



*Strategies for*  
**SELF-EMPLOYED  
BORROWERS**

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**Radiant**  
financial group

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## What You Need to Know as a Self-Employed Borrower

Owning real estate can be a great way for self-employed individuals and business owners to build wealth and achieve their financial goals. However, there are some unique challenges that business owners face when it comes to real estate.

### **THE BENEFITS OF OWNING REAL ESTATE WHEN SELF-EMPLOYED**

There are many benefits to owning real estate as a business owner. Some of the most common benefits include:

- **Tax benefits.** Real estate can provide a number of tax benefits for business owners, such as depreciation deductions and tax-free exchanges.
- **Appreciation.** Real estate can appreciate in value over time, which can provide a significant source of wealth for business owners.
- **Cash flow.** Rental properties can generate cash flow that can be used to support the business or to provide a personal income stream.
- **Equity.** As the value of real estate increases, the business owner's equity in the property also increases. This equity can be used to finance future business ventures or to provide collateral for loans.
- **Business location.** Owning real estate can give a business owner a desirable location for their business. This can be a major advantage in attracting customers and employees.

### **THE CHALLENGES OF OWNING REAL ESTATE AS A BUSINESS OWNER**

While there are many benefits to owning real estate as a business owner, there are also some challenges. Some of the most common challenges include:

- **Financing.** Business owners may have difficulty getting financing for real estate, especially if they have a limited credit history.
- **Time commitment.** Owning real estate can be a time-consuming proposition, especially if the property is a rental property.
- **Risk.** There is always some risk involved in owning real estate, such as the risk of vacancy or the risk of property damage.
- **Regulations.** There are a number of regulations that apply to real estate, such as zoning laws and building codes.
- **Taxes.** Real estate is subject to a variety of taxes, such as property taxes and capital gains taxes.

# BUILDING WEALTH THROUGH REAL ESTATE

*Building wealth through real estate*

## EXPERT TIPS FOR SUCCESS IN REAL ESTATE

Despite the challenges, there are many self-employed people who have successfully invested in real estate. Here are a few tips for success:

- **Do your research.** Before you buy any property, it is important to do your research and understand the market.
- **Get professional advice.** It is important to get professional advice from a real estate agent, mortgage broker, and accountant.
- **Start small.** If you are new to real estate, it is a good idea to start small and gradually increase your investment over time.
- **Be patient.** Real estate is a long-term investment. It is important to be patient and not expect to get rich quick.
- **Diversify your portfolio.** It is a good idea to diversify your real estate portfolio by investing in different types of properties in different locations.
- **Manage your properties well.** Once you own real estate, it is important to manage it well. This includes finding good tenants, collecting rent on time, and making repairs as needed.

## HOW RADIANT FINANCIAL GROUP CAN HELP

Radiant Financial Group is a mortgage broker that can help business owners get financing for real estate. We have a team of experienced professionals who can help you understand your options and find the right loan for your needs. There are additional things to think about if you are a business owner:

- **The way tax returns are filed can make or break the ability to get a home loan.** It's very important that the CPA and Mortgage Advisor collaborate to help determine the amount of income needed to be reported to qualify for financing while still being conscientious of not showing more than needed for tax savings.
- **Owning a business for at least 5 years has some benefit** when it comes to what we require for qualifying.
- **Alternative income approaches** are available for those businesses that need an out-of-the-box approach to using income outside of the standard tax return. For instance, bank statements for income is one option.
- **Investing in real estate can be an option to help diversify assets and create additional income** as a business owner.

If you are a business owner who is interested in investing in real estate, contact Radiant Financial Group today. We can help you make the right decision for your business and your financial future.

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