Rev N You

with Real Estate

The 5 Simple Steps to Real Estate Investing Success

www.revnyou.com

About Rev N You authors Julie Broad & Dave Peniuk

Julie Broad & Dave Peniuk are a husband and wife real estate investing team from Vancouver, Canada. In seven short years the two of them created a multimillion dollar real estate portfolio in their spare time with limited funds! Today, they like to say they are retired … which to them simply means they are doing exactly what they want to be doing.

Dave and Julie spend their time building and managing their current portfolio of properties and helping other like minded real estate investors get started with real estate.

They believe that anybody can start with nothing and be proud owners of over $1,000,000 in property in less than 12 months…

To help fellow real estate investors navigate successfully around the challenges of buying and holding rental property, Dave & Julie publish a free weekly newsletter which you can sign up for here:

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Why Real Estate? Why Now?

Dear Reader,

It's Julie Broad here—one half of the team behind Rev N You with Real Estate. I just want to take a quick moment to tell you why I love real estate, and believe that just about anyone can do what we've done (and actually, if you follow our tips and tricks, you can do a lot better than we did early on because you'll avoid the mistakes we made!).

I'm 33 years old … and I have retired into the life I want to live. It was just about exactly a month before the 7 year anniversary of buying our first rental property when I turned in my resignation at my job. **Nothing in my life has every felt as exciting, liberating and exhilarating as knowing that my 9-5 days were over!**

I didn't even hate my job—I just wanted freedom. **More than anything else in my life, I wanted to be in charge of my day.** I wanted the choice … the choice to meet someone for lunch, or go biking in the sun, or take an extra long weekend. I didn't want to answer to anyone but myself (and my husband) for my day to day activities.

It wasn't about being rich—although I must confess—I do like having money! And, thanks to real estate, we enjoy a comfortable life, a net worth of over $1,000,000 (and growing!), and most important to us - FREEDOM.

We started real estate investing in a pretty rough market on the West Coast of Canada. There were plenty of foreclosures around, houses commonly lingered on the market for 12 months, or more, and job losses were very common thanks to the dot com bubble bursting. **It was a scary time to start out as an investor, but we were able to do it very successfully because we followed the five steps you're about to learn about.** These same five steps are what we teach our students to help them overcome fear and buy $1,000,000 worth of rental property in under 12 months (even if they know nothing about real estate and have very limited funds to use!).

And that is exactly why we started writing Rev N You over three years ago!

Our first investments were excellent—we followed our steps and made great decisions. But, we got side tracked by an exciting course by an info-mercial real estate guru.

We spent nearly $20,000 on his programs and learned so many fancy techniques and tricks. We rushed out and started buying any properties we could find that had good cash flow, motivated sellers and attractive financing options.

And—we made a mess of our finances and our lives!!

It was an expensive lesson—well, actually, there were many lessons we learned in the years it took to clean up that mess. And, that is why we started writing Rev N You. We wanted to help other investors buy the good properties and build their wealth and freedom much faster by avoiding the stressful and challenging properties we bought.

It's not about timing the market—you can buy today and make a lot of money, just like you could buy three years ago, ten years ago, and longer and make a lot of money with real estate. It's about learning the fundamentals of real estate investing and then applying them systematically.

It's not as exciting as chasing fancy investing techniques, but I can assure you that there is nothing boring about depositing $15,000+ in rent cheques in your bank account every month!

So … let's get started shall we??

I've created this special report to give you an understanding of the five steps. There's lots of useful information in here … I encourage you to share it with friends and family. I also encourage you to sign up for our free newsletter so you can learn even more!!

We look forward to helping you build your Rev N You with Real Estate.

Sincerely,

Julie Broad & Dave Peniuk
Rev N You with Real Estate

P.S. To sign up for our free weekly real estate investing newsletter with tips, resources and plenty of videos to help you get started as an investor go to:

http://www.revnyou.com

And you'll also get a free real estate investing starter tips guide when you sign up …

The 5 Simple Steps to Real Estate Investing Success

5 Steps to Overcoming Fear & Getting Rich With Real Estate

Thanks to low interest rates and increasing rental rates, we are enjoying more cash flow from our rental properties than ever before. Sure, our properties aren't worth quite as much as they were last year. But they are still making us money. And because we purchased in desirable areas, we know they will increase in value over time.

And we aren't the only ones making money with real estate today. **Jeff Adams** works full-time as a firefighter… but his part-time job as a real-estate investor has made him the nation's leading expert in finding motivated sellers, hungry buyers, and private lenders. He's made over 350 deals since 1995, just working part-time!

Marko Rubel left his corporate career a few years ago, and today, after several hundred successful transactions, his real estate holdings are estimated to be in excess of $4 to $5 million. And Dave Lindahl - who started out as a dead-broke landscaper with no real estate experience - now owns 5,136 units.

Despite massive profit opportunities in the real estate market, people are more afraid of buying property today than they were two years ago. Most think the best strategy is to wait. I regularly receive reader e-mails saying they want to overcome their fear of buying property right now - but they likely won't. And until I read ***Influence: The Psychology of Persuasion*** by Dr. Robert B. Cialdini, I didn't really understand why.

Cialdini spends an entire chapter on **Social Proof**. He explains it as **something that happens when we use the actions of others to decide what is right for us in a given situation.** The more we see other people doing something, the more correct we feel that action to be - especially when we view those people as similar to ourselves. You might have heard this called "herd mentality" or "group think."

If you are interested in buying real estate, it's absolutely vital to understand this concept. Social proof is most powerful when we are uncertain - and right now, nobody is certain. With the media constantly talking about foreclosures, job losses, price drops, and company bankruptcies, uncertainty will continue to grow.

There aren’t many people telling positive real estate stories these days, so there isn’t much social proof to encourage anyone to buy. But as powerful as social proof may be, the truth is that often *the majority is not right*. And because the “herd” is currently steering clear of real estate, that means there are tremendous opportunities for people who are investing.

Isn’t it always better to be shopping for something when nobody else wants it? You get better prices, better selection, more control. All these benefits apply to the real estate market right now.

So, how do you overcome the power of social proof and the psychological pressure to do as everyone else is doing? How do you go against the crowd and find those opportunities others can’t see?

It’s simple. You follow a proven, repeatable process - and you use the same process every time you look for and buy a property.

When we were just starting out in real estate, my husband and I wasted time (and money) chasing the hottest strategy of the moment, from foreclosures to flips to no-money-down deals. But we’ve settled on a simple, easy-to-replicate, five-step method of finding and buying properties that takes emotion out of the equation.

Step 1. Set Your Goals

Where are you today as a real estate investor? Where do you want to be long-term? Consider the time, money, and skills you have to invest in the outcome you want. Then you determine where the gaps are, and fill them.

No background in real estate? Head to the library to read up on real estate terms and trends. Looking for help with the marketing side of your business? Pick up a home-study program. No time to deal with tenants? Look into a management firm.

Once you know what you need and how to get it, you can make a plan to move from novice real estate investor to multi-millionaire! (or whatever your goal happens to be).

Step 2. Research the Markets

Look for places where you can find properties that meet your investment goals. Look for markets where there is good potential for value and growth.

This step takes some work, and this is where people often start chasing hot tips and hot markets. That’s a mistake. Do your own research. The clarity that comes with becoming knowledgeable about an area will give you the power and confidence you will need to move forward.

Step 3. Find a Property

The trick to finding a property is to let people in your network (realtors, brokers, property managers etc.) know exactly what you are looking for. If all you say to them is "I want to buy a property," they will either send you everything or they will send you nothing. Be specific. For example, "I am looking for a duplex or a triplex in the Pinewood neighborhood that has a motivated seller."

Meanwhile, you need to know what other duplexes and triplexes are selling for in that area and why. If you can't figure out WHY a property is selling for an under-market price, you likely haven't found a good deal.

Step 4. Buy the Property

Once you hit this point, *you should be in problem-solving mode*. You are creating the deal here - and the best deals are negotiated when you solve a problem for the seller.

Let's say you find a great property and the seller has already moved out or can't afford necessary repairs. Try offering a much-lower-than-market price for a fast close. If the seller will not reduce the price, try for vendor financing with favorable terms or try to negotiate furnishings, sporting equipment, or even vehicles into the deal.

Or let's say you find a multi-unit property that the owner is selling because he's feeling burnt-out as a landlord. Offer to become partners with him - with you taking over managing the property in exchange for 50 percent ownership.

Once you've negotiated a great deal, you secure your financing, get an inspection, hire a lawyer, and complete some final due diligence to ensure that property really does meet your objectives.

Step 5. Make Money

At this stage, it's all about maximizing your revenue. Spend a bit of time finding and placing good tenants (or hiring a quality property manager), and then monitor the bookkeeping records regularly. It only takes a few hours a month - and while you're doing it, you will spot ways to minimize expenses and make more money as you get ready to buy your next property.

Following this simple five-step process takes the fear out of making a real estate investment. And it ensures that you're buying property that meets your long-term goals. When you do that, there's no reason to worry about what the media is saying or what the herd is doing.

Step 1: Set Your Goals

The Problem with Taking Action Before Your Set Your Goals

We felt swindled. We'd spent nearly $20,000 on several instructional programs, on a mentor for our real estate investments, and to incorporate. Despite all of that, we found ourselves in court trying to defend fire code violation charges for a six-unit property we'd purchased.

We blamed the property manager who had turned our property into a drug distribution center. And we absolutely blamed the Canadian postal system for not delivering the first violation notice. Mostly, we were angry with the people behind the programs we'd put time and money into.

Eventually, we came to accept the ugly truth. **The mistake that was nearly fatal to our finances and our real estate investing business had been 100 percent preventable**… and it was nobody's fault but our own.

If you're getting started as a real estate investor… or if you're beginning virtually ANY new venture… pay careful attention to what we did wrong and how you can prevent it from happening to you.

We firmly believe that you need to get going on your dreams. Without taking action, there's no chance that they will come true.

But we were so anxious to get going on the moneymaking venture we were so excited about - that we forgot about a critical part of the process…

Now let me assure you, the programs we'd invested in delivered on their promises. They gave us the tools and techniques we needed to take action. With what we learned from them - and our mentor - we flipped a house and purchased three others for a total of 12 units in only a few months. And we did it with very little money down.

Educating ourselves was smart.

So where did we go wrong?

Looking back, we realize that although there was nothing wrong with the programs we took, we had not determined WHY we wanted to take them, WHAT we wanted to learn, and HOW we would apply what we learned. Essentially, we had completely skipped the critical step of getting ready! And taking action without getting ready doesn't work.

To learn from our mistake, consider the following:

1. What are your goals?

There are plenty of ways to set goals. We typically start with our dreams and lifetime wish lists. Then we drill down … so from your lifetime goals determine your medium-term (5- to 10-year) goals, and then plan the next year.

When my husband and I signed up for our first real estate investing program, we'd already successfully purchased two rental properties. We had decided that we wanted to get rich as quickly as possible, and real estate seemed like the best way to do that without much effort. We'd even set a "goal" of earning $2,000 per month in positive cash flow from real estate within a year.

However, just because you have a measurable outcome and a deadline for achieving it doesn't mean your goal is feasible. Any goal you set MUST be realistic.

You have to consider the time, money, and skills you have to invest in that outcome, and determine where the gaps are. Then, you fill those gaps. That is a critical step in getting ready.

Had we done that, we would have set a different short-term goal for ourselves. Plus, we would have been clear and specific on what we needed to get out of that first program.

What we really needed to learn was how to buy properties that require minimal time and effort to manage. Instead, we chased our loosely defined goal of $2,000 per month of positive cash flow. And we started buying any property we could without regard for whether it was going to take us closer to or further away from our long-term goal to become real estate millionaires.

2. Who is teaching what you need to learn?

Find a program or a mentor that can help you achieve your goal for the next year. If you've identified a skills gap that needs filling, find a program that can fill it. If you aren't sure the program will deliver on your objectives, write the program coordinators and ask. If you don't like the response you get (or get no response at all!), don't sign up.

3. What are your specific goals for that program?

This is slightly different than your goal for the year. The right program will move you closer to your goal for the year, but you should also have a specific goal for the program.

For example, I recently went to a one-day real estate investing seminar in Vancouver. Before I went, I wrote down two goals that I would focus on that day. The first goal was to gather information that would help us develop our own real estate investing program. The second goal was to come up with three blog posts or topics for articles I could write based on discussions at the seminar.

I got more out of that day because I was focused on specific goals that would take me closer to the main goal I am working on for the year.

4. What actions should you take?

A good program will get you excited to get started. All you will be thinking about is the action you are about to take. *Taking action is critical to your success, but first take the time to make a plan*.

You have to know WHAT you want to achieve, but you also need to figure out HOW you will use what you've learned to achieve it. Then, take action!

When we took our first real estate investing program years ago, we skipped right through to taking action. We didn't carefully consider our long-range objectives. So we didn't have any real idea of what we should be getting out of the program. We just knew that we wanted to be rich real estate investors. The sooner the better!

Had we taken a few hours to set realistic, specific goals for ourselves, we could have saved tens of thousands of dollars on repairs and fines for the kind of buildings we shouldn't have bought, and three years of headaches with terrible tenants. And we could have achieved our goal of becoming millionaire real estate investors that much faster.

Taking good programs and learning from mentors is an excellent way to acquire the tools you need to take action and realize your dreams. But save yourself money and pain by getting ready before you take action.

Step 2: Research the Markets

Step 2: Location Research—An Overview

Doing an excellent job of researching a market before you buy is the BIGGEST differentiating factor between successful real estate investors and hobby investors.

So many people get lazy and just read about a hot place to buy homes and put their money there. That is a mistake—and it's one that experienced and successful investors would never make.

Here's the really good news… **when you know the signs to look for you'll find that picking a good location for real estate investing is fairly simple**. It takes a bit of leg work to research the locations and find one that meets all of the criteria on the checklist, but when you do, you will also find an enormous opportunity for wealth creation!

In an interview for Canadian Real Estate Magazine, real estate developer, investor and co-owner of Boston Pizza Jim Treliving said of real estate investing *"The most important thing is to do your homework...You have to read a lot, find out about the areas you want to go into, where the emerging markets are. It's often not the biggest ones necessarily; it's a matter of where you see growth, go and find out, go into the markets yourself."* [i]

On the next page we're going to share our location research checklist with you … The goal of the checklist is to have a barometer to use when locating a good area to invest in. **Essentially you are trying to find out if the market is staying the same or is about to make a turn for the better or the worse**.

i. Go West. *Canadian Real Estate Magazine*. September 2008. p. 54 (http://canadianrealestatemagazine.ca/)

Location Research Checklist

NAME OF LOCATION ______________________________________

- Familiar Area (Or Easy for you to get to know)
- Population Growth
- Good Employment
- Good Transportation (or progress improving the transportation)
- Healthy Economy
- Appealing Opportunities

NOTES ABOUT THE LOCATION:

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Familiar Area

If this is your first investment property, we highly recommend you stick to an area that you are familiar with and know some people in. This will make your learning curve a little bit easier to manage. However, it's not necessary to invest in locations you are familiar with. Many major metropolitan areas do not have properties that will come close to having positive cash flow so you may be forced to step outside your back yard. BUT—for a beginner real estate investor– we highly recommend you START your real estate investing career in a place that you know, or at a minimum, you know some people that live there to make the first steps easier.

Population Growth

When it comes to population growth, you are looking for a place that has an increasing population. People drive the demand for real estate. **In residential real estate, the more people moving into an area, the more the demand will be for housing.** If the population growth is stagnant or declining that doesn't mean you won't make money, but it does mean you will be faced with more challenges than you would be in a growing market. Your biggest challenge will come when you finally decide to sell your property.

Good Employment

Take the temperature in your prospective area. Is it healthy or getting sick? **Employment indicators are a good way to figure out what kind of health your market is in.**

People making money...and in particular, people making more money than in other area's is a great indicator of an areas good health. A market with low levels of unemployment will usually be a very healthy place to invest in real estate.

Good Transportation

Does the market you are considering have good solid transportation infrastructure? Does it have reliable, practical public transportation? This includes multiple bus routes, possibly a subway station or light-rail transit system. What about the highways and roads? Wherever you buy, you want to ensure your prospective tenants have relatively easy access to get to where they need to go, be it school, shopping, or their place of employment.

Healthy Economy

The focus of our healthy economy section is more specifically the health of the housing economy. The health of the housing market is impacted by all of the things you've been researching up until this point, but you also need to look at the housing market specifically. You are going to look at:

- Sales to listing ratios
- Rental rate trends
- House price trends
- Vacancy rates.

Appealing Opportunities

Keep your eyes and ears open as you do your research. There are many other things that can impact real estate in a local market. You are looking out for things that could have a negative impact as well as things that will flag this area as one set to grow and prosper.

Step 3: Find A Property

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When you get to know an area intimately, you can spot deals and snap up a property before anyone else. We bought our current home for $20,000 under market in a time of bidding wars by buying it two days before it was listed.

Here's how to find hot deals like that:

1. Get specific on what you're looking for (that's why we start with our goals!). Tell people you know exactly what you're looking for.
2. To see what's on the market, go to open houses on a regular basis for all kinds of properties in the area you want to buy in.
3. Get a sense of prices by looking at local listings in the newspaper or online (realtor.ca and Realtor.com to find properties for sale by a realtor). Check out for sale by owner websites as well.
4. Drive by - or, better yet, go for walks along - the streets you're interested in. Chat with the people you meet. Ask them what houses have problems or what they do and don't like about the area. Look for signs of change. (People who are cleaning up their yards and painting may be getting ready to sell. Abandoned homes may have owners that would be HAPPY to sell at a discount. Properties that are always for rent might be an opportunity too!).
5. Ask questions of the agents at the open houses to find out what other houses are selling for in the area. Ask them about the places they think are the real gems. Tell them what you're looking for.
6. Join your local real estate investors club and get to know other investors. You never know who might partner with you on a deal or know of a deal they can't act on right now!

It will take a few hours a week, but when you build a network of people that know what you're looking for, and spend a bit of time in the area you want to buy a property in, you will find that opportunities will suddenly start to appear in front of you!

Of course … there are plenty of marketing techniques you can use too … but this is what we most commonly do to uncover great deals. We typically keep our property searches really simple to focus on finding deals that meet our goals.

How to Evaluate a Property in 60 Seconds

When you start looking for a rental property to buy, you might find yourself overwhelmed by all of the places that are on the market. Your realtor may be sending you a bunch of listings, and you may have a list of properties you've found on websites like Realtor.com. How do you know which ones are worth looking at further?

I use a simple calculation to make a quick decision, and it saves me a huge amount of time. When my husband and I look at a spreadsheet of potential properties to buy (that is how we compare opportunities), I will tell him which three or four we should look at closely in less than five minutes. He will spend hours going over the details and analyzing the numbers only to come to the same conclusion as I did.

So, what's my trick?

All you need are two numbers: the price of the property and the rental income you will get from it each month. If the monthly income is at least 1 percent of the purchase price, it's worth investigating further. If, for example, you have a property that costs $300,000 and it gets $3,000 per month in rent, it's highly likely you will get positive cash flow from it. And that is a key ingredient to successful real estate investing.

You can even drop the 1 percent to 0.8 percent, and you may still have a positive cash flow property. One percent is just a rule of thumb. You can decide on the exact number you're looking for based on your objectives, the strength of the area where you're buying, the size of the down payment, and the cost of financing.

Once you've found a property with cash flow potential, you still have a lot of work to do to make sure it is a good one to buy. ***But by using this trick, you won't waste time running the numbers on properties that don't have much potential to be a good deal.***

Step 4: Buy the Property

Step 4: Buy the Property

Emotions take over when people start negotiating. Many people let pride get in the way of a good deal. And there is something about negotiating a real estate deal that seems to bring out the irrational stubbornness that can ruin great deals.

Instead of thinking about it as a deal negotiation—think about it as problem solving.

You HAVE to understand what is most important to the other party in order to strike a good deal. You also have to understand what is most important to you.

Then you have a clear picture of everyone's motivations before you dive into the real negotiations.

AND—Price is NOT the only thing you can negotiate on!

Here's a great example of property purchases not always being ONLY about price:

In the heated housing days of 2003—2005 in Toronto, a normal starter home in a good area would go on the market for $550,000, and it would sell for $700,000 in a heated bidding war. In situations like that, the offer that was the highest with no conditions often won.

Two of our friends were getting desperate after losing out on nearly 12 different bids. When they came upon this gem of a house in Bloor Street Village, they knew they'd found their house. Two sisters had lived in the home for nearly 40 years. The rugs had never been changed and the walls were covered in ancient wallpaper. The kitchen cupboards were nearly antiques… it was a bit ugly really. But the lot was large—abnormally deep in fact. It was so large in fact that our friends knew they could easily expand their house later on and still have a nice backyard!

Our friends went in with an offer that had no conditions on it, and they put in over asking, but only up to their budget. They knew they couldn't pay a dime

They also knew that the sellers wanted all of the appliances to stay with the house so they put that in their offer. But they did something else.

Our friends wrote a lovely card to the sellers explaining that they had been married for 3 years, and were ready to start their family. They explained that when they saw their beautiful home they could see how happy their children would be there, and they knew that it would be a safe and warm place to raise that family. They included a wedding picture so the ladies would know who they were. Sure, they stretched the truth a bit in saying they wanted to keep the home just as it is… but the essence of the home did remain the same. The crusty carpets and wallpaper had to go though—a few years later they redid the kitchen and added on to the home! But, the bottom line is that they appealed to the emotions of these two senior ladies. And guess what?

They got the house. They know for certain that their offer was at least $20,000 less than two other offers, but the ladies wanted the two of them to have the house.

The ladies loved the thought of their house being full of children and a loving family. And they were comforted to know that their house was not going to be ripped down and rebuilt.

Never assume. Always ask questions and find out as much as you can about the sellers and about what they want out of the deal. Think of win/win or, even better, think of how you can make the pie you're splitting bigger. Most people come into a negotiation thinking the pie that is to be divided is a certain size. Instead, try and come into a negotiation and think about ways to make the pie bigger. Negotiations that seem fair may not be the best deal because you didn't really spend the time figuring out what was important for you or for the other party.

So, other than price, what are some ways to expand the pie in a real estate deal?

1. **Including or excluding things like appliances and other chattels**. Remember a chattel is anything that isn't built into the property like furniture and appliances.
2. **Closing date**—here's a lesson that Dave's sister learned the hard way. When they were shopping for a new home, they found one they loved. It was vacant at the time, so Dave suggested she offer a super quick closing with the deal. His rationale was that the longer until closing the longer the owner has to carry the cost of the property that is vacant. She didn't—she instead thought about her hassles of moving so quickly and getting their current place rented and thought they needed more time. Her offer lost out to a competing bid of the same offer that had a quick close date!
3. **Terms and Conditions**—We ALWAYS recommend you obtain the right to inspect the property before closing. But, if you are competing against other bidders, then an offer without conditions may be what the seller is looking for. If this is the type of offer you're going to put in, perhaps you could have the property inspected before you submit your offer?
4. **Seller Financing**—If you obtain seller financing sometimes it allows you to offer a higher price for the property. The seller gets more money, monthly cash flow and you get a property without going through the hassles and time of getting bank financing. It also might allow you to buy a property that you can't get financing for at all.

There are plenty of other potential things you could do, but really you won't know until you understand the situation of the seller. Spend a bit of time learning the reason for the sale and if you can, meet the vendors. Get to the bottom of what they really want.

Always remember that a good negotiator is a good problem solver. A good problem solver can only be good if they actually know what problems they are trying to solve!

Step 5: Make Money From the Property

Step 5: Make Money from the Property

Owning and managing rental properties can be very profitable. Some of our properties bring in as much as $1,000 of positive cash flow each month! But, most of our properties didn't start out that way. We have increased cash flow on them by taking steps to maximize revenue and minimize expenses on each property. It only takes a few hours a month … but you will quickly find ways to make more and more money from your properties.

One of the best way to maximize your rent and minimize your expenses is to find and keep good tenants.

We recommend you hire an excellent property manager, but you may decide to manage properties yourself. If you do find yourself dealing one-on-one with tenants **make sure you handle these encounters as business transactions, and don't let your emotions - or your desire to fill a unit - prevent you from making sound business choices.**

A few years ago, a prospective tenant explained her bad credit by telling us that she didn't pay rent at her last apartment because of a rat infestation. We believed her story. We were short on cash and time, so we just took her money and let her move in with a roommate.

It wasn't long before there was trouble. Around 2:00 a.m., the tenant threatened her roommate with a knife and he called the police. While the cops had her in holding, he moved out.

We were stuck with an unstable tenant with bad credit who decided she shouldn't have to pay all of the rent because her roommate had left her in the lurch. It took us almost three months and nearly $5,000 in fees and lost rent to legally remove her from the premises. The most painful part was that the situation was totally preventable.

Now, we follow a strict process for finding and screening tenants:

1. *Show the property in good condition.* If it doesn't show well with the existing tenants living in it, wait until they move out. Good tenants have choices, and if the property doesn't look attractive, why would they want to rent it?

2. *Price the unit slightly below the market rate*. $15—$20 per month below competing units will attract more applications.

3. *Run each applicant's credit report and call their previous landlord* - the landlord *before* their current one. If they have caused problems, their current landlord could be anxious to get rid of them and may not be truthful.

4. *Verify the applicant's employment*. We usually ask for a recent pay stub and call the company to verify that they hold the position they claim.

Taking these steps is common sense. But when you are a beginner and you don't have much money (or you're spending most of your money on renovations, like we were), dealing with a vacant unit and the prospect of missed rental income is terrifying. You may find yourself justifying bad decisions that you otherwise would never allow yourself to make.

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http://revnyou.com/

We've created Rev N You with Real Estate to help out fellow investors. We work hard to respond to questions, comments and challenges. So—go ahead and sign up!! We look forward to meeting you.