

STEPS TO TAKE WHEN TURNING YOUR HOME INTO A RENTAL PROPERTY

Whether you are weeks or months away from moving out of your home and leasing it to a tenant, these are some items you need to be aware of. Moving is stressful, and preparing to turn your home into a rental unit is most likely something you have never done before. Below is a convenient checklist of items for you to consider in advance to ensure you are best prepared for a tenant to move into your new investment property.

We like to use the term “Clean & Functional”. Every rental we manage will not always be 100% updated, but we should never have an issue making it “100% clean & functional”. Clean is easy to understand but the functional part of our expectation for tenants is simply that everything is in proper working order.





PREPARING THE HOUSE

Fix what is broken - When you live in a house you often find a way to deal with the little things here and there that are broken, however, before a tenant moves in those items must be addressed.



Fresh Paint - A fresh coat of paint always makes a space seem cleaner. During painting, you can use the opportunity to patch any holes left by items you are removing from the walls. When it comes to holes in the wall, we want to have as few as possible so we can make the tenant aware that we want property in the same condition it was granted to them in.



Flooring - Be sure carpeting is stain, odor, and wrinkle free. Flooring is an item that tenants see first and judge on the fastest.



Mailbox Keys & Garage Door Openers - Place above the fridge or in the cabinet above the fridge to be sure it is out of the way of any rehab work, cleaning, and out of reach of potential tenants coming through.



Common Rent Ready Items - This list is common items needed prior to being rented



- **Cabinets** - Tightening of hinges and knobs on cabinets in Kitchen & Bathroom
- **Bedroom and Closet Doors** - All door knobs must be tight and doors must close properly
- **Bulbs** - Replacement of non working light bulbs (interior & exterior)
- **Doorstops** - Add to all doors or be sure existing ones are working properly
- **Smoke & CO Detectors** - Replace any units older than 10 years old and install new batteries. Know the local codes of what is required and where the monitors must be placed in the home
- **Furnace Filter** - Replace furnace filter and leave 6-12 new ones behind for future use
- **Thermostat** - Replace battery
- **Removal of Personal Items** - It might seem nice of you to leave items behind for the tenants use, but please remove and leave as little as possible behind unless, it is specific material used in the house like paint or extra floor pieces. This includes removing hoses, ladders, & other tools.
- **Operational Windows** - You personally may have never opened the windows, however, many tenants do enjoy Spring & Fall with open windows. Be sure they all open easily and are able to lock easily once closed.
- **Screens** - For safety reasons every window should have a screen with no holes.
- **Toilet Seats** - Be sure it is tight and replace if old or discolored replace
- **Towel Bars** - Be sure these are tight to the wall
- **Drain Stoppers** - For sinks and tubs it is important to have a drain stop to prevent larger items from going down the drains
- **Water Draining Test** - Run all faucets for 3 minutes, if at the end there is no water backed up, it passes the test. If there is standing water in the sink or tub after 3 minutes, you should consider using a product or tool to ensure proper drainage or an existing issue from getting worse.
- **Working Doorbell**
- **Cable Wire** - Remove any cable wires you have running along the trim or doorways in between rooms.
- **Removal of your name from mailbox**
- **Hot Tubs** - These are a liability to you as the owner so be sure to discuss this with your insurance agent and consider either removal or putting out of service.



Clean - Be sure your place has a deep clean completed prior to the tenant moving in. Consider the level of cleanliness when staying at a 5 star hotel. This cleaning includes cabinets, drawers, wipe down of baseboards, removing fingerprints from light switches, sweeping of basements, and everything in between. As an owner occupant, it may have been years since you have done a clean like this, so we always advise hiring a professional once you have moved everything out.



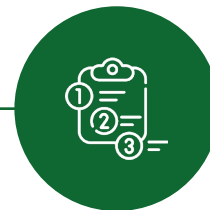


OTHER ITEMS TO CONSIDER

Is your mortgage at the lowest rate possible? - Now is the time to consider refinance while you are still living there because a borrower will always get better terms as an owner occupant vs an investor.



Village Requirements - Be sure you know any laws or ordinances the Village you are located in has. Often your Property Manager or a google search can help you here.

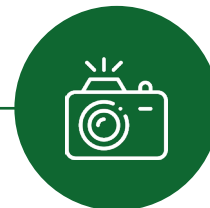


HOA Requirements - If your property is part of a Homeowners Association be sure to first verify that you are allowed to rent your property per the most recent rules and regulations the HOA may have.



Rental Marketing - If you will be living in your home while rental marketing happens here are a few items to consider:

- **Pictures** - For pictures, less is more. You are moving so pack it up and get it out. Allocating a garage or additional bedroom to pile it all up is ideal to isolate it from the rest of the home.
- **Showings** - The more flexible you can be on allowed times for showings, the faster the home will rent, and the quicker you can go back to not being disturbed by showings.



Insurance - You will have to change your homeowners insurance to a Landlord policy. Be sure to discuss with your insurance agent in advance the timing and price change of what is required now that you are a Landlord. If hiring a Property Manager, be sure to include any of their insurance requirements in this conversation with your agent.





CONTACT US

Feel free to reach out to us if you have any specific questions or want to dive deeper into any of the items above. We are happy to provide feedback and resources for your specific scenario. This can be a very stressful time, so utilize us as a partner to walk you through the process before or after you hire us.



MARK AINLEY

MARK@GCREALTYINC.COM

630-781-6744