Priced Out, Not Locked Out - The Real Estate Shortcut

How We Bought 3 Homes in 3 Years in One of the World's Most Expensive Cities Without Family Money

By Jon Dykstra

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Chapter 1: Why I Wrote This

This isn't some guru pitch, and I didn't grow up with a trust fund.

This is my story of how my wife and I were in the same jam as so many others... we were priced out of the real estate market in our area (Vancouver, BC).

> Our solution, which is the key message in this guide is to focus on increasing your income if you need more money to buy a home. **Specifically, start a side hustle**. It's what I did and it was the smartest move ever. It was instrumental in me buying 3 homes in 3 years.

In a nutshell, start a side hustle for cash, buy real estate for wealth and security.

Several years ago, I was drowning in law school debt, living in a basement suite with my wife and a newborn, wondering how we'd ever afford a home in Vancouver - one of the most unaffordable cities on earth.

Today's Reality

My wife and I own over $5 million in real estate. No family money. No six-figure salary. Just hustle, sacrifice, and using the system smarter than it was designed to be used.

If you're sitting on the sidelines watching the market climb, thinking, "I'll never own property here" - this is for you.

FYI, this is not some cut out the Starbucks and you'll afford a home nonsense. It's way beyond that. My wife and I had to get savvy to buy our first property, the second and even the third. This guide sets it all out.

Chapter 2: The Modern Housing Trap

We live in a world where housing prices rise faster than you can save. If your entire strategy is "cut expenses and save harder," you're already behind.

I'm not against budgeting - we lived painfully cheap. But you can't shrink your way into a million-dollar home. The math doesn't work unless you also raise your income. That's where most people miss the plot.

> *"Here's the ugly truth: Traditional real estate advice is broken in expensive markets."*

Save 20% down? In Vancouver, that's $300K for an average home. At $20K savings per year, that's 15 years... while prices rise 10% annually. You'll never catch up.

The solution isn't waiting for a market crash or moving to Kansas. It's building income streams that let you play the game on hard mode and win.

> Years ago, I read Colleen McCullough's First Man in Rome series which covers in detail the rise of the Roman Republic and subsequent empire. Julius Caesar was well covered for good reason. One thing that resonated with me about Julius is that while he was born of noble class, his family was more or less broke.
>
> Julius believed in himself. He borrowed beyond what he should have to gain political influence which ended up getting him an army. With army under his control, he conquered Gaul and made what billions and possibly trillions in today's money.
>
> That resonated with me. Ever since I read that, I realized the key to getting ahead was not merely saving but both saving and earning, with an emphasis on earning.

Chapter 3: My Story - $100K in Debt, a Newborn, and a Crummy Basement Suite

I graduated law school with a diploma in one hand and six figures of debt in the other. My wife and I had our first child not long after. Despite a deplorable financial situation, we made the call for her to stay at home and raise our kids (son number two came along in due course). That meant one income, one basement suite, and what felt like zero options.

We weren't living. We were surviving. Vancouver's real estate prices laughed at our bank account. Every open house we walked into was a gut punch. We couldn't save fast enough to keep up with the market.

The Starting Point:

- $100,000 in law school debt
- New lawyer salary (decent but not amazing)
- Wife staying home with newborn
- Living in a basement suite
- Vancouver housing market completely out of reach

FYI, I know people think lawyers make piles of money, and some certainly do, but most earn a decent living. New lawyers not in large corporate firms don't earn a pile. Ticketed trades guys can easily earn more than lawyers in our area (corporate firm lawyers excluded).

A frequent conversation we had was "home prices have to drop at some point and when they do, we'll be ready."

The problem was that the prices never did drop. They still haven't.

That's when I stopped looking outward and started building something I could control - a side hustle.

Chapter 4: The Shift - Side Hustle = Escape Plan

Side hustles aren't trendy. They're necessary. I started mine late at night, after work, half asleep but fully committed. Three years later, it was generating more than my law job. That second income changed everything.

The Game Changer

Every $1,000 a month you generate is worth around $100,000 more house. Let that sink in.

More importantly, it changed the way lenders looked at me. It paid down our debt, boosted our household income, gave us breathing room, and covered the down payment for our first property.

Why Side Hustles Work for Real Estate:

- **Immediate Impact on Borrowing Power:** Banks use debt-to-income ratios. More income = bigger mortgage approval. It's math, not magic.
- **Dedicated Real Estate Fund:** Your day job covers living expenses. Side hustle money goes straight to property acquisition.
- **Tax Advantages:** Business income opens up deductions and structures that W-2 income can't touch.
- **Scalability:** Unlike salary increases (which are slow and limited), business income can scale exponentially.

Ultimately, my side hustle became a full blown business I run to this day. I did not intend for my side hustle to become what it did. My intention when I started was to make $2,500 per month on the side.

Another important note is that I incorporated fairly quickly (I'm in Canada where there are no LLC equivalents. If you're in the USA, you'd more likely set up an LLC). This was smart for so many reasons. After all, incorporating in some form is an integral aspect to my entire "get in the real estate market" strategy.

Chapter 5: What Side Hustles Are Best?

Look, I'm not going to spend 20 pages telling you to start a dropshipping empire or become a TikTok influencer. But if you're serious about real estate, you need income that fits around your day job.

The Must-Haves for Any Side Hustle:

- Low startup costs (you're already stretched thin)

- Flexibility (you've got a day job to manage)
- Scalable (needs to grow beyond trading time for money)
- Preferably online (flexibility and scaling potential)
- Work from home (no commute = more time and lower costs)

Online Options (My Preference):

Service-Based Business

Take your existing skills and package them for businesses who need them done faster or cheaper than hiring full-time.

- Legal services for small businesses
- Marketing consulting
- Web design/development
- Content writing
- Virtual assistance
- Bookkeeping

Why it works: High margins, recurring clients, scales with systems.

Digital Products

Create once, sell many times.

- Online courses
- Templates and tools
- Software/apps
- Digital downloads

Why it works: No inventory, automated sales, global reach.

Content Creation

Build an audience, monetize through multiple streams.

- YouTube channel
- Podcast
- Blog with affiliate marketing
- Email newsletter

Why it works: Multiple revenue streams, compound growth, location independent.

Offline Options (Don't Sleep on These):

High-Value Services:

- Real estate photography
- Home staging consultation
- Handyman services
- Personal training
- Tutoring

Gig Work That Scales:

- Uber/Lyft (if you can optimize for high-demand times)
- Food delivery (stack multiple apps)
- Task-based work (TaskRabbit, etc.)

Local Business Services:

- Lawn care
- Cleaning services
- Pet services
- Event planning

The Key Question: Can you systematize and eventually delegate this business so it runs without you? If not, you're buying yourself a second job, not building an asset.

My Recommendation: Start with what you know. I leveraged my legal background. You should leverage whatever skills your day job has given you. It's faster and easier than learning something completely new.

Chapter 6: Buy Early. Buy Ugly. Buy Smart.

Our first home was nothing special. It was a bit grimy, a little further out than we liked, and had an in-law suite that needed TLC. But it was ours. And it appreciated fast.

The Three Rules:

- **Buy early:** The market doesn't wait for anyone.
- **Buy ugly:** Cosmetic fixes are cheaper than structural regrets.
- **Buy smart:** If it has a suite, it has income. That's half the battle.

We didn't buy our dream home. We bought our entry point. And it paid off.

The Three Rules Explained:

Buy Early

Perfect timing doesn't exist. I've watched people wait for "the crash" for 15 years while prices doubled. Time in the market beats timing the market.

Buy Ugly

Most buyers want move-in ready. That creates opportunities for investors willing to do some work. Cosmetic issues (paint, flooring, fixtures) are cheap fixes that scared away other buyers.

Buy Smart

Every property needs to serve multiple purposes in expensive markets. Our first property had:

- Primary residence (we lived there)
- Rental income (in-law suite)
- Vacation potential (save on expensive vacations)
- Appreciation potential (good neighborhood, transit access)
- Tax benefits (home office for business)

Chapter 7: Rent Local, Buy Where You Can

We certainly did this. Our first property was an inexpensive (inexpensive for Vancouver) boat-access cabin. I don't necessarily recommend buying a vacation property first, but it was a way for us to build some equity - buy earlier than otherwise. We use it tons. It could be Airbnb'd in the future. We believe it will appreciate considerably.

Renting is great if you happen to be in an expensive area - maybe you rented there to get into a good school catchment or other reasons. This doesn't mean you can't buy elsewhere and rent it. It's a solid strategy.

Chapter 8: Turning Extra Income Into Real Buying Power

Banks don't care about your ambition. They care about your ratios. Debt-to-income is everything.

Here's a simple chart that shows what side hustle income can do for you:

Extra Monthly Income	More House You Can Afford
$500/month	~$40,000-$50,000
$1,000/month	~$80,000-$100,000
$2,000/month	~$160,000-$200,000

The Math Behind the Magic:

Lenders typically use a debt-to-income ratio of 32-44% for housing costs. Here's how additional income translates:

$1,000 Extra Monthly Income:

- Qualifies for roughly $1,000 more in monthly housing costs
- At 4% interest, that's about $200,000 more in mortgage capacity
- With 20% down, that's $250,000 more house you can afford

Why This Works: Most people focus on saving for down payments. But the real constraint is qualifying for the mortgage. Income solves the qualification problem faster than savings solves the down payment problem.

Chapter 9: How I Used a Corporation to Buy Property #3

The corporation changed the game for me.

Having a corporation let me retain earnings inside the business instead of taking them as personal income - which meant I could use pre-tax dollars to fund our third property.

The Pre-Tax Advantage

Suppose the property is $300,000. Personal income tax bracket is 40%. 20% down is $60,000. If a corporation buys it, you need 40% less because it's pre-tax dollars. The same $60,000 would be $36,000 after tax personally.

In Canada, and I imagine it's similar in other countries, if a corporate entity buys real estate, it must generate revenue... be a commercial purchase. That's where Airbnb comes in very handy.

Why Incorporation Was a Game-Changer:

- **Pre-Tax Property Purchases:** Personal income gets taxed, then you buy property. Corporate income can buy property first, then pay taxes on what's left.
- **Better Lending Options:** Banks offer different products to businesses than individuals. Commercial mortgages often have more flexible terms.
- **Tax Optimization:** Many personal expenses become business deductions when you own property through a corporation.
- **Liability Protection:** Corporate structure separates business assets from personal assets.

Setting Up the Corporate Structure:

- Establish legitimate business operations
- Maintain clean books and records
- Build consistent revenue for 2+ years
- Work with accountants familiar with real estate
- Choose an appropriate business structure (Corp in Canada, LLC in the US)

Chapter 10: Why Buying Through an LLC (or Corp) Is a Power Move

For Canadians, it's a corporation. For Americans, an LLC. The idea's the same: keep your business income in the business, and use that business to buy assets.

In Canada, you'll need 20-30% down when buying through a corporation, and some lenders will make you jump through hoops. But the tax savings and legal protections are worth it.

In the U.S., LLCs offer flexibility and protection. Some lenders offer DSCR loans - they don't care about your job, they care if the property cash flows. It's tailor-made for investors.

LLC vs. Corporation: The Breakdown

For US Investors - LLC Benefits:

- Pass-through taxation (no double taxation)
- Flexible ownership structures
- Simpler compliance requirements
- Better for multiple property ownership
- Access to DSCR (Debt Service Coverage Ratio) loans

For Canadian Investors - Corporation Benefits:

- Lower corporate tax rates
- Ability to retain earnings
- Structured dividend payments
- Professional credibility with lenders
- Clear separation of business and personal assets

DSCR Loans Explained:

These are loans based on property cash flow, not personal income. Requirements:

- Property must generate enough rent to cover mortgage payments
- Typically require 20-25% down
- Rates slightly higher than conventional mortgages
- Perfect for investors with strong business income but complex personal finances

Chapter 11: How Much More House You Can Afford With Extra Income

Let's talk numbers. Every thousand bucks you bring in monthly can open the door to $80K-$100K more house.

Extra Monthly Income	More House You Can Afford
$500/month	~$40,000-$50,000
$1,000/month	~$80,000-$100,000
$2,000/month	~$160,000-$200,000

So instead of grinding for five years to save another $25K, build something that generates $1K/month. That's faster. Scalable. Repeatable. And it's what worked for us.

The Reality Check:

Traditional Savings Approach:

- Save $25,000 for larger down payment
- At $500/month savings rate = 50 months (4+ years)
- Meanwhile, property prices rise 8-10% annually
- You're chasing a moving target

Income Generation Approach:

- Build side business generating $1,000/month
- Qualify for $100,000 more house immediately
- Use business income for down payment
- Scale income as you scale property portfolio

Chapter 12: Tactics That Got Us Ahead

Our Core Strategies:

- We bought properties with in-law suites. Mortgage helpers = huge.
- We lived lean, even when we didn't have to. Delayed gratification works.
- We sold anything we didn't absolutely need to boost savings.
- We built a relationship with realtors who fed us pocket listings.

- We looked at each property not as a home, but as a tool. It had to produce value.

The Tactical Breakdown:

In-Law Suites = Mortgage Helpers

Every property we bought had rental income potential. This wasn't optional - it was required. Rental income:

- Helped qualify for larger mortgages
- Reduced actual carrying costs
- Provided cushion for vacancy or repairs
- Created tax deduction opportunities

Living Lean (Temporarily)

We could have upgraded our lifestyle as income increased. Instead:

- Stayed in smaller spaces longer than comfortable
- Drove older, paid-off vehicles
- Cooked at home, limited dining out
- Avoided lifestyle inflation for 3-4 years
- Limited vacations to whatever travel points accumulated

Asset Liquidation Strategy

We systematically sold everything non-essential:

- Expensive car (replaced with reliable used car)
- Electronics we weren't using
- Furniture that wouldn't fit in our small space
- Sporting equipment and hobby items
- Clothes, books, collectibles

Vacation Properties = Rental Income

Two of our properties double as vacation rentals and personal getaways. This strategy:

- Generates rental income when we're not using them
- Saves thousands on vacation costs
- Creates tax deductions for property maintenance and travel
- Builds equity in desirable vacation markets
- Gives us flexibility for family trips without hotel costs

Tools vs. Homes Mindset: We stopped thinking about properties as places to live and started thinking about them as tools to build wealth. Does it generate income? Will it appreciate? Can we add value? What's the exit strategy?

Chapter 13: What I'd Do Differently

Things I'd do again:

- Start a side hustle business. This is central to my "get into real estate" strategy.

- Incorporate. So many advantages with a corporate entity.

Things I regret:

- Waiting too long to buy property #1. I wish we had bought a property way sooner. We did delay under the "prices are coming down" mindset for some time. That was a huge mistake.

Lessons Learned:

Start the Business Earlier

I wish I'd started my side business in law school. The 2-3 years it takes to build consistent income means the earlier you start, the earlier you can start buying property.

Buy a vacation property first

This was our best option to buy property because it was far less than anything where we rented (we were in our first pick school catchment so it's an expensive area).

Waiting Too Long

I spent 6 months "researching" before buying our first property. That was 6 months of appreciation I missed. Perfect is the enemy of good.

Chapter 14: Final Thoughts - Don't Wait

I know what it feels like to watch housing prices run away while your paycheck stays flat.

I know what it's like to think, "We'll never afford anything decent."

But we did. With a newborn. With debt. With one income.

The Results

Now we own three properties. With equity. With income. With options.

You don't need a lottery win. You need a plan, a hustle, and a willingness to live differently - at least for a little while.

> *"Don't wait for permission. Don't wait for the market to crash. Don't wait for a raise. Build something. Incorporate it. Leverage it. And buy your way in."*

The Bottom Line:
This isn't about getting rich quick. It's about getting rich systematically.

The strategy works because it solves the fundamental problem: income. Once you solve income, everything else becomes possible.

Will it be easy? No. Will it require sacrifice? Yes. Will it be worth it? Absolutely.

Seven years ago, I was broke with a newborn in a basement suite. Today, I have $5 million in real estate and the financial freedom that comes with it.

The difference wasn't luck, inheritance, or market timing. It was income generation, strategic thinking, and consistent execution.

You Can Do This

But only if you start. Let's go.

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