

**\$59**  
INCLUDES SAMPLE  
LEASE, HANDBOOK  
& ALL FORMS

## RSVP FOR THE NEXT LANDLORD SEMINAR

"THE EIGHT BASICS OF MANAGING A RENTAL PROPERTY"

Saturday, March 9th 10:00 AM – 12:00 PM

4510 PERALTA BLVD., FREMONT

### YOU'LL LEARN ABOUT:

- REHAB BASICS
- ADVERTISING TIPS
- SCREENING
- TENANT HANDBOOK (WE'LL PROVIDE OURS)
- FAIR HOUSING TRAPS
- USING PROPER FORMS
- BEST TENANT LEASE (WE'LL PROVIDE OURS)
- TENANT INSURANCE
- PERIODIC INSPECTIONS
- BEST EAST BAY VENDORS/ HANDYMEN
- ALL POSSIBLE TAX DEDUCTIONS
- NEW EAST BAY RENTAL LAWS



**Mike Connolly, BRE#: 1856908**  
East Bay Property Management

RSVP BY TEXTING OR CALLING MIKE AT 510-996-3238

[www.eastbaypmc.com](http://www.eastbaypmc.com)



### IN THIS ISSUE

- TOP 9 LANDLORD GOALS FOR 2019
- TOP 8 TIPS IF YOU'RE THINKING OF SELLING IN 2019
- UPCOMING "SHOULD I SELL" SEMINAR - MARCH 2ND
- UPCOMING "8 BASICS OF MANAGING MY RENTAL" SEMINAR - MARCH 9TH

A "MUST-READ" FOR  
EAST BAY LANDLORDS

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HELPING EAST BAY LANDLORDS TO EITHER MANAGE OR SELL



# LANDLORD EAST BAY

JAN/FEB 19

## YOUR TOP 9 GOALS AS A LANDLORD FOR 2019

1. Get market rent
2. Inspect the home every 6 months
3. Make sure your tenant has renter's insurance
4. Make sure your lease is for 12 months
5. Make sure all tenants are on the lease
6. Make sure lease has required city ordinances
7. Do the proper rehab between tenants... not too much, not too little
8. Go to a Landlord seminar (see below)
9. Call Mike Connolly at East Bay Property Management 510-996-3238

## THINKING OF SELLING YOUR RENTAL? THESE 8 TIPS IN 2019

1. Hire a local Realtor who specializes in working with landlords
2. Choose the best month (in Spring or early Summer) to list and plan accordingly with current tenant
3. Determine with your Realtor the rehab needed to get the maximum selling price (Landlord Realty will pay upfront rehab costs)
4. Get your home inspections prior to marketing (Landlord Realty will pay for all of them)
5. Make sure your home is professionally staged (Landlord Realty pays for all staging)
6. Do not sign a long listing agreement (Landlord's is 39 days)
7. Consider a 1031 Exchange to avoid capital gains taxes and provide a greater R.O.I.
8. Call Broker Tom Connolly at Landlord Realty 510-656-7653

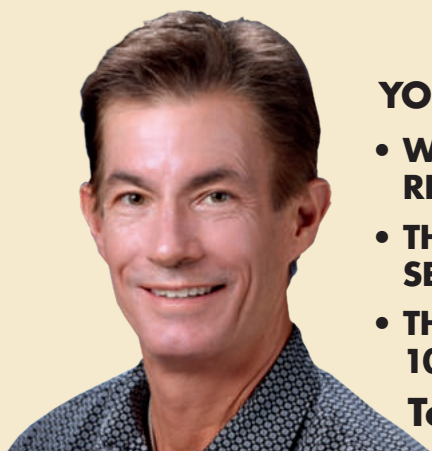
## RSVP FOR THE NEXT FREE "SHOULD I HOLD, SELL OR EXCHANGE" SEMINAR

Saturday, March 2nd 10:00 AM – 12:00 PM

4510 PERALTA BLVD., FREMONT

### YOU'LL LEARN ABOUT:

- WHERE WE ARE IN THE EAST BAY REAL ESTATE CYCLE
- THE PROS AND CONS OF SELLING YOUR RENTAL IN 2019
- THE BENEFITS OF A 1031 EXCHANGE
- COMPARING COMMERCIAL TO RESIDENTIAL INVESTING
- FINDING CALIFORNIA RENTAL PROPERTIES WITH A 6% CAP RATE OR HIGHER



**Tom Connolly, BRE#: 01422975**

RSVP BY TEXTING OR CALLING MIKE AT 510-996-3238

[www.landlordret.com](http://www.landlordret.com)

**FREE**

## TWO UPCOMING LANDLORD SEMINARS IN MARCH

### SHOULD I HOLD, SELL OR EXCHANGE MY RENTAL HOME IN 2019

Saturday, March 2, 2019, 10-12 Noon

- Where we are in the East Bay real estate cycle
- The pros and cons of selling in 2019
- How a 1031 can be your best friend
- Finding California rental properties with a 6% cap rate or higher

Taught by Tom and Mike Connolly of Landlord Realty  
RSVP call or text 510-996-3238

**FREE**

### THE EIGHT BASICS OF MANAGING A RENTAL HOME

Saturday, March 2, 2019, 10-12 Noon

- Rehab basics
- 3 ways to make more rental profit
- Advertising tips
- Screening tips
- Using Proper forms
- Lease essentials
- East Bay rental laws
- Taking all potential tax deductions

Taught by Mike Connolly of East Bay Property Management  
RSVP call or text 510-996-3238

**\$59**  
Includes:  
• our lease  
• handbook  
• proper forms

### SEMINARS LOCATION

4510 Peralta Blvd., Fremont





# Considering Selling Your Rental in 2019? Landlord Realty Will Get You the Maximum Price...

## 1. We will work with your existing tenants

- Coordinate rehab, inspections and move-out
- Work with difficult tenants
- Reduce your carrying costs



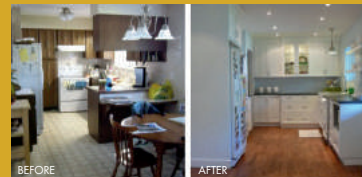
## 2. We know rehab...and we'll pay the upfront costs

- For every \$1 spent on rehab, you'll add \$2 to the final sales price
- We have great vendors
- We'll pay all upfront rehab costs (pay us back at closing)



## 3. We'll pay for the staging

- \$3,000 - \$5,000 value
- Home will sell faster
- Home will sell for more



## 4. Dynamic marketing

- Professional photography
- 3D video tour
- Google and Facebook ads

- Indian and Asian Journals
- Lots of open houses



## 5. Closing at the maximum price

- Compare our sales to listing ratio



## 6. We can help you find the ideal 1031 Exchange property

- Defer taxes (approx. 33% of your gain)
- Using Costar to find a more profitable rental



## 5 Reasons to do a 1031 Exchange

1. Defer 33% capital gain tax
2. Get a higher Cap Rate
3. You and existing partners can go your own ways
4. Exchange for a rental property that's easier to manage and more profitable
5. Grow your portfolio

**OUR DISCOUNTED FEE IS 2.5%**

# 5 questions to ask before showing your vacancy

**1. Ask, "What is your credit score?"** Do not be bashful about asking this right up front. It's the most important screening question for sure. A credit score determines one's ability to pay their bills (i.e. rent) on time.

- a. I put the credit score requirement in my ad. This screens out a lot of inquirers
- b. 680 is the minimum score you should require here in the East Bay
- c. Every applicant whose income is needed must have a 680 or higher
- d. If they don't know their credit score move on. It will not be good.
- e. To end the call tactfully, say "I'm sorry, I advertised 680 minimum and I have to stick to what I advertise."

**2. Ask, "What is your income?"** Here in the East Bay, gross income should be at least three times the rent. Rather than ask them what their monthly salary is, I ask, "Is your monthly income at least three times the rent?" Combining income among spouses, family members or roommates is fine, as long as those individuals contributing have a 680 minimum credit score. If it is a new job, an offer letter will suffice. If they are self-employed, get either their previous tax return, commission statements or bank statements. On occasion, I have allowed the applicant to show supplemental income (i.e. alimony, rental income, ect.). Always verify income with their most recent paystub.

**3. Ask, "If you like the home, when is the soonest you can start the lease?"** This is important because if your home is vacant and ready to move into now, but the inquirer says, "I can move in six weeks from now," you know it's a waste of time. Conversely, if an inquirer says, "I can move in immediately," be cautious. Something may be fishy. Typically, an inquirer has either just given, or is about to give 30 days' notice to their current landlord. I often get applicants to consider paying "double rent" (their previous residence as well as yours) for 1-2 weeks if they really like the home.

**4. Ask, "Do you own a pet?"** We believe the benefits of a small pet far outweigh the negatives, so we advertise all our East Bay homes, "small pet negotiable." That's because a small dog (under 20 pounds) makes an owner more income, creates a longer tenancy and results in a happier tenant. We collect a one-time \$500 non-refundable pet fee and so should you.

**5. Ask, "What kind of pet?"** We almost never accept a pet over 20 pounds. We almost never accept more than one pet. We never accept aggressive dog breeds that could cause your homeowner's insurance to increase. Example includes: Pit bulls, Rottweilers, German Shepherds, Dobermans, Akitas, Mastiffs, Great Danes, Siberian Huskies, and Wolf Hybrids.

## To Use A Home Warranty or Not

At East Bay P.M., we have managed a lot of homes where a home warranty (purchased by the owner) was in place. We do not recommend them for the following reasons:

1. **Who buys them anyway?** 90% of home warranties are sold home sellers, who then include them in the sale of their home to the buyer.
2. **Annual fee and service charge** - with any home warranty, you have an annual fee (\$600-800) plus a \$65-\$85 service charge
3. **Warranty companies are slow** - they act as a middleman, adding at least 1-2 days to the maintenance
4. **They use inferior vendors** - Top vendors pass on warranty companies because they are always looking for the cheapest labor

Our recommendation: self-insure: set aside 3-5% of your gross rents each year for not just repairs but maintenance and future rehab.

## TOP 6 TAX DEDUCTIONS FOR LANDLORDS

1. **Depreciation** - by far the largest deduction you can make each year on your rental property. 27.5 years is average depreciation period.
2. **Repairs** - Any repairs or replacements you put into the property should be a tax deduction.
3. **Insurance** - every dollar you spend on insurance is a tax deduction to the property. This includes your landlord policy, casualty and umbrella.
4. **Property management fees** - if your property is managed by pros, all the fees are tax deductible.
5. **Travel expenses** - this means anytime you visit your rental property, a portion or even all of the trip is an expense write off.
6. **Property taxes** - while the new Trump tax bill affects property tax write offs for primary owner residences, it has no effect on the 100% tax write off on your rental property.

Additional deductions include: Utility costs, Legal costs, H.O.A. fees, Home office, Gardener, Advertising & Landscaping

Consider property management that is local and focused

**EAST BAY**  
PROPERTY MANAGEMENT

- We manage over 400 East Bay homes
- We save landlords time, money and hassle
- 7.9% Tax deductible fee and NO leasing charges
- **CALL MIKE NOW 510.996.3238**

Welcome to Landlords going with East Bay Property Management from November and December

Iona da Costa Pereira	Rajendra Bhargava
Haryaspreet Grewal	Eugene Gorman
Hsu Goretty	Victor Hernandez
Prashant Munot	Cristina Balibrea
Jesse Galindo	Rosemary Willis
Andrea Schwab	Gagan Dhingra



**LANDLORD REALTY**  
"Helping Landlords Sell For The Maximum Price"  
Call Tom NOW  
510.656.7653

## Some of the East Bay rental homes we sold for landlords in 2018

ADDRESS	CITY	LIST	SOLD
203 Shepherd Avenue	Hayward (4 plex)	\$1,400,000	\$1,350,000
4567 Darrow Court	Fremont	\$1,199,000	\$1,365,000
5755 Jensen Road	Castro Valley	\$1,399,000	\$1,310,000
18787 Vineyard Road	Castro Valley	\$899,000	\$902,000
760 Winterside Circle	San Ramon	\$899,000	\$910,000
7901 Sunset Avenue	Newark	\$717,000	\$725,000

Landlord Realty "Getting maximum price for your rental"