

# “YOU’RE SO SMART” LANDLORD TIPS

## 1. Realize & Set Your Timeline

There has never been a better time to be a landlord in America! But remember, making a property profit is normally a marathon, not a sprint. Occasionally there may be a great buy, a deal that will generate rental income above the property’s cost, but that’s rarely the case. Most frequently, renting out a house, condominium or apartment may pay off in the long run, say 10 to 30 years from now, or perhaps when the real estate market rebounds. Plan for the long haul.

## 2. Crunch Your Numbers

Budgeting for expenditures will help you to figure out how much you will need in reserve for monthly items such as mortgage, insurance, taxes, maintenance fees, and repairs. ***You may decide to hire a professional management company if you do not want to deal with the aggravation of the day-to-day details.*** A good rental market may allow you to set the rent high enough to cover some or most of your monthly expenses. Plan for upgrades and any major problems by building a reserve fund. Research the life expectancy of each item in the property, then figure the remaining life of the item, and the estimated cost to replace. That will give you an amount to set aside each month in reserves for replacement cost. Items to include on your list are plumbing, appliances, fixtures, flooring, counters and cabinets (bathrooms and kitchen,) air conditioning and heating system, doors and windows.

## 3. Screen Applicants Thoroughly & Be Picky

Don’t rent to relatives or good friends, it normally will end up tanking the relationship. However, an acquaintance can be a good renter, friendly, but not overly demanding or expecting favors. Require a photo I.D. An applicant with a good credit report will normally indicate they are more responsible about their payment habits. Make sure to check their landlord references; ask lots of questions and include, “Would you rent to them again?” and “Are you related to the applicant?” Verify the current employment information. Regarding privacy act laws, you may be able to get verification that the applicant does work for a company, however, they may not verify the income. It’s smart to ask for copies of their prior month and the last 2 pay period pay check stubs, and a copy of their last years W-2. For self-employed applicants, ask for a copy of their most current tax return, a copy of their most current 1099, and copy of 2 months bank statements. Beware of the Red Flag Danger Signs: Applicant must move in ASAP; Incomplete information on the application; their bad credit is someone else’s fault; the addresses on the credit report do not match the ones on the application or driver’s license. ***The best decision is to hire a professional property manager to handle all the***

***property transactions and interactions for you; Tourtelot Property Management and Leasing has many years' experience in vetting prospective tenants to help in selecting a qualified tenant.***

#### **4. To Pet or Not to Pet, That Is the Question**

If your property is older and you plan to replace the carpet soon anyway; or if you have tile and or laminate floors, you may consider the plus factor of allowing a pet. Many people love pets, they are like another member of their family! Most times tenants are willing to pay an additional amount of rent, and a non-refundable pet fee or larger security deposit, up front. Make sure you have a good Pet Application and Pet Addendum for your Lease Agreement, both with all the details spelled out, such as the type/breed/weight/color/name of the pet; photo of the pet; not allowed to run loose at any time, designated walk area and cleaning up after the pet, pet offspring, and remedy to pet damages to the property. ***The best decision is to hire a professional property manager to handle all the property transactions and interactions for you; Tourtelot Property Management and Leasing agents are familiar with the many Pet Addendum Requirements and Conditions.***

#### **5. Service Animal**

Service Animals are governed by Federal, State, and sometimes local law, which sometimes are unclear and can change. If you have a No Pet Policy, understand that by law you are required to rent to a documented person with a Service Animal. You can ask for documentation on the person (not the pet) from their doctor or advisor that the Service Animal is needed. A Service Animal is any animal that is needed by a person with a disability, which can be physical or emotional. By law, no fee is added to the monthly rent for the Service Animal, no fee will be paid by the tenant for the Service Animal, and no additional security deposit will be required of the tenant for the Service Animal. You can have a Service Animal Pet Addendum with all the details spelled out, such as the type/breed/weight/color/name of the pet; photo of the pet; not allowed to run loose at any time, designated walk area and cleaning up after the pet, pet offspring, and remedy to pet damages to the property. ***The best decision is to hire a professional property manager to handle all the property transactions and interactions for you; Tourtelot Property Management and Leasing agents are familiar with Service Animal accommodations.***

#### **6. Know Fair Housing Laws and the State Landlord-Tenant Statutes**

It's very important to educate yourself on fair housing laws and the state landlord tenant laws. These are the Bible of rules and regulations for managing a property! There can be serious implications, big fines, and terrible law suits that can cost you mega-bucks if you violate them! There is no excuse in not educating yourself on these laws. ***The best decision is to hire a professional property manager to handle all the property***

***transactions and interactions for you. Tourtelot Property Management and Leasing Property Managers understand and follow the Fair Housing Laws and the Florida Landlord-Tenant Statutes.***

**7. Forms, Checklists and the Lease Agreement Are Your Best Friends**

Be organized and have lots of the proper forms to address every situation. Here are just some of them: Phone Questions for Prescreening Tenants, Application to Lease, Pet Application, Rental Policies, Tenant Screening, Tenant Handbook, Move-In/Move-Out Checklist, Legal Lease Agreement, Pet Addendum, Mold Addendum, Roommate Addendum, Drug and Crime Free Addendum, Smoke Detector Agreement, Lead-Based Paint Disclosure, Maintenance Request, Notice of Late Rent & Late Fees, 24 Hour Notice to Enter, Seven Day Notice of Non-Compliance with Opportunity to Cure, Change in Terms of Tenancy, 3 Day Notice with Proof of Service, Disturbance Notice, Offer to Renew, Non-Renewal Notice, 30 Day Notice Acknowledgment, Security Deposit Claim and Certified Mailing, and the Eviction Checklist. ***The best decision is to hire a professional property manager to handle all the property transactions and interactions for you; Tourtelot Property Management and Leasing has access to hundreds of forms through our landlord-tenant attorney, and many years of applicable experience.***

**8. Make Rent the Priority**

Rent is your cash flow - income, so be aggressive in collecting the rent and late fees. It's surprising at how many Landlords let their tenants slide or get behind, and then they may never get caught up. Unless you want to make the tenant a personal loan, stay the course and be firm about the rent being paid. Serve the Legal 3 Day Notice when they don't pay on time in case you need to file an Eviction for non-payment. Be diligent about charging and collecting the late fee – this will give the tenant an incentive to pay on time! There may be an exception for the good paying tenant who is having a bump in the road, however, have a written agreement and set a short time frame to have them make regular payments (weekly or bi-weekly) until they are caught up. ***The best decision is to hire a professional property manager to handle all the property transactions and interactions for you; Tourtelot Property Management and Leasing is Pro-Landlord in collection of the rents.***

**9. Maintenance and Repairs**

Make it a habit to spend the money to take care of your property, it's one of the largest and best investments you can have. Clean and well-maintained properties attract better qualified tenants. Curb appeal and interior appeal directly affect the higher asking rental prices for a property. Make safety and security items top on your list. Make yourself a checklist of preventative maintenance items, and follow up on each item. ***The best***

*decision is to hire a professional property manager to handle all the property transactions and interactions for you; Tourtelot Property Management and Leasing has many years' experience in maintenance and repairs. We coordinate the monthly repairs and maintenance as needed. Annual inspections with a written report and photos are done, to notify the owner of the property condition, and we provide suggestions for any repairs or updates.*

## **10. Renovations and Updates**

Remodeled or updated properties attract the best tenants. The best time to do renovations is in between tenants. Investing in updated flooring, such as laminate, (or the new interlock plank vinyl laminate,) and ceramic large square or plank tile are very popular, giving it the “Wow” factor. Painting the interior and or the exterior will go a long way to make it look fresh and clean. Most people gravitate to the kitchen area, whether it's the evening meal or a special gathering, so new appliances and kitchen improvements such as new counters or new cabinets will be extremely pleasing to the family and the cooks! If your air conditioning & heating system is at the end of its useful life or it's not cooling or heating property, replace it with a new system. ***The best decision is to hire a professional property manager to handle all the property transactions and interactions for you; Tourtelot Property Management and Leasing has many years of experience in coordinating renovations and updates, and works with many of the best service vendors in St Petersburg.***