



RSVP FOR THE NEXT FREE LANDLORD SEMINAR

"THE EIGHT BASICS OF MANAGING A RENTAL PROPERTY"

SAT. JULY 7TH 10:00 AM – 12:00 PM

4510 PERALTA BLVD, FREMONT

YOU'LL LEARN ABOUT:

- REHAB BASICS
- ADVERTISING LIKE A PRO
- SCREENING STRATEGIES
- THE IMPORTANCE OF A TENANT HANDBOOK
- FAIR HOUSING TRAPS
- USING PROPER FORMS
- A CLEAR TENANT LEASE
- TENANT INSURANCE
- PERIODIC INSPECTIONS
- PROMPT MAINTENANCE
- TAX DEDUCTIONS
- EAST BAY RENTAL LAWS

RSVP 510-996-3238



PMI EAST BAY

IN THIS ISSUE

- HOW TO RENT YOUR HOME IN 21 DAYS AT THE OPTIMUM PRICE
- THE BENEFITS OF "SMALL PET NEGOTIABLE"
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A "MUST-READ" FOR
FREMONT LANDLORDS



COME TO THE NEXT FREE LANDLORD SEMINAR,

"THE EIGHT BASICS OF MANAGING A RENTAL PROPERTY"

TAUGHT BY PMI OWNER MIKE CONNOLLY

SATURDAY, JULY 7TH 10 AM – 12 PM

4510 PERALTA BLVD., FREMONT

FREE

LIMITED TO THE FIRST 50 LANDLORDS

RSVP TODAY: CALL OR TEXT 510-996-3238

OR EMAIL MIKE@PMIEASTBAY.COM



PMI EAST BAY

LANDLORD of Fremont

PMI EAST BAY

may/june 2018

THE 4 BENEFITS OF ADVERTISING "SMALL PET NEGOTIABLE"

Almost all owners of homes we manage allow us to advertise "SMALL PET NEGOTIABLE." That's because we're able to show the owners these four benefits.

#1. GREATER POOL OF APPLICANTS

50% of East Bay renters own a small dog (or cat but usually a dog). By advertising "SMALL PET NEGOTIABLE" you are opening up your home to twice as many potential tenants. This means more quality tenants to choose from. And remember, with the word "negotiable", you are just saying, "maybe."

#2. MORE PROFIT

First, you want to charge the tenant a \$500 non-refundable pet fee. The applicant will have no problem paying that. In addition, imagine a home identical to yours in size and condition right across the street that is for rent at the same time as yours. You are advertised at \$3,090 "small pet negotiable" and they are advertising at \$2,990 "no pets accepted" I guarantee your home is going to be rented first. This is how a small pet can help you make thousands of dollars in additional profit over the life of a lease.

#3. LONGER TENANCY

Rental studies have shown that the average tenancy of renters with a small pet is 3 years. Compare that to 2 years for a renter with no pets. This means less vacancy and more profit to you.

#4. HAPPIER TENANT

Tenants are usually very thankful to be in a home that allows for their small pet. That means more harmony and less hassles for you.

ADDITIONAL REASONS:

- A small pet can't damage laminate flooring
- You have a security deposit anyway
- You should be inspecting the home yearly
- Often if you do not allow a pet a tenant will try to sneak one in anyway
- A lot less wear and tear on the home with a small pet than there would be with 2-3 children

Note: put a pet addendum on the lease that specifies:

- ONE PET MAXIMUM
- UNDER 30 LBS
- NO AGGRESSIVE BREEDS (WE LIST 12)
- SHOTS UP TO DATE
- MUST BE AT LEAST 1 YEAR OLD
- GENERAL CARE OF THE PET
- PET PHOTO
- PET HISTORY

Visit www.pmieastbay.com for a copy of our Pet Addendum.



**NEXT FREMONT
LANDLORD SEMINAR
SATURDAY
JULY 7, 2018
10am-12pm
RSVP TODAY**



HOW TO RENT YOUR HOME AT OPTIMUM PRICE IN 21 DAYS OR LESS



PRESENTATION

If you are getting inquiries on your rental but no one is applying after they've toured the home, chances are you have a presentation problem. Remember that you are competing against other similar rental homes in your neighborhood so its like a beauty contest. Upgrades like interior paint, laminate flooring, double pane windows, kitchen counters, cabinets and bathroom along with nice yards are all factors in presentation. I remind owners that even minor rehab between tenants will result in three benefits:

- An increase in monthly rent of \$200-\$300 that will pay for the rehab in 3-5 years
- A more quality tenant (good homes attract good tenants; average homes attract average tenants)
- You're adding value back to the home
- In addition to basic rehab, we provide owners with a "pre move-in checklist" that outlines 36 items that must be addressed before showing the property. This includes items like; removal of all junk and clutter, well-maintained yards, and having the home professionally cleaned. A video and checklist on this can be found on our website: www.pmieastbay.com.



PROMOTION

If you're not getting at least two inquiries per day on your rental, you probably have a promotion problem. Here's how we promote at PMI and I recommend you do the same:

- Have your property professionally photographed. The difference between professional photographs and iPhone photos are night and day. An ad with great photos equals more hits which equals less vacancy time. I recommend a nationwide real estate photography company called CraterPix (833-281-5011). Cost is about \$125.00.
- Create a strategic ad describing not just the home benefits but also the tenant requirements. (See all our listings at www.pmieastbay.com).
- Put your ad on all the major sites which include Zillow, Trulia, and Hotpads. I get 70% of leads from Zillow, 5% from Craigslist.
- Put a professional "For Lease" sign in front of the home. 10% of my new tenants come off a sign... usually referred by neighbors.
- Begin advertising a home about 4 weeks before the current tenant moves out.



PRICE

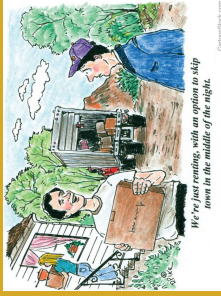
If it's promoted well and you're still not getting at least two inquiries a day, chances are your price is too high. A home that is priced \$100 or more over fair market can sit vacant for weeks. Or worse, it will attract desperate tenants with a low credit score who are willing to pay a premium. Here is how we price every rental home we manage:

- Start with a rental analysis. We use a software called "Rent Range" which analyzes ten active rentals in your neighborhood that are similar to yours. Call me and I will provide you with an analysis right on the phone.
- Know that the rental prices of all your competition are "asking" prices and not "actual" prices. "Actual" is always 7-10% less than "asking."
- Adjust your price based on the condition and amenities of your home compared to other rentals. Be objective.
- Once you know what fair market rent is, price it 3-5% (about \$100) below that number. Quality tenants with great credit and income deserve a slight break. Plus, they will stay longer and cause less issues.
- The last two digits of your rental price should always end in \$90. That gets you under the Zillow price filter.
- Adjust the price down \$100 every 10 days it's on the market.

FREMONT'S RENT ORDINANCE (R.R.I.D.O.) REQUIRES ALL LANDLORDS TO DO TWO THINGS:

1. GIVE ONLY ONE RENT INCREASE PER YEAR
2. PROVIDE FREMONT'S RENT MEDIATION INFO AND PHONE NUMBER IN ALL LEASES AND RENT INCREASES. IF NOT, THE INCREASES CAN BE CONSIDERED NOT VALID.

GOOGLE "FREMONT RRIDRO" FOR DETAILS



My 30th birthday, with my wife on a trip home in the middle of the night.



PMI EAST BAY

Professionally managing 400 homes in Fremont and nearby East Bay cities. Call owner Mike Connolly today 510-996-3238

Fremont's #1 Real Estate Broker Specializing in 1031 Exchanges



Mike Connolly
REAL ESTATE TEAM
Call for a Free Market Analysis (925) 964-1270

Fremont's #1 Mortgage Broker Working with Landlords



Chris Connolly
CONNOLLY REAL ESTATE TEAM
www.StoneCastleMTG.com (925) 750-4663

If you follow these 3 P's of presentation, promotion and price, I guarantee you will get your house leased quickly at optimum rent.

WELCOME ABOARD NEW OWNERS!

1. K.T. Yuam
2. Alex and Lauretta Soati
3. Amit Saxena
4. Terry and Laura Shelley
5. Daniel and Irene Chui
6. Venu Repaka and Vaneela Gampa
7. Paul Cheng
8. Mike Farley
9. Tom Tong and Ting Wang
10. Michelle Sheblas
11. Mario Andrade
12. Erin and Jerry Smith
13. Cipriano Ullao
14. Sridhar Vadadiadi
15. Hemang and Bhonani Shah
16. Surendra and Anu Ball

THE AVERAGE CAP RATE OF A FREMONT RENTAL HOME IS 2-3%.
LOOKING FOR A 5-7% CAP RATE?

CALL MIKE AT 510-996-3238



SUMMER = SLIGHTLY HIGHER RENTS

There's no question that East Bay rental leases signed in the busy months of June and July fetch about \$100 more rent than November and December. That is why you want your tenants lease to expire in May or June. If they do not renew when your lease expires, you'll be able to rent it faster for a little more money.

COME TO MY NEXT LANDLORD SEMINAR
"8 BASICS TO MANAGING YOUR RENTAL PROPERTY"
SATURDAY, JULY 7 • 10 A.M.-12 NOON
4510 PERALTA BLVD, FREMONT
RSVP BY CALLING OR TEXTING 510-996-3238

