

My first buy

Trent Richardson, Langley, BC



What, when and where was your first investment property?

My wife, Kelly, and I – 20 years old at the time – purchased our first property in September 1991 and it was a one-bedroom condo in a 35-unit apartment building located in Coquitlam, BC. The owner of the building had recently converted it from apartments to individual condo units.

What made you decide to become a real estate investor?

We were always interested in real estate investing and we looked forward to having some control over our financial future. We wanted to invest in something that we could direct and manage on our own.

What led you to buy this specific property?

Preliminary research showed us that the market was going up, the area was expanding and suites in the building were at a premium.

How much did you pay for the property and how did you finance it?

We paid \$71,000 and financed it by using money we'd saved up.

What was your strategy?

Our plan was to buy, renovate and rent.

What is the status of that property now?

We rented the condo for four years at \$525 per month. Afterwards, we sold it for a profit at \$86,000.

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What was your next step as an investor?

With the success of our first investment, we thought to do it again. First, we purchased our primary residence. Then, using the equity from this home we purchased a similar investment condo, this time in Surrey. It was a two-bedroom unit for \$92,000 in March 1997. We followed a buy-hold strategy for three years and sold it for \$102,000.

What were the greatest lessons learned from this experience - good or bad?

We were young, so actually going through with the investment was scary since neither of us knew what to expect. Overall, it went very well and we learned many valuable skills in property management. We discovered the 'ABC' of buying a property, from getting a mortgage, realtor, lawyer, property inspector, insurance broker and strata company. Also, it's important to be aware of what's going on in the city, province, country and world because all of this

affects the local area you're investing in. If there's a major news event that's happening in France, India or Russia, you want to know about it because it could affect your investment. Some investors think 'micro' when they're investing and they need to think 'macro.'

How many properties do you own now and what are your real estate investment goals going forward?

Today, we own 12 properties, and some of these are multi-family units, which gives us more than 21 units in total. We look to continue purchasing more properties with a goal to reach 100. Also, we have our own investment company, that we launched in 2004, and basically we purchase a property with other investors with a guaranteed ROI of 15% to 20%. Our next initiative is to launch a television program that will mentor students or first-time investors and show them how to buy real estate. We feel our experience could come in handy and it's time to pay it forward. 🏠

