



Home Owner's Q&A for Long Term Rentals

Ocean Atlantic Sotheby's wants to thank you for inquiring with us on renting your home long term. We understand the uneasiness that you may feel about renting your home. We have generated a Q&A to help you rest those nerves and trust the professionals to manage your property.

What is considered a long term rental?

Long Term Rentals are usually one year or longer. Our company offers a variety of rental terms; corporate short term rentals, seasonal rentals, and beach/vacation terms as well.

What is your screening process?

Our professional rental team does a thorough screening process. We have a very detailed rental application; we check rental history, employment history, and credit check with credit score. We verify all information provided to us, collect most current pay check stubs, copy of driver's license, and disclose all information to you. We do this so you can be part of the process and understand who is going to occupy your home as theirs.

How much of a security deposit can I hold?

In most cases a security deposit is one month's rent. If your home is furnished or you have accepted a pet you may collect more than one month's rent. All security deposits are held with our agency in a non-interest bearing account.

What happens if there are damages to the property when the tenant moves out?

A walk-through will take place on the termination date of the tenant's lease. At that point if we have established there are damages exceeding your normal wear and tear we will deduct those expenses from the security deposit. We will establish estimates from various vendors to establish the appropriate cost. Please remember that we must adhere to the Delaware Landlord Tenant Code. Please select the link that says Delaware Landlord Tenant Code; rules that the State of Delaware has set to protect the home owner and tenant.

Will you check on my property during the time it is being rented?

Yes, we do an annual walk-through and at the home owners request. We also do a walk-through if we or the home owner deem it necessary due to tenant actions.

When should I expect my rental income?

If rent is due on the 1st of the month the tenant (per the Delaware Landlord Tenant Code) has a 5 day grace period. If they drop a check off on the 5th, we deposit the check into our bank and verify funds which could take a few days to process. Once the funds are verified our accountant will send your rental check via direct deposit or check. Direct deposit is a much faster way to receive your funds.

What happens if I want the tenant to move out early or I do not want to renew the lease?

Just like the tenant you are bound by the contract. You must adhere to the contract terms and lease dates. At the end of the term you must supply the tenant with 60 day notice prior to the expiration date of the lease; this rule applies to the tenant as well. As your agent we need to know at least 80 days prior to the end of the term in order to handle this process efficiently.

What happens if the tenant stops paying rent and/or if they leave owing me back rent?

There are procedures that the Delaware Landlord Tenant Code has put in place to accurately and swiftly remove a tenant that is not compliant. Our rental team is well educated on these procedures to make sure legally we

have done everything that the State of Delaware has required us to do. In order to recover back rent we will provide you with all the documentation and assistance on taking them to small claims court to recover any monies owed to you.

What if I do not want to rent my home to a family with kids?

We are licensed Realtors® and we **cannot** discriminate under any circumstances. Please refer to the Fair Housing Brochure link.

What should I provide to the tenant when they move into my home?

A welcome letter and instruction sheet is a nice way to say hi to your new tenant. This also offers a way to educate the tenant on where things are in your home and thing to look out for. For example, if you know from experience that the irrigation system can cause some minor flooding if the windows are left open, this informative letter could prevent timely and costly repairs in the future.

What do I need to do to get my home ready for a long term rental?

The home should be cleaned, light bulbs in working condition, new batteries in smoke detectors/carbon detectors. Give your rental agent a complete inventory documented (including serial numbers off garage openers/pool passes/gate clickers/etc.), all utility companies account numbers, HVAC service agreement information, new HVAC air filters, and your service providers/vendors for property repairs if applicable.

Is there anything I need to do as far as utilities are concerned?

When the tenant is due to move in please call and verify that utilities have been transferred and all appropriate meter readings have been scheduled. Finally, make sure there is an inventory of your property left in the home and on file with your rental agent. Your agent can provide you with the inventory sheet.

I hope this Q&A helps with some of your questions and we would love to take the opportunity to send you a free no obligation market analysis. We understand how valuable your home is and we are here to serve you. Please feel free to call us if you have any questions or would like to obtain a market analysis on your property. Thank you so much!