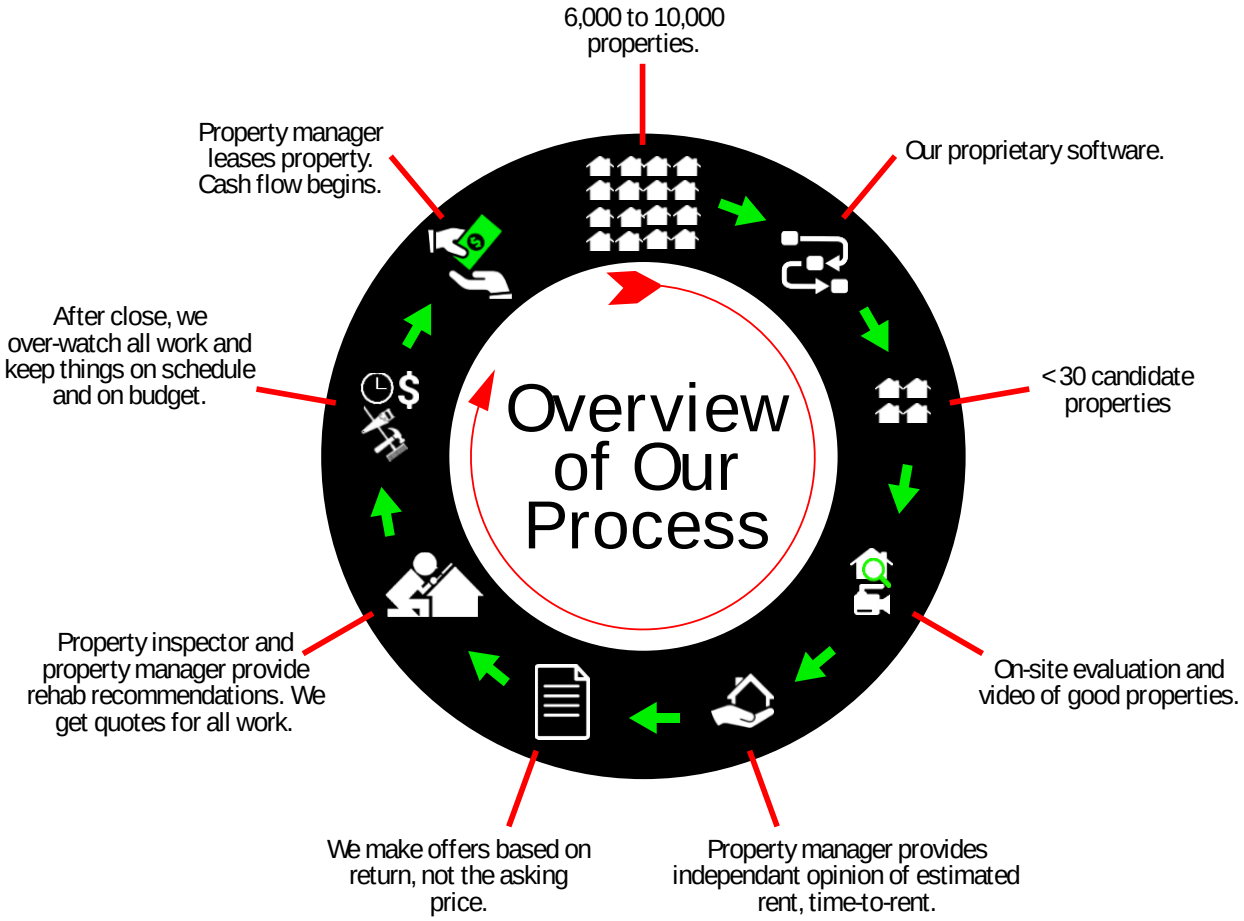
LAS VEGAS
REAL ESTATE INVESTMENT GROUP
Positive Cash Flow Properties Since 2006

Our Process

We are two engineers who approached real estate investing as an engineering problem. We do not believe in luck, secrets, gurus or other such art forms. We believe that consistently doing anything right is the result of following well defined proven processes. Below is a high level view of our process.



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Below is a table containing a more detailed look at our process.

	We export thousands of properties from the MLS, normalize the data and combine it with data from additional sources including historical data we've accumulated.
	Using our proprietary software, we select the best properties based on a number of factors including analytics, rules and historical data. The software generates a short list of candidate properties. Typically, this equates to about 0.5% of the available properties on the MLS or about 1 property in every 2000 available properties. These properties are what we call candidates. Each candidate property must pass all the following steps in order to be qualified as an investment property.
	We manually review the candidate properties and typically eliminate about 50% of them based on factors that software cannot detect. For example, close proximity to a nuisance like a busy road or a commercial business.
	We send this small set of properties to our active investors using proprietary software we call the Investor Tool. The Investor Tool provides access to a subset of the information we use internally to analyze properties.
	When a client expresses interest in a property, we manually reevaluate the property. Only if the property passes this examination do we proceed to the next step.
	We go on site. If the property makes sense we take a video, which we send to the client. Here is a sample video.
	We review the video with the client and if we all agree that it makes sense to investigate further, we proceed to the next step.

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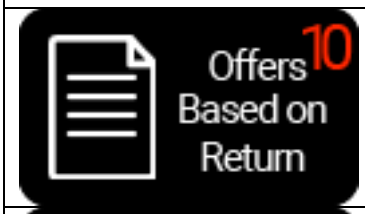
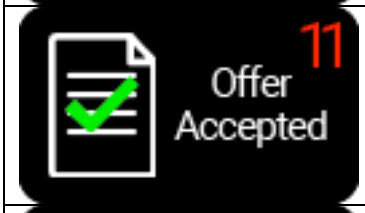
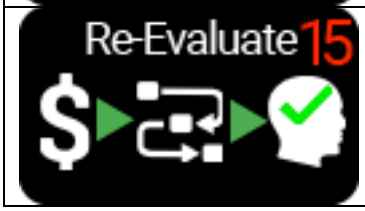
	We estimate the rehab cost based on our standard rehab items. If the property still makes sense, we proceed. If not, we eliminate it from further consideration. Here is a sample property rehab estimate.
	We send the video to the property manager for her opinion. We do not provide any information other than the video and the MLS number. We want an independent opinion of the probable rent and time to rent. If the property manager does not endorse the property, we eliminate it from consideration. Here is a case study which includes the property manager's opinion of a property: Case Study - 500 Feliz Contado.
	If all agree on the property we make offers based on return, not on the asking price. Because of this we typically only get about 1 out 7 offers. However, due to our approach, every property we get is profitable.
	Once the offer is accepted a number of events start including on-site inspections by the property inspector and the property manager.
	Property inspection – The property inspector we use has performed over 200 inspections for us and knows the level of detail and accuracy we require. Once or twice a year, his findings results in our terminating a purchase. Here is a sample inspection report.
	Property manager – The property manager goes on site and provides her recommendations on maximizing rent vs. rehab cost. Here is a sample video showing a typical walk through by the property manager.
	We combine the inputs from the property manager (mostly cosmetic) and the property inspector (mostly remedial) and get quotes on all major items. Here is a sample rehab quote.
	With the estimated rehab cost understood, we re-evaluate the property. If it is still a good investment, we proceed to close. If not, we terminate the purchase and look for another property.

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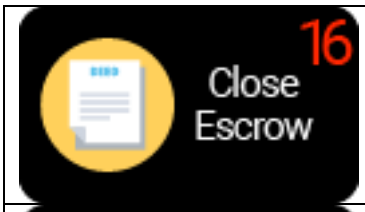
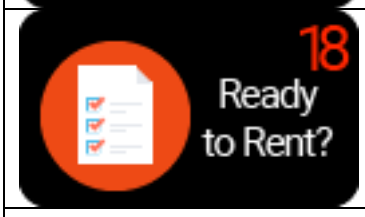
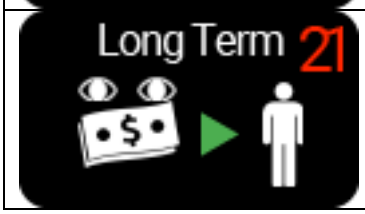
	At close of escrow, the property manager turns on utilities in their name and rehab starts.
	During rehab, we typically go on-site every day to over-watch work and take progress videos, which we send to the client. Here is a series of progress videos.
	Before the property manager accepts the property into her inventory, the property manager completes another walk through and any defects found are corrected.
	We take the marketing photos. Only high quality, bright marketing photos attract tenants. typical time for a Realtor to take marketing photos if under 15 minutes. Our typical time is closer to 8 hours. we use professional-grade equipment and post process all images using tools like Photoshop. The result is images that pop and grab perspective tenant's attention. Here is an example.
	Property manager hand-off - Once property is ready to rent and the marketing materials complete, we hand-off control to the property manager for leasing. The property manager markets the property through multiple channels including her own in-house Realtors who focus on renting properties.
	Long term support - We do not abandon you after the sale. Now or 5 years from now we will be here. Whether it is a concern with the property manager or a tenant turn, call upon us. We will own getting it resolved.

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Summary

Consistently doing anything right is the result of following well defined proven processes. Over the years we've developed the proven processes which we use today. We will continue to make adjustments whenever needed in the future.

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