

The Investor Checklist



There is high demand for affordable rental homes in growing metros, so properties sell quickly. This checklist will help ensure you perform thorough due diligence while meeting important deadlines during the closing process.

Before you purchase any investment property, consider printing this off and using it as an active worksheet for your investment.

Property Address: _____

Property Team: _____

- 1. Know your strategy and goals before looking at properties. Your RealWealth Investment Counselor can help you create a plan for building your real estate portfolio.
- 2. For any markets you are interested in, view the archived Webinars inside the RealWealth Investor Portal.
- 3. If financing, get pre-approved by a RealWealth preferred lender before speaking with one of the property providers. The list of lenders is located in the RealWealth Investor Portal, under Lenders.
- 4. If performing a 1031 exchange, do your market research far in advance as you will have only 45 days to identify replacement property. Also, be careful not to identify a property that is under construction or currently being rehabbed because it might not be ready by your deadline. The property providers need plenty of advanced notice due to low housing inventory.
- 5. Once you have your loan pre-approval letter in hand, contact the Property Team(s) you are interested in directly. Please note: RealWealth Realty is a licensed broker in California only and is not at liberty to discuss the purchase of specific properties in other states. Direct general investing questions to RealWealth and property-specific questions to the property provider.
- 6. If you are purchasing a renovated property, verify that it meets RealWealth's REAL Income Property™ standards through a 3rd party inspector. If you are buying a brand new home, find out what percentage of the homes in that subdivision are rentals. (We recommend a maximum of 30%.)
- 7. We highly recommend you visit the area, meeting the property team and walking the property before buying.

- 8. Speak with the property management company before closing to make sure you understand and agree to their contract terms.
- 9. After choosing a property, make sure that the purchase contract contains separate contingencies for a 3rd party appraisal, an inspection, and for financing. If they aren't there, have them added before signing.
- 10. ALWAYS get those appraisals and inspections! You order the inspection, and the lender will likely order the appraisal. If you are paying all cash, then you order the appraisal.
- 11. After reviewing the inspection, ask the Property Team to make the repairs you feel should be corrected. It doesn't have to be everything on the report, as the inspectors job is to point out everything they see. After the corrections have been made, be sure to send the inspector back to verify the repairs have been done before closing.
- 12. Get quotes for homeowners insurance and make sure the policy is in place before you close.
- 13. Be sure to tell your Title Company that you wish to purchase an owner's title insurance policy. This policy will protect you in certain situations and is recommended.
- 14. Let your property manager know the close date so he or she can start marketing for tenants.
- 15. You will need to notarize your closing documents on the closing date. You can consider flying to the market for a final walk-through and sign there, or you can have the closing documents sent to a notary where you live.
- 16. Once you close, review your property management statements each month and verify that rents have hit your bank account.
- 17. Please let RealWealth know of any concerns or questions along the way. We are not brokers in these states, and cannot give advice on the individual property, but we can give you general investing tips that may save you lots of time and effort.
- 18. If the Property Teams on our referral list present opportunities outside of single or multi-family rentals, please let your RealWealth Investment Counselor know right away. This way, we can take a look and help ensure that it's not too far out of their wheelhouse of expertise.

Remember, RealWealth exists to help you succeed. Please reach out to us with questions along the way. We are here for you!

