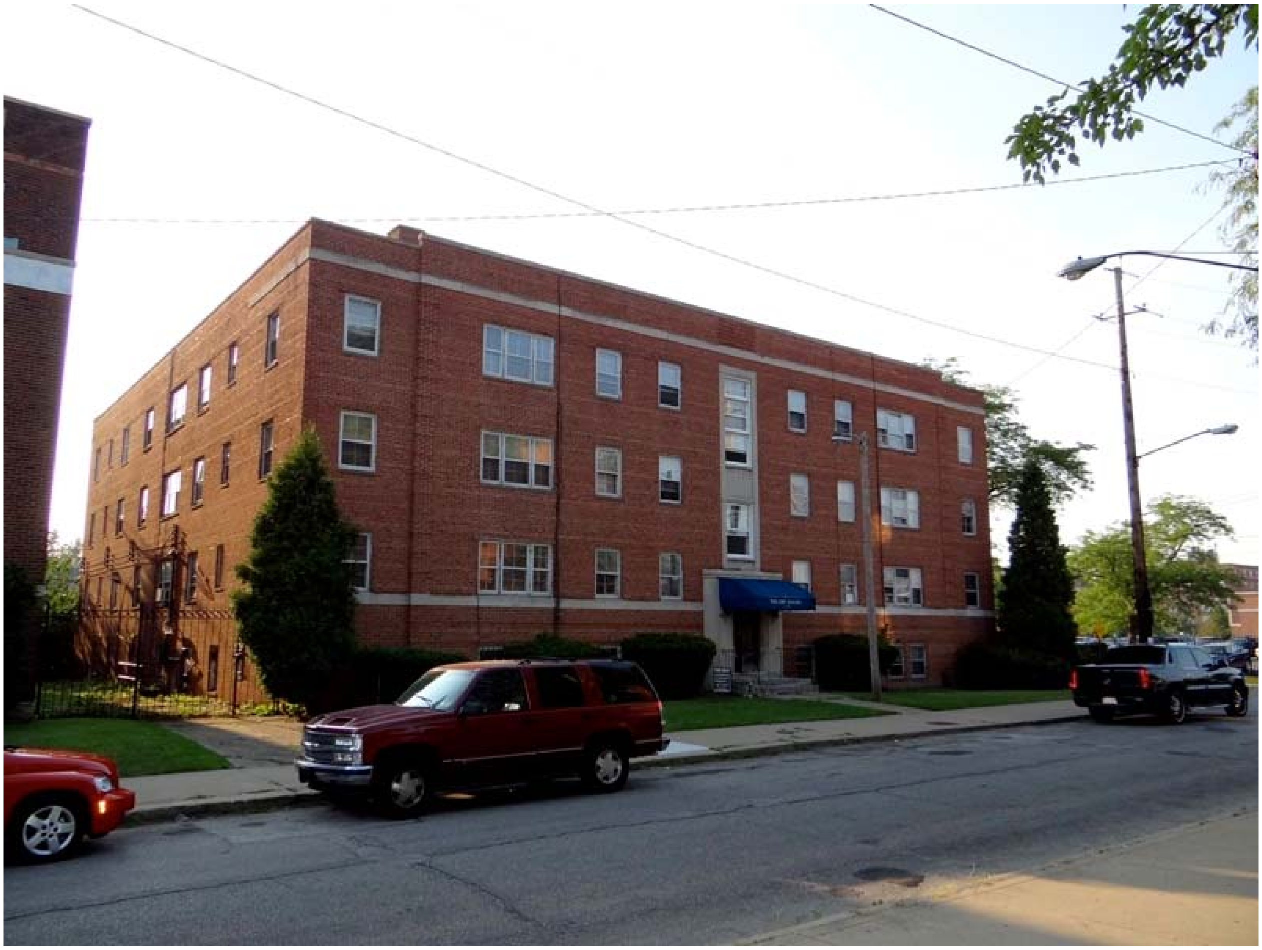


3 Keys to Successful Real Estate Investing

How to Invest in Turnkey Real Estate Investments in the Strongest Cash Flow Markets Throughout the United States for Maximum Security of Investment and Annual Returns of 10% to 50%

Marquis Properties

Now Is the Time to Buy

If you've been feeling it's an ideal time to invest in real estate you couldn't be more right. The nationwide housing downturn and foreclosure crisis has created opportunity for savvy investors to buy property at prices not seen for as many as 30 years, generating a strong annual return on investment as well as the ability to sell for a great future profit.

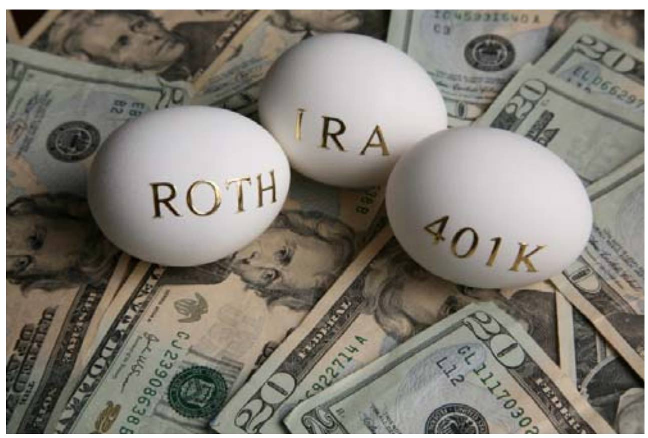
Real estate investing is not without its' challenges though and done incorrectly can not only diminish your investment returns but very well become a constant source of anxiety or worst. This free report will help you understand the three most tested and time-proven keys to successfully investing in real estate for both immediate returns and long-term wealth accumulation while eliminating many of the hassles and problems associated with real estate investing.

Key 1 - The Right Strategy

Real estate investing is a long term wealth creation strategy. Always has been, always will be. Countless investing "gurus" market training and education programs with the allure of getting rich fast in real estate. And while these programs, ranging in cost from a few hundred dollars to tens of thousands, have been instrumental in making these gurus rich quickly, they generally center around "flipping" property or using creative "no money down" techniques.

The problem with these strategies is three fold:

- Any piece of real estate you purchase with the intent to "flip" and do not hold for a few years is taxed as ordinary income meaning that 40% to 50% of your "profits" go to Uncle Sam. Not good.



- Professional rehabbers or "flippers" run full-time businesses, often on razor-tight margins, and more importantly, all rely on being able to find an end-buyer for their property who can get bank financing in an otherwise troubled mortgage and housing market.

- "No money down" techniques focus on finding motivated sellers who are unable to sell their home and working out a deal to take over the existing financing on the property. Aside from the legal and criminal liabilities you can take on pursuing "no money down" investing strategies, (think, mortgage fraud) all of the strategies commonly promoted involve running a business and NOT on investing for passive income and wealth creation.

Unfortunately, if you were looking for the best strategies on how to buy real estate with no cash and no credit this report is not for you.

If however, you are interested in discovering the best strategies to use retirement funds to generate passive returns in the neighborhood of 10% to 15% per year from real estate, or you want to leverage your money with bank financing to generate returns as much as 50% a year, then keep reading because this report will show you how.

Key 2 - The Right Markets

Cash Flow First

Have you ever heard the expression, "location, location, location"? Usually when we hear the phrase it's relative to what a home might be worth based on the fact that it's in a desirable neighborhood on the East side or close to the coast. When investing in real estate, however, the most important "location" factor is *where you choose to invest*.

Would you believe that certain markets throughout the United States simply make better real estate investment markets than others? Factors such as the unemployment rate, average wages, the amount of renter population to owner population, whether or not jobs are growing or shrinking and a large magnitude of other leading indicators all contribute to the long-term viability and year-after-year investment returns of your real estate investment.

The most important factor in determining the right markets to invest in for maximum return on investment has almost everything to do with "price to rent" ratios.

A price to rent ratio is simply a ratio of the amount of annual rent a property will generate relative to its acquisition price and expressed as a percentage. Said another way, this is your gross return on investment before any expenses relative to operating your investment rental property, a topic we'll discuss later in this report.

As an example of price to rent ratios, a median priced home in the California Los Angeles / Long Beach Metropolitan area is approximately $325,000 and the median rent for a three bedroom home in the area is $1,943 per month.

By annualizing the expected rent for the property ($1,943 X 12) and dividing the total by the property's acquisition price ($23,316 / $325,000) the price to rent ratio of a median-priced investment property in Los Angeles, or its gross annual return, is 7.17%.

After assuming a healthy margin for expenses such as property management, vacancy, maintenance, property taxes and property insurance, the expected net return on a median-priced home in the Los Angeles area would likely be somewhere in the neighborhood of a meager 4.2% per year.

As you can see, where you choose to invest has everything to do with how well your investment will perform.

When investing for cash flow first, a good rule of thumb is to target markets with a price to rent ratio or gross annual return of at least 10% and the closer to 15% or more the better.

If you haven't already done so, go ahead and look into the median house price and median rents in your area. If you're already in an area which supports at least a 10% to 15% price to rent ratio you have the benefit of being able to invest in your local market as well as out of area markets which will support strong returns on your investment.

If, however, the area in which you live will not support these types of returns, and you're truly interested in maximizing your return on investment, then becoming comfortable investing in out of area markets will greatly speed the success of your real estate investing. This report will also show you how you can ensure that your investment will keep producing strong returns year-after-year even though you can't drive out to see it.

Key 2 - The Right Markets

Appreciation Second

Beyond a secure return on investment, the largest reason to invest in real estate has to do with the fact that real estate has averaged a 3% to 5% increase in virtually all markets in the United States for well over the last 100 years.

As real estate prices have corrected nationwide and experienced large scale downturns due to rampant foreclosures, there has not been a better time to buy real estate since perhaps the Great Depression. In fact, during the Great Depression more millionaire real estate investors were made than any other time during the history of the United States.

Perhaps you've heard the expression, "buy low, sell high"? Smart money understands when markets are down it's time to buy. We've witnessed countless examples of this over the past few years, not only in real estate where large institutional investors are purchasing dozens if not hundreds of properties at a time, but also in the large scale acquisition of undervalued businesses by investors such as Warren Buffet.

There's an old adage around real estate which states, "don't wait to buy real estate, buy real estate and wait". As we've already discussed, the "right strategy" to buy real estate is to purchase first for return on investment and second for long-term appreciation.

So just what is the right way to buy a real estate investment for long-term appreciation? To start with, don't buy property in markets which are declining in value. Makes sense, right? After all who wants to buy an investment property only to watch it lose value in a relatively short period of time. This is not investing wisely.

Certainly all markets throughout the United States have experienced median price declines as foreclosures and other factors have affected housing. Fortunately, however, many markets throughout the United States represent great opportunity to not only pick up exceptional deals on undervalued properties, but also have the best chance of stable home price appreciation. This is why a large percentage of astute investors are now purchasing property throughout the Midwestern United States and Great Lakes Regions.

Once hot investment markets such as California, Las Vegas, Phoenix, Salt Lake City and areas throughout Florida have continued to post declines in overall home prices ranging between -6% and -16% per year and do not make stable investment markets.

Contrast these same markets to areas throughout the Midwest in major metropolitan areas such as Cleveland, Indianapolis and other sound markets outside of the nation's "rust belt", and the numbers begin to speak for themselves:

Metropolitan Area	Median Price Adjustment Since 2008
Indianapolis, IN	+16.4%
Cleveland, OH	+4.7%
Erie, PA	+13.1%

By buying investment property in the right markets for cash flow first and appreciation second, you are ultimately putting yourself in a position to not only generate strong returns year after year, but also ensure that the value of your investments will go up in time further increasing your overall return on investment.

Once you've evaluated the merits of investing in out of area markets and decided you want to maximize your return on investment, the remainder of the process is simply finding the right investment property deals.

Key 3 - The Right Deals

After you've decided to buy with the right strategy in the right markets, the last key to successfully investing in real estate is to buy "the right deals". When you buy the right properties your risk in owning and operating real estate is dramatically reduced, and your long-term profitability is substantially increased.

For our purposes, buying the right deals means purchasing investment property which will easily cover the inherent operating costs associated with owning rental property, as well as support a strong return on investment. You also want to make sure that your investment will operate smoothly without you having to provide property management or otherwise be involved in the day-to-day operations of your investment.

To better understand the criteria for buying the right deals, let's first evaluate the most common expenses of owning and operating real estate. They are as follows:

Property Management

Do you suppose that Donald Trump is involved in the day-to-day operations of his real estate investments? Of course not. Millionaire real estate investors do not manage their own properties and neither should you.

Competent property management is the key to investing in real estate and especially in out of area markets.

A quality property manger will handle the ongoing operations of your real estate investment including marketing for and screening exceptional tenants. They will collect rents and handle any late payments, handle any maintenance issues relative to your property, ensure you are complying with local rental laws and ultimately ensure the long-range success and profitability of your real estate investment. Quality property management can be difficult to find, but if you do your homework and evaluate their results your property manager will be an indispensible part of your investment team. As a general rule of thumb, property management will cost 10% of your gross monthly rents.

Vacancy

It stands to reason if you intend to hold on to investment property for long-term investment success, at some point or another you will have a period of time where your property will be vacant between leases. Just plan on it and factor it into your annual expenses relative to owning an investment property. Although vacancy rates will vary from market to market, a good rule of thumb is to account for a vacancy rate of 5% of your gross annual rents per year.

Repairs and Maintenance

The IRS assumes you will write off a certain amount of your annual revenues to re-investing in the maintenance of your asset for such purposes as HVAC repair, carpet and paint, appliances and other common property-related expenses which will occur over time.

> *One of the key advantages of owning real estate is in your ability to reduce your taxable liability for depreciation of your real estate asset.*

Ultimately, the amount of money you escrow for repairs and maintenance will vary based on the condition of the property and its systems when you purchase the property, but again, if your plan is to invest with the right strategy for the long term, eventually you will have maintenance issues that will arise with your investment. A good rule of thumb for establishing maintenance and repair costs for a long-term real estate investment is also 5% of your gross annual rents.

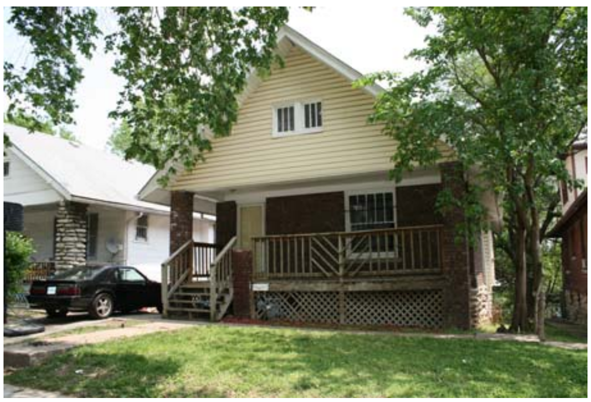
Property Insurance and Real Estate Taxes

Property insurance protects your investment for such things as fire, flood and other major catastrophes which could happen to your investment property. Needless to say, it's essential and also required if you use financing to purchase your property. Property taxes are levied by the state on all homeowners to fund schools, do road maintenance and a number of other valuable community services. Typically your tenant will not cover these expenses making them the last factor you must consider when determining your net annual return on investment.

Now that we've discussed all of the inherent costs in owning real estate, let's take a look at a few examples of turnkey real estate investment opportunities in the Midwest and put the numbers to work.

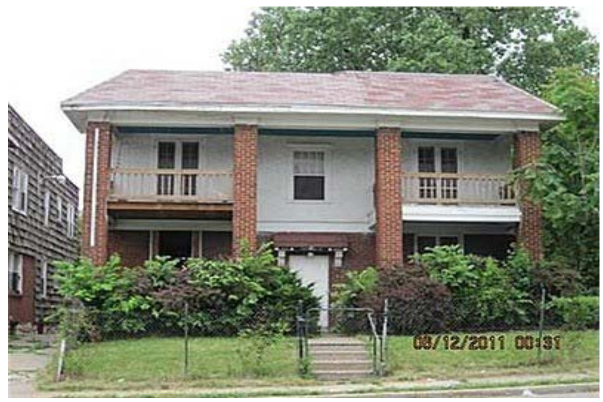
Turnkey Midwest Investment Property Analysis

Single Family Property



Acquisition Price	$45,000
Gross Annual Income	$7,200
Property Management	$720
Vacancy and Maintenance	$720
Taxes & Insurance	$770
Net Return on Investment	**$4,990**
% Return on Investment	**11.1%**

4 Unit Residential Property



Acquisition Price	$100,000
Gross Annual Income	$24,000
Property Management	$2,400
Vacancy and Maintenance	$2,400
Taxes & Insurance	$1,490
Net Return on Investment	**$17,710**
% Return on Investment	**17.71%**

As you can see investing in the right markets and the right deals places you squarely in a position where you're safely accounting for your expected costs of ownership, and equally securing a long-term return on investment for your hard-earned investment capital.

Is it possible that in any given year of your long-term real estate investment your actual costs could exceed your estimates? Of course, we already mentioned real estate investing is not without its risks. Being a prudent investor means closely analyzing your annual returns and making adjustments for vacancy or maintenance factors, but hopefully you're beginning to understand that when you buy with the right strategy, in the right markets and you buy the right deals, the numbers work themselves out.

Perhaps you've already noticed we haven't discussed any future appreciation or the possibility to sell for a high profit in the future. This is what we like to call speculative investing, and while real estate will tend to go up in value, especially when we buy in the right markets, just think of it as a reward for following the right strategy and holding on to your real estate investments for the long term while enjoying the cash flow, relative ease of investing and numerous tax benefits which come from owning rental property.

Leverage to Increase Your Investment Returns

Want to increase your investment returns? Strategically utilizing bank financing is a great option to increase your returns from respectable to exceptional!

One of the key benefits of investing in real estate is the capability of using bank financing as leverage to purchase investment property and increase your ability to not only buy more real estate investments, but also increase your annual returns. To give you an example of utilizing leverage in real estate investing, let's look again at our four unit property from above, only this time, let's assume you use an investment loan requiring a 25% down payment with an annual interest rate of 6%.

Example of Using Leverage to Purchase a 4 Unit Residential Property

Acquisition Price	$100,000
Down Payment	$25,000
Amount Financed	$75,000
Gross Annual Income	$24,000
Annual Mortgage Expenses (6% Investor Loan)	$5,396
Property Management	$2,400
Vacancy & Maintenance	$2,400
Taxes & Insurance	$1,490
Net Annual Income	**$12,314**
Net Annual Return (Based on Cash Invested)	**49.26%**

As you can see, utilizing leverage and available financing will increase your overall returns dramatically, and if you've already started doing the math, you've probably already realized that financing can give you the opportunity to buy as much as four times the amount of cash flowing real estate.

Buy Turnkey Property to Eliminate Hassle and Guesswork

Many investors nationwide are forced to rely on acquiring, renovating and managing property on their own simply because they are buying in markets not conducive to passive real estate investing. The point of this report is not to teach you how to start a real estate investment business, or what we call "active investing". Instead, we hope we've made a compelling case why investing with the right strategy, in the right markets and the right properties can be done with relative ease, security and surety of long-term investment returns.

Fortunately, investing in real estate can be relatively easy and straight forward, particularly as many active investors are now offering "turnkey" rental properties in the right markets throughout the United States.

Turnkey real estate investment companies make it simple to buy investment properties in the strongest cash flow markets throughout the United States. A turnkey operation will have systems and business processes in place to consistently evaluate emerging real estate markets and stay abreast of new opportunities to maximize return on investment. They will also have the ability to renovate properties, provide exceptional property management and otherwise sell rent ready properties so you can focus your time on investing your money and not on owning and operating a real estate investment business.

Because turnkey real estate investment companies purchase large groups of property at drastically reduced prices they are able to offer exceptional prices to investors and will have quality property managers in place to ensure the long-term returns on your real estate investment.

About the Authors

Marquis Properties is one of the top turnkey real estate investment companies in the Midwestern United States.

Since 2009 Marquis Properties has sold more than 500 turnkey real estate investments to real estate investors nationwide at annual returns on investment ranging between 10% and as much as 50%. Marquis Properties continues to sell as many as 25 to 30 real estate investment properties each month.

To get on Marquis Properties' waiting list for turnkey investment properties visit their website at http://marquisinvestmentproperties.com or call one of their investment specialists at 888-505-8155. Marquis Properties' investment specialists will help evaluate your investment goals free of charge and can help you explore turnkey investment opportunities in the strongest cash flow markets throughout the United States.