

First Property Checklist

Your Step-by-Step Guide to Buying Your First Investment Property

Phase 1: Preparation (3-6 Months Before)

- Check your credit score and fix any errors
- Calculate your debt-to-income ratio
- Save for down payment (aim for 20% to avoid PMI)
- Get pre-approved for a mortgage
- Research target neighborhoods
- Interview and select a real estate agent
- Build your investment team (lender, attorney, inspector, contractor)
- Create property analysis spreadsheet
- Set investment criteria (cash flow, location, property type)

Phase 2: Property Search (1-3 Months)

- Set up automated MLS alerts
- Drive target neighborhoods weekly
- Attend open houses
- Network with wholesalers and other investors
- Analyze 5 properties per week minimum
- Track days on market and price reductions
- Build relationships with listing agents
- Consider off-market opportunities

Phase 3: Making an Offer

- Run detailed financial analysis
- Research comparable sales (comps)
- Get contractor estimates for repairs
- Determine maximum offer price
- Include appropriate contingencies
- Submit proof of funds/pre-approval
- Negotiate terms beyond price
- Set inspection deadline

Phase 4: Due Diligence Period

- Schedule professional inspection
- Review inspection report thoroughly
- Get repair estimates from contractors
- Research property history
- Verify property taxes and insurance costs
- Review HOA documents (if applicable)
- Confirm rental income potential
- Check for liens or title issues
- Negotiate repairs or credits

Phase 5: Closing Process

- Final loan approval
- Order property appraisal
- Secure homeowner's insurance
- Schedule final walkthrough
- Review closing disclosure
- Wire closing funds
- Attend closing appointment
- Receive keys and property documents
- Change locks immediately