



## **5 Easy Steps for Investing in Commercial Real Estate**

Bittner Commercial Advisors has created a system, Bittner Easy Invest™, to guarantee that our clients can increase their wealth with solid investments in Commercial Colorado land or buildings. Bittner Easy Invest™ offers you a simplified, efficient way to increase your wealth through Commercial Real Estate acquisitions. Our full service solutions support you from start to finish—initially in the identification of ideal properties, then through acquisition, and finally with management.

These are the five steps that we follow to make your investments successful:

### **1. Interview**

In this initial stage of the process an interview is conducted with the investor to discover their goals for investing in commercial real estate. This interview process is an introductory investigation into the investor's financial and personal background, as well as any financial capabilities or constraints. This step is crucial in developing a relationship where the investor establishes confidence in Bittner Commercial Advisors, and both parties develop a solid and reliable working relationship. The Interview consists of:

- Investor qualification and capability
- Compatibility and thorough compilation of strategy
- Understand personal goals and plans and reason for investment
- Obtain necessary documentation, financial data and history
- Understand financial capabilities and constraints

### **2. Investment Proposal**

The next step to invest is for Bittner Commercial Advisors to develop a preliminary investment proposal to be shared with the investor. The investment proposal will include potential commercial properties that fit the investor's goals, an outline of potential revenue, expenses, and return on properties, and a summary of financial commitments and risks. Along with the plan, initial financial research will be conducted to find potential lenders and what the loan terms would be. This step is important in clarifying any addition needs or goals that the investor may have, as well as showing the investor the potential gains from commercial real estate. In addition this step is necessary for Bittner Commercial Advisors to proceed with an investment plan with the confidence that the investor is

committed to moving forward. The Investment Proposal includes:

- Investment value determination
- Prepare data to demonstrate the goals stated for commercial property investment
- Initiate financial research for lenders and loan terms
- Prepare a list of target properties within parameters
- Summarize tasks to be undertaken in the next stage
- Outlines costs and risks, as well as potential profit
- Present financial investment proposal

### **3. Custom Investment Plan**

The next process in the five step program is to review a detailed investment plan that is specific to the narrowed down list of proposed properties. Each property will be examined thoroughly, observing all aspects of the property and the management. Some items that will be detailed include the legal claims to the property, the code, rules and regulations of the zoning district, and looking at any economic or competitive issues. By detailing all aspects of the property the investor will visualize the tasks, costs and timeframe for the building to be completed to their standards. In addition, the business plan will be presented to prospective lenders to gain commitment and support of the project. This step is crucial because it builds confidence in the investor as well as how the goals and objectives will be achieved. Your Custom Investment Plan includes:

- A Narrowed down list of properties to properties that a contract will be submitted
- Detailed information on building
- Detail analysis of code, rules, and regulations for the property
- Determine time frame and budget for investment
- Update business plan with lender information
- Present business plan to investor for approval and financial commitment

### **4. Investment Acquisition**

Acquiring the desired property is the following step to reviewing the detailed investment plan. Once the investor has selected the property to purchase, a contract is assembled for submission to the property owner. Along with the contract proposal, all necessary financial information is to be collected to secure the financing for the property. A new business entity needs to be formed for ownership of the building as well. Once the contract has been properly organized and prepared it is to be submitted and negotiations will follow. After submission the investor will then build a detailed project plan for the property after the sale to continue with the business plan. Finally the property is acquired and is under ownership of the investor. Our Investment Acquisition step includes:

- Prepare contract offer for submission to property owner

- Collect all necessary financial information to secure financing for property
- Create new business entity for ownership
- Create a detailed project plan for property after acquisition
- Obtain property according to business plan

## **5. Initiate Plan and Management**

In the final step of the process the investor now implements the business plan and manages the acquired property. Once the title has passed into complete ownership of the investor all the "start-up" tasks need to be completed, including zoning construction, re-striping the parking lot, and engineering or design construction. Along with these tasks another imperative process to take is to review all current leases and conditions and modify as appropriate. If there are vacancies, it is important to take the necessary steps to market the property for tenants. Day-to-day property management is also an issue to be addressed to ensure that everything is going smoothly and effectively. This step is relevant for keeping on track with the business plan so that goals are realized for the investor. With effective and detailed management of the property the investor will see increases in property value and produce planned revenue gains. The fifth step includes:

- Perform "start-up" tasks once the title has passed
- Review current leases to confirm terms and conditions
- Market property as necessary inclusive of changes
- Initiate plan for day-to-day property management
- Track daily, monthly, and quarterly management reports

Bittner Commercial Advisors has a solid reputation in the Colorado Commercial Real Estate Investment community because of our Bittner Easy Invest™ program. If you would like to speak to Michael Bittner to find out how BCA can help you with your investments, call 303-442-6565 or email him at [michael@bittnercom.com](mailto:michael@bittnercom.com). To see more about how he works with his clients, please go to [www.bittnercom.com/testimonials.shtml](http://www.bittnercom.com/testimonials.shtml)