

Understanding INVESTMENT PROPERTIES

What to know if you're thinking of buying an investment property of your own.



LOCATION

The neighborhood should positively impact your home's value and attract tenants or tourists. Make sure the property can generate enough rent income to comfortably cover your mortgage, plus property taxes, repairs and HOA fees.



INSURANCE

Rental property insurance or landlord insurance covers property damage, lost rental income and protects against liability. Separate insurance exists to protect your vacation rental.



DOWN PAYMENT

Investment properties require a higher down payment if they're not owner-occupied. The law says 20% minimum, but it doesn't hurt to put down 30% if possible.

VACATION RENTAL

PROS

- More upfront ROI
- Flexible pricing
- Personal use

CONS

- Require more management
- Inconsistent occupancy
- Local laws vary

LONG-TERM RENTAL

PROS

- Consistent income
- Easier to manage
- Tenant-paid utilities

CONS

- Longer commitment
- Takes time to find the right tenant

Using AirBnB or VRBO to rent your investment home?

Vacation rental regulations vary by city and province. Get familiar with your local laws before listing on any site.



FINDING TENANTS

- ✓ Run a credit check
- ✓ Verify income
- ✓ Do a background check
- ✓ Require renters insurance
- ✓ Request references
- ✓ Consider a property manager to find and work with tenants.



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REASONS TO INVEST in Rental Property


Investment properties come with several benefits. Depending on your situation, here are a few you may enjoy.




*Increase your wealth
as the property value
rises over time*




*Earn extra
income
from rental
payments*



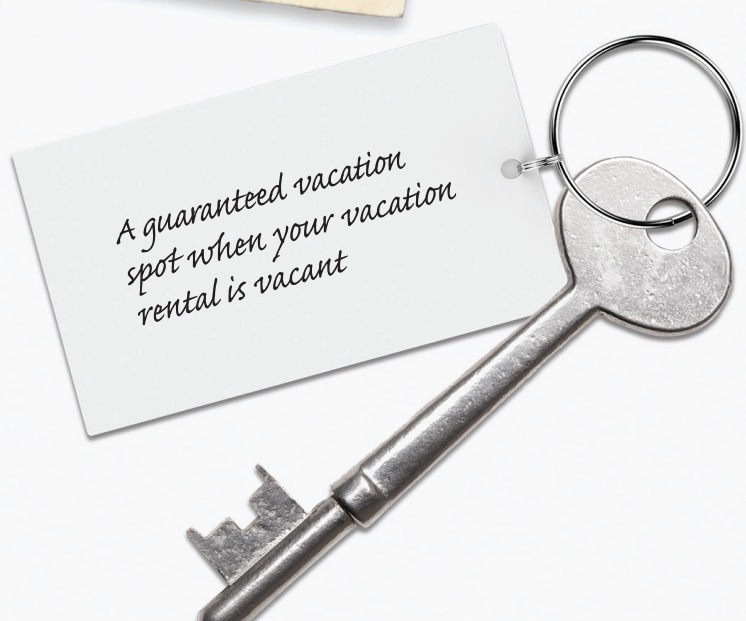
*Get certain tax
deductions depending
on your situation*



*Diversify your
investment portfolio*



*Your tenant's rent helps
cover the mortgage*



*A guaranteed vacation
spot when your vacation
rental is vacant*

Contact me to find
out what purchasing an
investment property
would look like for you!
