

# Module 4 Homework

## Homework Assignment:

### Analyzing Properties With A Rental Calculator

**Objective:** Get used to analyzing potential rental properties. You should get comfortable with the numbers you need and where to find them.

#### Step 1: Click Here to Make a copy of this calculator

##### **A. Click on this link and create a copy**

- a. Once in the spreadsheet, click "File" in the top left corner
- b. Click "Make A Copy"
- c. Name the file something you will remember
- d. This step is required because the rental calculator in the video is now a paid calculator created by Bigger Pockets

##### **B. Play around with the calculator:**

- a. Go to Zillow and enter Zillow filters to match your buy box:
  - i. This doesn't need to be PERFECT right now. The point right now is to just go through the motions, NOT find your perfect property right away.
  - ii. Practice finding all of the numbers you need to calculate your hypothetical cash flow
  - iii. Don't be afraid to Google search, look on county websites, or make calls (they will NEVER remember you).
  - iv. Don't be afraid to ask questions. Just be honest and say you're new at this, and ask all the questions you need!

##### **C. Customize this calculator for YOU:**

- a. Understand that this calculator is just a STARTING POINT.
- b. You might want to add rows or add columns or play with the equations, that's TOTALLY up to you.
- c. The more you customize this calculator to you, the more comfortable and confident you will feel.

#### **D. Practice, practice, practice:**

- a. Do not be afraid to go through the motions with LOW stakes. The more you practice, the more confident you'll feel when it comes to finding your investment property.

### **SUMMARY**

By practicing and customizing your calculator over time, you'll start to build a stronger and stronger sense of what deals are good and NOT good. Remember that this calculator is meant to get you in the ballpark, not the EXACT numbers. It's likely that once you submit an offer, go under contract, and start the due diligence process, you will get insight into new numbers that might change your original calculations (and that is OKAY).

Also, remember that submitting an offer and "going under contract" is NOT binding. There is nothing scary about submitting offers. If your offer gets accepted, you can always back out before the inspection period ends. Most people think you HAVE to buy a property after going under contract. This is NOT true!