

HOW TO SELF-MANAGE YOUR OHIO RENTAL PROPERTY FROM OUT-OF-STATE



OzRealty



Have you invested in **Ohio real estate** (or perhaps you're thinking about it) and need to formulate a game plan for managing your new investment? Managing a rental property from out-of-state can be challenging, especially if this is your first investment property.

Physical distance, emergency issues, and compliance with local laws can make smooth operations and tenant satisfaction difficult.

INVESTING IN OHIO CITIES (LIKE TOLEDO) GIVES YOU

- Affordable Prices
- Strong Rental Demand
- Steady Appreciation
- Outstanding Cap Rates!

But remote property management isn't without its challenges – and it keeps many potential investors from buying into highly profitable markets.

We get it, as a remote investor can be hard to:

- Handle emergencies or even routine inspections.
- Stay updated on local market trends and regulations.
- Know what is happening with your investment property.
- Handle tenant issues.
- Manage maintenance and upgrades.

You've taken the first step.

We are here to give you actionable advice from local property managers and insider tips to help you manage your Ohio rental property from out-of-state.



SETUP FOR YOUR INVESTMENT FOR SUCCESS

Successfully managing a rental property from out-of-state begins with proper setup and purchasing the *right* properties. We highly recommend starting with turnkey rental properties (no renovations needed), like those sold by Ohio Cashflow.

You want properties that are easier to maintain. Avoid properties that require frequent upkeep. Properties with high maintenance demand and frequent turnover will require more hands-on management.

Look for turnkey properties with modern amenities that appeal to local renters and reduce maintenance issues. You want features like updated HVAC systems, new roofing, and energy-efficient appliances.



ESTABLISH YOUR TECHNOLOGY STACK

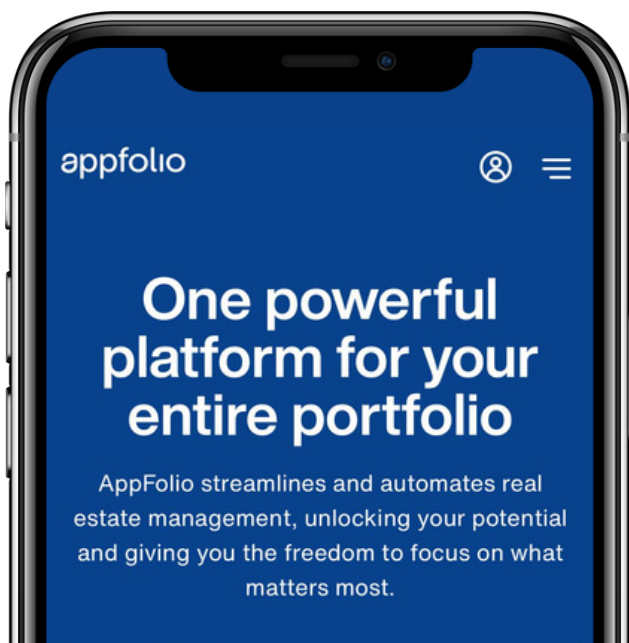
Technology has come a long way, making it easier for owners to manage their rental properties.

Invest in robust property management software that allows you to handle rent collection, maintenance requests, and tenant communication from anywhere.

Popular property management software options include:

- AppFolio
- Buildium
- Rentec Direct

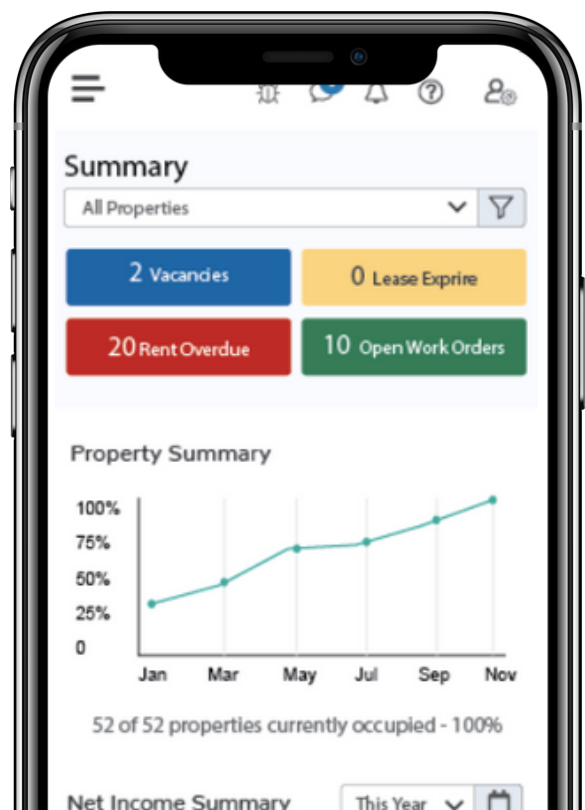
Utilize video conferencing and messaging apps to maintain regular communication with tenants and local contacts. Tools like Zoom, Slack, and WhatsApp can facilitate easy and effective communication.



SMART HOME DEVICES

Smart home devices can help you manage your investment property from afar. Consider adding items such as:

- Smart locks provide secure and convenient access for tenants and service providers without needing to be physically present.
- Electronic moisture monitoring devices to detect leaks before they get bad.
- Smart smoke and carbon monoxide detectors that increase safety, provide real-time alerts and comply with safety regulations.
- Water leak detectors to prevent water damage, reduce repair costs, and maintain property integrity
- Smart irrigation systems that save water, maintain landscaping, and reduce tenant utility costs.



FINDING RELIABLE LOCAL SUPPORT

One of the most critical aspects of managing a rental property from out-of-state is having dependable local support.

Even if you have an investment property in your neighborhood, you will eventually need professional help from local contractors, real estate professionals, and the community.



CONTRACTORS & SERVICE PROVIDERS

Do not wait to find a contractor until you need them. Finding a last-minute contractor or plumber can result in overpaying or receiving sub-par work.

Tips for Connecting with Contractors:

- Look for contractors with good reviews and a strong reputation.
- Ask for referrals from other real estate professionals or investors.
- Check references from previous clients to gauge the quality of work.
- Ensure contractors are licensed and insured to protect yourself from liability.
- Use clear contracts that outline the scope of work, timelines, and payment terms to avoid misunderstandings.

ESTABLISH LONG-TERM RELATIONSHIPS WITH CONTRACTORS

Work with the same contractors consistently to build trust and ensure they are familiar with your property. Over time, they will become more familiar with your property and tenants, improving their efficiency.

Hopping between contractors in search of lower rates can actually lead to higher costs and poor workmanship. Build loyal partnerships with contractors who can be your local support.

REAL ESTATE AGENTS

Real estate agents are your gateway to up-to-date information on the local market, tenants, and investment opportunities. Form a relationship with a local agent with a track record working with real estate investors.

Your agent can provide referrals to trusted contractors, service providers, and other local professionals.

NEIGHBORS AND COMMUNITY MEMBERS

Whether you live in the area or not, the neighbors of your investment property can be a part of your community. Introduce yourself to your property's neighbors and provide them with your contact information. They can be invaluable in notifying you of any issues or suspicious activity. It also shows them that you care about the community and making sure that your tenants are not disruptive.

If possible, participate in local community events or online forums to stay connected and informed about the neighborhood.



OTHER PROFESSIONALS

You will need other professionals to help you throughout your investing journey, in addition to contractors and service providers.

Form a relationship with a:

- **Real Estate Attorney:** They can help you draft an airtight lease, handle tenant issues, and navigate evictions.
- **Accountant:** Your accountant can identify tax breaks, track depreciation, and ensure you stay in good standing with the IRS.
- **Insurance Agent:** Proper insurance is necessary to protect your investment from accidental damage and to protect yourself from liability.
- **Cleaning Service:** Make sure you turn over your units quickly upon lease expiration by hiring professional cleaners.

A robust network of reliable local contacts is essential for addressing issues you can't attend to in person. Your network gives you the hands-on support you need as a remote investor.





TENANT MANAGEMENT STARTS WITH TENANT SCREENING

A successful real estate investment hinges on good tenants, which starts with your tenant screening process. A thorough tenant screening process helps you select responsible tenants and sets the foundation for a positive and mutually beneficial relationship.

ADVERTISE EFFECTIVELY

How you market your rental property directly impacts the tenants you attract. When creating a listing, make sure your photos are clear and attractive and show as much of the property's best features as possible.

Utilize online platforms, such as:

- Zillow
- Apartments.com
- Craigslist
- Facebook Marketplace

Virtual showings can help minimize the time you need to spend at the property. High-quality video tours can give prospective tenants a good understanding of the property before seeing it in person.

USE A DETAILED RENTAL APPLICATION

Request thorough details about potential tenants, including personal details, rental history, employment information, and references.

If you don't have a rental application form, you can get a free option from Avail here:

<https://info.avail.co/forms/rental-application-forms/ohio-rental-form>

Make sure that your rental application is not discriminatory and follows the Federal Fair Housing Act.

When talking to prospective tenants, clearly communicate your expectations regarding rent payments, maintenance responsibilities, and house rules.

CREDIT CHECKS & REFERENCES

In an excitement to get a property leased, many novice landlords overlook credit checks and calling references.

Getting a copy of every prospective tenant's credit check is crucial. When reviewing a credit report, look for red flags such as:

- Past evictions
- Delinquent accounts
- High credit balances and monthly payments
- Multiple recent credit inquiries
- A low credit score (under 640)

After you have a credit check that meets your requirements, make sure you call the prospective tenants' references, including their place of employment, to verify that the information provided is correct.



TENANT MANAGEMENT FROM AFAR

Effectively managing tenant relationships from out-of-state is crucial to maintaining a successful rental property. Clear communication and prompt coordination of maintenance requests are key to ensuring tenant satisfaction and the smooth operation of your property.

It's important to be available and responsive to tenant communications. Invest in property management software that includes messaging features, which will streamline communication and keep all interactions in one place. Make sure tenants know your availability and preferred methods of contact.

Send regular updates to tenants about property-related matters, upcoming maintenance, or policy changes. Keeping them informed fosters trust and transparency.

ROUTINE AND PREVENTATIVE MAINTENANCE

Regular maintenance protects your investment and ensures your property is a comfortable place to live.

Schedule regular property inspections to identify and address potential issues before they escalate. Use local contractors or property managers to perform these inspections.

HAPPY TENANTS LEAD TO HIGHER PROFITS

Maintaining your property well is essential for providing a great living environment for your tenants. A well-maintained property attracts quality tenants and encourages them to stay longer, reducing vacancy and leasing costs.

Renewing leases is more cost-effective than finding new tenants. It saves you from marketing expenses, vacancy periods, and the time spent screening new applicants. Long-term tenants provide stability, ensuring a steady rental income and fewer disruptions.



FINANCIAL MANAGEMENT AND REPORTING

Efficient financial management is essential for the success of any rental property, particularly when managing it from out of state.

RENT COLLECTION

Make it *easy* for your tenants to pay rent. Most property management software options have an online payment option.

Alternatively, you can offer payment methods such as direct bank transfers, credit cards, or e-checks.

Send automated reminders a few days before rent is due to encourage timely payments. Again, you can automate this process with property management software. However, you need to be aware of any late payments. The lease must clearly outline rent due dates and late fee policies. Enforce these terms.

BUDGET PLANNING AND EXPENSE TRACKING

Your real estate investments should be treated like a business. To keep detailed records, categorize expenses such as maintenance, utilities, property management fees, and taxes. Maintain digital copies of all receipts and invoices for easy reference and tax purposes.

Once you have owned the property for a couple of years, it should be stabilized, and you should be able to budget accurately. Create an annual budget, accounting for unexpected repairs such as:

- Maintenance
- Emergency repairs
- Capital improvements
- Leasing costs

Set aside a portion of rental income each month to build an emergency fund for unexpected expenses.

Accurate and timely financial reports provide a clear view of your property's financial health, enabling you to make informed decisions about maintenance, upgrades, and rent adjustments.



LEGAL AND COMPLIANCE CONSIDERATIONS IN OHIO

Managing a rental property from out-of-state in Ohio requires understanding and adhering to specific legal and compliance considerations.

- **Security Deposits:** Interest is required for deposits over \$50 or one month's rent if held for more than six months (5% per annum).
- **Lease Agreements:** Must comply with Ohio statutes; include terms like rent amount, due dates, and tenant responsibilities.
- **Lead-Based Paint Disclosure:** Provide information and disclose hazards for pre-1978 properties.
- **Entry Notice:** Provide at least 24 hours' notice before entering, except in emergencies.
- **Non-Discrimination:** It's illegal to discriminate based on race, color, religion, sex, familial status, national origin, military status, ancestry, and disability.
- **Reasonable Accommodations:** Allow service animals and modify units for accessibility.
- **Building Codes:** Ensure compliance with state and local codes.



SAVE TIME AND MONEY: HIRE A PROPERTY MANAGER

The unfortunate truth is that managing your investment property from out of state is hard, expensive, and risky. You can save yourself the stress and ultimately make more money by leveraging the expertise of a professional property manager.

Did you know properties managed by local professionals have a 20% higher tenant retention rate?

A local property manager is your boots on the ground, protecting your interest and maximizing your results.



EXPERTISE AND LOCAL KNOWLEDGE

One of the biggest advantages of hiring a local property manager is their on-the-ground presence. They can address issues and emergencies promptly, reducing potential damage and tenant dissatisfaction.

Local property managers conduct regular inspections to ensure that maintenance standards are met. For instance, when a pipe burst in one of the properties managed by Oz Realty, the manager on call responded within an hour, mitigating extensive damage. Their proactive approach helps identify minor issues before they become major problems. Additionally, their deep understanding of the local market conditions allows them to set competitive rental rates, maximizing occupancy and income for property owners. By staying updated on local tenant preferences and trends, they can tailor properties to attract quality tenants, ensuring a stable and reliable rental income.

Additionally, your property manager should be a resident of the community. They have an intimate knowledge of local market conditions and micro-neighborhoods, allowing them to set competitive rental rates and maximize occupancy. Professional property managers have years of experience and tailor their efforts to attract quality tenants, ensuring stable and reliable rental income.

TIME AND STRESS SAVINGS

A local property manager takes over these responsibilities, saving property owners considerable time and effort. They handle all tenant inquiries, complaints, and maintenance issues, ensuring the property runs smoothly without the owner's direct involvement.

Landlords can rest easy, knowing that their property and tenants are well taken care of. This allows them to focus on growing their investment portfolio instead of handling tenant demands.

STAY LEGALLY COMPLIANT

Property owners risk non-compliance without local expertise, which can lead to costly fines or legal disputes. A local property manager ensures that your property adheres to all legal requirements, offering peace of mind and protecting your investment.



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REAL ESTATE CANNOT BE LOST OR STOLEN, NOR CAN IT BE CARRIED AWAY. PURCHASED WITH COMMON SENSE, PAID FOR IN FULL, AND MANAGED WITH REASONABLE CARE, IT IS ABOUT THE SAFEST INVESTMENT IN THE WORLD.

FRANKLIN D. ROOSEVELT



FIND GREAT TENANTS FASTER WITH PROFESSIONAL MARKETING

Effective marketing is crucial for attracting potential tenants quickly.

According to a recent study, properties managed by local professionals are leased 30% faster than those managed remotely.

Local property managers use a combination of local advertising channels and online platforms to reach a broad audience. They create compelling property listings with high-quality photos and detailed descriptions, generating interest and attracting suitable tenants.



MAXIMIZE INVESTMENT ROI

Maximizing return on investment (ROI) is a primary goal for any investor. **Properties managed by local experts have been shown to achieve a 15% higher ROI due to optimized rental rates and reduced vacancy periods.** They provide detailed financial reports, keeping property owners informed about their property's performance and helping them make data-driven decisions.

While you can take on managing your Ohio investment property from out of state, the question you should ask yourself is, "Why?" Experienced property managers like Oz Realty add value to your investment and help you achieve stronger returns. Oz Realty is here to be your investment partner and help your dream real estate portfolio.



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