

## Why More Investors Are Switching To Wholesaling

Posted On Nov 01, Posted by [blogger1](#) Category [BestTransactionFunding](#)

Why are more investors moving into real estate wholesaling?

There are many ways to invest in real estate. So, why are more investors turning from rehabbing and flipping or rentals to wholesaling houses?

Looming Tax Changes

The coming tax tsunami which has threatened to strip away common tax deductions like mortgage interest and property taxes paid could make it far less attractive and profitable to own rental homes by 2018. Wholesaling houses offers a way to get in and out, with great margins, and virtually zero holding costs.

### Bigger Paydays

Not many people are really getting rich on rentals. It can take controlling a lot of property to generate a decent income from rents. You might need 20 average rentals owned free and clear to deliver the same amount of cash in one year, that you can make on a flip deal in one month.

### Perfect for the Changing Market

While there is no telling when the market shift will officially be called, it is pretty clear that there are changes happening. No one wants to be left holding the hot potato like back in 2006. Wholesaling is the perfect strategy for both declining markets and rapidly appreciating ones.

### Lower Risk, Higher Returns

Compared to being a lender, being in construction, or being a landlord, wholesaling is far less risky. Yet, the returns, especially on a cash on cash basis when using transactional funding, or an annual basis can easily blow away the ROI on rentals or private lending.

### It's Scalable

You can do far more wholesale deals in a month than you can acquire and manage rental units, or renovate houses. It's also far easier to scale back when you want to go on vacation, are ready to retire, family emergencies arise, or the economy calls for it.

Why do you wholesale?

Tags: [transactional funding real estate wholesaling](#) , [private lending](#) , [wholesaling houses](#)