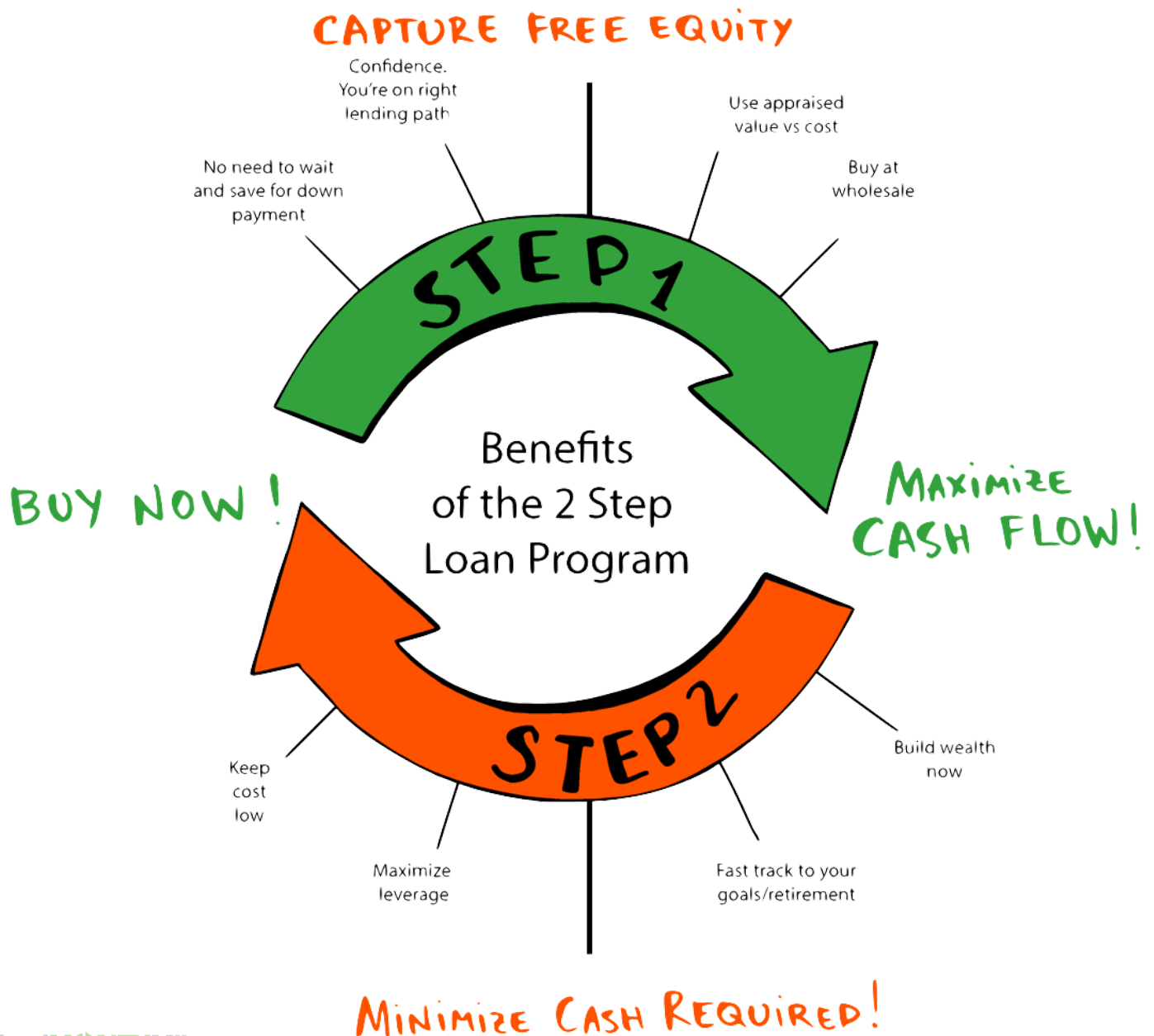
Set up your loans correctly!

If you want to make the most money on your BRRRR deals, then you *must* set up your loans correctly. That means using a legal, 2-step loan program.

A 2-step loan program means you buy a property with a loan that covers all of the purchase and rehab costs up to 75% of the after-repair-value (ARV).

Then you refinance using a rate and term refinance (**not** a cash out). A rate and term refinance allows for higher leverage (aka, less out of pocket) and better costs and terms.

Check out the following graph to see the benefits of using a 2-step loan program.



READY to BRRRR?

If you're ready to start your BRRRR journey, here are three steps you can take right now:

1

Send us an email

We're always here to answer your questions and help you figure out the next step of your real estate journey.

Email: Info@HardMoneyMike.com.

2

Join our BRRRR 101 Q&A session

Every month, we invite you to join our FREE Q&A session. Get all your questions about the BRRRR method answered here.

Join here: <https://my.demio.com/ref/BI5VytBQeQ2JNImI>

3

Subscribe to our YouTube channel

Learn more about BRRRR and other real estate investment methods by subscribing to our Hard Money Mike YouTube channel.

Subscribe here: www.Youtube.com/c/HardMoneyMikeHMM