

6 Ways to Navigate Tired Landlords & Distressed Rentals

IF RENTAL PROPERTY OWNERSHIP IS NO LONGER PROFITABLE OR MANAGEABLE, THERE ARE MULTIPLE WAYS TO EXIT OR OPTIMIZE.

WHETHER SELLING, RESTRUCTURING, OR CHANGING RENTAL STRATEGIES, TAKING ACTION NOW CAN PREVENT FURTHER FINANCIAL STRAIN AND PROTECT YOUR INVESTMENT. BEING A LANDLORD CAN BE OVERWHELMING, ESPECIALLY IF RENTAL INCOME NO LONGER COVERS EXPENSES, TENANTS ARE DIFFICULT TO MANAGE, OR MAINTENANCE COSTS ARE PILING UP. WHETHER YOU WANT TO EXIT THE RENTAL BUSINESS OR MAKE YOUR PROPERTY MORE PROFITABLE, HERE ARE SIX WAYS TO HANDLE A DISTRESSED RENTAL:

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6 Ways to Navigate

Sell Tenant-Occupied: Some real estate investors prefer properties with existing tenants, especially if the rent is stable and the lease is long-term. Selling tenant-occupied allows for a seamless transition without eviction issues.

Best for: Landlords who want to sell quickly without dealing with vacancy.

Considerations: Investors may offer below market value if the rental income is low or tenants have a history of late payments.

Offer a Cash for Keys Deal: If tenants are problematic or if a vacancy makes selling easier, offering cash for keys can encourage tenants to move out voluntarily. This can prevent lengthy eviction battles and property damage.

Best for: Landlords dealing with uncooperative tenants or those who want to sell vacant.

Considerations: Requires upfront cash, but avoids legal fees and delays associated with evictions.

Owner Financing: Instead of selling for a lump sum, offering owner financing allows another investor to buy the property while making monthly payments. This provides passive income and a structured exit from being a landlord.

Best for: Landlords who want steady cash flow without managing tenants.

Considerations: Payments depend on the buyer's reliability, and proper legal agreements must be in place.

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Subject-To Transfer: A subject-to sale allows an investor to take over the mortgage payments while keeping the existing loan in place. This option provides a quick exit without needing to refinance or pay off the loan.

Best for: Landlords who need to get out of the rental business but can't sell traditionally.

Considerations: The loan remains in the landlord's name, so missed payments by the buyer could still affect their credit.

Lease to a Property Manager: Rather than selling, hiring a professional property manager can eliminate the daily headaches of being a landlord. A property management company handles tenant screening, maintenance, rent collection, and legal issues.

Best for: Landlords who want passive income without the stress of managing tenants.

Considerations: Management fees typically range from 8-12% of rent collected, which affects profitability.

Convert to Short-Term Rental: If the property is in a high-demand area, switching from long-term tenants to short-term rentals (Airbnb, VRBO, etc.) can significantly increase income. Short-term stays often generate more revenue than traditional rentals.

Best for: Landlords in tourist-friendly areas or cities with strong short-term rental demand.

Considerations: Requires active management, maintenance, and compliance with local rental laws.

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Take Action Today!

The sooner you take action, the more options you have. If you're unsure which solution is best for you, let's talk! We help homeowners navigate Tired Landlords & Distressed Rentals and find the best path forward.

Call/Text: 661-936-4406 Email: contact@werescuehomes.com Website: werescuehomes.com

You have options—don't wait until it's too late.

Reach out today!