

Six Survival Tips for Brand New Landlords (Lessons Learned the Hard Way) by Jeffrey Taylor

1. Don't live in your own rental. As appealing as buying and living in a duplex or four-plex might look on paper, neither you nor your tenants will feel comfortable in close proximity to each other. Most landlords do not want tenants to be able to call them or know where they live. How about if all they have to do is walk next door?

2. Read and learn about your state landlord/tenant laws. It's so dangerous dealing with tenants that know the law better than a landlord. Looking back I made a lot of legal mistakes and fortunately nobody capitalized on it. I even argued my point and won the argument most of the time, but looking back I thought the law was what I put in my rental agreement and I was wrong, wrong, wrong.

There are so many small time landlords that think since they're small they don't have to study the landlord/tenant law. It can be VERY costly to you if you think this way.

3. Don't stretch yourself too thin. Otherwise you can lose it all. I know it is hard not to get excited and want to just keep expanding. Make sure you have enough cash or credit reserves that you can handle a six month vacancy or a furnace replacement. Multi units are great cash flow generators but take more work and more hands on than single family houses. I like a mixture. Single family houses build more equity for less investment usually. I am conservative. I stick with a 50% debt to equity ratio. That way I can always sell for more than I owe and walk away to play another day. I may have 100% debt on one property but it is covered by equity in another property

4. Only use partners if you absolutely need them. When you partner even with family members, more times than not it doesn't work. If you work with them, don't put them on the deed if you need not; just borrow \$\$ and repay.

5. NEVER allow tenants to paint or make repairs for you, before, during, or after the tenancy Paint it yourself or hire it done.

6. When verifying information on rental applicants, be ready to do a reverse phone check on any phone numbers they give you. It may turn up that their employer and or landlord also has the same number as brother, sister or best friend. No matter how clean cut they look ALWAYS do a credit check.

Your Local Printer Can Help You Fill Vacancies

Yes, that's right! One or more of your local printers can be great resources for helping you advertise your vacancy. On many printed publications, bulletins, flyers, programs, or corporate newsletters, etc., somewhere on the back there may be a mention or advertisement of the company that did the printing.

Contact the local printers you discover. These same local printers often deal with organizations or businesses who have something printed which has blank space available that would not otherwise be used. Tell the printer that your company buys left over space to help companies reduce their printing expense. And ask the printer to refer organizations and companies to you who may be interested in having their printing expenses reduced. This is a win-win-win deal. The printer can get more business because he can help companies get printing jobs done at a lower cost; the organizations or companies saves money on their printing costs; and you get very cheap advertising. This advertising can be extremely effective for you if the organization or business with the extra printing space distributes their materials to target markets that are the same profiles of customers/residents you are looking for. If the strategy works well, you may go on to develop an ongoing relationship with one or more organizations or businesses for future printing/advertising arrangements.

Resident Notebook

Have a notebook with you at anytime you are communicating with a resident. Let this notebook be used solely for keeping and updating resident information. This information should include name, address, phone numbers, email address, employer, birthdates, favorite apartment features, upgrade wish list, children's names and grades, next

home desired, etc. If possible, add or update one piece of information anytime you talk with the resident. It's always good to find out something new. Before you call or stop by a property, review the information in the notebook, so you can communicate in a way that makes it appear that you really know who your customers are. This will make your residents feel more special and connected, which is the type of feeling that will encourage residents to stay longer in your property.

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