

## FINDING YOUR “WHY”

*Why do you want to invest in rental properties?* Perhaps you’ve already thought about this. You have goals. A plan. A timeline. You know where you’re going and how to execute it.

Or perhaps you like the idea of having passive income from owning rental properties, but haven’t thought about it much beyond that.

Enter this awesome, self-reflection, future-planning worksheet! We will walk through thought-provoking exercises that will answer life’s (or at least investing in rental property’s) deepest questions, including: “Where am I?”, “Why am I doing this?” and “How do I get where I want to be?”! They will also help you formulate answers as you to fill out *Your Guiding Statement*.

So grab a pen, a notebook, and a big old cup of coffee - let’s go!

### WHERE AM I GOING?

**If money were of no concern, how would you like to spend your time?**

What are your passions and interests? What are you doing when you lose track of time because you’re so engrossed in it?

**What does financial independence/retiring early look like for you?**

Describe your future life. Where are you living? What does your daily routine look like? What things would you add to your life? And perhaps more importantly, what things would you remove?

**In how many years would you like to be financially independent?**

For now, put your ideal number:

**Why are you investing in rental properties?**

Be sure to include your key motivations for these investments and rank them in order of importance:

**How will investing in rental properties help you reach your goals?**

Do you need a certain number of properties to reach FI? How much cash flow each month/year do you need from your rentals to meet your goals?

**Now that you have your ideal number of properties and number of years until financial independence, put them together. How many properties do you need to buy per year to achieve this goal?**

## WHERE AM I?

We've done some thinking about where you'd like to end up. Now let's assess where you currently are. Let's start with some basic fundamentals:

### **Do you have a 3–6-month emergency fund?**

Y'all know the drill. This has to be taken care of before anything else, because....life. 😊

### **How much do you have in savings to purchase a rental property?**

This is above and beyond your emergency fund and in addition to your retirement portfolio (unless you are purchasing a property through a self-directed IRA – more about that in the course!).

### **How much do you need to purchase your first property?**

Number crunching time! What is the difference between your current savings and what you need? (\*Helpful hint: check out the *How Much to Get Started Spreadsheet* in the Analyze Module! Be sure to include money for closing costs and the property's emergency fund.)

### **How much can you save each month towards purchasing your first rental property?**

If you don't already know this, then it's budget time, y'all!

### **When do you plan to purchase your first rental property?**

A little more math: calculate how long it will take you to fully fund your rental property savings. Now you have a timeline. This will help you know when it's time to start building your team (hint: you'll want to start building your team *before* it's time to buy).

## HOW WILL I ACCOMPLISH MY GOALS?

It's time to put it all together! We've taken stock – started with the end in mind, and then assessed where you are right now. Now it's time for the *how*.

### **What are the first few actions you need to take *right now* to accomplish your goals?**

This is not a comprehensive list! This is just to get started. Rank the actions in order of importance/due date.

### **Who are the people that will support me along this journey?**

Is it a friend or sibling? Significant other? A small group of like-minded investors? Some of your fellow YFRP students? What will they offer you? Get your support team in place now!

### **Make your goals and your “why” visible.**

Staying focused is challenging. Our attention is often captured by the immediate instead of the important. Don't let that happen to you! Write out your “why” on a little card. Post that motivation on your bathroom mirror, put it on the cover of your journal, frame it and hang it on your office wall.

Does your own progress motivate you? Find a way to make that visible, too. Make a “rental property savings” chart that you can fill in as you save. Make a timeline that you can check off as you progress towards your goals. The more you can keep both your “why” and your progress at the forefront of your focus, the better!

Have any other great ideas to stay on track? Please share in the forums!