



NYP Home Real Estate Guide

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ALAN WANG, RENOVATOR

What he paid.....	\$1.1M
What he spent on renovations.....	\$0.4M
What he sold for.....	\$2.1M
PROFIT: \$600,000	

Flex Ottman

BE A LANDLORD

What it takes: A handy streak, or at least a good plumber

For the average New Yorker trying to get into investing, buying a multi-family house in Queens, Brooklyn or The Bronx is a good way to start, says CBHK Realtor Gimelson. "With a two-family house, you can rent out one flat and live rent-free in the other. From the appreciation and refinancing, you can get cash to buy a larger property or two."



If you're going to become an owner-occupant, Gregg Warr suggests purchasing a four-family home. "If you get a four-family building, you get three rents," says Warr, president of MSI Funding, a real-estate investment company headquartered in Seaford, L.I.

BE A SHARP BUYER

What it takes: Cash and an ability to make deals
Ralph Trionfo, 35, now owns a commercial broker-

age firm called Upside Ventures. But he started as a real-estate investor 10 years ago, by subscribing to a foreclosure listing service. (That was before the popularity of the Internet; Gimelson says the way to get a foreclosure now is to go through your local bank.)

In 1999, Trionfo's strategy was to buy a home in pre-foreclosure, paying the original owners \$5,000 to relocate and the bank \$350,000 to pay off the mortgage.

Once the family moved out, Trionfo invested

\$10,000 to spruce the home up, painting the walls, replacing the sinks and mowing the lawn.

"You have to give these homes good curb appeal. It's all about creating an image just like in personal presentation. It's cosmetic renovations," says Trionfo, who ended up reselling the home for \$465,000 and pocketing \$65,000 after paying closing costs.

"It was win-win for everyone. The family was able to relocate and save their credit and I got a house."

Tips from a millionaire

Alan Corey, 26, made \$1 million in the last three years by investing in Brooklyn property. Last year, he opened up his own real-estate investment company, R.H. Renaissance. He also teaches investment classes around the city. (More info can be found on his Web site, Alancorey.com.) Here are Corey's investment tips.

- **Buy a place you can fix up.** Regardless of what the market does, you can always increase the value of a fixer-upper.
- **Make sure your rent is higher than your expenses.** If you buy a place with the intention of renovating and renting it out, don't get caught speculating that the rent might increase as the market changes. It could decrease as well.
- **If you want to buy in an up-and-coming neighborhood, talk to local bar and restaurant owners,** i.e., people who work in the area. These people will tell you who's moving in, moving out — and how businesses are faring in the area.
- **Always keep enough money in an emergency account.** You'll need the cash in case the roof on your building collapses.
- **Partner up,** especially if you are a first-time investor. While Corey prefers to buy alone, investing with someone else can lower the capital investment and monthly costs.
- **If you can, buy directly from owners.** These properties can be cheaper, since there is no broker's fee. In addition, an owner might know less than a broker about the current market value of the property, allowing you to get a deal.
- **Read everything:** The more you know about the market, the better chance you have of getting a deal. Corey reads Curbed.com, the New York Post and the New York Times every day. He also likes brownstoner.blogspot.com, which focuses on Brooklyn.
- **Buy in a transitional neighborhood.** If you do buy in an established neighborhood, get a fixer-upper. — Dakota Smith