

# FREELAND

## WEALTH BUILDERS



**Title: The Strategic Investor's Guide to Multifamily Real Estate**

**Subtitle: How to Source, Underwrite, Acquire, and Raise Capital for Profitable Multifamily Properties**

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### **Chapter 1: Introduction**

Welcome to your roadmap to becoming a confident and capable multifamily real estate investor. Whether you're managing a 20-unit starter property or raising capital for a \$26 million acquisition, this guide provides the insights, steps, and best practices to help you grow and succeed.

In this book, I'll walk you through our real-life case study of a 293-unit portfolio acquisition—what we call the Parma Heights deal. From sourcing to underwriting to raising \$7 million in capital, you'll learn the key strategies used by successful investors to navigate even complex, high-stakes transactions.

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## Chapter 2: Building Your Network and Broker Relationships

The foundation of every great deal begins with relationships. We consistently engage with brokers from top firms like Marcus & Millichap, Newmark, CBRE, Berkadia, and Colliers. As an investor, your daily focus should be twofold: building broker relationships and researching listed properties.

Start by going to major brokerage sites and opting into their buyer lists. Make calls, sign confidentiality agreements, and download offering memoranda. Doing this consistently puts you in position to hear about deals early and often.

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## Chapter 3: Sourcing Off-Market and On-Market Deals

Some of the best deals are found by being the most active. We came across the Parma Heights portfolio after talking with a broker we'd built a relationship with over years. The seller was in default, and while the deal was marketed, we had early eyes on it because we were always ready.

Use filters on brokerage sites to find apartment-only listings in your desired region. Don't hesitate to inquire about assets—regardless of whether you think you're ready. This is how real traction is built.

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## Chapter 4: The Underwriting Process: From Financials to Future Rent

Once you've sourced a deal, your next step is modeling. Focus on what the property *could* be worth in 36–48 months, not just what it earns today.

Example: In our 293-unit deal, we modeled rents increasing from \$600–900 to \$975–1,275 after renovation. Using conservative cap rates, we estimated a future value of \$26 million. This gave us confidence to offer \$15.2 million.

Key principle: Underwrite based on **future rent potential** and **value-add opportunities**, not current financials.

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## Chapter 5: Conducting the Tour and the Sales Process

You need to know how brokers "run the process": tours, call for offers, final buyer selection. Being the first to tour can give you a psychological edge and relationship boost. Always back up your offers with clear, data-driven justifications—especially when negotiating price per door.

Our early and consistent engagement, along with a credible renovation budget, made us stand out among five finalists. Remember: brokers and sellers want certainty.

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## Chapter 6: Creating Investor Confidence and Raising Capital

Raising capital is about trust and preparation—not scrambling after the fact. Build relationships before you find deals. Get soft commitments from investors. Once you go under contract, shift those into hard commitments.

In our deal, we ran multiple webinars and partnered with investor clubs to hit our \$7 million goal. We used urgency (“final call for funds”) to close with \$8 million in commitments.

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### **Chapter 7: Modeling Returns: The 8% Pref + \$50K Equity Rule**

Here’s the magic formula for LP returns:

- 8% preferred return for 4 years = \$32,000
- \$50,000 of equity gains
- Total return: \$82,000 on a \$100,000 investment

That’s a 20–25% IRR depending on deal duration (36–48 months). This is our go-to structure because it works—investors love clarity and consistency.

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### **Chapter 8: Closing the Deal and Beyond**

Closing isn’t just legal paperwork—it’s activating your plan. From due diligence to property management transition to CapEx execution, you must stay ahead of timelines and vendors.

Use pre-close time wisely: start walkthroughs, line up contractors, and prepare investor reporting. Build momentum for Day 1.

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### **Chapter 9: Lessons Learned and Scaling Your Portfolio**

Every big raise is built on the back of previous deals. I didn’t raise \$7 million overnight—it took 7 years of smaller deals, consistent execution, and relationship building.

Keep going. Start with 20–40 unit buildings. Focus on execution, communication, and repeatable systems. Use each deal to level up.

Remember: the only reason we closed Parma Heights is because of investor relationships. That’s your business. Build it daily.

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#### **Downloadable Resources:**

- Deal Checklist
- Rent Modeling Template
- Sample CapEx Budget

- Investor Communication Schedule
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## **Conclusion**

Multifamily real estate isn't a solo sport—it's a team business. If you want to grow your portfolio and help others grow their wealth, this guide is your playbook.

Let's go get your first—or next—multifamily win.

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## **About the Author**

Josh Cantwell is a seasoned multifamily investor and educator. With over a decade of experience and more than \$100 million in transactions, he shares real strategies that work in real markets.

A handwritten signature in black ink that reads "Josh Cantwell". The signature is written in a cursive, flowing style with a long horizontal stroke extending from the top of the "w".