

## Things to consider before becoming a landlord

1. **Selling vs. Renting:** In today's real estate market many owners never intended to become landlords, but see renting as their only option. We have the knowledge and experience to help in these situations and are happy to do so. We require that the owner commit to a one-year lease and agree not to list the property for sale until the final 30 days of the lease.
2. **Financial Feasibility:** The monthly rent amount is determined by the rental market and may not be enough to cover your mortgage and expenses. We will provide you with a Rental Market Analysis showing what your property will most likely rent for using current market comparables. It is important to price the property realistically. If the property is overpriced it may end up costing you more because it will likely sit vacant longer.
3. **Expenses:** It is important to consider and anticipate maintenance costs, make-ready expenses, and management fees. When repairs are needed at the property, tenants expect them addressed as quickly as possible. You can expect some maintenance costs, especially if the home is over 3-4 years old. We highly recommended keeping funds set-aside in case unexpected large expenses arises.
4. **Emotional Attachment:** Renting out your own home to strangers may be emotionally stressful. Most of our tenants take good care of the properties and we do our best to monitor that care, however they may not care for the home to the standard that you would if you were living there. You should be prepared for this possibility. Sometimes it is tempting for owners to get involved personally with the tenants, however, this is discouraged. When tenants try to go over our heads it can create awkward situations and may undermine our ability to effectively manage your property.
5. **Late Payment, Non-Payment, and Evictions:** We screen applications carefully to limit risk, but no matter how thorough our screening, things can happen such as divorces, loss of jobs, illness, etc, that even the tenants might not foresee. It is important to recognize that the worst case scenario can happen. If a tenant stops paying rent takes time to get them out and may require an eviction. You are responsible for attorney's fees and costs involved if an eviction becomes necessary. It is important for you to consider if you will be okay financially if this were to happen.
6. **Costs between tenants:** There are always some expenses to you, for normal wear and tear items, when a tenant moves out. We hold a tenant deposit to pay for any damage or cleaning beyond normal wear and tear. Occasionally large tenant caused expenses arise when a tenant leaves a property. This usually happens when their lease is up, however, as stated before, a small percentage of tenants might leave during a lease or be evicted. In each of these situations, repairs and cleaning must be done to make the property ready to rent. When this occurs it is your responsibility, as the owner, to pay to have the home restored to move-in condition. We attempt to recover outstanding tenant costs through a collection agency, but it is usually a very long process and there is no guarantee that the money will be recovered.
7. **Preparing a home for rent:** To attract the best tenants the property must be in good condition to begin with. Sometimes owners have learned to live with quirks or issues in the home, however tenants are not willing to do so. We have established a list of Property Standards, which must be met in order for us to begin managing the property.