



Welcome to Jumpstart Germantown

GET TO KNOW YOUR FELLOW MENTEES

SESSION 1



History and Success of Jumpstart Germantown

AN OVERVIEW

Success Stories



**GABRIELLA &
OLIVER SOMOZA**



PALAK SHAH



**DOUG & LORISA
DEPTE**



JOSH JONES



The Three Jumpstart Initiatives

1. *Training Program*
2. *Developers' Network*
3. *Loan Program*



Jumpstart Philosophy

DOING WELL BY DOING GOOD

- A. Reducing blight
- B. Improving your community with less gentrification
- C. “Growing the Pie”: Sharing resources
- D. Gaining community support, and a marketing advantage, by being a good neighbor
- E. Reckoning with risk
- F. Investing in your future: Creating a nest egg
- G. Changing the face of development: Diversity



What You Need to Jumpstart and Succeed

1. Be a *sponge*
2. Be willing to *take risks*
3. Embody these *qualities* →
 - authentic & trustworthy
 - responsive
 - knowledgeable
 - organized
 - patient
 - persistent
 - aggressive
 - “fire in the belly”
 - common sense & “street smarts”
 - be a “doer”
 - willing to be hands-on
 - be strategic - work smarter
4. Get going. *It's on you* to get it done!

Activity

IDENTIFY YOUR STRENGTHS AND WEAKNESSES

- authentic & trustworthy
- responsive
- knowledgeable
- organized
- patient
- persistent
- aggressive
- “fire in the belly”
- common sense & “street smarts”
- be a doer
- willing to be hands-on
- be strategic - work smarter



The 7 JumpSteps of Real Estate Development

SESSION 1 - 2

1. Create a *Development Strategy* & Identify Your Team

2. *Source a Property*

3. Do Your *Due Diligence*

4. Find Your *Financing*

5. Develop *Design* & Procure Permits

SESSION 7

6. Customize *Construction*

SESSION 8

7. *Lease/Manage/Sell* Your Property



JumpStep 1

Create a Development Strategy & Identify Your Team

Step 1.1 Why invest in a given neighborhood?

Step 1.2 Assess risks and rewards: Be aware of your expectations

END OF SESSION 1

SESSION 2

A woman in a black blazer stands on the left, holding a microphone and addressing a panel of four men seated at a long table covered with a black cloth. The men are dressed in business casual attire and are looking towards the speaker. Several water bottles and papers are on the table. In the foreground, a large audience of diverse people is seated in rows, facing the panel. The setting is a bright, modern room with large windows in the background. A large black speaker is visible behind the panel.

Welcome to Jumpstart

SESSION 2



JumpSteps We'll Cover Today

1. Create a *Development Strategy* & Identify Your Team
2. *Source a Property*
3. Do Your *Due Diligence*
4. Find Your *Financing*
5. Develop *Design* & Procure Permits
6. Customize *Construction*
7. *Lease/Manage/Sell* Your Property



JumpStep 1

Create a Development Strategy & Identify Your Team

Step 1.3 Determine the *best strategy* for you

A. Development options

- Where?
- What?
- How?

B. Find your niche

C. Enter into **partnerships**: Expand your capacity

D. Devise a “game plan” for the property



JumpStep 1 Create a Development Strategy & Identify Your Team

Step 1.4 Avoid *mission creep*

Stay on course. Don't make abrupt changes in strategy.

Step 1.5 Do your *legal legwork*

Individual ownership vs. corporate ownership



Homework

Using What You Now Know

Page 22



END OF SESSION 2

SESSION 3

A man wearing a cap and a t-shirt is sitting on a ledge in a doorway. He is looking towards the camera with a slight smile. The background shows a white SUV parked outside a building with a tiled roof. The scene is brightly lit, suggesting daytime.

Welcome to Jumpstart

SESSION 3



JumpSteps We'll Cover Today

- ✓ ~~1. Create a *Development Strategy* & Identify Your Team~~
- 2. Source a Property**
- 3. Do Your *Due Diligence***
4. Find Your *Financing*
5. Develop *Design* & Procure Permits
6. Customize *Construction*
7. *Lease/Manage/Sell* Your Property



JumpStep 2

Source a Property

Step 2.1 *Where to find properties*

- sheriff sales (mortgage or tax sales)
- public auctions
- conservatorship process
- “for sale by owner” (FSBO) properties
- properties with liens (buy liens and foreclose)
- government or land bank owned
- short sales
- bank sales/foreclosures (real estate owned [REO])
- MLS hot sheets—what’s already “on market”
- wholesalers
- HUD/VA owned
- other?



JumpStep 2

Source a Property

Step 2.2 *How to find properties*

- build relationships with local real estate brokers/agents
- go door to door
- network/word of mouth/social media—“off market”
- marketing: flyers, posters, letters to current property owners
- government agency websites



JumpStep 2

Source a Property

Step 2.3 Agreement of Sale (AOS)

- Key protections within the AOS
 - mortgage contingency
 - inspection contingency
 - zoning contingency
 - environmental contingency



JumpStep 2

Source a Property

Tips to Get Your Offer Accepted in a Competitive Real Estate Market

- **Be the First Offer**
- **Be the Last Offer**
- **Keep It Clean**
- **Their Price/Your Terms**
- **Make Multiple Offers**
- **Use an Escalation Clause**



JumpStep 3

Do Your Due Diligence

Step 3.1 Consider **all** possible strengths, weaknesses, and liabilities

- property factors
- financial factors

END OF SESSION 3

SESSION 4



Welcome to Jumpstart

SESSION 4



JumpSteps We'll Cover Today

- ✓ ~~1.~~ Create a *Development Strategy* & Identify Your Team
- ✓ ~~2.~~ *Source a Property*
- 3.** Do Your *Due Diligence*
- 4.** Find Your *Financing*
5. Develop *Design* & Procure Permits
6. Customize *Construction*
7. *Lease/Manage/Sell* Your Property



JumpStep 3 Do Your Due Diligence

Step 3.2 Find out the zoning classification

Step 3.3 Develop a list of “comps”

Step 3.4 Determine financial feasibility



JumpStep 4

Find Your Financing

Step 4.1 Identify *funding sources*

- For equity in/down payment
 - borrow from family or friends
 - take out a line of credit on your current home
 - find an investor or partner
 - crowd-funding
- Loans available
 - nontraditional funders
 - government or traditional loans
 - get creative!



JumpStep 4 Find Your Financing

Step 4.2 Secure a *loan*

- Bankers are not scary!
- Be prepared.
- Be organized and professional.
- Get involved with appraisals.
- Remember: Everything is negotiable.
- Become familiar with general terms for commercial loans.

END OF SESSION 4

SESSION 5

A man with dark hair and a mustache, wearing a dark grey suit jacket over a blue shirt and light blue jeans, is sitting on concrete steps in front of a house. He is smiling and looking towards the camera. The house has light-colored horizontal siding, a white door with the number '302', and a white window frame. A white metal railing is visible to the left, and a black metal railing is to the right. The background is slightly blurred.

Welcome to Jumpstart

SESSION 5

JumpSteps We'll Cover Today

- 
- ✓ **1.** Create a *Development Strategy* & Identify Your Team
 - ✓ **2.** *Source a Property*
 - ✓ **3.** Do Your *Due Diligence*
 - 4.** Find Your *Financing*
 - 5.** Develop *Design* & Procure Permits
 - 6.** Customize *Construction*
 - 7.** *Lease/Manage/Sell* Your Property



JumpStep 4

Find Your Financing

Step 4.3 Your long-term real estate investment strategy for buy and holds: ***BRRRR***

1. Buy

Acquisition costs:
\$75K

2. Renovate

Construction costs:
\$125K

3. Rent

Total cost:
\$200K

4. Refinance

Appraised value: \$280K
75% LTV loan: \$210K
Cash out from refinance: \$10K

5. Repeat this with your next property and refinance every five years.



JumpStep 5 Develop Design & Procure Permits

Step 5.1 Create a *scope of work*

END OF SESSION 5

SESSION 6

A construction worker wearing a blue hoodie, a grey cap with the 'Jump' logo, and khaki pants is working on a wooden frame. He is using a blue power tool, possibly a nail gun or a similar fastener, on a vertical wooden beam. The background shows a brick wall and a window with white trim. The overall scene is a construction site.

Welcome to Jumpstart

SESSION 6



JumpSteps We'll Cover Today

- ✓ **1.** Create a *Development Strategy* & Identify Your Team
- ✓ **2.** *Source a Property*
- ✓ **3.** Do Your *Due Diligence*
- ✓ **4.** Find Your *Financing*
- 5.** Develop *Design* & Procure Permits
- 6.** Customize *Construction*
- 7.** *Lease/Manage/Sell* Your Property



JumpStep 5 Develop Design & Procure Permits

Step 5.2 Understand the 3 levels of *renovations*

Step 5.3 Determine what *approvals* you need



JumpStep 7

Lease/Manage/Sell Your Property

Step 7.1 Marketing to *lease*

A. Finding tenants

- Advertising
- Showings
- Walk the Unit

B. The application process: Getting to “Yes”

C. What makes a good prospective tenant?

D. Tenant application DOs and DON'Ts



JumpStep 7

Lease/Manage/Sell Your Property

Step 7.2 Marketing to *sell*

- Decide whether to:
 - **sell the property yourself**, or
 - **hire a broker**
- Are **current tenants** are interested in buying?
- Ask **your neighbors** if they know anyone interested
- Are there **comparable houses** on the market?
- Advertising
- Staging

Catch-up and Review

Homework

Using What You Now Know

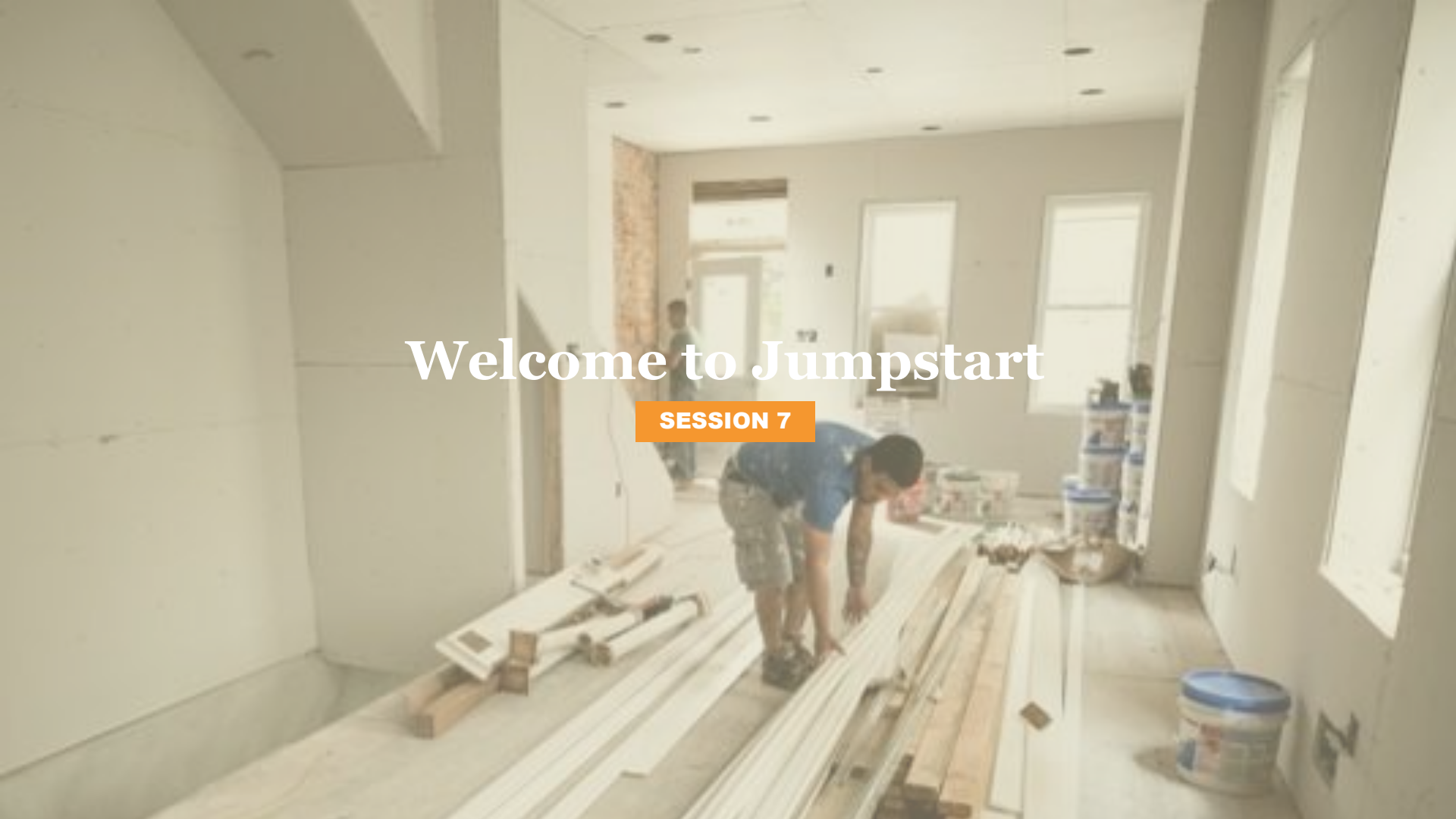


END OF SESSION 6

SESSION 7

Welcome to Jumpstart

SESSION 7





JumpSteps We'll Cover Today

- ✓ **1.** Create a *Development Strategy* & Identify Your Team
- ✓ **2.** *Source a Property*
- ✓ **3.** Do Your *Due Diligence*
- ✓ **4.** Find Your *Financing*
- ✓ **5.** Develop *Design* & Procure Permits
- 6.** Customize *Construction*
- 7.** *Lease/Manage/Sell* Your Property



JumpStep 6 Customize Construction

Step 6.1 Actively manage the construction process

Step 6.2 Working with contractors



JumpStep 6 Customize Construction

Step 6.3 Construction Timeline

Step 6.4 Troubleshoot: When everything goes wrong



10 Tips on Selecting a Contractor

1. Check references
2. Get three bids
3. Compare “apples to apples”
4. Confirm they’re licensed and insured
5. Interview them and trust your gut
6. Be specific about parameters and time frame
7. Be clear on the payment schedule
8. Make sure their expertise fits
9. Check if you need a permit
10. Don’t rush into anything

END OF SESSION 7

SESSION 8

A man and a woman are crouching on a green lawn in front of a brick house. The man is on the left, wearing a dark jacket and blue jeans, smiling. The woman is on the right, wearing a dark parka with a fur-lined hood, blue pants, and brown boots, also smiling. They are holding hands. The background shows a brick house with windows and some landscaping, including a statue and bushes.

Welcome to Jumpstart

SESSION 8



JumpSteps We'll Cover Today

- ✓ ~~1. Create a *Development Strategy* & Identify Your Team~~
- ✓ ~~2. Source a Property~~
- ✓ ~~3. Do Your *Due Diligence*~~
- ✓ ~~4. Find Your *Financing*~~
- ✓ ~~5. Develop *Design* & Procure Permits~~
- ✓ ~~6. Customize *Construction*~~
- 7. *Lease/Manage/Sell* Your Property



JumpStep 7

Lease/Manage/Sell Your Property

Step 7.3 *Leasing and managing your property*

Option 1: Use a property management company

Option 2: Manage the property yourself

- A. Write a lease
- B. Obtain appropriate licenses
- C. Provide the tenant with documents that are required by law.



Your Jumpstart “To Do” List

- ❑ Attend sessions & connect with a mentor
- ❑ Join the Jumpstart Germantown Facebook group
- ❑ Determine your investment goals and strategy
- ❑ Develop your team
- ❑ Find a property and put it under agreement of sale
- ❑ Conduct your due diligence
- ❑ Obtain short-term acquisition and construction financing
- ❑ Renovate the property
- ❑ Lease, sell, or live in the property
- ❑ If holding the property, obtain long-term financing



URDOG

URBAN RESOURCES DEVELOPMENT CORPORATION

Building a Better Germantown One Home at a Time.



Moving Forward

TAKE IT TO THE NEXT LEVEL!

1. Use your *mentor* effectively
2. *Expand* your capacity
3. *Give back* to the community
4. Make *smart choices* so you can *profit*

Go forth and rehab! Follow your passion and enjoy what you do!

*The Class of
Fall 2022*

Tamara Amazan
Seonne Baylor
Cate Michelle Beaulieu-Desjardins
Robin Bell
Linda Bell
Gail Blackwell
Breno Bondarenko Costa
Nikeisha Bridges
Rickey Brooks
Taylor Brown
Danylle Brown
Donte Brown
Leonard Brown
James Butler
Ronald Butler
Jennifer Canty
Jacquelyn Carroll
Efe Cierkowski

Edward Colter
Leslie Culbreath
Nichole Dantzler
Rico Dantzler
Davin Darnt
Chanea Davis
Chantelle Davis
Melissa Davis
Tiffany Deegan
Khalil DeGraffe
Maria Yolanda do Campo Parente
Marc D'Oliveira
Jovan Ellis
Caitlin Engbretson
Kristian Ferrell Sr.
Cobbina Frempong

Hakim Gadson
Andrew George
Garron Gibbs
Charles Graham
Bryan Hackett
Laicey Harris
Kristin Haskins
Erica Hawkins
Dorothy Hester
Kimberly Hopson
Sylvia Hurd
Gilford Jean
Jordan Johnson
Tyeisha Jones
Laura Kennedy

Erica Langston
Jonathan Long
Joseph Mackie
Zaheerah Mahdi
Syreeta Martin
Clarissa Mason
Tisheba McCall
Carmella McDowell
Tia McNeil
Jermaine Miller
Terrell Moore
Derrick Morales
Nathaniel A. Morton
Salewa Ogunmefun
Alexandra Pabon

Terry Patterson
Gladys Peoples
Alec Philador
Keyona Polk
Samantha Pompey
April Powell
Ray Pryer
Jasmin Rakestraw
Janet Reavis
Andre Redmond
Erin Reynolds
Shenequa Robinson
Marquita Sadler
Simran Safer
Melissa Skahan
Braegen Skennonto

Keenan Smallwood
Chris Spradley
Yasming Stallworth
Victoria Staton
Calvin Steele
Cierra Stokes
Catherine Sui
Rabia Sulayman
Alia Sutton-Bey
Tevin Swain
Landon Synnestvedt
Edna Thomas
Dereck Tompkins
Tawana Turner
Cidna Valentin

Charles Vanish Jr.
Rae Walker-Ellis
Joyce Wallace
Erika Ward
Aysya Warren
Miranda Welch
Georgetta Wellman
Nicole Welton
Danielle Williams
Malik Williams
Paris Williams
Shirley Williams
Venus Williams
Derek Willis
Raymond Zhao

Congratulations



END OF SESSION 8