

Passive Investing Guide

Everything you need to know about becoming a passive real estate investor Crowley Capital Group

Always seeking, driving, and creating opportunity

Passive Investing

Passive real estate investing is a strategy where investors provide capital to a professional management team to invest in real estate without actively managing the property. Investors receive a share of the profits generated from the investment, allowing them to potentially achieve steady and predictable passive income streams and diversify their investment portfolio with real estate assets.

Active Investing

Active real estate investing involves investors taking a more hands-on approach in managing their real estate investments, such as acquiring, financing, developing, leasing, and selling properties themselves. Investors may enjoy higher potential returns but also take on greater risk and responsibility for the success of the investment.

Pros

- Limited involvement in property management
- Potential for steady and predictable passive income streams
- Lower risk due to professional management and diversification

Cons

- Lower potential returns compared to active investing
- Limited control over the investment
- Lack of flexibility with your investment

Pros

- Potential for higher returns compared to passive investing
- Full control over the investment decisions
- Ability to have more control over liquidity

Cons

- Requires a significant time commitment and specialized knowledge
- Higher risk due to the need for active management
- Significant capital required to finance investments

What is a Syndication?

A real estate syndication is a partnership between multiple investors who pool their money together to purchase and manage a real estate property. Syndications allow investors to invest in real estate without putting in the time required to make profitable returns. In the partnership, the managers of the syndication do everything from finding, underwriting, acquiring, and managing the property, allowing the investor to make passive income.

Why Invest in a Syndication?

- Hands-off investing for passive investing
- Diversification
- Higher returns and economies of scale
- Tax advantages
- Participate in larger deals

Investors Role

Investors in syndications are called limited partners (LPs), meaning that they have limited control over the investment. The managers of the syndication take care of day-to-day tasks while the investors collect dividend checks.

How to Become and Investor

To become an investor and make passive income, visit <u>crowleycapitalgroup.com</u> and set up a call.