A real estate syndicate is when a group of Investors put money into a real estate transaction organized by a Sponsor.

The easiest analogy is if you and some friends want to run a laundry. Laundries are expensive to start with because you have to get the building, get all the cleaning equipment, etc. However, they are relatively easy to operate compared to other companies.

So you and a bunch of friends (Investors) put together some money and another friend (Sponsor) offers the place. The Sponsor is paid a salary to run the laundry, as any operator would, and everyone gets a share of the profits.

In a real estate transaction, it is more or less the same. Investors put money into the deal and Sponsor contributes venture capital and often some of their own money as well. Investors often contribute 80-95% of the total capital, with the sponsor keeping the rest.

Today this can be seen more clearly in the real estate market, which is showing a significant revaluation. If your intention is to own, take advantage of the rental possibilities or simply insure your money, we tell you the advantages of investing in a property.