A STORY ABOUT BUYING, FIXING, AND LEASING

One House, Two Starting Points

Follow a rental home from its first walk to the keys and the first month. Then use the story to write your own investment thesis.

A Buy a home

Walk and price repairs. Decide if the deal works. Closing hands off any open items.

B Own the home already

Compare move-out photos with move-in. Use the owner's turn standard to decide what needs work.

01 **Scope, bid, and award**
Write each repair by room and line number. Compare bids for the same work.

02 **Start the repairs**
Release work that can start. Name who owns each hold.

03 **Record and verify progress**
A walker records the work. A reviewer checks the evidence against the list.

04 **Pass every required check**
Test the home. A failed or blocked check keeps it out of leasing.

05 **Lease and hand over keys**
Record the move-in condition so it can be compared at move-out.

06 **Review the first month**
Help the resident, find the cause, and use it to improve the next job.

A turn is the work you do between residents in a home you already own.

From the curb to the repair list

Maya walks the house. Luis is the contractor. They use the same room names and repair numbers so both know exactly what needs work.

01



The first walk

Maya starts at the curb. She walks outside, then starts at the front entry and keeps right through each floor.

Use the same path again when you check the work.

02



One problem, one line

In the kitchen, Maya finds a leaking drain. She gives it a room name, a repair number, a photo, and a price.

A clear work list helps Luis bid the same repair Maya saw.

03



Proof while work is visible

Luis fixes the drain. A separate walker records dated video, and the reviewer checks it against the repair line.

If power or water is off, assign someone to clear the hold.

From the final test to the first month

The house has to work for the person who will live there. Maya follows the original route and checks each required item before Leasing can take over.

04



The house has to work

Maya runs water, checks drains and hot water, and tests lights, locks, alarms, heating, and cooling.

A failed or blocked required check keeps the home out of leasing.

05



The keys change hands

Once the checks and required paperwork are clear, Leasing can offer the home. At move-in, the resident gets the keys and the condition is recorded.

Lease-ready is the day the home can enter leasing. Move-in can come later.

06



The first 30 days

A drain slows down. Help the resident first. If Luis repaired it and it passed the recorded test, send it back to Luis for warranty work.

Use the finding to fix the work or improve the next walk.

What the money says

Fictional numbers for one house. Start with the money needed for the project, then check what could be left each month.

Money set aside for the project

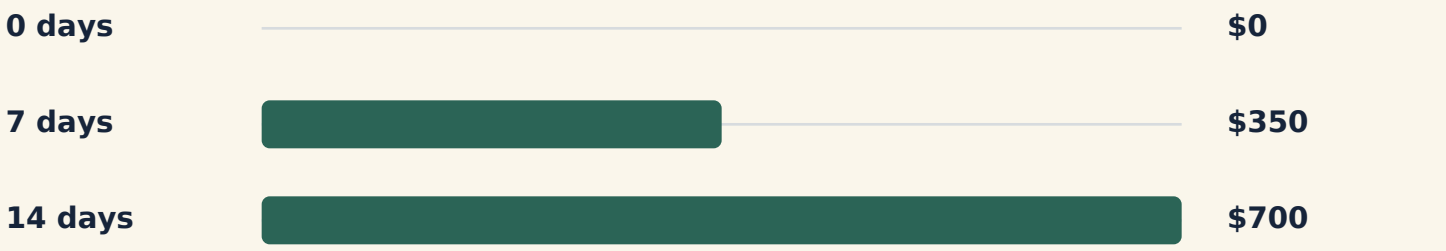
Purchase	**$160,000**
Known repairs	**$18,000**
Allowance for an unknown repair	**$6,000**
Closing costs	**$4,000**
Total project budget	**$188,000**

A sample month at $1,500 rent



- **Vacancy allowance $100**
- **Operating costs $450**
- **Loan payment $650**
- **Left in this example $300**

What a delay can cost at $50 a day



This delay chart estimates rent exposure. The monthly example uses a separate vacancy allowance. Avoid counting the same vacant days twice.

Write your investment thesis

A thesis is your best reason to think the plan will work. Say what you expect, what could go wrong, and what evidence would change your mind.

A SAMPLE THESIS

I would consider this home if the project stays within the $188,000 budget, local evidence supports $1,500 monthly rent, and I can handle a delay. If testing shows repairs will cost more, or comparable homes rent for less, I would redo the numbers before buying.

What do I expect?

Name the home, its estimated repair cost, and the rent you expect.

What evidence supports it?

Use the walk, itemized bids, and rents for similar nearby homes.

What could change my mind?

Name a repair surprise, a delay, or a lower rent that would change your decision.

How will I know it worked?

Compare expected and actual repair costs, lease-ready dates, rent, and first-month calls.

At 5 A.M., check what is holding the work and who owns the next step. On Wednesday, use contractor performance and the rotation to see who is next up.

Read the full SFR Operating Playbook