

# E59 Using Real Estate for Passive Income with Mariana Silva

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## SUMMARY KEYWORDS

tenants, mariana, property, people, airbnb, money, call, clients, pay, rent, real estate, house, risk taker, investment property, good, month, learned, work, nowadays, making

## SPEAKERS

Liz, AD, Terri, Mariana, Introduction

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**M** Mariana 00:00  
Real estate investing was once out of reach for many of us, but not so much anymore. Today we're talking with Mariana Silva, local realtor, real estate investor and owner of Invest Realty Group on the strategies she's used to build her impressive real estate portfolio and how you can too. Stay tuned.

**I** Introduction 00:26  
You're listening to Triangle's Making Money Personal podcast, where we engage in real talk about financial matters that affect our community. Today's episode is sponsored by Triangle Credit Union recently voted best credit union in New Hampshire.

**T** Terri 00:42  
Mariana welcome back. We are so happy to have you here today.

**M** Mariana 00:46  
Oh, hello, hello, thank you for having me back. It's a pleasure being here.

**T** Terri 00:52  
You were on the show not too long ago and both Liz and I just we fell in love with your energy, we fell in love with the value that you brought to the other podcasts that we did. And then as soon as we were done, we were like, we've got to do something more with you just in terms of

the knowledge base that you have on the real estate market here in Southern New Hampshire and Massachusetts, and your own accomplishments as a real estate investor. So we are so happy to pick your brain today.

**M** Mariana 01:23

Absolutely, it's my pleasure, you know, and hopefully, her husband is listening.

**L** Liz 01:31

Yes, yes.

**M** Mariana 01:32

For those who missed the last episode, we're talking about her husband not wanting to invest in real estate. So hey, great opportunity to be listening to us right now.

**L** Liz 01:43

I'll twist his arm one of these days.

**T** Terri 01:45

I love it. calling him out. That's wonderful. So, you know you did you have been on the show before, but let's just take a step back a little bit. And, you know, just talk a little bit about yourself, and about your journey on buying real estate in this area.

**M** Mariana 02:04

Sure. Absolutely. So my name is Mariana Silva. I am a local agent, I also own Invest Realty Group. And my passion is real estate. I wake up, I go to sleep I breathe real estate every single day. So I am definitely the person that you want to be talking to. Today, we're gonna be focusing more on the investing part of real estate, how it is easy and doable to actually invest and have some passive income from real estate.

**T** Terri 02:34

Awesome. That's wonderful. Very good.

**L** Liz 02:37

Mariana, how did you get into investing? Real estate investing?

M

Mariana 02:41

Okay, so how did I get through investing? My husband has been in real estate since 2002. He was actually he has his master's in biochemistry. He hated the field. And he had a friend who was doing really well in real estate. He was like Albert, you should really come to real estate. He's like, Sure, why not? You know, and we paid the tuition for a long time after that. But anyway, and he was young, making a lot of money. You know, back in 2003, 2004, people were selling houses like they were selling water bottles.

L

Liz 03:13

Yeah.

M

Mariana 03:14

So he was making a lot of money. And he was doing what most young people do when they make a lot of money. He was spending at all. So and that's very common. You know, even nowadays, I see a lot of young people making a lot of money. And I'm like, Okay, what are you doing with the money? So back to us. He made a lot a lot of money. And come 2008, the market crashed. And when I looked at at him, I mean, this guy who made all that money, did not have anything saved. Why? Because he had boats, he had houses he had not not investment houses, you know, he was a single guy back in the day. So he needed to have the big bachelor pad, the pool, jacuzzi, and all those bedrooms and he had multiple cars and motorcycle, a boat, a jetski because that's what most young people do, you know. And when we got married, I know he was completely broke. I sat down with him. I'm like, I don't mind, you know. But I do have one request. I don't like debt. I don't like owing people, anything. So this is what we're going to do. We're going to sell everything that we both have, sell everything and start from zero, start from scratch. You know, we do what we got to do. And that's exactly what we did. And our first property, you know, had to be a multifamily. It was in Manchester. And I remember for the longest time he was kind of embarrassed of like bringing his friends over. Because you know, oh my gosh, this guy went from that big gigantic house to living in a multifamily in Manchester. And what I always told him is it doesn't matter where we are now I know where we're heading. You know, so I could care less what people were thinking of us. I had a plan. And we both had a plan together. And what I told him is okay, we learn from our mistake, imagine if you had invested in investment properties, you know, we could be making money with rent, even though we were not selling houses anymore, we could still be having that monthly income, but we didn't. So what we decided was, I was, you know, working for a short period of time, he had to get a second job because again, real estate was just was not selling, nobody was getting pre approved. And what I told him is, okay, so whenever we do get a commission check from real estate, we're saving like that money does not exist until we have enough saved up so we can buy a second property. And for the longest time, that's what we did. We lived on one income and the other income was mainly just to invest, you know, putting the money on the side. And that's, that's what I learned. I'm like, Okay, we need to have a certain amount of passive income. So I don't care what the market throws at us in the future, we will never be broke ever again. That's awesome. So what what year would you say that? You so what year did you get married? 2008

T

Terri 05:40

2008. Okay. Oh, wow. So you accepted him right in the middle of all of that. That is like true love girl. That's true love. So I guess, you know, because we hear about passive income. I mean, that's trending. And I don't even know if it's a trend because it's been going on now for years. Right? And so, did you identify your strategy as passive income back then, I mean, was that even part of were people using the word passive income at that point, or you were just thinking of this is what we need to do to make sure that we are protected for future economic downturns. Right?

M

Mariana 06:49

Right, and I don't even think that we were thinking passive income, what I did know 100% Sure was we needed a second form of income, that was consistent. And owning our own business, you know, everyone who's listening to us who owns their own business, they know, one month, we can make a lot of money next month, not so much. I mean, we saw COVID. What happened to a lot of business, and construction workers during winter time, it's their downtime. So what I had in mind was, we need a second form of income, just not to depend on any sales, you know, and being a real estate agent, I actually learned that that makes me the best agent I can be because I don't need a paycheck. Nowadays, I don't need to make a commission, I can be truthful to my buyer, you know, I, I walk in all the time, I tell them, Listen, do not put an offer, this is not good. And I know a lot of people out there have not invested in real estate, and even the past few years, that's something that I also teach to my agents, the agents that work with our company. If you you know, a lot of people, they were making a lot of money the past few years. And I always tell them, make sure that you take a percentage of the money that you're making, to invest, you want to make sure that that money is working for you. And one thing that I have learned, and then it's tough, because I remember after the first investment property, and then comes first of the month, you start receiving that rent payment, you know, that kind of becomes addictive a little. So then you're like, Oh, if I save up this much, I have another property and then it's going to be more tenants pay me rent. And then it got to a point where every time I wanted to do something that would cost us monthly. I'm like, okay, instead of doing this, let me save up. I want another house that will make me enough money. So I can actually make that expense, you know. For example, so I wanted my kids to go to private school. I'm like okay, so private school, is gonna it's gonna cost me \$2,000 a month, I need another property that's gonna give me \$2,000 a month.

T

Terri 08:59

No, that's awesome. That's an amazing I think that that's how we even came onto this last time. Like you were you were talking about how to how to look at properties as income generating to the point where it's like, you can cover your

L

Liz 09:18

Offset expenses, right?

M

Mariana 09:20

Yes, absolutely. A lot of people they they focus just on the liabilities, you know? Okay, oh, I'm making extra money. So let me go get a brand new car. Oh, I'm getting extra money so I'm just going to start flying first class. And they they're forgetting to think there's a future out there. You know, what are you doing for you tomorrow, right. And I'm a true believer, you know, nowadays. I do have some clients who invest in the stock market, for example. Good for them if they know how to do if they're still being profitable. I know how to invest in real estate and I think it's very reliable. And even when the market crashed that was one thing that never went down was rent. So I don't know if you guys follow but you know, rent around here in Nashua, for example, back in 2008, when people were losing their houses, they needed a place to live.

T

Terri 10:12

Right.

M

Mariana 10:12

So what happened to the rent amount back then? It was going up because the demand was so great. So even nowadays, you know, the rent I have never seen, you know, a landlord calling the tenant saying, hey, starting next month, your rent is gonna be \$500 lower.

T

Terri 10:28

Yeah, now, let me ask you, though, a question. We, you know, it seems like we're all identifying still with COVID, the pandemic. Did you suffer any during the pandemic? It seems to me like and maybe I'm, I could be, this was hearsay, hearsay, hearsay. But if people couldn't pay their rent, did that end up hurting you at all? Or was there some type of government intervention about rent and stuff like that?

M

Mariana 10:54

I did have a few tenants that they got some sort of assistance. They had different types of assistance for people in need. They had help from the state they had help for, like local organizations. I did have a couple of tenants that were, you know, taking advantage of the system. I know they were working, and then they started being late. I'm like, hold on, you've be my tenant for eight years. You have never been late on rent. What's happening? "Oh, Mariana, a friend of mine, he's getting this assistance. But it will only qualify if youu're more than two months late."

T

Terri 11:30

Yeah.

M Mariana 11:31

So she had to be late in order for her to qualify for the program. But anyways, you know, at the end of the day, they were paying the back rent and plus, so I did not lose any money with any tenants mainly because there were a lot of assistance from the government.

T Terri 11:49

Okay. Awesome.

L Liz 11:51

So how many properties total? Do you have you started in '08 with one? Right.

M Mariana 11:55

Yes. Right now. I have a total of 19 tenants. 19 families. Yes.

L Liz 12:01

Very cool. Now the good thing about that is with 2008 When everything all the prices went down, right. So you had a good opportunity to buy these properties.

M Mariana 12:09

I know, I wish I had been that bought more. But again, I was broke.

A AD 12:14

But you did the right thing you saved

M Mariana 12:18

I told my husband the other day, imagine if we you know if we could afford what we can now back in the day. Oh my gosh, I'd be the next Oprah.

T Terri 12:28

Mariana starts her own town.

L Liz 12:29  
Yeah, right. Right.

M Mariana 12:31  
But what I feel like it's important for you to start whenever you can start, you know, don't let the market dictate. Oh, now it's a good time. Now, it's a bad time. What works for you? So we had to do things slow for a long period of time. And I mean it, we were living paycheck to paycheck, we were struggling. But once again, we were also saving because I knew what I wanted to do.

L Liz 12:51  
Yeah.

M Mariana 12:53  
And I think that's what differentiates, you know, people who keep making excuses. "Oh, I can't because I don't make enough." Well, how much are you spending? Right? You know, you'd be amazed. I mean, I see clients all the time, I see clients who are making over \$200,000 a year. But yet they have less than \$10,000 in a savings account. And I'm like, What's going on with this? But then they're living, like a person who makes \$400,000 a year. So that's, and I don't know, I was talking to my husband the other day, you know, luckily for us, social media wasn't very popular back in the day. And it is now. And it's very trendy for people now to spend more than what they can afford so they can show to their friends on social media, right?

L Liz 13:36  
Yeah. They flex right. They're trying to like,

M Mariana 13:39  
Yeah, I'm like, No, I refuse to pay \$400 for a piece of steak just to post it on Instagram.

T Terri 13:46  
It's gonna be gone in 30 minutes.

M Mariana 13:50  
So I don't know, it gets to a point where people have to realize you're the only person responsible for your future. You know, you cannot. You cannot rely on "Oh, okay. I'm gonna

show off to people. I'm flying first class." I'm like, I'm not paying \$7,000 for a ticket. That's one that's going towards my next house.

L

Liz 14:08

Exactly. Right.

T

Terri 14:10

Mariana, to follow up on that. I do want to know, like, what is your typical strategy in terms of finding the right investment property? And then how much money do you typically, if you don't mind me asking, how much money do you try to typically put down on a new home or on a new investment?

M

Mariana 14:26

Yeah. So there are different the strategy that we use when looking at investment properties, is what the cap rate will be. Which is the return that you're going to have for the investment. So we put the purchase price minus the expenses to see how much net you're going to be getting from the property.

T

Terri 14:42

Okay.

M

Mariana 14:44

And like I mentioned before, it's very important for you to remember that rents keep going up. So my cap rate of a few houses that are started 7%, now they're 15%. But once again, because the rent went up, that's one of the things that you have to look at as an investor. To the other thing, too, there are so many things that you have to look when you actually buy an investment property. So first, if you're an investor, you have to put a minimum of 25% downpayment. That's for most houses. Except if you don't already have a home, you can start off just like me, you know, living in a multifamily. So I decided back in the day, okay, we're going to live in one unit, and rent out the others, until we can save enough money, so we can purchase our next property. So when people do this, they would qualify for financing called FHA, which they can purchase a house with as low as 3.5% down. So like, you can buy a three family house putting only 3.5% down. For the investors on the other hand, I have all sorts of investors. I have some investors that they prefer buying smaller condo units. The condo units, they usually want to get paying all cash not financing. And like I said, you know, I just had a client this past weekend, he was buying an apartment that was \$200,000. The rent for the apartment is about \$2,000 a month. After he pays the condo fee, the taxes, his expenses, he's going to be netting \$1,500 a month. And once again, I don't know of any other form of investment where you can leave \$200,000, get \$1,500 net a month and still take advantage of the appreciation.



L Liz 16:26  
Yeah.

M Mariana 16:28  
So there are different types. And then I also have the investors who are financing putting 25% down. One trick that I have always done with my properties, the way I look at it, so I am not ready to retire. I love what I do. So I don't spend the money that I actually make on most of the investment properties. So what do I do? So if I finance the property, and let's say it's netting me, one multifamily is netting me \$1,000, let's keep an easy number. So what I do is I keep \$300 in the bank, every month, and that money is going to be used for its maintenance, you know, maintenance, repairs, anything needed. And then the additional 700, you can pay towards the principal of the house. So this way, you pay your house much sooner than the 30 years. So a lot of people there that are paying 11 years, 15 years. And that's my goal to have all the properties paid off by the time I retire. So this way, obviously, the income is going to be greater.

T Terri 17:33  
That's awesome.

M Mariana 17:34  
Yeah. And that's another mistake that I see, you know, every now and then I have an investor, she's like, Oh, my gosh, I'm making you know, \$1,500 a month on this property. It's like one Louis Vuitton bag every month. I'm like, Oh, please don't. That's not what the properties are for. So it's a good strategy. So like I said, you know, by leaving the \$300 a month, it might not sound like a lot of money. But it's \$3,600 every year.

T Terri 18:03  
Right.

M Mariana 18:04  
So let's say if Oh my gosh, you know, the water heater needs to be replaced. That's just \$1,200. Do I ever get money out of pocket to pay for anything? No, I do not. Because I leave that cushion, that little reserve in the bank for whenever the property needs repairs. And there's like that money just keeps growing. Sometimes the property doesn't need anything. And I look I'm like, Oh my gosh.

T Terri 18:20

T 18:20

So thank you for keeping that as an easy number, because I can actually do a percentage on 1,000. So is your is your maintenance? Typically do you try and do about 30% as a maintenance, you know, keeping that in like a what we would call a sinking fund or something like that? Is that your general?

M Mariana 18:47

Yeah, so I usually leave 30%. And from what I have found, the repairs are always much less than that. And what I do is remember how it was saying how the money keeps growing? So as the money increases on the account, sometimes I will do improvement that will increase the value of the property.

T Terri 18:53

That's good.

M Mariana 19:05

So like I had a property, this one and I saw the bank account and I'm like, Okay, that's a lot of money. That's enough. I wanted to do like a triple decker. A little darker for all units, because I know that will increase a little bit of the value as well. So I spent that money that was sitting there to do improvements on the property.

T Terri 19:24

Okay.

M Mariana 19:24

So that's what I usually do.

T Terri 19:26

That's awesome.

L Liz 19:27

That's great. So that was going to be one of my questions was maintenance. The other question that which you pretty much answered you set aside money for maintenance and repairs. One of my other questions is about like tenants. So do you vet your tenants when you when they

approach you about renting the property? Were they already in the property when you purchased it? How do you go about finding tenants that you know are going to be reliably, you know, consistent with their payments?

**M** Mariana 19:52  
No, you don't.

**L** Liz 19:53  
Okay, okay. I don't even know if there's a strategy here because that's one of the anxieties people get when they think about rental properties.

**M** Mariana 20:00  
I have learned a lot from my past mistakes. And what I do I pass along my experience to all of my clients, you know, like don't do this I did that when I first started it was a bad decision. So speaking of having the tenants at a property that you're purchasing, it's not uncommon, mainly because if you're a landlord, if you own investment property, you're not going to leave it vacant to put it up for sale. You're losing money every month that the property is vacant. So most of the time, especially nowadays, with multiple offer situations, the tenant comes with the property. And New Hampshire, it's an amazing state to protect the landlord. I think it's a very fair state. Let's put it that way. So I been having tenants now for over 15 years. And I just needed to do my very first eviction last month, like ever.

**L** Liz 20:53  
Whoa

**M** Mariana 20:53  
Yes. And it was so easy. I couldn't believe it. It was like the easiest thing ever. So I filed the paperwork myself, I did not hire an attorney, filed the paperwork myself, I went to the court, they scheduled a hearing, they sent me the paperwork. I went in front of the judge, with the tenant, we decided they gave him 20 days to move out. And I was okay with that. And the tenant was out. I'm like, Oh, my goodness, amazing. So a few things that I have learned, you know, I know a lot of places, especially big apartment buildings, they are requiring the tenant to now have a perfect credit score. They are like I saw a few of the new ones in the area like in Merrimack and Nashua, where they want the tenant to have a credit score of above 700. They need to prove proof of income of four times the amount of the rent. And I'm like, Those people should be buying a house.

**T** Terri 21:50  
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Exactly.

M

Mariana 21:53

One of the things that I have learned from past experience, you know, I am okay if you don't have perfect credit. Things happen, you know, if you're renting, it's probably because you don't make the four times the amount of the rent, and it's probably because you don't have the perfect credit. What I do check, however, I actually learned that, you know, through a seasoned investor that I know. And he said, Mariana, listen, forget about all those apps that screen tenants for you. You know, they're checking for credit score. But it could be that the person never lived on their own before, right? It could be that they never paid rent on their own before. So they don't know how that's like. So what I usually require people is I usually ask them, How do you pay rent nowadays?

T

Terri 22:33

Oh, that's good.

M

Mariana 22:34

And a lot of people they say, Oh, I submit a check. I do a wire transfer, or I do Venmo, PayPal, and I ask them. Okay, would you mind please showing me the proof of the last 12 months of rent payment. I actually just had a unit that vacated this week, from that unit that I evicted. And this past week, I selected a tenant like it was it was crazy. I put it up for rent. I had literally 17 applications from one night of showing.

T

Terri 23:03

Yeah,

L

Liz 23:03

Whoa,

M

Mariana 23:04

I know and like, I feel so bad. I have like all these people begging because it was a three bedroom. And I guess that not many three bedrooms are available in the area. And all these applications and people are like what can I do I really want the place. Oh, so literally, that's you know what I went by I asked the guy how do you pay rent? Can you send me a proof and he sent me like literally screenshots of the wire transfer every month. And I'm like, Oh my gosh, this guy pays every month on the first never fails.

T Terri 23:31  
That's awesome.

M Mariana 23:32  
Amazing. So there are a few tricks, you know that we usually pass it on to clients that I find it very helpful.

T Terri 23:39  
That's awesome. Very cool. Hey, we're gonna just take a quick break to hear from our sponsor, and then we'll be right back.

A AD 23:46  
Do you study paper checks to deposit but don't want to wait in long lines at the bank? Stay home and deposit your check using remote check deposit. Log in to the Triangle mobile app or your online banking to get started. It makes depositing a check as easy as following the endorsement instructions and taking a couple of photos. With a few final taps of your finger or clicks of your mouse your check will be on its way to your account. Don't stress over the hassle of running to the bank for a single deposit. Save fuel and the time by using remote check deposit through the triangle mobile app. Register now and try it out. Visit [trianglecu.org](http://trianglecu.org) for details.

T Terri 24:25  
Okay, and we're back. So Mariana, I do have a kind of a couple of follow up questions. I know that in the past, like when you came in before, you can just tell that you're a risk taker. I mean, there's just one there's like no, you're looking at you're like, Okay, risk taker, I am not a risk taker. Do you have to have that in you in order to be an a real estate investor? Like, you know, could you just say Terri just don't don't even think about doing it because you won't ever be successful in it or or

M Mariana 24:59  
So I hope my husband is listening to this. He tells me I'm the most conservative person on planet Earth.

T Terri 25:05  
Really?

M

Mariana 25:06

Yes, he's the risk taker. And we have lost a lot of opportunities because I am very conservative. Super conservative, I don't go into a property unless I know that it's going to be, you know, an easy property to manage, an easy property to find tenants. And there are a few areas like there are few cities, towns per se, where the properties are very cheap. And here's like, Mariana, we can go there. It's going to be the next boom. And there were a few places that I'm like, oh, I should have listened to him, you know, back in the day. I mean, the numbers did not make sense. But I should have listened to him. He's the risk taker. You know? And I'm like, no, no, no, I'm not doing this. Even now. Like, there was an apartment building for like, 80 units. He's like, Mariana, we should. And I was like, looking at the numbers. I'm like, No, I am a chicken I'm not doing this. You know, I didn't agree with the location. And I thought that was going to be more headaches than what it was worth. But I'm very conservative. So you can still be an investor and be conservative.

T

Terri 25:13

Okay, Okay.

M

Mariana 26:09

You know, you don't have to be like, okay, oh, my gosh, I have to be this crazy risk taker person, in order for me to start making passive income. Absolutely not. Among investment, there are so many levels, types of real estate that you can invest in. And there are things that are very high risk. And there are things that are more conservative. I tend to stay with the more conservative ones. So even per se, if I'm looking at a property to purchase, I will look at how long have the tenants been there for? I look at the area, you know, is this an area that a typical nice family would move into? I look, you know, at everything, there is a little research that I do regarding the neighborhoods, about the schools about everything else, because I find that's a very conservative move of investment. So I am buying, yes. Am I buying in a crazy place where I know that you know, it's going to be difficult? No. If I did, I could actually buy something that would give me a higher profit. Even this past weekend, I was showing houses to a couple of investors and one of them he's like, Oh, Mariana, look at this one. The numbers are amazing. Like, it sounds amazing on the paper, but let me tell you, I know exactly where the neighborhood is, and I will not purchase a house there. And I told him, you know, you will get more profit, but it's a higher risk, you know, if the vacancy rate on those places are a little bit higher, because when a tenant does get out, it's a little bit harder to rent. So he would make more money, but it was a higher risk.

T

Terri 27:41

Okay.

M

Mariana 27:42

So they're, you know, don't worry about it, give me a call.

L Liz 27:50

That's great advice. Because I'm like, Terri, I'm not so much a risk taker. I'm very, like, I there's so many details that I need to know before I make one step forward. So it's encouraging to hear that you can do these kinds of things, with the right motions with doing the right research. And that led me to one of my other questions I was gonna have when you're looking at an area like a location, what are the specific things you look for? And how do you do that? Do you? Do you walk the area yourself? Do you call up people in the area? Like, how do you find that out? If it's an area you're not super familiar with?

M Mariana 28:24

Well, it's not a fair question, because I am a real estate agent and I check houses seven days a week.

L Liz 28:30

That is true

M Mariana 28:30

I'd be in a lot of trouble if I didn't know the areas.

L Liz 28:35

But for someone who may not be like, what do you recommend they look into?

M Mariana 28:38

I would say work with someone who actually knows the area where you're looking to invest. You know, trust the real estate agent. If I have a toothache, I'm gonna go to a dentist that I trust, because that's what he does day in, day out. So my advice to you don't try to be the expert. You know, if you're a banker, be an expert at being a banker, and work with a real estate agent who's local, who knows the area and who's going to be honest with transaction.

L Liz 29:01

Nice.

T Terri 29:02

That is awesome. So what I really you know what I am, again, Mariana. I'm so glad that you're

That is awesome. So what I really you know what I am, again, Mariana, I'm so glad that you're on because one thing that is really resonating with me is that, you know, if my husband and I wanted to get into this, this is a phone call to you that says, you know, Mariana, this is the amount of money that I have, you know me now, we've met a couple of times. You know, that I'm more conservative, what options do I have as a real estate investor? And then you get to use your expertise and walk me through that process, which I you know, I mean, that I think I was more along the lines of what you were thinking, Lizzie is that you have to do all of this stuff yourself. And that's not our role.

M

Mariana 29:46

Absolutely. I gotta say, you know, my first property I did do a lot of things myself. Oh my gosh, I learned like I learned how to install floors, because back in the day, remember the first house? We were broke. We had zero money in the bank. So we had to learn how to do a lot of stuff. Nowadays, I barely go to any properties. Why? Because every area where I own I know a handyman person. I know an electrician, I know a plumber. So if I'm in Mexico, on my vacation and someone calls "Hey, Mariana, the toilets leaking", I will call my plumbers, hey, can you please go there? And I'll Venmo him the payment. So nowadays, things are so much easier. And what I, you know, when you first meet with your real estate agent, you know, you should have a little interview to see what works for you. So I had this new client who just called me like this past weekend. He was he was already in the process. He wasn't too happy. He didn't think he was getting the attention or the knowledge that he needed. And he was referred by a client that buys a lot of stuff from me. And I met him and he's like, Yeah, I'm looking, you know, I want a property that's at least like four or five units. And I met with him. And he's like, I'm like, Okay, so do you live in the area? He's like, No, I live far away. I'm like, Okay. He is a software engineer, who knows nothing about properties. He lives in a condo. And I'm like, a four to five unit will be too much for you my opinion. You know, that's like I if I were you, and that's his first investment property?

T

Terri 31:18

Yeah.

M

Mariana 31:19

That's, that's not where I would start. That's not where I would recommend you to go. He's like, really, because I thought that was the best. I'm like, Well, again, you have to see work, what works for you. Not because you watched some YouTube of some guy saying you should buy a 10 unit property, that does not mean that it works for you. So and what we did he bought the apartment that we're talking about, which was an apartment and having condos to a lot of people who are not handy. The profit margin, you know, if you're financing, it's not the best. But once again, any issue they have like the condos that I own, if they have an issue, which now, they're going to call the condo, if they have an issue with a neighbor being loud, they're going to call the condo, if they have a problem with, you know, outdoor maintenance, they're gonna call the condo. So it's pretty much like headache free, like, I get like, pretty much zero calls from a tenant. So it's very important to look at the client's profile and to see what will fit him better.



**T** Terri 32:24  
Right, right. That's awesome.

**L** Liz 32:26  
This was another thought that came to me too. When people talk about investment properties and real estate. Sometimes they go into the Airbnb world. What are your thoughts on renting for Airbnb versus renting for, you know, tenants where they're monthly?

**M** Mariana 32:43  
So I'm glad nobody could see me rolling my eyes.

**T** Terri 32:47  
I did. And if you weren't gonna say I was gonna point it out.

**M** Mariana 32:52  
So, Airbnb. You know, and like I said, remember how we're just talking some people are big risk takers, and some people are very conservative. It depends on your profile. If you're a risk taker, yes, you're gonna go to those meetings, they're going to tell you that you're going to make \$20,000 a month, you can just buy one property and make the \$20,000 a month. That's great. Go for it, you know. Is it for me myself? No. And the reason is, you know, when you have a long term tenant, it's more predictable. So you know exactly how much money you going to be making, you know, how much money you're going to be spending you you can foresee, you know, everything regarding that property. When it's Airbnb, like, I had a lot of clients, Orlando was like big right? A couple of years ago, like three years ago, everybody was like, Oh my gosh, Orlando, I've got invest in Orlando Airbnbs. And a lot of people did. And I don't know if you guys have been to Orlando lately, but all they have now is new construction with Airbnb vacation homes.

**T** Terri 33:52  
Okay

**M** Mariana 33:53  
So now the supply is so much greater than the demand. Like if you go under like Airbnb right now and search Orlando, you probably going to have like 1000 options, which means that the demand has gone down, the value has gone down. So the way I look at it, you know, every now and then I have a client to says "Mariana I'm thinking about getting an Airbnb at Lake

Winnepesaukee." The way I look at it is if you can afford a vacation home you know if that's one of your plans, so let's say you call me and you actually wanted to enjoy with your family, you say "Mariana we go there all the time. We spend a lot of money hotels," Get that property and then you can make some money with Airbnb along the way,

L Liz 34:36

Like as a supplement,

M Mariana 34:38

But know that you're going to be the person responsible for that mortgage. Okay, now that's my opinion. I do however, have a lot of clients who own a lot of Airbnbs and they swear by it. If it works for them, it's amazing. But when I do have a client that's serious about Airbnb, so in Hyannis, we do have an office in Cape Cod as well. And Hyannis right now it's becoming the hotspot to buy Airbnbs. And what I do look so when someone actually does want the Airbnb, we look at the past year's reservation, how much is the Airbnb. So I tend to advise them to get a place who has already been an Airbnb before. We look at the reviews online to see if it's a place with good reviews. We see what was the vacancy rate on them. So even if you do want, you know, I have learned to respect my clients, which my job is to be professional and do my homework.

T Terri 35:40

You know, there could be some situations, especially when you're looking at a residential area, right? Where they may not be compliant with Airbnb or if it's a homeowner's association. They can't You can't do an Airbnb.

M Mariana 35:52

There are a lot of like, up in the Laconia Lake region, there are a lot of towns actually that don't allow Airbnb anymore. So like I said, it's very important. You know, whatever your goal is, communicate that with the agent that you're working with. Because as experienced local agents, we will know how to guide you. The worst thing is when a client's planning something, but they're not telling us, you know, like, "okay, Mariana, my family and I want to buy a house on the water." That's amazing. They don't tell you they want to Airbnb it. And then like, you keep showing them houses and then one day, they're like, oh, you know, "how much money do you think I can make here?" I'm like, Hold on? Are you buying this as your vacation home? Because it's different? You know, for us guiding you. It's a completely different look and search.

T Terri 36:37

Right? No, that's a good point. I have some friends who have multi, like, I think they might have probably, I know, upwards of like 12 tenants, and maybe three or four houses I would call like, right? So rental properties. I'm not sure how they do this, but would you suggest that for every

house that you have, it would be a different LLC?

**M** Mariana 37:07

So it is recommended, you know, because then your liability is limited to that property. But nowadays, there's so many types of insurance that you can get for everything. You know, you get the umbrella insurance, you get an extra policy for every property that you own. I am amazed by how many clients have a lot of houses, but they don't even have a trust.

**T** Terri 37:28

Really? Yeah.

**M** Mariana 37:29

And I'm like, okay, so I feel like it's it's a whole it's an investment. It's it's a business, you know, I treat every single property that I own, like its own business. So I have different business, you know, you should have different liability for every single one of them. Correct?

**T** Terri 37:46

Yep.

**M** Mariana 37:47

So that's how you should look at it. It's the same thing. You know, I usually tell my clients, I'm a very friendly person, very, super fair person. So, you know, you call me I'll make sure I have someone in as soon as possible, max 24 hours. But I also I don't become friends with my tenants. You know, because you cannot. And I always tell people, I don't rent to friends. And the reason is, I have done it before and they're like, oh, "Mariana, you know, I know you don't need the rent this month. So I can only pay you at the end because I'm doing this sweet 16 party for my girl." I'm like, so you're not paying the rent because you have to throw your daughter an expensive, sweet 16 party? No, that's not how it goes. So, you know, it's really separate things you can still be friendly without being friends.

**T** Terri 38:37

Right.

**M** Mariana 38:38

And that's what I try to do. You know, it's a business. And I feel like when you do that people kind of respect you. It's a different way.

**T** Terri 38:46  
Right.

**M** Mariana 38:47  
My husband does not deal with any tenants. Just so you know. He does not.

**L** Liz 38:54  
Is it because he has trouble?

**M** Mariana 38:58  
Everybody could live for free if they want. You know, I remember there was this one person once and I'm like, So whenever like something that they can't pay you anything they used to call my husband, because he's always like, "Oh, no problem you pay whenever you can," you know, that kind of thing. And I went on her Facebook and she was on a vacation in Greece. I'm like Albert you just told the tenant she couldn't pay. She's actually Greece right now.

**L** Liz 39:26  
Yeah, my father had a property once it he didn't buy it to rent it out. But he bought a property he was approached by someone to see if, you know, they could live there. And he's sympathetic, and he's friendly and all of that. So he said yes. And it quickly fell it quickly rolled into one of those scenarios where you know, this month, hey, I don't think I'm gonna be able to make my payments and, and he's, you know, he's empathetic so he really ended up getting pushed over a lot when it came to those properties. So he would say flat out he's like, I'm I made for this, you know, because he ended up selling the property because he just couldn't handle it anymore.

**M** Mariana 40:03  
Yeah, but I feel like it's all practice and training, like when I, when I get like a new investor, I do a lot of teaching.

**L** Liz 40:12  
Yeah.



**M** Mariana 40:12

And the reason is I am like, if you ask the people that work with me, I am the paperwork crazy person, everything's on paperwork, if it's not on paperwork, it did not happen. So doesn't matter the type of agreement that you have with a tenant, everything is written, everything's on the contract, you know, if there is any change at all, to anything, it's going to be a contract for that, and we're both gonna sign it. And if you don't follow the contract, I will send you a letter, per the lease agreement clause, blah, blah, blah, paragraph x, it was agreed, that this was going to happen. And I feel like when you act professional people will respect you more.

**L** Liz 40:49

Yeah. And he didn't have any of that stuff in place. So that was part of the problem,

**M** Mariana 40:52

The poor man, he should have called me.

**L** Liz 40:54

I think he should have Yeah, he should have.

**M** Mariana 40:58

And I do have a few clients who owns more investment properties. And they don't want to deal with tenants, and they put the houses under property management. You know, it's not very uncommon. There are a few companies, local companies, most of them they charge about 10%. So if you don't want to deal with anything whatsoever, you'll put in on a property management.

**T** Terri 41:18

Is that going to be your next move? Are you going to be a property manager?

**M** Mariana 41:21

I oh, for other people? Absolutely not. No.

**T** Terri 41:27

This is a new revenue stream for you.



**M** Mariana 41:28

No, no, no, no, no, I like buying and selling. I like representing buyers and sellers. You know, and there are a few companies that are very good local companies. And I just, you know, first what I tell people try it out first, you'll be amazed. You know, once you actually get the gears going. It's so easy to maintain. Like I have my little spreadsheet every month I go in people are paying I just type it in the numbers, okay, paid on time, paid on time, paid on time. Like I said, You need to have a circle of professionals in the area where you can trust and you'll pay them, you know, immediately and believe it or not, and a lot of the plumbers handyman people, they go in, they do a search. They're like "Hey, Mariana, this is going to be \$300. Can I proceed?" Yes, I Venmo them right there. And they're like, "Mariana, I love working with you. Because you always pay right away." Yeah, I'm like, do people not pay right away? So again, you know, by being fair and professional, you always have people to rely on.

**T** Terri 42:28

That's awesome. Excellent. Mariana, you have been again, an outstanding guest. We so appreciate you coming on today and sharing your knowledge with us. I feel like that we could go on and

**L** Liz 42:38

we really could.

**T** Terri 42:40

I'm like okay, we probably should wrap this up. So, Liz, do you have some rapid fire question?

**L** Liz 42:45

We'll do another rapid fire session.

**M** Mariana 42:47

Okay.

**L** Liz 42:48

I don't remember which ones Terri asked last time. So forgive me if there are some duplicates here.

**T** Terri 42:52

We just want to make sure that she's answering consistency right?

We just want to make sure that she's answering consistently, right.

**L** Liz 42:56  
Yeah, exactly. Exactly. Okay, East Coast or West Coast?

**M** Mariana 43:03  
East.

**L** Liz 43:04  
Cottage or cabin?

**M** Mariana 43:06  
Cabin. I was gonna say lake house.

**L** Liz 43:12  
Deck or patio?

**M** Mariana 43:13  
Deck.


**L** Liz 43:15  
Rock or hip hop?


**M** Mariana 43:16  
Hip hop.


**L** Liz 43:17  
Sunrise or sunset?


**M** Mariana 43:19

Sunset.

 Liz 43:20  
Lake or beach?


 Mariana 43:21  
Lake.


 Liz 43:23  
Biking or surfing?


 Mariana 43:25  
Surfing.

 Terri 43:27  
That's a good one.

 Liz 43:28  
Dogs or cats?

 Mariana 43:29  
Dogs.

 Terri 43:31  
No hesitation.

 Liz 43:32  
Coffee or tea?

 Mariana 43:33



Coffee.

L

Liz 43:34

And vacation or staycation?

M

Mariana 43:35

Oh, vacation.

L

Liz 43:40

Awesome, Yeah, I don't remember if any of those are duplicates.

T

Terri 43:42

I think that they might be all new. That was really good. Nice job.

L

Liz 43:46

Well, again, thank you so much Mariana, for coming in. It's always a pleasure. We've learned so much.

T

Terri 43:51

Yeah. Before we sign off, we should actually ask Mariana, is there some information that you would like to share in terms of how people can get a hold of you? Phone number? Email?

M

Mariana 44:03

Yes, I'll be happy to share my information. But I also like to tell you know, everybody who's listening. If you know someone who you trust, who is a real estate agent, and you know, they're good at what they do. They're already an investor, go see someone you know, go get a free consultation. Go talk to anyone if that's something that has crossed your mind. If you have been thinking, "Oh, maybe I should sell that property and invest in something bigger." Or if you're thinking about investment on something. If you call me it's great, but if you don't call me just go see someone who is you know, an honest professional. My office I have an office in Nashua, New Hampshire have one in Tewkesbury. And my phone number 603-438-4263. You guys can also follow me on Instagram. It's Mariana.Realtor, and I'll be happy to assist but remember, you know the first step, call someone and if it's something that you have been thinking of and just put it on the side. You don't pay anything to have a free consultation, talk to someone and see where it goes.



Terri 45:07

Excellent. Fantastic. That's great. Again, thank you so much, Mariana. We really appreciate you coming in today.



Mariana 45:12

Thank you for having me. It was fun.



Liz 45:16

Thanks again.



AD 45:17

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