

Message from the President...

In a recent survey of landlords and real estate investors, some very interesting results were seen.

For example:

- 76.6% of landlords believe that tenants pay higher rent for properties that are professionally managed – this indicates that tenants are less likely to play “I will pay next week” games when dealing with a professional property manager.
- 82.9% think that average length of stay is longer for properties that are professionally managed – We believe this is result of systems to address tenant concerns and thereby keeping them happier.
- 73.0% of landlords believe that professional management of properties enhances its capital value over and above any market uplift – again higher rents and longer tenant stays results in higher value to owners.
- Minimizing unnecessary repair and maintenance costs is a factor and 81.3% of landlords believe that tenants take better care of

a property that is professionally managed.

- 77.6% of respondents would recommend professional property management and, interestingly, 50% of those who currently manage their own properties would also recommend that investors use professional property managers.
- Of the landlords who do NOT use a property manager a full 82% do not enjoy managing their own properties and most cite cost as the reason why they do not use a property manager. Yet, this eye to cost saving seems, by their own admission, short-sighted; 63% agree that professional management results in tenants paying higher rent and 55% believe that it enhances the capital value of their asset.

In summary, 85.7% of all landlords questioned thought that professional property management is money well spent.

Thanks,

Mike Lautensack

President

Del Val Realty & Property Management

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Top 5 Ways to Protect Yourself against Problem Renters

What do you do if you own a home and need to move out: sell or rent? The 'for sale' market is terrible and very difficult to get a fair price for your home. This leaves renting your home as the only option. But how do you protect yourself against a problem tenant?

Like all investments, renting comes with risk, and that risk is only worth your time if the rewards are greater. Experienced [landlords](#) know that the way to mitigate the risks involved in renting is to protect them against loss. This is called [hedging](#) in the investment world. Here are five ways to hedge the [investment](#) risks involved with renting your property.

Insurance

You hedge the financial risks associated with crashing your car, or injuring others, by purchasing car insurance, and as a landlord, you should do the same thing. If you are renting a single-family home, traditional [homeowners insurance](#) doesn't fully protect you against the potential losses that come with renting your home to someone else.

You need an insurance policy that not only protects the property from a large scale event, but if a tenant were to injure themselves, as a result of a problem with your property, you could face civil litigation and possibly a large payout. An insurance policy tailored for rental property has provisions insuring a landlord against these types of events.

Rental Contract

Most states allow contracts to be oral or written, but in the case of renting, a written contract is

essentially required. With friends or family, a written contract might seem awkward, but it is very important. States have differing laws pertaining to the rights of a tenant and a landlord. Florida, for example, requires that any notice to and from a landlord be in written form.

The written agreement should contain the rental rate, the length of the agreement, how the utility payments are split up and the many other complexities that come with renting. The more detailed you are in the agreement, the more protected you are in the event that eviction proceedings take place.

Security Deposit

Most states allow for collection of certain deposits as long as they are contained in the agreement and each party agrees. One of those deposits should be the security deposit. This money is collected to give you leverage in case the tenant decides to abruptly leave, or doesn't want to repair damage, beyond normal wear and tear, at the end of their lease.

At the end of the leasing term, state law gives you, the landlord, only a certain amount of time to examine the property before you have to return the [deposit](#). As soon as the tenants vacate the property, inspect for any damage and immediately notify the ex-tenant in writing via certified mail. Then, follow the appropriate laws in your state regarding any disputes that may arise.

Documentation

Before a tenant moves in, document in detail the condition of the property. Using a video camera, high quality still pictures and a witness, document every part of the property including the walls, windows, appliances, floors, doors and everything else. Also, make sure that these files are in a format that allows for a time and date stamp.

For added protection, send the files to a friend or relative so you have an electronic trail proving that these files were created prior to the move-in date. If you have to go to court, there is no such thing as too much documentation.

Walk through

You, as the landlord, have the right to do a walk through of your property; providing you give the tenant at least 24 hours notice. If you request a walk through twice throughout the rental term, tenants will usually make sure to keep the home in good repair. Most tenants want their [security deposit](#) returned to them, so it is in their best interest to keep your property well maintained. A walk through not only lets the tenant know that you're watching, and if there is a problem, you can address it before they move out and possibly become hard to find.

The Bottom Line

Renting is often rewarding, but it does come with risk. As any [investor](#) knows, risk is never removed. Instead, it can only be managed, and the best investors learn how to manage risk in a cost effective way.

Welcome New Owners This Month...

- Clive Lopez
- Ryan Tuttle
- Dora and Paul Eaton
- Donald Griffith
- Charitra Kamath
- RC Teton, LLC c/o Rob Stansbury
- Rahel Setegne
- Ben Sumpter
- Fatemia Gunter
- Lee Ann Jacobs
- Michael Kim
- 426 W. Laurel Ave Condo Assoc

Please feel free to refer friend or colleague to Del Val and get 2 FREE months of Property Management Services

Meet Mark Boudrie...

New Staff Addition!! (or Here We Grow Again!!)

Del Val is proud to announce the addition of its newest member, **Mark Boudrie**, a long time Chester County resident and local Real Estate professional. Mark graduated University of Cincinnati and comes to Del Val with years of sales, sales management & operations experience within the Real Estate, Insurance & Automotive industries.

Mark's primary focus at Del Val will be Business Development, with a concentration on obtaining and servicing new clients in the greater Philadelphia suburbs. He'll also participate in daily operations, including tenant acquisition and property sales. Mark's mission is to raise the bar on overall industry perceptions by setting high standards, effectively communicating results, and exceeding customer expectations.... "we want to be the best property management solution in the Delaware Valley."

We're excited to have Mark on board and we wish him the best of luck in his new position! If you're considering changing property management companies, or you're not sure if a management company is the best solution for you, or you simply have questions, don't hesitate to contact Mark @ mboudrie@delvalproperty.com or his mobile phone @ 610-563-6103.

Why Do You Think 10% of Real Estate Investors Make 90% of the Money?

Click Here to Find Out Why!

<http://www.private-lending-secrets.com/>

Why You Need an AFC Home Warranty Plan

Owning an investment property without a home warranty program is very risky as property components always break down unexpectedly leaving you in precarious situations like:

- Asking family or friends for financial support because you can't afford repairs
- Adding undue pressure and stress to a problem that could have been avoided
- Getting ripped off by an unscrupulous contractor

But it doesn't have to be that way. **AFC Home Warranty** can give you peace of mind. Like health coverage protects your family against medical catastrophe, a home service agreement guards your property from major repair bills when you need it most. More people are choosing **AFC Home Warranty** and it's easy to see why.

Fix It or Replace It

Unlike other home warranty companies that reject your claims and keep your money, we honor claims so you keep your service agreement. If we can't fix it, then it's replaced (based on terms & conditions).

Certified & Insured Service Technicians

You won't get ripped off by contractors because we only use bonded and insured service technicians who have passed our certification and are graded on every performance. We have a rigorous application screening process and high customer satisfaction requirements so we are only working with the best service technicians in your local area:

- State license verification
- Better business bureau check
- Internet search for customer reviews
- Detailed reference verification

We pay your claims directly to the service technicians so there is no haggling or stress, which makes for a more pleasant service repair experience.

No Inspection Required

AFC Home Warranty doesn't require an inspection, so you can purchase a home service agreement right away. We protect most major appliances and home components regardless of age, make or model.

Emergency 24/7 Coverage

You can call us toll-free 24 hours a day, 365 days a year to request service.

Transferable & Renewable

If you sell your house before the expiration of your service agreement it can be transferred to the new home owners (where permitted by law) or you can enjoy the protection as long as you own your home by easily renewing your service agreement.

Gold Option

1 & 3 Year Coverage Available

- Clothes Dryer and Washer
- Kitchen Refrigerator
- Water Heater (Gas and/or Electric)
- Built-in Microwave
- Oven/Range/Stove/Cooktop
- Dishwasher
- Garbage Disposal
- Ceiling and Exhaust Fans
- Garage Door Opener
- Air Conditioning/Cooler
- Heating Systems or Built-in Wall Unit
- Electrical System
- Gas and Plumbing System/Stoppage
- Ductwork
- Telephone Wiring

If you want to see the company's website, go here <http://www.afchomewarranty.com/>

****** Del Val Special ******

We are offering a special on the **GOLD plan above** that covers most property appliances and systems for **\$495 per year**. If you want us to sign you up for the GOLD plan, please call Mike at 610-240-9885 or email us <mailto:mlautensack@delvalproperty.com>

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Join us on Facebook at
[Del Val Facebook Page](#)

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Chip Robinson – Rent / Buy or Sell Questions
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Other Important Information...

Fortune's 40 under 40

Do you know what Facebook and Google have in common, other than being the world's two biggest internet companies? They each have a CEO who is under 40 years old. They sometimes say that youth is wasted on the young, but the Facebook and Google leaders head a list of Fortune Magazine's 40 under 40 – those who have combined youth with immense success. You can read the inspiring list [here](#).

Things to Consider before Switching Banks

With the rising number of banks that are going to begin charging debit card fees, eliminate free checking and dial back rewards programs, you might be considering changing the company you do your banking with. Before you do, however, check out [this USA Today article on what to consider when thinking about switching](#).

HARP to Expand Refinance Opportunities

The Home Affordable Refinance Program, designed to help U.S. homeowners who owe more on a home loan than their home is worth, will expand refinance opportunities to more "underwater" borrowers. It will also eliminate certain fees and some critical lender liability. Learn more with this [Fox Business article](#).