

Real Estate Investing vs. Stocks – Why Real Estate Wins



What are the advantages of investing in real estate versus the stock market? Get to know the following 7 benefits of real estate investment and why it's a smarter option for your self-directed IRA.

✓ INSTANT INCOME

The immediate cash flow that comes from a real estate investment allows the investor to have more control over their capital. Stocks must be sold in order to make a profit, which takes the principal out of play and requires a new investment action.

✓ NOURISHING YOUR NEST EGG

Investing in real estate with IRA capital can allow you to plan for your retirement with ease. With cash-flowing property investments, you'll be able to create a consistent income and save money quicker.

✓ LOCAL LEVERAGE

Real estate investments provide a built-in advantage through knowledge of the area and market you live in. Stock markets are complex and potentially volatile, and understanding all the factors that can impact your investment is difficult.

✓ EASY EVALUATION

The real estate market is fairly easy to evaluate when compared to investments in stocks. When you are seeking to assess the value of properties, the process is relatively straightforward, whereas some experts don't agree on the stock value of a company on any given day.

✓ INVESTMENT TRANSPARENCY

With real estate investment, information is available to the buyer up front, as opposed to the stock market, where the actual operations of the company you invest in will not be nearly as accessible to you for evaluation.

✓ BUYING BELOW MARKET VALUE

With adequate research and negotiations, real estate investors are able to secure property at prices well below the market value. As a property investor, you will have more control over transactions and negotiations than when purchasing stocks on a public exchange.

✓ ADDING & HOLDING VALUE

As an investor in real estate, there are a number of things you can do to add value to your investment. With stocks, you do not have the power to control or improve the performance outlook of a company you invest in.

Valuations for stock market investments are typically based on what's happening in a given day and tend to be more inherently volatile in value. The shifts in real estate values are typically slower and easier to predict making them more stable than stock investments.

If you're considering whether to invest in real estate or stocks, you should have a good idea on how each of the markets work. Be sure to do your research and consult an expert before developing any investment plan.

[Contact us](#) to learn more about a Real Estate IRA or to get started today!