

REAL ESTATE VS MUTUAL FUNDS



HIGHER LIQUIDITY

When investing in Mutual Funds, it is a simple process to withdraw your money, and can be done quite quickly. Depending on what type of plan, it is very easy to take out money at any time necessary. For Real Estate investments, to sell the property there are many steps required and could take many months. A realtor is needed and staging, along with many other things that take time.

TAX SAVING PLANS

When investing in Mutual Funds,, there are various plans available that offer opportunities to save on tax. For example when investing in a TFSA, the money can be redeemed tax free. For Real Estate investments, all the capital gains are taxed, along with all the property taxes paid.

MINIMAL RESPONSIBILITIES

When investing in Mutual Funds, there are fund managers who are very skilled that create the grouping of securities offered in the fund. Depending on the type of mutual fund they can be actively manage the securities in the fund and modify the composition. Many investors will take advantage of this and simply allow for their investments to grow on their own. For Real Estate investments, property managers have many obligations, whether it be providing maintenance on the property, collecting rent, along with many other responsibilities.

FLEXIBLE TIME HORIZON

When investing in Mutual Funds,, growth can be visible in just one year. Investments can compound over time and investors have the flexibility of growth in the short-term and long-term. For Real Estate Investments, the appreciation of properties are not necessary visible in the short-term. With the large investments required, this kind of investment is something long-term.

ANY AMOUNT OF MONEY

When investing in Mutual Funds you do not need a significant amount of money. In fact, you could invest as little as \$500, and get to participate in great growth opportunities. For most Real Estate investments, an investor would need hundreds of thousands of dollars for just one property.

DIVERSIFICATION

When investing in Mutual Funds, your investments consist of various securities put together into one fund, which already does offer the benefits of diversifying a portfolio. For Real Estate investments, all of the investment is being put into one property creating huge risks.

CHOOSE TO INVEST IN MUTUAL FUNDS TODAY

We encourage you to schedule an appointment with your Financial Advisor at least annually to review your portfolio.

Your participation is required in order for your advisor to assist you with your financial goals and objectives.

If you require further information/assistance, please do not hesitate to contact your financial advisor at Shah Financial Planning Inc. • ShahFinancial.ca

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