

**EPISODE 1435**

**“AG:** *Real estate, I believe that it's more tangible. I do think that you can mitigate the risk by really understanding the market, really understanding the asset and who you're serving. That's the bottom line.”*

[INTRODUCTION]

**FT:** So Money is brought to you by CNET, the site that shows how to navigate change all around us.

So Money episode 1435, how real estate investing can be a respite for women, with guest, Andresa Guidelli, Co-Founder and CEO of The Real Estate InvestHER.

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**FT:** Welcome to So Money, everybody. I'm Farnoosh Torabi. We've covered real estate investing many times on this show, but now we're going to talk about it through the prism of womanhood. Our guest is Andresa Guidelli. She is Co-Founder and CEO of The Real Estate InvestHER community, a platform to empower women to live a financially free and balanced life on their own terms through real estate investing.

Andresa didn't plan to go into real estate herself, when she moved to the US from Brazil. While studying and working, her boss introduced her to the book, *Rich Dad Poor Dad*, and encouraged her to consider investing in properties. Boy, did she. She built a big portfolio of properties. The journey has not been easy for Andresa. After a toxic marriage, she realized the importance of financial independence for women, so she and business partner, Liz Faircloth

launched The Real Estate Investor, which supports women real estate investors to strive in a field traditionally dominated by men.

They have 17,000 members, over 50 meetup groups and 11,000 member Facebook group, a podcast. Andresa and I talk about how to get unstuck, whether investing in real estate right now is a smart idea and the ethics of rent. What is your ethical responsibility as a landlord when it comes to charging rent? Here's Andresa Guidelli.

[INTERVIEW]

[0:02:25]

**FT:** Andresa Guidelli, welcome to So Money.

[0:02:28]

**AG:** Thank you so much for having me. It's a pleasure.

[0:02:31]

**FT:** Oh, the pleasure is all mine. I remember reading about you and your company. It was the summer in the New York Times. The New York Times had a story called Investing in Real Estate as Self-Care. Many women seeking independence after a breakup, or divorce have discovered emotional empowerment and even healing in real estate investment. We don't connect those dots. We don't think of real estate as soulful or healing. We see the money in it potentially, and we see that we like the makeovers. There is more to it. In particular, the way that you and your co-founder of your company have approached real estate is to be a way to find respite in a moment in your life, maybe where you feel out of control and lacking financial independence. We'd love to turn the mic over to you to talk a little bit about InvestHER and how your approach to real estate investing with your community of women is different and unique.

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**AG:** I come from a migrant family from Brazil. I migrated here for my master's degree. Although I have two master's degree, I consider myself looking back, financially illiterate when I get started. Then when I went through my divorce, it was a really wake-up call, that together we were financially independent, because we were both real estate investors. However, me as an individual, as a woman, I was financially dependent. It was a breaking point. I lost my identity. I think that with the pandemic, a lot of women going through divorce, or not, have that time, that space to rethink. Who are they? If we put aside their titles, what they do inside the house, who are they?

They start looking at real estate and started looking at other women where they were able to accomplish as a way to find themselves back. My partner, Liz Faircloth, she had a different experience. She was investing with her husband for over 15 years. Although they have a good, good marriage, she also lost her identity. She was just the plus one in many of the occasions. It was another wakeup call into, okay, where are the women like us go to support one another? How do we gain the knowledge? How we gain the confidence to start investing in real estate? The worst thing that we can all do, we're all masters in that, is try to figure out by ourselves. That's when the –

**[0:05:20]**

**FT:** Why real estate? Why real estate? There's a lot of ways to invest. There's a lot of ways to build wealth. Real estate, while I love it, it's risky and it's not always a guarantee. Obviously, we know that. But why did you gravitate towards real estate? Why do you find so many women in your community? Now, I think you've got something like, 36 chapters, a 12,000-plus member Facebook page. This is based on the summer numbers. I'm sure it's grown since the New York Times article. Tell us what is the draw? What is the pull to real estate about?

**[0:05:54]**

**AG:** Sure. When I came across the book, *Rich Dad, Poor Dad*, a couple of years ago, I asked myself the same question. Why real estate? Why didn't I know about this in any way, shape, or form, though, I have two master's degree and have taken financial classes? Never was thought about investing? I had no knowledge that somebody could build a portfolio, retire early by

having rentals and diversify the portfolio, as we're saying. Have a diversification. I knew about stocks and that was pretty much it.

Real estate, I believe that it's more tangible. I do think that you can mitigate the risk by really understanding the market, really understanding the asset and who you're serving. That's the bottom line. Who are you serving at the end of the day? What is the avatar, the final seller? People need housing, either for rentals, or for them to buy it. They move, there's debt in the family. It's really an analysis. I am cautiously investing in real estate and riding the wave, because there are cycles. We do need to understand how those cycles work. We are in the United States. A cycle in one state might be completely different than others. We really need to understand the market before even analyzing a deal by itself.

**[0:07:25]**

**FT:** Yeah. I want to get into in a moment, your advice for how to enter the real estate market as an investor. In this moment, in this business, like, oh, we're seeing interest rates go up, inventories, not so abundant. Going back to what you said about real estate being tangible, and one of the reasons some gravitate towards it more than other asset classes. I think, also for your cohort, your audience of women who, as described in this article in The New York Times, some of them are coming to this from broken relationships, a loss of confidence, because something happened in their lives. I think, real estate gives you an opportunity to really immerse yourself and sink your teeth into a project. There's got to be so much pride at the end of that, because you've given it your all. It's not like buying a share of Apple stock. You're actually putting all this equity, sweat equity into it. I think that might be part of it. I don't know. I'm guessing.

**[0:08:25]**

**AG:** No, I completely agree with you. I think that at the end of the day, you all will obviously, you have a profit for the sale of that property, in case you're rehabbing it and selling it. I believe that the most important thing is for them to get the confidence back, that they are able to accomplish something "on their own," without having to ask for permission, or really managing their projects.

We always hear, “Oh, we are not good with numbers.” Yes, we are. We need to just put an effort into learning how to manage our finances.

I think that once women really, after going through a project, they think, “Oh, that was not that bad. I’ve managed different things in my household. This was not that bad. I can apply my skills that I’ve got from different careers into real estate.” At the end of the day, it’s all about them gaining the confidence that they are able to accomplish whatever they believe that they want to, and living life on their own terms. This is something very important that we stand for. We don’t want women to listen and say, “Oh, I need to sacrifice for years in order for me to earn the right to live life, a balanced life,” whatever balanced means to you. We want women to create, how can you build your portfolio under your own terms?

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**FT:** Yet, Andresa, as you know and it was cited in the article that as competent as women can be, there is also gender bias that they have to combat. There are other people and other forces at play that don’t think as highly of them as say, a male real estate investor, and it shows up at all points in the process. Whether you’re looking to buy a property, get financing, get tenants, there is a hurdle at every corner that has the label, gender bias on it. What’s your advice? Is there an example of how you overcome that? Or is it just an ongoing reality that you have to reckon with?

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**AG:** I think there’s plenty of examples that we can share. Some of them are very conscious, and the others are subconscious. Because 1960, when women were allowed to have a bank account, to own a property for the first time without having the permission from men. A lot of ways that we have been dealing with your finances come from generations, from our grandmothers and mothers, that they didn’t have the opportunity that we currently have right now. A recent study done by Fidelity Investment in 2021, called Women and Investing have shown the women’s portfolio perform better compared to men, 0.4%. That may seem very small, but it’s a substantial difference when we think over time.

The key here, when asked if they see themselves as investors, minority, about less than 10% said, “Yes, I have confidence that I can invest.” Then the question is, where do women get confidence? We were taught that we need to figure it out, that we need to think about ourselves. I wish I had learned this prior, a long time ago, that we need to leverage what we bring to the table and really find other people that are already doing what we were looking to do, so their experience become my experience, their resource become my resources, and find a tribe.

Years ago, my business partner and I, Liz, we were at a conference where there was zero women on stage. The examples that we were hearing, we couldn't relate to them. They were not for us. We start asking ourselves. I started asking other women that I knew, why aren't you on stage? Why aren't you sharing that? We had to have conversations with those organizers, and really claim spots, claim equality, claim diversity, until we stop asking for permission, and we created our own stage. Because it's just a matter of, I would like to hear other women's story.

When we started our podcast where we interview successful women in real estate, we heard, “You guys are going to run out of women to interview.” That's not the case. A lot of women are just under the radar. We need to talk more about it, so other women can see that it is possible to invest. Consciously invest. We're not talking about McDonald's, quick, quick, get rich type of deal. We're talking about generational wealth. That requires a lot of women to do homework to gather the foundation in terms of their finances, in their house finances ready, the terminologies, and really get a basic understanding on how to manage what they currently have.

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**FT:** Well, let's get into it, shall we? We have about, I don't know, 20 minutes or so here. Would love to get your best practices. Also, taking into consideration what's going on in the macroeconomics, which is we talked a little bit about this. Higher interest rates, the supply is not that great, depending on the market. I think, there's also this other force at play, which is that the market is now more and more being dominated by institutional buyers. You're hearing about big companies coming in and just buying a block, or buying a bunch of homes. That dominance influences the price of the market and also, your eligibility to participate as an individual investor.

First, what do you see happening in the market right now that's important to take note of? Then going back to, okay, how do I do this? Keeping in mind, too, that a lot of people in my audience, they have a lot going on. They're not already sitting on a lot of money. They're working, they have kids, they have a lot of stuff on their plate, they want to do this, so they want to know, how do I make time? How do I get money? What are the risks that I should know about ahead of time, etc., etc.? I'll give you the floor again.

**[0:15:01]**

**AG:** This is all good, right? Here's what I would say. That's exactly what you were saying that the financial institutions are coming in. What I would recommend, there's so much social media pressure for people to get properties on their contract. Hear me out for all of you that are listening, I rather have no deal than a bad deal. You got to stay under the pressure and really, really have successful criteria. What exactly you're looking for. You need to mitigate that. Because there's a lot of pressure that, oh, so and so just bought two, three properties. So and so just bought three properties. I haven't bought a property in six months. I need to get this deal done.

If we pray and all the numbers work, then we're going to make a profit at the end. That does not work. I really conscious people to take a step back and consider a couple of things, okay. If the market raises the interest rate, you can play work say, scenario. Nobody has a crystal ball, unfortunately. We can run a stress test, and that's exactly what we do. We run stress test with half a point up, a point up, or if the market tanks. That property that I was looking to rehab and sell, how about now the value is not there? Can I rent out? Plan B, can I rent out? How would the numbers work if I have to hold that property for a couple of years? Will that cash flow? Those are the stress tests that we use in order to determine, okay, worst case scenario, I will still be okay. Or if I have to pivot, then that goes.

I will always have a cushion when analyzing the market. I always look for markets that have a high demand, with great school districts that are always – families are always moving there, far from the areas there are in transition and still need to gentrification areas, they still need to “prove themselves.” I stay on that little sweet spot. It's not above half a million dollars. It's

between 350 and half a million. That is a sweet spot that I believe that a lot of people can still afford.

Above that, then the pool gets very small. Highly conscious people, too, analyze where you're at on the market that you're at. Going back to all the people that are asking themselves, I cannot even think about the possibility of adding something else on my plate. Because they're used to do everything by themselves. I'll take a step back. Liz and I always say is, what is the lifestyle that you want to live? Take a minute to really define, close your eyes and think five years from now, what do you see as your lifestyle? Do you see you investing in real estate? Are you seeing actively, or more passive side? Because many people can get a return by investing passively in real estate. Not necessarily, you need to swing a hammer. I, by the way, don't know how to swing a hammer. I know how to build properties, but don't know how to put something up. Take a step back and have a clear understanding of the lifestyle. What do you bring to the –

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**FT:** What does passive investing in real estate mean, though? Is that like buying a REIT, or real estate investment trust fund?

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**AG:** For example, there are different types of passive investments. I'll give you example for syndications, for apartment complexes. The general partnership is responsible for finding the deal, underwriting, managing that deal. That is active there. The limited partners are folks that are looking to invest their money there for a return on their investment, but they don't have any say on the operations. They're very passive. They receive their money just for the investment. That's an example of passive investment.

Not necessarily your day-to-day operations and figuring out the vacancy, or how can you pivot and figure and find solutions for problems that might occur at a apartment complex, for example. Those folks, they do receive reports and clear communication about where things are going. There's a business plan that needs to be fulfilled, and there's responsibilities for that. All based on SEC guidelines. That's that.



When I think about people that are looking to get started, you think about your lifestyle, think about your goals. Absolutely, think about your family style, what you're looking to do. How much time? Not just the funding that you have available, but how much time do you have available? Also, do you enjoy real estate? Or is it just another thing that you saw that is giving return to –

**[0:20:17]**

**FT:** You have FOMO. You have the fear of missing out on real estate and investing, because you see it on your Instagram. Andresa, I want to hear about the challenges, right? Because I think on Instagram, we see the before and the after. We see, “Oh, I bought this dilapidated house in Philadelphia for \$90,000. I turned it into an oasis. Flipped it for 400,000, or I'm renting it out for \$2,000 a month,” whatever the success story is. We don't see the wheeling and the dealing and the contract masses. Oh, no. we have a pipe where we didn't think there was a pipe, and I had to take time off work. What are some of the expectations people should have in terms of stress and time before they enter any real estate deal?

**[0:21:11]**

**AG:** Absolutely. I wish, HGTV would show all the in between that happens, because it's a lot. We can write books and books about it. It doesn't really matter how many years of experience you have. I always find something that I was like, I never came across this before. Of course, with experience, you are able to see things ahead of time. I always say that I'm always working two weeks ahead of time, at the beginning. Unless it was really in front of my face, I couldn't see it. Because you don't know what you don't know. You can see that.

For a lot of people, what I will recommend is that when you are looking to rehab a property that you really network. Find a partner that has experience with that. Meaning, let's say, you have a W2 job, and you have family, you have other things going on, meaning you have little time to devote to that. Then you find another person that has the experience that you don't have it, and have the time to manage the project. That's what I would say is the best way to gain experience in a way that you are mitigating your risk as you learn along the way.

I've seen a lot of people trying to pursue the deal by themselves, and they will pay for their mistakes. They will learn. Hopefully, they'll learn the lessons. But, unless it's in front of them, they're not going to have cushions. When the contractor comes with change orders, you don't know if that is too much, if that's reasonable, what to expect. It's very challenging, and I'm seeing it, contractors, many of them don't know how to manage their business. They're really taking money from the here to put –

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**FT:** You have no buffer.

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**AG:** There's no buffer. That's risky to me.

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**FT:** You mentioned earlier, Andresa, that where you ultimately choose to buy property, the market is so important, and doing a lot of front-end research will pay off. Where are you seeing the opportunities right now? Are we in an opportune time to buy, because we're seeing prices cool naturally? Prices went bonkers in the last two years. It's just natural that things are going to shake out, and some markets are going to pull back. Is this a good time to strike in certain markets that may have seen higher prices in the last two years? What are those markets?

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**AG:** Sure. Well, I am in the Philadelphia market. What's happening right now, we're still seeing – I always say, there is a market change, but there is a lack, or a delay in the mindset change. Because a lot of the sellers that saw the neighbor's house being sold six months ago, they still believe that they can get the same amount for that, and it's too late now. Now they're seeing days on the market getting a little bit higher. There's still more negotiation, but the houses are no longer flying out there.

It really depends on what is the exit strategy. Is it rentals? Is it short-term rental? Which I believe is a good Airbnb. Airbnb short-term rentals. Another one that I would say is midterm rentals. For travel nurses, for example, for executives, for example, they stay longer there. I'm dealing with less people, but I'm still able to control the rent there. In a nutshell, I always believe there's opportunity everywhere. However, it's not like you're going to apply the same exit strategy in every single market. I understand the market that I am in, and I can see the shifts and I have the guts to really stay still, and only pull the trigger when I see the criteria that fits – a deal that fits my criteria. Other than that, I'm going to still observing.

Always look for a single – not single-families for – single-families for short term rentals, but multi-families for rentals. It's hard to say this, but it's going to get difficult for people to buy properties. They're going to rent. That's where we're looking –

**[0:25:48]**

**FT:** That's interesting. Let's sit on that for a second, because yeah, it's become so difficult to buy a home. Rent has gone up, because there's more people looking to rent. How long do you see that trend lasting?

**[0:26:00]**

**AG:** I do not have a crystal ball. I wish we knew that, so we could plan ahead. I think, it's just like, we're playing a game right now. Because also, if we raised the rents too much, people are also not going to be able to afford that. It's like, where we're going to end up here. Got to be a little cautious as a landlord. That's something that we don't hear a lot in real estate is –

**[0:26:31]**

**FT:** Trust me. I've been telling that. People say, "What's your advice, Farnoosh, for people who can't afford rent?" I said, "I don't have any advice for renters, but I have advice for landlords. If you don't have to raise your rent by 30%, please don't."

**[0:26:44]**

**AG:** Yes.

**[0:26:45]**

**FT:** Just because 10 people want to live in your apartment, you know what I mean? It's a home. It's not an avocado. It's a home.

**[0:26:50]**

**AG:** Exactly. Right? We don't hear that.

**[0:26:53]**

**FT:** People need to live somewhere.

**[0:26:54]**

**AG:** Exactly. We don't hear that in real estate conferences. We always hear about how to increase your cash flow, your cash-on-cash return. I get that. I get that. When you're looking at a family, a family that cannot find a place for them to call home, for their kids to go to school and have the peace of mind, that's what real estate investing is all about. Providing a safe environment for – I say women, because I do care about that and I target women that are in transition and all of that. But providing a safe place for those families to come and stay, as you build your portfolio.

I think is just unethical to take advantage of what's going on right now and really skyrocket your rent, because you know there's going to be a line of people there. But it's not sustainable. I just think it's unethical. There's nowhere saying that that's unethical. It's just a personal opinion of mine.

**[0:28:05]**

**FT:** Yeah, that's where it gets lost in the conversation about real estate investing. It is all about like, oh, ROI and run your numbers. It gets very impersonal very quickly. Remember, at the end of the day, what are you providing? You're providing a home, not just a property. A home for someone. I think, it's much better to have a renter who can sustainably afford your rent and live there and ultimately feel invested in that home and take care of it, than someone who's coming, switching up the renter every year, because you can, you're going to get a better price, it's like, to each their own, but I'm with you on this.

**[0:28:44]**

**AG:** Yeah. I think that throughout the years, we have seen people saying, "Oh, I have X amount of units, or I cashflow this amount of money per month." They use their numbers as a source of proving their success. They're saying, "This is how much I am worth." I always say to women, you're not your numbers, you're not your number of doors, you have nothing to do with that. Your worth does not change based on your real estate portfolio." When we talk about this publicly in conferences, people are looking at us like, "What are you talking about? This is what I do." But their identity is not that. Goes back to the New York Times, right? We need to differentiate the identity. I see real estate as a tool for us to live life on our own terms and to –

**[0:29:42]**

**FT:** It's a means to an end.

**[0:29:43]**

**AG:** Exactly. Gives me the freedom of time for me to do whatever I want with the time, and that is my biggest asset, time.

**[0:29:56]**

**FT:** This has been so inspiring, Andresa. Because I'm thinking to myself, I'm going to answer your question, what do I want to do in five years? I love what I do. I don't think I'm going to stop. I think that I am so passionate about real estate. I wonder if there's a life out there sooner than

later, because I would say, “Oh, I’ll retire and get my real estate license.” Why not sooner? Why not sooner and start to slowly build a portfolio of homes? Again, it’s not where I’m going to source my sense of self-worth. I’m going to not going to gamble my nest egg on this.

I think this is the takeaway for everybody. If you’re me and you got a lot going on, but you do see a world, a future with this in your life, start, slowly. Start educating yourself. Number one, this podcast has been so informative. I’ve learned a lot. You have so many more offerings, which I’m going to link in our episode notes. Even just connecting to your community and learning from others, making their mistakes your mistakes, without having to go through them. Then striking when it feels right, and then doing it again, but only when the opportunity makes sense, as opposed to throwing the baby out with the bathwater saying, “I quit my job. Now it’s real estate, or bust.”

**[0:31:13]**

**AG:** Oh, gosh.

**[0:31:14]**

**FT:** I can’t afford that. I don’t know anybody who can afford that.

**[0:31:16]**

**AG:** I also think that one more thing that I would say, we get into analysis paralysis with ourselves, and then we get stuck. I really encourage all of you that once you do that, lean in. We have a Facebook group community with very successful woman in real estate. I wish I had that before. I’m not saying this just to promote the event, the group. I’m saying this, because this is a place where you can go, you post your question there. It’s a private group, only women. We want to make sure it’s a safe place. You post your question there. Then women that have gone through that can give their honest opinion, what it is. Because if we continue trying to figure out by ourselves, we’re going to take longer, and we’re going to just quit on ourselves. I encourage you to lean in on other women. You are not bothering. You’re not doing anything. You are just

flexing that muscle to request for support. We have plenty of women there that is more than welcome – they welcome you to do that and more than happy to support you.

**[0:32:29]**

**FT:** Andresa Guidelli, thank you so much. Co-Founder of The Real Estate InvestHER. Put all those links in our show notes, including your fabulous podcast, your Facebook group, your website. We appreciate you. Come back anytime.

**[0:32:44]**

**AG:** I really love this conversation. I think that we need to talk more about it. Would be at everything else.

**[0:32:52]**

**FT:** I'm always happy to talk about this, listen.

**[0:32:55]**

**AG:** I could talk forever about it.

**[0:32:58]**

**FT:** Don't stop you. Please continue.

**[0:32:59]**

**AG:** Thank you so much.

**[0:33:00]**

**FT:** Thank you so much.

**[0:33:01]**

**AG:** I'm here to serve. Anything that I can do for all of you, please reach out.

[END OF INTERVIEW]

**[0:33:08]**

**FT:** Thanks so much to Andresa for joining us. All the links to her show, her Facebook group, her website in our episode notes. Thanks for tuning in, and I hope your day is so money.

[END]