



SHOULD YOU “DIY” YOUR RENTAL INVESTMENT?

Sure “DIY” is all the rage right now, but that doesn’t make it the smartest idea. Before you decide to “Do It Yourself” and self-manage your investment property, you should consider these questions.

1. DO YOU UNDERSTAND YOUR LOCAL MARKET?

The three most important words in real estate investing continue to be location, location, location. However, this does not just refer to the street address – it also means understanding the dynamics of the local market.

2. DO YOU UNDERSTAND FAIR HOUSING LAWS?

Before you start looking for tenants, you need to understand Fair Housing and ADA Laws otherwise, you risk getting into legal trouble.

3. DO YOU HAVE MARKETING SKILLS?

Advertising a rental property is not just taking a few photos. It also means composing an appealing description that is clearly written, accurate and error-free that highlights the property and doesn’t violate Fair Housing Laws.

4. DO YOU KNOW HOW TO CONDUCT A THOROUGH TENANT SCREENING?

In order to choose a highly qualified renter you will need a documented process with established criteria that does not violate Fair Housing Laws. You will also need to verify everything from employment to past addresses.

5. DO YOU HAVE PROFESSIONAL LEASING PAPERWORK?

A lease serves as a binding, legal agreement between you and the tenant. It needs to thoroughly address the rules, policies, and conflict resolution procedures for living on your property and clearly define tenant and landlord responsibilities. It should be reviewed by your attorney.

6. HAVE YOU ANTICIPATED MAINTENANCE COSTS?

You should have a cash reserve to deal with a vacancy, a turnover which might include tenant damage and unexpected repairs.

7. ARE YOU ABLE TO MANAGE YOUR TIME EFFICIENTLY?

Even one investment property can be a full-time job. Between securing a tenant and keeping up the books, the repairs, and tenant communication, you should understand that any investment property is a time commitment.

8. TREAT YOUR RENTAL LIKE A BUSINESS.

Your rental property is a business — and you need to treat it that way. Consider setting up a Limited Liability Company (LLC) for ownership. This can help protect you personally from legal actions or claims.

9. DO YOU UNDERSTAND YOUR LANDLORD RESPONSIBILITIES?

Once you place a great Tenant in your property the work begins. As a landlord, it’s your job to meet your terms of the lease agreement: check-in regularly your tenants, know the condition of the property, complete preventative maintenance and respond quickly to repair requests.

10. ALWAYS HAVE A PLAN 2 - KNOW WHEN TO HIRE A PROFESSIONAL?

It is easy to get overwhelmed with the responsibilities and stress of managing a rental property. If you find enforcing lease compliance, navigating regulations or dealing with the most contentious part of tenancy - the security deposit disbursement, have a backup plan. Stay out of trouble and hire a professional



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