



Be Frugal With Improvements

For those who buy property to rent out as an investment, they must consider the fact that it is a business. Thus, it makes sense to only consider improvements that make your properties safer, lower your costs, or provide a higher rental rate.

Making your property cleaner and easier to maintain makes sense, and those types of investments if low-cost are wise.

So you ask what will achieve a higher rent, or help you rent the property faster?

Well, how about landscaping, retaining walls, brick trim around the drive way?

Also this can lower your main-

tenance costs such as moving the lawn and up-keep on the landscape. If you can cut these monthly costs you will have a higher return on investment, and have better cash flow.

Another good use of funds is improvements to the property that stops gradual decay. Also consider investments that help keep the property neater and cleaner, which make the property more livable, and more rentable. Consider upgrades that do not require large expenditures.

You must always be frugal with such rental properties and with any upgrades or investments you make.

Keep in mind this is a business - it's not somewhere where you live. Decisions on upgrades should be limited to what's practical and actually improves the property. The decision should not be based on emotion.

If the planned betterment of the rental property does not increase the rent you can expect to receive or lower your costs, then think twice about making them. Please consider all this and always remember this is a business.

By Lance Winslow



Check The Tax Advantages

If you happen to be among the fortunate but less numbered of people, who own an additional house that can be given out for rent, then you also need to be clear about the tax advantages. Why give tax when you can actually save that amount and re-invest in something else of your choice? There are a few tax exemptions that this income from monthly rent is subjected to and can be turned to your advantage.

For starters, the renting out of property is considered to be on par with any other sort of business, which means that the income received from this business can also be subjected to certain deductions.

A few deductions that come into the calculations are:

1. Any interest paid out for mortgage of property is subject to deduction from total income.

2. Money spent on maintain-

ing the property and premises is also reduced from total income. These may include landscaping expenses, insurance costs on property, cleaning charges, any other maintenance activity which may be required from time to time.

3. Depreciation charges on property are taken into consideration while evaluating losses from property.

4. Costs incurred for travel to rented property for attending to tenants' complaints or any such issues are also deducted from total income.

5. Any casualties due to accidents caused and costs incurred for rectification of the same.

6. Insurance paid out on property.

7. Expenses towards legal charges, fees for real estate brokers etc... are also exempted.

Be sure to check with your accountant regarding your particular situation.

By Ravisankar Poduval



We send this newsletter with the hope that you find it informative and helpful in your decisions regarding multi family real estate. The market is always changing and we like to help keep you up to date with articles, tips and our property listing information. Please feel free to contact either of us if you have questions regarding any multi family properties, or regarding the changing trends in multifamily real estate.

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Landlord-Tenant Liability Exemptions Now Law

August 28th 2009 is the date a new law takes effect in Missouri that has an impact on landlords across the state.

The new law, signed by Governor Jay Nixon on July 9th, provides that landlords are not liable to any tenant for any loss or damages to household goods, furnishings, fixtures or any other personal property under a court-ordered execution for possession of the premises. The only exception is if the landlord commits any wilful, wanton, or malicious acts.

If, after the sheriff completes the court-ordered execution, any property is left by the tenant

that's owned by a third party, the landlord shall send notice to that person by certified mail with return receipt requested. The third party then would have the opportunity to recover the property within five business days.

If the landlord can't notify the third party, he or she can dispose of the property and not be liable for the loss or damage.

You can read the full text of the new law by going to www.senate.mo.gov.

St. Louis Association of Realtors

Today's real estate market has real opportunities for the buyer. Prices have come down, many of today's sellers are motivated to sell, and rents and occupancy are up. For more information on today's market, call us!

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Property Listings

Call us for additional information on these properties, or others we cannot advertise

	76 Units South County \$4,599,000		64 Units Olivette \$3,999,999		12 Units Hyde Park \$650,000
	21 Units St. John \$795,000		12 Units St. Louis \$389,000		6 Units South City \$209,500
	4 Units Kirkwood \$324,500		3 Units Clayton \$419,000		4 Units Webster Groves \$199,000
	8 Units Richmond Heights \$299,900		34 Units Central West End \$2,695,000		2 Units Richmond Heights \$199,900
	24 Units Riverview \$750,000		12 Units University City \$799,000		4 Units Kirkwood \$324,500