

REAL ESTATE

Three Helpful Tips for Renting Out Your Home

NewsUSA

(NU) - Home ownership has always been a part of the American dream, but that may be changing. Uncertainty in the housing market has led many would-be buyers to believe that renting's the better option.

According to a May 2010 online survey commissioned by the National Apartment Association, 76 percent of consumers think that renting is preferable to owning a home in today's market.

Likewise, some homeowners believe it's better to rent out their home than to sell it for less than its worth, if they can sell it all. Those considering renting out their property shouldn't make a hasty decision. Neglecting to weigh the costs and potential risks could put first-time landlords in a poor situation. Moco, Inc., a company that provides screening services to property owners, managers and employers throughout the United States, offers the following tips:

- **Look at the numbers.** Renting might not be the best option. If you're going to lose money each month, it might make more sense to sell, even if you won't get your asking price. Consider all potential costs, including property taxes, income taxes on your tenants' rent, maintenance, and the normal wear and tear your property will experience. Remember that you won't be able to pocket all of the rent money; you will have to put a portion of it back into the property.
- **Find quality tenants.** Nightmare tenants can be, well, a nightmare. Prepare for a careful



The economy is forcing many real estate investors to rent out unsold homes.

screening process. Many private landlords can't access the quality screening products available to larger businesses without going through a lengthy certification process. However, you can avoid time and expense by asking your applicants to visit MyScreeningReport.com. The report includes a consumer credit report, SSN verification, comprehensive criminal search, eviction search, national sex offender registry search and an OFAC (federal terrorism database) search – everything you need to determine whether a potential tenant meets your standards.

- **Use an all-encompassing lease.** Whether you use a template or hire an attorney to write your lease, make sure that the lease clearly states your expectations. The lease should state who is responsible for what, when you expect rent to be paid and what penalties you will impose if it is late.

For more information, visit www.MyScreeningReport.com.