



31 Days to Purchasing and Renting Your First Investment Real Estate Property

Business Plan Startup Checklist

Getting Started

- 1. Conduct a personal evaluation to determine why you want to start an investment real estate business.
- 2. Create an investment real estate business plan.
 - a. What do we do?
 - b. How do we do it?
 - c. Who do we serve?
- 3. Conduct a SWOT analysis to identify your strengths, weaknesses, opportunities, and threats.
- 4. Assess how much capital you have available to invest in your first investment real estate property.
- 5. Discuss your plans with family and friends to ensure they are behind you.
- 6. Determine if you want the investment real estate business to be part-time (Refer to Day/Chapter , in discussing Uber Time) or full-time.

Committing to Your Investment Real Estate Business

- 1. Define the tenant/client “problem” and how your investment real estate business can provide a solution in a unique way. (Refer to Day/ Chapter
- 2. Determine viability: Is there a market for your service?
- 3. Identify businesses that are having success today.
- 4. Will your investment real estate business be relevant as time passes? How will you adapt to buyer’s and seller’s market? How will you adapt to rental market changes?
- 5. Define your rental market?

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- a. Who is your ideal tenant/client?
- b. What's the size of your rental market?
- c. How easy is it to acquire tenants?
- 6.** Validate your rental idea by talking to potential tenants.
- 7.** Evaluate how tenants solve this rental vacancy, as well as what the competition offers.
- 8.** Create a quick financial plan, identifying costs and forecasted sales, to see if your capital gets you to a profit. (Refer to Day/Chapter

Setting Up Your Investment Real Estate Business

- 1.** Decide if Ownership in your Personal Name, discuss with your accountant to make work this is best for your investment real estate business.
- 2.** If you are advised to incorporate select your business name. Perform a corporate name search to make sure your name is still available.
- 3.** Register a domain name and secure social media profiles for the company.
- 4.** Apply for an EIN with the IRS and local or state business licenses.
- 5.** Open a business bank account and apply for a business credit card.
- 6.** Start your search for the best investment real estate property.
- 7.** Once location is secured, get services/utilities set up in your name until tenant is in place. Ensure the services/utilities are transferred to tenant's name.
- 8.** Decide on a legal structure or business structure and incorporate: Corporation, LLC, or Sole Proprietorship.
- 9.** Identify and Assemble a Team REAL (Real Estate Advisory League)
- 10.** Set up an accounting and record keeping system:
 - a. hire an accountant,
 - b. select an accounting system, and
 - c. select a fiscal year
- 11.** Evaluate and select needed insurance policies for your business: liability, workers' compensation, or health insurance.

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- 12.** Prepare and begin networking with pre-marketing materials:
 - a. business cards,
 - b. letterhead,
 - c. invoice,
 - d. brochures, or
 - e. public relations.
 - f. Website if necessary
- 13.** Introduce your business to the surrounding businesses to your location.

Ensuring Sufficient Funds are Available

- 1.** Estimate how long it will take for your investment real estate property to acquire a paying tenant.
- 2.** Itemize your business expenses for the first year, at least, and assess where these will come from.
- 3.** Itemize how much capital is required to launch the business and project how long it will take to become profitable.
- 4.** From this, determine how many months of savings or investment you need to breakeven.
- 5.** If outside investment is required beyond your funds, complete a business plan for your joint venture partners.

Planning for Your Investment Real Estate Business Plan

- 1.** Complete a Company Overview that includes basic information and a summary of the management team.
- 2.** Write a Business Description section describing your services and what problems they solve.
- 3.** Prepare a Market Analysis section that describes the total market and your target market, specific segment needs, competitive offerings available, and any trends that will affect the analysis.

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- 4.** Describe an Operating Plan for the business, such as operating hours, location, number of employees, key vendors, or seasonal adjustments your business might need to adjust to.
- 5.** Create a Marketing and Rental Plan that includes a “Go To Market” or rental plan, rental rate, how your rental will generate leads, and attract new tenants.
- 6.** Build a Financial Plan that shows a break-even analysis, projected profit and loss, and projected cash flows.
- 7.** Write an Executive Summary which gives a general overview of the above completed sections.

Setting Up to Operate

- 1.** Find a feasible investment real estate property for you that provides the ideal rental unit needed for an investment real estate business.
- 2.** Set up a home office with an appropriate workspace, including a comfy chair, desk, shelves, filing cabinet, etc.
- 3.** Identify any staffing needs. (Part of Team REAL process)
- 4.** Recruit, interview, hire, and train employees (if applicable).
- 5.** If hiring employees, get an employer ID from the IRS (USA) or CRA (Canada)
- 6.** Identify and set up any needed technology:
 - a. computers/laptops for business operations,
 - b. printer(s),
 - c. business software and applications,
 - d. POS,
 - e. business email accounts,
 - f. phones,
 - g. CRM
 - h. billing, and
 - i. payment systems.
- 7.** Ensure your technology systems are secure with your information and customer information.

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- 8.** Install a security system, if applicable.
- 9.** Depending on the business type, identify and partner with the right suppliers/vendors.

Marketing and Launching Your Business

- 1.** Develop and refine a brand for you or your company and the rental unit.
- 2.** Create and fine tune an Elevator Pitch through conversations.
- 3.** Community outreach and networking: as a rental home business, you can use any community information to pass on to your tenant to feel engaged in the neighborhood. Therefore, other rental marketing strategies may be needed to offset local media. Attend various community and networking events to build relationships with community connectors.
- 4.** Begin distributing or displaying your marketing materials:
 - a. web-based promotions,
 - b. social media,
 - c. direct mail,
 - d. business cards,
 - e. trade shows, or
 - f. brochures.
- 5.** Establish an email marketing account and initiate digital marketing through blogs, emails, or SEO strategies to drive traffic to your website.
- 6.** Let the local or regional press know you are opening and when.
- 7.** Utilize Guerrilla Marketing tactics to generate traffic.
- 8.** Organize an opening event. Create a relationship that might allow cross-promotions.

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Sustaining Your Business

- 1. Keep track of strategies that worked and flopped to fine tune your marketing tactics.
- 2. Ask for referrals and testimonials to build credibility.
- 3. Maintain and nurture your repeat business. Remember, it costs 80% less to maintain a current relationship than to develop a new one.
- 4. Recognize your tenant base. Even if they leave your rental for personal or work reasons they may be your best source of testimonials when looking for new tenants.

Start your investment real estate journey today

By the end, you'll understand the true state of your finances so you can make informed economic decisions and reap the benefits of your investments - now and into the future.



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