

Elementary and intermediate level of land usage “the real story of that nobody else tells” 15 points.

This time is the number 15 of a 15 month series. A talk that is painful for the ear divided by beginners course for people (tax savings of 100 million Yen, the number of rented units is around 100 and the total assets after 10 years is 500 million) and intermediate people (tax savings 500 million, the number of rented units is 300, 20 years of experience and 2 billion yen assets).

The 15 point of beginners are, ① “Discard the 3 selfishness” ② “Know the basics of management” ③ “Suspect the common sense” ④ “Compare before decide” ⑤ “make successful 1 thing” ⑥ “the right floor plan” ⑦ “Know to calculate tax saving” ⑧ “Lover the rent” ⑨ “Objective is the win concept” ⑩ “Why have vacancies” ⑪ “Start to win” ⑫ “Which one is correct” ⑬ “Estimate the rent” ⑭ “losing rent” ⑮ I’ll talk about repairs and renovation.

The reason why beginner landowners don’t use money on repairs and renovations. I don’t understand it completely. Those who refuse to improve his property never will get rich .

The reason No. ① is he has no sense to get the tenants happy comfortable life the business will not succeed... it is very unreasonable. ② Some landowners say that there is not enough money to make repairs and renovations. Those are who can not “calculate”. That is not good. If you entrust me then I make annual tax table so “don’t need tax accountant for 50 years”.

The spared money on tax can be used for renovations. One can not have a proper “rent management” if he can not make that kind of calculations, pays taxes and don’t have money for renovation. Why I use several tens of million Yens for renovation? If don’t make renovation then must pay several million Yen for taxes. I manage my business so that I use the money for these renovation that I spare on tax, I use the money on my own property. Please use this as reference.

Well the ⑮ points of “intermediate” course. ① “Don’t trust the accountant” ② “Know the construction and building expenses” ③ “Master the depreciation completely” ④ “Free the debt. As soon as possible” ⑤ “Stop learning 1 thing” ⑥ “Changing or fixed interest rates” ⑦ “Overseas real estate investments” ⑧ “Separate vacancy management through the year” ⑨ “Vacancy is absolutely bad” ⑩ “Compare the competitors” ⑪ “Elderly people housing service” ⑫ “Buy land” ⑬ “Found management” ⑭ “Rental winning” will be continued ⑮ “Family business” will be continued.

The biggest problem of intermediate owners is “business inheritance”. Will your sons continue to manage those mansions that you are managing? Here is the crossroads of your life. Make the mansion management a “family business of generations” or to end it as a “one generation”. It is a difficult question. That was a big problem for me too, but now, decided to make it a family business. Well, when you will decide you will see clearly the things that you need to do. ① I will increase the number of units during the following 10 years (I have now 532 units that after 10 years will be 800 units) and will leave it for the next generation (will retire at the age of 75) ② However, I’ll make all the lands and buildings owned by a company, the next generation could manage it as a “Corporation”. ③ And because this business can be done as “part time” or “side business” the next generation can concentrate on his/her core business that he/she likes.

④ Equal inheritance of the brothers is a “bad law” also even in the Civil Code. Definitely I’ll not do it. Without to dispersed the house assets one president will take over. A salary can be distributed for the other brothers. The persistence of the family business is the secret that the next generation can get along, I don’t want that brothers quarrel. Will it go well?