



INTO PROPERTY
INVESTING

7 Property Investing Mistakes to Avoid

A Practical Guide to Protect Your Cashflow

Reduce Risk Build a Profitable Portfolio

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www.intopropertyinvesting.com

INTRODUCTION

Starting in property investing is exciting, but it's also where most costly mistakes happen. This guide highlights the 7 biggest mistakes new investors make and provides actionable steps to avoid them, protecting your cash and helping you build a portfolio that supports your life.



Not Knowing Your Numbers

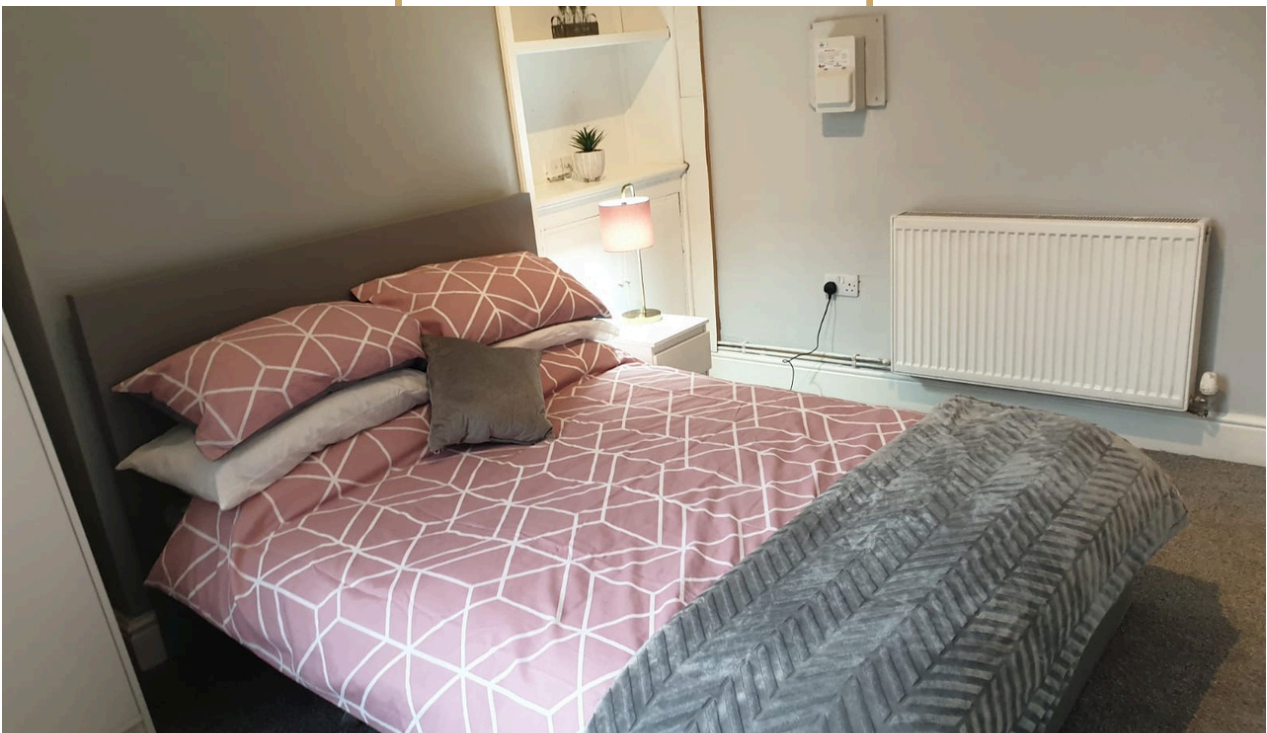
Problem: Many investors buy based on gut feeling, photos, or agent enthusiasm, not solid numbers.

Consequences:

- Negative or minimal cashflow
- Stress over bills and voids
- Forced sales or refinancing

How to Avoid:

- Use a deal analysis spreadsheet for every property
- Include: purchase + buying costs, refurb + furnishings, realistic rent, mortgage, bills, management, maintenance, voids
- Only proceed if cashflow and ROI targets are met
- Pro Tip: Use an HMO/BTL ROI calculator to base decisions on facts, not feelings



Treating Property Like a Hobby, Not a Business

Problem: Everything runs through a personal account with no bookkeeping.

Consequences:

- Unclear profitability
- Tax surprises
- Harder to work with finance professionals

How to Avoid:

- Open a separate business bank account
- Use simple accounting software (Xero, QuickFile, Wave)
- Conduct monthly reviews: income vs expenses, arrears, cash reserves
- Treat your portfolio like a business to see real results



Weak Tenant Vetting

Problem: Accepting tenants without proper checks.

Consequences:

- Rent arrears
- Property damage
- Stressful evictions

How to Avoid:

- Use proper referencing services
- Check: income, employment, landlord references, credit history
- Basic social media checks for red flags
- Set clear written tenant acceptance criteria

Having No Systems or SOPs

Problem: Processes only exist in your head.

Consequences:

- Chaos during busy periods
- Inconsistent service
- Difficult to delegate

How to Avoid:

- Document core processes: viewings, onboarding, maintenance requests, arrears
- Use Loom or Google Docs to record procedures
- Store in a shared folder for team access



Ignoring Compliance and Risk

Problem: Underestimating legal, safety, and data obligations.

Consequences:

- Fines and enforcement actions
- Insurance claims denied
- Data breaches and complaints

How to Avoid:

- Annual compliance checklist: Gas, Electric, Fire, HMO licenses, EPC
- GDPR privacy notice if required
- Cybersecurity basics: strong passwords, 2FA, backups
- Review insurance coverage annually

Underestimating Maintenance and Turnover

Problem: Assuming properties “look after themselves” and under-budgeting for repairs and voids.

Consequences:

- Constant firefighting
- Properties appear worn and harder to let
- Cashflow wiped out by unexpected repairs

How to Avoid:

- Build maintenance reserve from day one
- Turnover process: cleaning checklist, paint/touch-ups, fire alarm checks
- Decide caretaker vs separate cleaners/trades based on portfolio size



Not Knowing Your Numbers

Problem: Managing acquisitions, lettings, bookkeeping, maintenance, marketing, and cleaning personally.

Consequences:

- 🕒 Burnout
- 📉 Slow growth
- 📅 Missed tasks and unhappy tenants

How to Avoid:

- 🧮 Calculate your hourly rate to understand your time value
- 📋 Delegate tasks: admin, data entry, social media posting, basic maintenance coordination
- 👥 Hire VAs, contractors, or local support
- 🎯 Focus on decision-making and direction rather than doing everything



A bedroom with a bed, nightstands, and framed motivational quotes. The room has a vaulted ceiling with exposed wooden beams and track lighting. The bed is covered with a patterned duvet and pillows. Two bedside tables with lamps are visible. Framed quotes include "You Got THIS", "be AWESOME", and "You DO You".

CONCLUSION & NEXT STEPS

You don't need to be perfect to succeed in property, but you must avoid the big, expensive mistakes which can make or break your project.

Next Steps:

Explore a range of resources designed to help you get ahead as a property investor. From actionable checklists to practical tips for running a professional portfolio, we've got you covered.

Discover all our guides and resources at www.intopropertyinvesting.com/resources