

## Learning Objectives

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- Understand why traditional rental thinking limits your potential
- Learn the coliving investor mindset that creates wealth
- Identify and overcome your specific limiting beliefs about real estate
- Define your unique investor identity
- Set the foundation for everything else in this course

## Why This Matters

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Before we dive into markets, deals, and numbers, we need to address something more fundamental: **how you think about real estate investing.**

Most people approach real estate with what I call "traditional landlord thinking." They buy a house, rent it to a family, collect \$1,500/month, pay \$1,300 in expenses, and celebrate their \$200/month "cash flow."

There's nothing wrong with that approach—it works, it's proven, and millions of people build wealth this way. But it's also slow, capital-intensive, and leaves money on the table.

### **THE COLIVING ADVANTAGE**

The same property that cash flows \$200/month as a traditional rental can cash flow \$1,000-2,000/month as a coliving property. Same house. Same location. Different strategy.

## **Traditional Landlord vs. Coliving Investor**

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Let me show you the difference in thinking:

TRADITIONAL LANDLORD THINKS...	COLIVING INVESTOR THINKS...
"I need to find a family to rent my whole house"	"I can rent each bedroom separately and multiply my income"
"\$200/month cash flow is a good deal"	"I need at least \$1,000/month to make a property worth my time"
"More tenants = more problems"	"More tenants = more income streams and less risk if one leaves"
"I need to be in expensive areas for good tenants"	"Workforce housing areas have the highest demand for affordable rooms"
"I need to manage everything myself to save money"	"Systems and platforms let me scale without sacrificing my time"
"I'll slowly buy one property every few years"	"Higher cash flow means faster scaling—I can acquire more, faster"

Notice the shift? It's not about working harder—it's about thinking differently about the same asset.

## What Is Coliving, Really?

At its core, coliving is simple: **multiple unrelated adults sharing a single-family home, each renting their own private bedroom while sharing common areas.**

This isn't a new concept. Boarding houses existed for centuries. What's new is:

- **Technology platforms** that handle tenant screening, rent collection, and support
- **A massive housing affordability crisis** that makes private rooms more attractive than ever
- **Changing workforce dynamics** with more mobile, single workers who don't need whole homes
- **Investor-friendly tools** that make this scalable and systematic

#### THE NUMBERS DON'T LIE

In most markets, the median rent for a 1-bedroom apartment is \$1,200-1,800/month. A private room in a coliving house? \$600-900/month. For many workers, coliving isn't a compromise—it's a smarter financial choice.

## Two Paths to Coliving

Throughout this course, we'll cover two approaches:

**PADSPLIT TRACK****Platform-Managed**

Use PadSplit or similar platforms to handle tenant acquisition, screening, rent collection, and support. You provide the house; they provide the system.

**Best for:** Hands-off investors, scaling quickly, consistent systems

**SELF-MANAGED TRACK****Direct Management**

List rooms yourself on Facebook, Craigslist, Roomies, or Furnished Finder. Handle screening and rent collection directly.

**Best for:** Maximum control, no platform fees, markets without platform coverage

Both work. Both are profitable. We'll teach you both so you can choose what fits your situation.

## **Limiting Beliefs to Overcome**

Before we go further, let's address the mental roadblocks that stop most people from pursuing coliving:

### **"MORE TENANTS MEANS MORE HEADACHES"**

**Reality:** More tenants means more income streams and less risk. If one tenant in a traditional rental leaves, you lose 100% of income. If one of five coliving tenants leaves, you lose 20%—and the other four cover your expenses while you fill the vacancy.

**"PEOPLE WHO RENT ROOMS ARE UNRELIABLE"**

**Reality:** Coliving tenants are often working professionals—nurses, warehouse workers, teachers, contractors—who want affordable housing near their jobs. Platforms like PadSplit pre-screen tenants for income, background, and rental history. The "problem tenant" fear is mostly a myth.

**"THIS SEEMS TOO GOOD TO BE TRUE"**

**Reality:** Coliving isn't magic—it's basic math. You're monetizing space that traditional rentals waste. A 4-bedroom house at \$600/room generates \$2,400/month. The same house as a traditional rental might get \$1,400/month. The extra revenue is real.

**"I DON'T HAVE ENOUGH MONEY TO GET STARTED"**

**Reality:** You don't need to buy a property to start. Many investors begin with arbitrage (leasing a house and subletting rooms) or converting a property they already own. We'll cover all funding options in Module 4.

**"THIS WON'T WORK IN MY MARKET"**

**Reality:** Coliving works anywhere there's a gap between what workers earn and what apartments cost. That's... almost everywhere. We'll teach you how to analyze your specific market in Module 3.

 **Defining Your Investor Identity**

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Here's something most courses won't tell you: **your results are limited by who you believe you are.**

If you see yourself as "just a regular person who can't figure out real estate," you'll prove yourself right.

If you see yourself as "a strategic investor who finds creative solutions," you'll prove that right too.

This isn't woo-woo mindset stuff—it's practical. When you identify as a coliving investor, you:

- Look at properties differently (how many rooms? what's the per-room rent potential?)
- Talk to lenders differently (you have a business model, not just a rental)
- Make decisions differently (based on cash flow math, not emotion)
- Recover from setbacks differently (one bad tenant is data, not a catastrophe)

 **YOUR NEW IDENTITY STATEMENT**

"I am a coliving real estate investor who creates wealth by providing quality, affordable housing to working professionals."

Does that feel uncomfortable to say? Good. Growth happens at the edge of comfort. Say it anyway. Write it down. The identity comes before the results.

 **Action Steps**

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Don't just read this lesson—take action:

1. **Complete the Investor Mindset Worksheet** (linked below). This will help you identify your specific limiting beliefs and create your investor identity statement.
2. **Write down three reasons** why coliving could work better for you than traditional rentals. Be specific to your situation.
3. **Tell someone** about coliving investing. Explaining it to another person solidifies your understanding and commitment.

 **Common Mistakes**

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- **Skipping the mindset work:** Jumping straight to deal analysis without the right thinking leads to analysis paralysis and missed opportunities.
- **Waiting to feel "ready":** You learn by doing. Perfect knowledge doesn't exist. Start before you're ready.

- **Comparing to others:** Someone else bought 10 properties? Good for them. Focus on your next step, not their highlight reel.
- **Overcomplicating it:** Coliving is rent-by-the-room. That's it. Don't let complexity be an excuse for inaction.

## Key Takeaways

- Coliving investor thinking is fundamentally different from traditional landlord thinking
- The same property can generate 3-5x more cash flow with a coliving strategy
- Most "limiting beliefs" about coliving don't survive contact with actual data
- You can use platforms (PadSplit) or self-manage—both work
- Your investor identity shapes your results—define it intentionally
- Action beats analysis. Complete the worksheet, then move to Lesson 2.



## Complete Your Worksheet

Solidify your learning by completing the Investor Mindset Worksheet.