

“Success Spotlight – Meet Jimmy Mamara”

By Todd Viani

Jimmy Mamara grew up in the Bronx at the end of World War II. Unlike today's bustling metropolis, the city was a rural area with creeks and ponds kids would swim in and small farms were Jimmy's family grew vegetables and grapes. Jimmy says, “The kids would sit around and watch the older men play Italian lawn bowling called bacci, and learn about life”

Jimmy's six-member family was close. His father worked hard as a Teamster and his parents were married 65 years before his mother passed-away. Jimmy has three siblings all of whom are professionals.

Out of High School, Jimmy was able to find work through his uncle in the Electrician's Union to help pay for college. After two years he went into the service and spent one and a half years in Vietnam. When asked about war Jimmy says, “The definition of war is grown men in a hole somewhere screaming.” He received both the Navy unit's citation and Presidential unit's citation.

After his service Jimmy returned to New York and worked as an electrician on Broadway. Jimmy says, ‘I wanted to do something more creative.’ This experience enabled him to land jobs in Hollywood after he moved from the east coast.

Go West Young Man

The warm weather Jimmy experienced while traveling in the service had a lasting impact on him so he decided to move to Newport Beach. He found work right away as an electrician and later became a unit production manager. Within a year Jimmy took his savings, moved to Fallbrook and purchased a home on a 15-acre avocado grove. There he and a few trustworthy friends began buying properties and fixing them up for resale. “It worked out great,” says Jimmy. He adds, “In those days you could borrow 90% so we would pool our funds to purchase the property. I knew the electrical and general contracting work and my other friends were brokers and finance pros. We flipped about 20 properties in eight years.”

Depending on costs, Jimmy says they would generally add a bathroom or master suite. If the numbers didn't make sense for extensive remodeling, they would just freshen up the property with paint and landscaping for a quick sale. When figuring whether or not the property was worth the risk, they estimated a net gain of forty-five thousand after rehab. Jimmy says, “After a few jobs, you can eye-ball a piece of property and get a pretty good idea of your construction costs.” After this success Jimmy came to realize that, in property ownership, rehab and management, there were constant opportunities for work. It was at this time in his life that he decided to focus his efforts on income property.

Big Break

In 1987 Jimmy was introduced to Gary Haddock at Playa Vista Property Management. Jimmy began working for Gary and says, “I really started to learn property management from Gary and consider him my mentor. He was excellent at everything he did and was a great teacher.” Jimmy emphasized the impact Gary played in his life. He added that it is critical for the young learner to find someone who has been successful in your chosen field. With Playa Vista, Jimmy managed a split portfolio consisting of both privately owned properties and those in receivership.

Specific Goals

When Jimmy decided to change careers and go to work for Playa Vista, he set specific goals. He formulated a plan that best utilized his learned talents and moved toward their end. His primary goal was to learn the income property management business from a professional who had been successful and then set out on his own. One of his secondary goals was to become licensed as a general contractor to enhance his resume. Jimmy says, “I realized that with a contractor's license I could offer more to investors and property management companies.” In 1991 Jimmy left Playa Vista and started JM Construction. Over 10 years later, JM Construction is still going strong offering investors and management companies Jimmy's expertise in the income property business. In all, Jimmy has rehabbed over 1,000 properties for himself, partners and investors.

Investment Tips

Jimmy says, "I believe that income producing real estate is the best investment that one can make." He adds that building a real estate portfolio takes three steps... purchase, rehabilitation and reinvestment. When buying, it is important to understand the value and potential value of the property. Once a purchase has been made Jimmy says, "Don't sell! Rehabilitate the property, have it reappraised and then refinanced and use the income to buy a new property. If you keep this formula going, in five to ten years you should have a good foundation of properties with which to build a nest egg for your future." Now that Jimmy is older and more conservative, he has transferred his real estate profits into low risk Nuveen investments. Jimmy says at this point in his life he has stopped owning and managing buildings in order to focus his attentions towards his daughter and pride and joy Nicole.

Market Outlook and Parting Thoughts

Jimmy sees a lowering of prices if there is a second term for President Bush. He thinks that as operating expenses go up in the state, as well as a rise in unemployment, the cost of properties should go down. He says, "I am starting to see a lot more "For Rent" signs, which leads to concession signs (e.g. first month free or no security deposit) and once that starts a price drop should follow."

In his life, Jimmy has been the beneficiary of a strong family foundation and God given talents. Combining these with hard work and determination he has reached financial independence. Jimmy says, "The most important thing to do in life is to learn how to listen." Well Jimmy, that is advice worth listening to.