

## **8 Week Guide To Your First Sub30k Rental Property**

### **Week 1: Figure Out Your Finances And What banks make the most financial sense**

Assess your finances. Are you ready to minimally put a 20% down payment down on a Sub30k property? Can you buy it out right in cash? Also, if you can purchase all cash, do you have the funds (or at least the income and credit) to fully renovate it responsibly?

Also, remember: Not every bank will be your sub30k partner. You will need to search through and find the appropriate financial institution for your investing goals as well as for your target market (up next)!

### **Week 2: Find The Market That Fits Your Budget And Investing Goals**

The most important part for sub30k investing is finding your market. If you want to purchase a solid producing low priced property, you NEED to adjust your paradigm - your market will not necessarily be the one you live in! Investing out of state or non-locally is one the key principles to investing in this class (or any class that's affordable), so once your mindset is set on that, you will find real estate investing lot easier and a lot less frustrating than what you may have been encountering. Most of my coaching clients live in New York City, DC, Atlanta, California, etc. So this strategy and 8 week plan was basically life or death, or at least financial security and investing vs being dependent upon the 9-5 for the rest of their lives. And, it's a LOT easier than you thought with the proper systems in place.

### **Week 3 & 4: Find your property**

This is where you do your block to block analysis. In this price range neighborhoods can change one street to another, so it's important to check the most important factors for that property you are looking to invest in, making sure you're taking in the LIKELY rents, the LIKELY repair estimates (new investors tend to underestimate these costs which can severely effect cash flow). In addition, you will want to weigh the pros and cons of how much renovation is needed in connection to the purchase price. As these are older homes, the renovation budget can be a bit more intense than a newly built home.

Also, This is catching on!! SO, what does that mean? You need to hurry up and get on the Sub30k Bandwagon, and understand in the most well known markets, those houses and listings are under contract within a day of being on the market. At that point, you will be paying a hire bidding price. Personally, I like for people to use the methods and systems I created in my coaching program/courses to find their own cash flowing sub30k market, but that depends on how much of an advantage you would like to acquire and pay for to get around the mainstream competition.

### **Week 5: Make That Trip - Boots On The Ground**

Now, regardless of if you need to drive or fly (FYI - if you need to fly we can develop a system for you to make sure you choose the most economical market that makes sense for where you live), you need to put boots on the ground. Go look at those properties you've chosen, and you HAVE to see them in person. It's common that houses that look great, don't look so hot, and the ones that seemed "okay" on

the computer are often a lot nicer than the photos indicated. Don't know why, but that happens a lot, and I can't stress putting boots on the. Google Street view helps (and I HIGHLY recommend it when analyzing our properties together) but you have to see YOUR INVESTMENT in person.

### **Week 6: Start Submitting Your Bids**

When you get back from your trip, you need to have your top 5 properties, and start submitting bids. Bid on your first choice, if you don't get that, go to your second. By the time you get to your third bid, well of course we aren't bidding the asking price (it's your third choice for a reason), but you are bidding at a price that makes sense for the seller (he doesn't want to lose money either), but also isn't going to ruin your chances at cash flow (this is important at any price range, not just sub30k investing).

### **Week 7: Bid is accepted - Finding An Inspector, Property Manager, and Title Company**

One of these bids should be accepted. You've negotiated and the seller agreed. Now, you will need to get a high quality inspector (ask him how he gives his report - I had one guy just write everything down in pencil BADLY. The inspectors matter). Also, make sure you are lining up which Property Management company you are going to use, as they can monitor your renovations if you're not there in person. In addition, usually your agent can give you the name to a title company to do closing. Some closings I have been to have been law offices, or title companies that have lawyers - it really is different per location. But all the same, be ready to find out the exact money you need to bring to the table a few days before the closing date. I know, I know, you want that information earlier, but they don't work on your stuff until a few days before closing, so that's when you get the final tally.

### **Week 8: Ramping up Contractor and Laying the Foundation For Out of State Investing**

Now, you're ready to rock!! Depending on the property you selected, you will have minor renovations or major. Just keep in mind to hire quality contractors, and breaking their work contract into milestones, will be the most effective to minimize your risk. Milestones mean, if they don't finish the first milestone COMPLETELY, you don't give them ANY more money (and trust me, I haven't work with a General Contractor who hasn't asked for the money ahead of finishing their first milestone - when I told them no, they finished that milestone within a day - that's what you want).

**Using these guidelines, I have been able to personally help 100s of investors these last 2 years (either directly through one on one coaching or through my online training courses) - and I am incredibly proud of this! If this sounds like it makes sense for your business, we'd love to schedule a call and explore what kind of approach and campaign would generate the best results for you.**

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**HOME**