

Recommended Checklist for Landlords

1. ***Would I want to live in my own rental?*** This is a great question and if the answer is “no” you are obviously in the wrong business. Responsible landlords take pride in their property and are responsive to maintenance calls and upkeep.
2. ***Be thorough in your tenant search.*** You can save yourself a lot of stress – both financially and emotionally, if you check references and court eviction records on potential tenants. As always, when considering applicants who may have questionable credit and/or rental history you should treat them on a case-by-case basis. Sometimes, people just need a second chance especially if they have a co-signer.
3. ***Be professional.*** There is no test to take to be in business as a landlord but it is imperative that you view your tenants with respect, integrity and professionalism. Your tenants will recognize this and hopefully act accordingly.
4. ***Establish good communication with your tenants.*** Your tenants need to know how to reach you and you need to be able to call them. Just as important is being able to talk frankly about any issues that might arise either with your property or your tenant’s life circumstance that could affect their ability to pay rent. Knowing what to expect on the day rent is due and knowing what your tenant’s plan is to make good on late rent will allow you some peace of mind.
5. ***Be fair, reasonable, LEGAL, and don’t overreact.*** How many lawsuits could be avoided if this simple advice was followed?
6. ***Learn the Landlord/Tenant Laws.*** Staying informed of changing laws is important both for your protection as well as your tenants. For instance, did you know that you, as the property owner, are ultimately responsible for and can receive a special assessment for lawn maintenance and snow clearing if the City has to perform the work in order to meet minimum code standards? Check city of Lansing, state of Michigan and other websites that provide up to date information pertinent to your business. You could also consider taking a course in property management or joining a professional organization such as Rental Property Owners Association of Mid-Michigan.
7. ***Clearly state your policies and regulations either within your lease or as an addendum - and stick to them.*** This is critical to your relationship with your new tenant. It lays the foundation for how you will interact in the future.
8. ***Be detail oriented.*** It is essential that you keep meticulous records. Not only for rent payments but any communication with your tenants should be maintained for future reference.
9. ***Keep inventory of your property and any needed capital improvements.*** Just like your home, your rental property needs regular upkeep and maintenance. Keep a schedule of when you can afford to make major upgrades such as updating a kitchen or bathroom or pay for costly maintenance like a new roof, furnace or hot water heater. Those that invest in their property will realize a positive appreciation of their asset and collect higher rents in the meantime.
10. ***Remember the long game.*** The rental business is not a get rich quick scheme. Done properly, it is an investment of your time, effort and money. It can be rewarding in many ways and you may even enjoy a positive cash flow in the short term. However, the real pay-off comes when you have paid off the mortgage and your well maintained property has appreciated in value.