

# The Importance of Regular Rental Property Inspections

If rental property is owned by your Self-Directed IRA or Solo 401(k), regular inspections will help you ensure long-term success for your investment. Here are the following 4 types of inspections you or your property manager should be executing, as well as tips on how to leverage these opportunities to set the proper expectation and tone for your landlord-tenant relationships.



## ✓ MOVE-IN INSPECTION

A move-in inspection is an important step for developing a good relationship with your tenants. This inspection should be done when your renters get their keys but before their belongings have been moved in. Your tenant should be given a checklist for documenting the move-in condition of the unit and note any existing wear or damage. It's a good idea to take photos during the inspection. Photos should be provided to both you and the tenant.

By walking the property with the tenant, documenting with photos all maintenance issues, and providing a replacement cost listing with your lease and security deposit agreement, you will have set solid expectations for the tenant.

## ✓ ROUTINE SAFETY & MAINTENANCE INSPECTIONS

It's important for your rental property to be visited on a regular basis by you or a property manager for safety and maintenance inspections. The property should first be inspected for safety by checking HVAC filters and smoke alarms. This is also a good time to make sure your tenant is maintaining the unit in a clean and safe manner as outlined on your lease.

Keep in mind that, while these regular inspections are a necessity for you as a property owner, they are an inconvenience for your tenants. Anything you can do to make them as minimally intrusive as possible will benefit your relations with your tenant.

## ✓ DRIVE-BY INSPECTIONS

A drive-by inspection does not require prior tenant notification and is a good way to ensure that your renters are not violating the terms of their lease. If you notice any pets or regularly parked vehicles that are not registered to your tenants, you'll want to notify them in writing and schedule a formal inspection.

## ✓ MOVE-OUT INSPECTIONS

This is a good opportunity to document the condition of the unit when the tenant moves out. If possible, a move-out inspection should be done with the renter present at the time they surrender their keys. As with all other inspections, your camera is a critical tool to properly documenting the condition of the property.

Each of the above inspections should be a routine for any rental property, whether you manage units yourself or hire a property manager. Having a professional home inspector not affiliated with your property manager perform periodic inspections is a good way to keep tabs on your property manager and let them know you are paying attention to your IRA or 401(k) owned investment.