



## Lighthouse Cove Property Management

3656 NW Munson St  
Silverdale WA 98383

### **When Should You Manage Your Own Property?**

Not everyone should use a property manager. It adds an expense to your cash flow statement and creates distance between you, your property, and the tenant. So the question is this 'what are the issues to consider as you think through this question?' Here are some things to think about:

#### **1. When you are willing to read, study and follow the laws that regulate property management.**

##### **Here are just a few:**

Washington Landlord Tenant Act; Federal Discrimination Act; Washington Fair Housing Act; Federal Fair Credit Reporting Act; Lead Based Paint Law; Soldiers and Sailors Civil Relief Act, Mold laws and Contract law are just a few of the laws you need to be familiar with to keep out of trouble.

Your lack of familiarity with the laws that govern this business can cost you plenty. It is expensive to go to court. Legal battles with tenants usually cost a lot more than you thought they would. The courts are 'tenant friendly' when a landlord does not follow the law. It is only when a landlord does indeed follow the law to the letter that there is a good chance of winning. The key is to stay out of court. Knowing the law will keep you out of trouble ... most of the time. (View the Washington Landlord Tenant law on our site)

#### **2. When you have the time to show prospective tenants your property, at any given time, depending on whenever the tenant is available:**

Tenants generally have jobs. They look at houses in the evenings, on weekends and holidays. That is usually the time owners want to lay back and watch the game. If you are not willing to show your property 24/7, you may need to re-think managing without a property manager. (View our placement only services on our site)

#### **3. When you have good managerial skills and the ability to be polite and firm at the same time:**

Many people are not good at managing others. Hand to hand combat scares many people away from property management, and so it should. If you don't have strong management skills, you may want to let someone else do the managing.

#### **4. When you have the patience to listen to people explain why they can't pay the rent:**

Occasionally, tenants cannot pay the rent. They can come up with plenty of reasons why but somehow you are expected to listen and be sympathetic. Some of these conversations can be tiring. If you don't have the patience to deal with this process, turn over management of the property to someone who does. (View how we manage properties on our site)

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### **5. When you know how to deal with a bounced check:**

Property management has lots of learning curves. NSF checks are one of them. The time it takes you to figure it out, or let your attorney deal with it, will cost you a month's rent ... or more.

### **6. When you know how to file for an eviction:**

No matter how well you qualify tenants, they still have ups and downs in their lives, just like we do. When that happens (notice I did not say 'if'), the only tool you have to put pressure on them is to file an eviction. Angry phone calls, registered letters, nasty e-mails do not work. The only reliable tool you have to work with is filing an eviction. You better know how and be willing to do it early in the month (like before the 10th).

### **7. When you are able to be prompt and tenacious about collecting rent:**

We are all busy people. Most of us have lots to do and adding, 'chase my tenant' is one you cannot put off. Some tenants are counting on your being too busy to stay focused on rent collection. Responding quickly and often is the key to collecting rent. If you're just too busy ... use someone who isn't. (View how we collect rent and do evictions on our site)

### **8. When you are ready to take serious issues seriously:**

'Take care of your own mold,' or 'if the door doesn't lock, get it fixed,' are not the right answers.

Judges think landlords are supposed to provide tenants safe housing and 'do it yourself' responses will not get a good response from the courts. The law mandates that you maintain every improvement left on the property.

### **9. When you know how to deal with a lockout:**

So, the tenant changed the locks. Don't be surprised. It happens all the time. Just send a locksmith and change them back, right? No. You will end up in jail if you try that one. There is a proper procedure for this and you better know what it is before you go and muscle your way in.

### **10. When you know how to deal with unauthorized pets:**

Seventy percent of American households have a pet. Do you think yours won't? What do you do? Demand letters generally don't work. Threats don't work. Figuring out what does work will take you a while, and time usually costs money in one way or another.

### **11. When you're comfortable in court handling an eviction:**

Attorneys add a big expense to your rental experience. Paying them to attend court is hard on the pocketbook. If you are comfortable handling an eviction without an attorney, then you're ready to manage your own property. If you're not, hire a property manager. You're going to hire an attorney sooner or later and their fees are huge compared to a professional manager.

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## **12. When you have time to wrestle with utility companies:**

The last industry to adopt the web is the utility industry. Some require a telephone call. Others require a visit to their office, and a check to set up or transfer utilities. If the tenant leaves a large balance, do you know how to deal with it?

## **13. When you know how judges are going to view 'normal wear and tear':**

Washington law says you cannot charge a tenant 'normal wear and tear' at move-out. Do you know what the courts consider 'normal?' You need to, because the number one conflict with good tenants is not rent collection, but move-out charges. Be prepared to defend your charges or the judge will do it for you.

## **14. When you have the time to meet contractors at the property:**

Painting contractors need supervision. You need to be attentive to what they do, or do it yourself. It will sound like fun for the first year. Then it gets real tiresome meeting contractors at the property and overseeing jobs. You think they show up on time? Think again. Sometimes they are worse than tenants.

## **15. When you are comfortable in combative situations:**

Some people are naturally combative. Some treat conflict like a sport. You need to be ready to deal with angry folks because many tenants know what buttons to push when dealing with landlords. You will end up being the victim if you're not careful. Some know when to claim mold, constructive eviction, and violation of privacy or right of quiet enjoyment. You need to know what these terms mean and be ready to address them properly. You need to know when to be nice and how to combat this type of strategy.

## **16. When you are ready to meet the time deadlines of the Landlord Tenant Act:**

There are specific deadlines in Washington Law regarding managing tenants that require a landlord to perform certain acts within specific periods of time. If you are going to manage your own property, you need to keep a good calendar and follow those timelines carefully.

## **17. When you are willing to do battle with the Home Owners Association over rule violations by your tenant:**

Home Owner Associations love to harass tenants and landlords. Most have rules for everybody in the community but administrate them differently for different people. Tenants often get special treatment, and it usually isn't the same as owner occupants. You need to attend immediately to any rule violations, or the HOA will assess you, and put a lien on your property for fines. Will your tenant pay attention to the rules?

## **Conclusion**

People love the idea of owning rental property. The fun part is buying the property. The hard part is leasing and managing it. To save a few bucks many investors think they want to learn the leasing and management business rather than turning it over to a professional

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manager. If you are one of them, you need to be prepared to dedicate time and resources to the process. Many find it harder than they thought. It's not rocket science. Anyone willing

to dedicate time to learning the business can figure it out. The question you have to ask is 'do you have the time to devote to another business,' because that's exactly how you need to approach it. It's dirty, time consuming, disruptive, and very often combative.

**It is very much like deciding to prepare your own tax return.** Anyone can do it with time and training. You don't have to be a genius. There are books, software packages, classes, and anyone can learn it. The question is this.... 'Do you want to invest the time it takes to learn it, or should you pay a professional to do it for you?' If you are the one who says, "I do my own tax return," then you have a clue as to whether or not you should do your own property management. If you don't prepare your own tax return, you also have a clue as to whether or not you should manage your own rental property.

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