



## Step One: Vision

Please choose the objective(s) of your investment plan:

- Retirement Income
- Retirement Cash
- College Tuition
- Replace Job
- Short-Term Income
- Short-Term Cash
- Other

**How old are you?** \_\_\_\_\_

**When do you plan to retire? How many years until then?**

\_\_\_\_\_

**Where do you plan on retiring?**

\_\_\_\_\_

**Who's future are you providing for? Please explain.**

\_\_\_\_\_

**Can you describe the lifestyle you envision for yourself when you retire?**

\_\_\_\_\_

**What is your targeted net worth at retirement?** \_\_\_\_\_

**What percentage of that net worth do you intend to acquire through real estate investing?** \_\_\_\_\_

**Have you ever owned investment property?** Y N

**Do you still own it?** Y N

**Please describe the investment plan.**

\_\_\_\_\_

## Step Two: Investor Profile

### Financial

Cash Requirements: It is critical to acknowledge certain financial requirements of successful real estate investing. Please answer **Yes** or **No** to the following questions;

**Are you prepared to hold your real estate investment for 10 years?**

**Do you have enough initial capital to make a 25% down payment and have one year of payments in reserve?**

**Are you prepared to cover cash flow shortfalls if (a) units are vacant for a few months, and (b) initially the property's rent does not cover operating expenses and debt?**

**Do you understand that investment properties periodically require repairs, maintenance and renovation? Do you have cash reserves for those eventualities?**

### Landlord Scoring System

On a scale of 1-5 (5 being the highest)

1. **Do it Yourselfer**

Are you able to make repairs yourself?

Construction	1	2	3	4	5 ( <i>very frequently</i> )
Electrical	1	2	3	4	5
Heating/AC	1	2	3	4	5
Plumbing	1	2	3	4	5
Landscaping	1	2	3	4	5

2. **General Contractor**

Do you have working relationships with contractors?

Construction Contractor	1	2	3	4	5 ( <i>very confident</i> )
Electrical Contractor	1	2	3	4	5
Heating/AC Contractor	1	2	3	4	5
Plumbing Contractor	1	2	3	4	5
Landscaping Contractor	1	2	3	4	5

3. **Financial**

Do you have working relationships with trusted financial professionals?

Tax advisor	1	2	3	4	5 ( <i>very confident</i> )
Attorney	1	2	3	4	5
Lender	1	2	3	4	5

4. **Tenant Management**

Do you currently have a rental agent to market your rentals to tenants? Y N

Do you have the ability to run credit reports on prospective tenants? Y N

How comfortable are you calling a tenant who is late on their rent?

1      2      3      4      5 (*very comfortable*)

How comfortable are you dropping by in person to collect rent?

1      2      3      4      5 (*very comfortable*)

Property Type	Maintenance	Tenant Management	Financial Requirements
<b>Single Family</b>	Straight Forward Landlord responsibility Easily understood	One tenant Easier Collection Risk of total vacancy	Harder to break even Stable values Easily sold
<b>Condominium</b>	Low Maintenance HOA fees cover most Walls-in only	One tenant Easier collection Risk of total vacancy	Lower price point Prices more volatile in declining market Easily sold
<b>2-4 Family</b>	Double maintenance of kitchens, baths, etc More tenants so more wear and tear	More tenants More rent collection Loss of tenant does not mean total vacancy	Higher price points Better cash flow
<b>Commercial Real Estate</b>	Much more complex	Much more complex	Higher price points

## Step Three: Property Profiles

Investment real estate falls into two general categories and then several property types within each general category. Please indicate your interest in each property type:

### 1. Residential Real Estate

Single Family	1	2	3	4	5 ( <i>very interested</i> )
Condominium	1	2	3	4	5
2 Family	1	2	3	4	5
3 Family	1	2	3	4	5
4 Family	1	2	3	4	5
Commercial Real Estate	1	2	3	4	5

## Step Four: Matching Properties with Investors

Real estate investments should be compartmentalized. Each property acquired should be connected with a specific goal: retirement income, retirement lifestyle, college planning, estate planning, etc.

Each property must also be a good match with the investor's ability to maintain the property, manage the tenants and handle the financial obligations.

By connecting a property with a long-term financial goal, advisors accomplish two very important things:

1. Embed a long-term perspective for the investment. Short-term real estate investments are risky. Long-term investments are not.
2. Connect a property with something important to the client. Remember, real estate is not a passive investment. There is work involved. The motivation, tolerance and patience to do the work is derived from "keeping one's eyes on the prize".