



Commercial vs. Residential Real Estate Investing:

Which Category Is the Right Investment Choice for You?

Investing in real estate remains a popular avenue for wealth creation, but it's not a one-size-fits-all venture. There are fundamental differences between commercial and residential real estate investing, and each has unique advantages and challenges that cater to different investor profiles.

Understanding these distinctions is important for aligning your real estate investment with your financial goals and risk appetite.



What Is Commercial Real Estate Investing?

Commercial real estate involves properties used for business purposes, such as offices, retail spaces, warehouses, and apartment buildings with five or more rental units. Investors in commercial real estate earn income by leasing spaces to businesses, which can compare better to residential units because of longer lease agreements, higher rental yields, and more significant appreciation. However, this sector usually demands higher initial investments, involves more complex management, and is more sensitive to economic fluctuations.

Pros and Cons of Commercial Real Estate Investing

- Pros:**
- Higher earning potential because of higher rental yields
 - Longer lease agreements provide stable, long-term income
 - Potential for significant property appreciation
 - Can arrange net lease for tenant to pay taxes, insurance, and utilities
- Cons:**
- Higher initial investment and ongoing costs
 - More complex property management
 - Greater sensitivity to economic cycles

Read More: <https://www.investopedia.com/commercial-vs-residential-real-estate-investing-8414678>

Same License Bigger Commissions!

Learn the Basics of Commercial Real Estate and Multifamily Apartment Buildings.

Residential vs. Commercial:

Residential Real Estate:
3% commission of 1M = \$30,000
(3 month average)

Commercial Real Estate:
2% commission of 6M = \$120,000
(3 month average)

Level up your Career

Take your career to the next level

We're looking for 12 agents to join our team

SINGLE DADS You're Not Alone

Join our Single Dads Support Group

Come hang out with us Register Today!

- Every other Friday
- 6:00 PM - 8:00 PM
- Our office (Plantation)
- Snacks & beverages provided at no charge!

William Cabrera Founder
Lincoln Career Co-founder

How will the Fed interest rate cut affect South Florida's real estate market?

For the first time in more than four years, the Federal Reserve cut its key interest rate Wednesday.

The reduction in borrowing costs comes at a mixed time for South Florida real estate. Mortgage rates have been slowly moving down since April and the action this week by the Fed likely will continue to bring them down.



The Fed cut its benchmark interest rate by an unusually large half-point, a dramatic shift after more than two years of high rates that helped tame inflation but also made borrowing painfully expensive for American consumers. The central bank's action lowered its key rate to roughly 4.8%, down from a two-decade high of 5.3%. It signals the Fed's two-plus year fight against inflation is over.

The move is good news for buyers who can qualify for a mortgage. Buyers can borrow more money as rates fall. But it also will help support home prices, especially single family homes, which have continued to increase in price. Lower borrowing costs may encourage more buyers into the market competing for homes, pushing prices up.

Lower borrowing costs also may help some commercial property owners who need to refinance their mortgages. Still, an office or apartment building owner in South Florida is looking at a substantially higher interest rate today compared to several years ago.

Read More: <https://www.wlrn.org/business/2024-09-19/fed-interest-rate-cut-real-estate>

October Networking Events:

Oct. 3
Landlords and Lager Fort Lauderdale Meetup
Thu, Oct 3-Fri, Oct 4
115 NW 6th St. Fort Lauderdale, FL

Oct. 7
LikeMinded - Stuart Real Estate Investor Meetup
Mon, 5:30-8:30 PM
Ian & Kye's Pizza, 3310 NE Indian River Dr Jensen Beach, FL

Oct. 14
TechCREN NetExpo
Mon, 10 AM-3 PM
Topgolf Miami - Doral, 11850 NW 22nd St Doral, FL

Oct. 23
Commercial Real Estate Conference
Wed, 4-7 PM
Hyatt Regency Coconut Point Resort and Spa, 5001 Coconut Rd Bonita Springs, FL



Fun Fact:



The 2026 World Cup is coming to Miami! Here's everything you need to know

The World Cup is coming to Miami in 2026! Brace yourself, South Florida, for the longest, wildest, most global party this area has ever seen.

FIFA, the world soccer governing body, announced on Thursday the long-awaited list of cities and venues that will host the 2026 World Cup, which is being held in the United States, Mexico, and Canada. As expected, Miami and Hard Rock Stadium made the cut.

Read More: <https://www.miamiherald.com/sports/mls/article262553562.html#storylink=cpy>

At Lincoln Commercial Group, We Celebrate Hispanic Heritage Month!

We proudly embrace the diverse cultures that make up our team, with members from Cuba, Colombia, Ecuador, El Salvador, Puerto Rico, and Venezuela. Their unique backgrounds and contributions enrich our work and reflect the vibrant spirit of the Hispanic community.

Happy Hispanic Heritage Month from all of us at Lincoln Commercial Group!



Kobra, Brazilian artist, at Wynwood Walls