



TRS NEWS

A Monthly Newsletter Service for our Clients

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Serving You

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Are You Prepared?

We continually work on educating tenants for any event that could happen during their tenancy. This includes making rental payments, reporting maintenance, handling emergencies/disasters, checking smoke alarms, practicing good neighbor policies, buying renter's insurance, and more. Of course, we hope that they always follow our advice, but we know that it is human nature to avoid or ignore the possibility of emergencies or disaster situations.

It is just as important for property owners to prepare for all possible contingencies. No one likes to think about the possibility of evictions, tenant damage, disasters, and emergencies because it can be disruptive both financially and emotionally. However, being prepared can make a bad situation tolerable for both owners and tenants. There are several areas to consider.

Review Your Insurance

This is probably the most obvious and important item to have in place for unwanted events. It pays to review possible scenarios and coverage with your insurance agent at least once a year. Insurance policies are subject to change, particularly when disasters occur. With all the disasters that have occurred in the last few years and the resulting high losses, insurance companies are continually making major policy changes. Often notifications are obscure on in "small print." Too often property owners find out that their insurance does not apply to a particular situation until "after" it happens. Find out specifically what disasters, emergencies, tenant damage, and rent losses are covered or not covered.

Keep Good Property Records

Another area that everyone dreads is an audit by a government agency, particularly the Internal Revenue Service. The best way to prepare for an audit is to create and maintain your investment records consistently and accurately. Keep all tax returns, property management reports, maintenance records, financial receipts, and property documents organized in one place where you can easily retrieve and review them if you have an audit. Maintain them yearly and when you need this information, you will have it for any situation, such as an audit or sale of the property. It is much easier to maintain files than try to recreate them later. In addition, they will probably be more accurate.

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Our Services

- Leasing
- Make Readies
- Rent Collection
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- Property Acquisitions
- Sales
- And More

Announcements

Check Your Insurance: Events can happen - flood, extreme heat, hurricanes, fire, and more! It is important to check your insurance to obtain the best coverage possible and ensure that it is current. Review now with your insurance agent before a disaster/emergency occurs.

If An Emergency Occurs: Our first priority during any emergency is to handle the situation, taking any necessary measures for the safety of your property and your tenants. Then, we will contact you as soon as we are able.

Prepare a Maintenance Plan

Just like your home, periodic work is necessary to maintain investment property. Do you have a maintenance plan for future years? It is not practical to bury your head in the sand and "hope for the best" when it comes to roofs, paint, carpeting, appliances, fencing, plumbing, electrical, air-conditioning, heating, miscellaneous repairs, and more. Figure out the life of all major items and make a plan to have work done periodically to avoid unnecessary major rehabilitation. Take a "preventative maintenance" approach to reduce expenses and stress.

Financial Plan

Do you have a financial plan for your maintenance plan? Have you considered how you would cover expenses in the event of an eviction and loss of rent? What funds and coverage will you need if there is a fire? If a disaster happens, such as high winds, tornado, hurricane, fire, and flooding, how will you sustain the property? Insurance may not cover everything. Talk with your bank or available financial institutions about what financing you could obtain if necessary. Even better, establish an emergency fund in an interest bearing account. If something happens, you have an immediate resource to use.

You do not want to fall victim to the old adage, "fail to plan and plan to fail." Planning now can help prepare for the unexpected. If you need assistance, contact us - we are here to help you with your investment property.

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partner to improve **Cash Flow!**

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