

5 **COSTLY** MISTAKES REAL ESTATE INVESTORS SHOULD NOT MAKE

IN ORDER TO PROFIT FROM
RESIDENTIAL RENTAL PROPERTIES

JIL & ASSOCIATES, INC

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PROTECTING YOUR ASSETS

Why should you never purchase property in your own name?

To protect anything that you personally own such as your house and bank accounts, avoid purchasing properties in your name. This also allows you to receive special tax advantages and makes for easier bookkeeping.

How can I protect my personal assets?

Setting up an LLC or LP is the simplest way to ensure your assets are protected.

How important is insurance?

To ensure your properties are protected from any potential disasters, make sure you find the right balance between the insurance you're paying. Know what you're paying for and everything it entails. Different properties need different coverage, but two important ones every property needs are property and liability coverage.

2

WORKING WITH A TEAM TO MAXIMIZE SUCCESS

🏠 How much of a team effort is investing?

Building relationships with professionals in your industry will ensure you have people on your team that have any knowledge or experience you may not have. Easily avoid problems by having connections with people in your same industry.

🏠 Who should be on my team?

Some important people you should work and build connections with:



- Real Estate Agent
- Lender
- Lawyer
- CPA
- Handyman

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WORKING WITH A PROPERTY MANAGER

Why a Property Manager?

A Property Manager handles all the landlord work. From dealing with tenants to maintaining the property, hiring a property manager will take a large load off of your shoulders.

What does a Property Manager actually do?

Your Property Manager will find and select the best tenants for your properties including doing background and credit checks. From there, they also handle the lease signing and collecting the security deposit. They also maintain the property including making sure repairs and maintenance is done.

How do you find the right Property Manager?

Research and interviews is crucial to hiring the right property manager. Check online reviews, talk with other landlords and make sure to double check them on the Better Business Bureau.

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PICKING PROPERTY WITH STRONG PROFIT POTENTIAL

 How do I know if a property is profitable?

Before looking into a property, knowing the market and the neighborhood is important. Compare different neighborhoods to see which one will guarantee you the most profit.

 Which types of property should I look at?

You should decide if you want to invest in single-family or multi-family properties. Condominiums are also a good starter property.

 What should I research when picking a profitable neighborhood?

- School district
- Crime statistics
- Cost of living in the area
- Property taxes

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ESTIMATING RENTAL EXPENSES

Why should I make a rental budget?

Accounting for all your regular and extraordinary expenses early on will ensure that you don't run into any unexpected costs that cut your profits.

What are some expenses I can deduct?

Expenses you should take record of include property taxes, insurance, mortgage interest and property maintenance. A VERY GOOD TAX ACCOUNTANT IS RECOMMENDED

How can I attract high-quality tenants?

Making a good first impression starting with the exterior of your house can make a huge difference on whether a potential tenant even steps into your property. Trimming trees and planting flowers on the outside, as well as painting rooms and refinishing floors are essential.

ABOUT THE AUTHOR



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With over 20 years of accounting experience, Ifeoma has been dedicated and devoted to providing the utmost professional and proficient services to individuals and businesses across the United States. Accounting has been her passion for as long as she can remember, which spearheaded her way into creating her own business from the ground up.

Since building JIL Advisors in 2011, she has been zealous about providing her clientele with professional, tailored assistance and guidance in a wide variety of fiscal and corporate needs. Ifeoma proves to exhibit quality in every area of her profession by focusing on producing expeditious work that has yet to be surpassed.

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