

Best STR Investment Locations

The most common question novice investors ask is: *Where is the best place to invest?* We understand why that is the question but it can't really be answered... not before you ask yourself *who, what, when, where, and how* the investment needs to function. Here are the top 5 questions to ask yourself before investing in STR:



1. WHO would you be if you were living your best life right now?

Where do you live? Beach, mountains, another country? What hobbies or sports are you actively engaged in? What types of food are you eating? What do you wake up every morning looking forward to? Who are you spending time with?



2. WHAT can you afford?

Are you planning to finance the purchase? Have you spoken to lenders to understand the purchase amount you qualify for? How much debt are you comfortable with? Do you have cash for the down payment, renovations, furnishings, and 6 months of reserves?

3. WHEN do you need income?

Are you sick of your day job and want to find a replacement for your W-2 right now? Are you buying a vacation or retirement home and solely want the rental income to pay the mortgage? Are you ready to retire and want to supplement your income? Are you building a nest egg for the future or to pass down to your children? Are you just looking to use real estate tax advantages to offset your current income tax liability?

4. WHERE do you know and love?

Are you passionate about your local area and want to introduce visitors to its charms? Do you go back to the same vacation destination year after year or wish you could move there? Did you visit/live somewhere in the past that holds a special place in your heart? Do you have family somewhere that you visit often?

5. HOW much time do you have?

Do you love your day job and want to stay there for many years? Do you wish you had more time (for family, travel, health, etc.)? Do you want to build an active career within real estate?

Your investment goals are specific to you and there isn't a "one-size fits all" location. The previous 5 questions will help you shape the parameters of your ideal investment and will create a framework for you to analyze locations against.