

# Five Mistakes Real Estate Investors Make

By Isaac Benmergui

Even experienced real estate investors make mistakes. All it takes is letting your emotions get away from you, trying to pounce on a great deal without doing your homework, or getting a few numbers wrong and you can end up costing yourself some serious cash. Smart investors never cut corners.

Here are five mistakes [real estate investors](#) make—but that you can learn from and avoid making in the first place.

1. **Do your homework.** Before you put you or your family's financial security in jeopardy, you should do all you can to learn about the real estate market, the rental market, and real estate investment strategies. Talk to other investors, check out local speakers, and find a good real estate attorney. An attorney can look at your finances and strategy and help you determine what your options are.
2. **Skipping due diligence.** After you've done research on real estate investment in general, you need to carefully research any property you want to buy. You need a network of professionals behind you as an investor, from a great [licensed inspector](#) to a good real estate agent who knows that particular market. Have the numbers to back up any deal you want to make before you sign.
3. **Not leaving yourself several ways out.** Another huge mistake is not leaving yourself several ways to get out of a property and still make money if things don't go as planned. Have two or three ways out, more if possible. Know your options and make sure at least one will be available to you before you invest in any kind of market conditions.
4. **Misjudging cash flow.** Know the market features, such as how long it takes to rent out a property, what the maintenance costs, what the taxes and fees run, and what a property manager costs, if you plan to find one, before you take on a property. Don't assume anything or those costs can creep up and devour your bottom line.
5. **Paying too much.** Paying too much is the number one reason investors don't make money on their investment property. If your upfront costs are too high, you'll never get ahead. The market won't bear it, plain and simple. Run the numbers on any property you buy, and have someone else check them. If you pay too much for a property, there's no coming back.

Call [Miami Real Estate Lawyer Isaac Benmergui](#) at 305.397.8547 and set up a no charge, no obligation consultation to discuss your case. **We have over a decade of experience handling Real Estate, Civil Litigation, and Personal Injury** cases throughout Miami and South Florida, and will use our expertise to help your case to the best of our abilities.