INVESTOR FIELD GUIDES / BOOK 11

The First Year of Owning a Rental

Prepare for residents, maintenance, money and the unexpected

Real Estate Nate

Free Investor Academy

Contents

The purchase is the beginning 4

1. Prepare before anyone moves in 4

2. Decide who handles the work 5

3. Treat residents fairly and consistently 5

4. Build a monthly property review 6

5. Month six: the heating system fails 6

6. Prepare for turnover 7

7. Revisit the original underwriting 7

First-year checklist 8

What you want to know before renewal 8

Field exercise: The repair that arrives before the reserve does 9

The first twelve months, in four parts 9

A property management interview you can actually use 13

Read a monthly statement from the bottom up 15

Decide what to fix now and what to plan for later 17

Work through the decision before a vacancy 19

What changes the hold decision? 21

Owner's monthly review: a practical closeout exercise 22

The handoff note I would leave a second operator 23

All scenarios are hypothetical. Landlord-tenant, housing, insurance and tax requirements vary; obtain current local guidance.

The purchase is the beginning

A rental property does not stop being an investment when the closing papers are signed. The way you manage the property, communicate with residents, track expenses and respond to repairs influences the outcome just as much as the original spreadsheet.

I want a property to have positive estimated cash flow and at least 1.30 expense-adjusted coverage before I buy. After closing, I compare those assumptions with real operations. I also keep accessible reserves because a roof leak or vacancy does not wait for twelve months of budgeted cash flow to accumulate.

1. Prepare before anyone moves in

Confirm the property is safe, functional and ready for its intended use. Document the condition, complete the agreed scope, verify working systems and arrange appropriate insurance. Understand local inspection, occupancy and rental registration requirements where they apply. Keep relevant warranties, keys, vendor contacts, permits and records organized.

If a resident is already in place, review the lease, payment history, security deposits and required notices with your closing and legal professionals. Do not assume the seller's description replaces the actual documents or that you can change lease terms immediately after purchase.

2. Decide who handles the work

Whether you self-manage or hire a manager, identify who receives maintenance requests, handles urgent problems, communicates with residents, coordinates repairs and maintains records. Review a manager's agreement for authority, fees, leasing charges, reporting, reserve requirements and termination terms. A percentage fee may not include every service.

Budgeting for management even when you do the work yourself helps you see whether the property could support that cost if your circumstances change. It does not pay you automatically; it recognizes that the work has value and may eventually need to be delegated.

3. Treat residents fairly and consistently

Use a consistent, lawful process for advertising, applications, screening, lease administration, communication and maintenance. Fair-housing obligations and local rules apply to the actual property and conduct; consult current official guidance and qualified local advisors. Keep accurate records, safeguard sensitive personal information and avoid making assumptions about applicants or residents.

Clear communication is practical as well as respectful. Tell residents how to report routine and urgent issues, who to contact and what to expect next. Follow through or explain when a schedule changes. Your lease and applicable law govern the parties' rights and obligations; a generic guide cannot replace them.

4. Build a monthly property review

Track rent actually received, vacancy, management, maintenance, taxes, insurance, utilities paid by the owner, association dues, debt service and other property-specific costs. Compare actual activity with the original plan. Note which expenses were paid and which remain upcoming.

Maintenance and replacement allowances are estimates; the bank balance is the cash actually available. If you set aside $100 per month for future replacements but have only owned the property for two months, you have set aside $200-not the cost of a new roof. Avoid double-counting an actual repair and the reserve allowance when comparing periods; show the budget, spending and reserve movement separately.

5. Month six: the heating system fails

Imagine the monthly budget expected $300 in cash flow after allowances and debt service. In month six, the heating system fails and a qualified contractor estimates $4,000 for work. Confirm the scope, urgency, warranty and insurance implications; communicate with the resident and meet applicable obligations.

The right question is not only whether the annual budget eventually absorbs $4,000. It is whether accessible property reserves can pay the invoice when due. If $6,000 is available, the repair may leave $2,000 before other obligations. If only $1,000 is available, a positive spreadsheet estimate does not eliminate the $3,000 immediate gap. Do not assume a future refinance or credit line will be available without confirmed terms.

After the repair, record what happened and review whether the budgeted replacement allowance and target reserve

remain appropriate. One event is not a perfect forecast of the next year, but it is useful information.

6. Prepare for turnover

Review lease dates, notice requirements, condition and the anticipated work needed between residents. Model lost rent, utilities, cleaning, repairs, marketing and leasing fees where applicable. An annual vacancy allowance helps plan over time, but an actual empty month has a specific timing and cash impact.

Use the applicable legal process for deposits, notices, entry and repairs. If a property manager is involved, understand who communicates with the resident and what the management agreement authorizes. Keep decisions and receipts organized.

7. Revisit the original underwriting

At the end of the year, compare supported rent with actual collections, the vacancy allowance with actual vacancy, the repair budget with spending, and the insurance and tax estimates with bills. Recalculate cash flow and expense-adjusted coverage using consistent periods and components. A lender's calculation may differ.

If the property consistently falls short, identify the cause. Is an expense underbudgeted, the financing more expensive, the property frequently vacant or the original rent unsupported? Investigate lawful operational options, review financing terms and protect reserves. Do not assume appreciation or an unapproved refinance will cover a recurring loss.

First-year checklist

1. Are the property, insurance and records ready for the intended use?

2. Who receives and resolves urgent and routine maintenance requests?

3. What do the manager's agreement and lease actually provide?

4. Are resident processes consistent and compliant with current requirements?

5. Are actual cash, reserves and future allowances tracked separately?

6. How will a vacancy or a major repair be paid for when it occurs?

7. Does actual performance require a change to the budget or operating plan?

Use the rental operations course, worksheet and deal tools alongside current professional guidance.

What you want to know before renewal

Sixty days before a lease decision, review actual collections, the condition of the unit, your operating records and comparable rents. Then check the agreement and confirm applicable local rules with qualified guidance before acting on notices or changes. A $75 monthly increase would produce $900 over twelve months if collected in full. An avoidable month of vacancy plus cleaning or leasing fees could cost more than that. The example doesn’t prescribe a renewal decision; it illustrates why I compare the whole year rather than treating the highest possible rent as the only goal.

Field exercise: The repair that arrives before the reserve does

The facts you have

The year-one forecast assumes $250 monthly cash flow after ordinary outlays, and a $4,000 reserve is available on day one. In month two, a major repair costs $3,600 and a temporary vacancy cuts collections by $1,300. Assume no offsetting cost reduction or insurance reimbursement.

How I would work it

Against the planned cash balances, those events consume $4,900: $3,600 of expense plus $1,300 of missing receipts. Two planned $250 surpluses plus the $4,000 opening reserve total $4,500, leaving a $400 shortfall if the costs hit by then. Track the dates of the bills and receipts; an annual plan can conceal an immediate cash problem.

Work the next decision

Build the next three months on a cash calendar. Mark the repair payment, any agreed vendor terms and rent actually received. Do not assume a new resident or reimbursement will arrive by a particular date without evidence.

The first twelve months, in four parts

I would rather buy a house with ordinary problems I can pay for than a house with wonderful projected returns and no room to make a mistake. The first year shows whether I understood what I bought. I don't need every month to match the spreadsheet, but I need to know why it didn't. There's a big difference between an appliance wearing out ahead of schedule and discovering that the prior owner's advertised rent was never being collected. One changes the timing of the reserve plan; the other can change the value of the business.

Days one through thirty: take control of what you already own

Start by opening the property file and finding the facts you will need when something goes wrong. Put the insurance contact, emergency vendor instructions, lender information, utility contacts, lease and payment history where you can retrieve them without hunting through the closing email. Label things so a second person could find them if you were unavailable. Make a short list of information you still don't have. A dated request for a missing deposit record is more useful than a folder marked “closing” with no indication what is inside.

Confirm utilities and billing responsibility. Ask who will pay for water during a vacancy and how a final bill is handled when someone moves. Record meter readings where appropriate and arrange for the right party to handle transfers. A forgotten utility account can create a real problem during a repair; the paperwork is easier to fix before anyone is waiting for heat or water. For a tenant already in place, confirm what their actual lease says rather than assuming the seller's usual practice is a binding arrangement.

Set the starting cash balance and track opening obligations separately. Imagine $8,000 is transferred to the property account, but $2,000 is committed to work from the inspection and $1,000 is money you are holding for a purpose other than operating the property. Only $5,000 is available under these simplified assumptions. A bank balance of $8,000 looks comforting until you write down whose money it is and what you already promised to pay.

Document the condition at handoff. Note maintenance concerns, take appropriately authorized photos, and keep an inventory of keys and access devices. Record what needs to happen immediately and what can be monitored. You are

establishing a baseline, not trying to write a perfect inspection report yourself. For specialized condition or safety questions, use a qualified professional and keep the report with your plan.

Months two and three: test the operating routine

Once collections and bills start coming in, test the path from event to record. A resident reports a slow leak; the person receiving that report acknowledges it, makes the appropriate arrangements, documents the fix and sees the invoice through to payment. A bookkeeper enters the invoice in the correct category. A manager sends the owner the result. If one link is missing, the leak may have been handled while the owner still doesn't understand what the repair cost or whether it was completed.

Practice with an ordinary job before you need the process for an emergency. If you use a manager, ask them to show how you would see a request in progress and how you would see it closed. If you self-manage, set up a consistent way to capture requests and hand them off. Don't make the resident explain the same problem repeatedly because your records are scattered between messages, voicemail and invoices.

At the end of month three, compare the original model with actual collections, bills, committed work and cash remaining. Three months cannot tell you how every season will behave. It can tell you that a bill you modeled at $75 averages $110 so far or that a contractor invoice isn't a monthly expense you should extrapolate. Identify the few deviations that matter and decide what information would help you separate an unusual month from a recurring cost.

Months four through nine: respond without losing the baseline

This is where an investment begins to feel less new, and it is easy to get casual. Keep checking whether utilities, insurance and debt are paid as expected. Keep a list of upcoming service and lease milestones. Review any property condition concern that remains open. Time passes quickly when another job or property is competing for attention. A recurring calendar reminder works better than relying on memory.

When a surprise arrives, keep the original forecast. Add a new dated version and label the reason for the change. If you overwrite the old assumption every time, you lose the ability to improve how you underwrite the next house. Maybe you missed an expense in the first place. Maybe you priced it correctly but it happened six months sooner. Those are two different lessons.

An owner with several properties should record which address actually incurred a cost. One house should not look excellent just because its expenses were paid out of another account and never attributed back. This doesn't require a complex system; it requires consistent identification and a regular reconciliation. If you cannot explain where the money went, you cannot say which investment earned it.

Months ten through twelve: make next year's decisions

Put each known decision on the calendar: the lease milestone, policy renewal, expected service, loan term review and year-end records. Confirm exact dates and the applicable obligations with the people who handle them. Then ask what is likely to be different next year. Are you still underwriting with the same rent, the same carrying cost and the same reserve target? Which changes are documented, and which are only estimates?

A written year-end note can be three paragraphs. Start with what you expected, describe what actually happened, and close with what you will do. For example: “Collections averaged below plan because of a verified vacancy. The average rent while occupied was on plan, so I will not change supported occupied rent based on this record alone. I will change the vacancy and turnover assumptions for next year and keep enough liquid cash to carry the next turnover.” That note gives your future self a reason for changing the spreadsheet.

A property management interview you can actually use

The sales conversation tends to focus on the management percentage. I would ask the manager to walk me through an ordinary month, a vacant month and a bad month. In the ordinary month, who receives rent, when is the owner paid, and what statement is available? In the vacant month, who checks condition, who coordinates access, and what can be charged before rent resumes? In the bad month, who takes the call, how much can be spent without contacting me and what happens when I cannot be reached? Confirm the answers in the written agreement.

Compare total charges over your likely holding period. An example: Manager A charges an illustrative $120 per occupied month, $700 per new placement and $200 per renewal. Manager B charges $145 per occupied month, $450 per new placement and no separate renewal fee under its hypothetical quote. With 11 occupied months and one new placement, A totals $2,020 and B totals $2,045, before any other charges. If the property is occupied for 12 months and renews once with no new placement, A totals $1,640 and B totals $1,740. Small fee differences can be overtaken by one

missed month, poor documentation or work that isn't actually included.

If a manager mentions a low base fee, ask for a specimen statement with names and personal information removed. Find the fee lines, reserve movement, bill payments and owner distribution. Confirm whether invoices are visible and whether any markup or coordination fee applies. Determine how routine repairs are handled when the owner has a preferred contractor. Price matters, but I need to know how my approval will be obtained and how I will verify what happened.

Try a practical conversation: “Let's say a resident reports water coming through the ceiling at 7 p.m. Who receives that report? Who decides what to do? How will I know whether the immediate issue has been contained and whether more work is needed?” The goal is not to prescribe a fix on the phone. It is to see if the manager can describe a responsible chain of action without relying on one person being available at all times.

Then ask how a management relationship ends. What records are transferred, how are tenant communications handled, and what open work needs to be reconciled? Review the terms and responsibilities with qualified help where needed. You don't have to expect a relationship to fail in order to plan a clean handoff. A good operator should know the answer to this question as clearly as they know their onboarding process.

Exercise: select the operating plan

You have one unit and live 45 minutes away. Your work schedule prevents you from reliably answering a weekday service call. A manager's hypothetical estimate is $145 a month while occupied. Your current model shows $275 of monthly cash flow before management. You could self-manage on evenings and weekends, but a second person has not agreed to cover you during the day.

A useful answer: including the $145 fee reduces modeled cash flow to $130 before any other manager-specific fees or omitted items. Do not decide simply because $275 looks better than $130. Price the coverage required to operate the home responsibly, check the written scope and rerun the deal after adding placement and turnover expenses where relevant. If neither option is operationally sound at the current economics, review the acquisition terms or pass. No one benefits when an investor takes responsibility for a service they cannot reliably deliver.

Read a monthly statement from the bottom up

I start with the closing cash balance. Can I reproduce it from the opening balance, money received and money paid? Then I ask what is committed but not paid. The biggest error is treating all money received as income and all money transferred as expense. A contribution from the owner increases cash; it does not mean the property generated that money. A transfer to the owner reduces cash; it is not the cost of fixing a toilet. Escrow or deposit movements may require their own accounting treatment and controls. Ask your bookkeeper or advisor how to classify and safeguard the actual funds.

Take this hypothetical month. Opening operating cash is $5,400. Collected rent is $1,650. The owner adds $1,000 for planned work. During the month, $900 goes to the mortgage payment, $125 to management, $75 to an owner-paid bill and $500 to a contractor. Closing cash is $6,450. It grew by $1,050, but $1,000 was owner money. The property's net cash movement after those payments, before other omitted items, was $50. If there is another unpaid $800 invoice due next week, the balance alone does not tell you whether you have enough flexible cash. Write down the commitment even though the payment has not cleared.

Next, compare the property statement with the bank activity and supporting invoices. If a manager collects rent and transfers the net to you, the deposit in your own account may not show gross collections and individual deductions. Do not record the distribution as if it were the tenant's gross rent. The manager statement tells you how collections were used; your bank record shows what you actually received. Reconcile both so you can explain a partial distribution and avoid recording an expense twice.

Put recurring, irregular and financing items in categories that let you review the business. For ownership analysis, I want to see the operating figures before debt and then after the actual debt payment. If taxes and insurance are escrowed in the mortgage payment, remove the duplicate in a cash-outflow comparison. For a separate coverage screen that subtracts property taxes and insurance as operating items, keep the denominator to principal and interest if that is how you defined the screen. Name your calculation so a second reader can see exactly what you included.

This guide uses cash and operating examples to teach decisions. Tax reporting and formal financial statements use their own rules. Give your advisors the source documents,

especially when the line between an ordinary repair and an improvement is important. Do not infer the tax treatment from the fact that you paid a bill in cash or that the spreadsheet called it maintenance.

Exercise: find the unexplained difference

Opening cash is $3,900. The manager's statement shows $1,500 collected, $125 of fees and $225 of repairs, with $1,150 transferred to the owner's operating account. The owner pays $950 of loan and utility bills from that account. Closing cash shown by the owner's bank is $4,020. What do you check?

The manager's arithmetic works: $1,500 less $125 and $225 leaves $1,150. The owner account would be expected to close at $4,100 before any other activity. The actual cash is $80 lower. Review the bank activity for a charge or transfer, confirm the dates of cleared items and verify that the $950 total includes all direct bills. Do not alter the rent figure simply to force a match. Explain the difference with an actual record.

Decide what to fix now and what to plan for later

A request arrives with a symptom, not a complete diagnosis. A resident says the bathroom ceiling is damp. An owner cannot safely decide what is behind it from a photo alone. Have the appropriate people assess the condition promptly. Give occupants a clear way to report changes and follow the applicable procedures for access, communications and repairs. A tidy budget is no reason to delay work that affects safety or the property's ability to be occupied.

Some issues can be grouped with work already planned. Others require immediate containment followed by a

permanent fix. Keep the two tasks distinct on the work order. When someone says, “We stopped the leak,” ask whether the source is fixed, whether damage still needs assessment, and whether a later visit is required. A repair can appear inexpensive on the first invoice if most of the work is still outstanding.

I like a replacement list organized by condition and consequence. Put items into categories such as “investigate now,” “budget for the next likely cycle” and “monitor at the next routine check.” Don't promise a precise failure date for a system you haven't examined. Ask for a condition assessment from a qualified vendor, record the estimate and update the reserve plan. If two major components are aging together, model what happens if both require attention in the same year.

A hypothetical example: a water heater is operating but a professional recommends budgeting $1,450 to replace it. A roof assessment identifies work of $4,800 that needs separate review. The owner has $6,000 in flexible property reserves. If both costs occur at the quoted amounts, $250 remains before vacancy or other work. That is very different from reviewing each quote one at a time and saying there is enough cash for both. Decide how to build additional reserves or change other decisions without compromising necessary work.

For larger proposals, request the scope, materials, exclusions and likely timing. Ask how invoices will document completion and what warranty or follow-up information will be provided. Use more than one qualified opinion when the issue and timeline allow. If access is needed, arrange it through the appropriate process. Record dates and commitments without exposing private resident information in a shared vendor file.

Exercise: separate reserve and schedule problems

A qualified vendor estimates that two unrelated projects will cost $2,400 and $3,100. One can wait within the maintenance plan based on the vendor's advice; the other must be addressed promptly. Flexible reserves are $5,000 and normal estimated cash flow is $300 a month after ordinary costs.

Answer: combined estimated cost is $5,500. If both bills must be paid before other cash arrives, the gap is $500 even before other obligations. If the second project can reasonably be scheduled later, build a calendar of deposits and required reserve levels rather than treating future income as money in the bank today. Two months of projected $300 cash flow would add $600 only if the property actually earns it and no other costs intervene. Recheck the plan after the first bill and prioritize safety and applicable obligations.

Work through the decision before a vacancy

A resident gives notice and you plan for a turnover. Start by establishing the actual possession date, the applicable procedures and the work required. Obtain quotes for work that could prevent the unit from being offered. Make sure marketing describes the property accurately and shows when it will genuinely be available. Verify the current obligations for resident communications, advertising and any security deposit through the right local resources. Nothing in an operating projection gives you permission to ignore those obligations.

Build the turnover budget in three buckets: rent that will not be collected, additional costs to return the property to rentable condition, and the regular costs that continue even if it sits empty. Include fees and utility responsibility where relevant. Don't subtract the vacancy from collections and also

subtract the same vacancy allowance in an actual cash report. A forward-looking model can include an allowance; a record of actual receipts should show what really came in.

Example: scheduled monthly rent is $1,550 and ordinary monthly cash outlays total $1,180. The property is empty for a full month. During that month you spend $650 on cleaning and minor repairs and another $300 on costs that occur only because of the turnover. If the ordinary outlays continue at $1,180, cash goes down $2,130 during that month. In a normal occupied month the model would have shown $370 positive, so the difference versus plan is $2,500. Both numbers are useful, but they answer different questions. One tells you what cash you need to pay bills; the other shows how far you fell behind the original expectation.

Now compare two make-ready approaches. One option is a $900 repair intended to keep a serviceable feature functioning, with a professional's assessment supporting the choice. Another is a $2,300 replacement with different expected service and timing. Ask what each option fixes, what it doesn't and what happens if the feature fails after someone moves in. A cheaper job with predictable follow-up may be reasonable. A repeated temporary fix that disrupts a resident and keeps generating service calls can cost more over time. Get enough evidence to make the choice rather than treating “replace” or “repair” as a universal rule.

After the next lease begins, review what actually drove the vacancy. Was the work delayed by a missing decision? Was the showing schedule realistic? Was the ask supported by relevant comparisons? Did the unit become available at the time people expected? Write down one process change. That is more useful than blaming an entire slow month on the market without looking at your own timeline.

What changes the hold decision?

A difficult month is not a verdict. A persistent change in the economics deserves a review. First confirm what changed and whether it is likely to recur. Examples include an insurance renewal, verified taxes, a new payment, management fees that were missing from the purchase model or repeated costs from an unresolved condition. Rebuild the forward model using current facts. Then compare the property's capacity to pay obligations with your reserve and alternative uses of cash.

Consider a hypothetical property with $1,120 monthly available after realistic operating allowances and before principal and interest. The payment is $800, leaving $320 and coverage of 1.40 on that definition. A documented $110 increase in ongoing owner costs lowers the available amount to $1,010, cash flow to $210 and coverage to about 1.26. The home has not stopped generating cash under those assumptions, but it would no longer meet my 1.30 screen. Check for verified ways to improve operations or restructure debt, and account for the real costs of either path. Do not assume a rent increase or better loan terms will appear on demand.

A property you already own is not automatically sold because one ratio falls. A hold review should look at the reserve, any loan event, costs of selling, income lost during a sale and the consequences of another investment decision. Estimate net sale proceeds after verified obligations rather than comparing sale price to an old purchase price. Have the appropriate professionals confirm tax and transaction implications. Decide what evidence would cause you to act and when you will revisit the plan.

Suppose someone offers $162,000 and the initial sale-cost estimate is $10,000. The expected loan payoff is $94,000 and you expect $3,000 of agreed work or credits that are not

included in the cost estimate. The simplified proceeds would be $55,000 before taxes or other omitted items. That is the starting figure for the choice, not $162,000 and not a claim about what you will receive. Request the actual payoff and a transaction estimate. Review whether the offer conditions and timing fit any existing lease and other commitments.

Owner's monthly review: a practical closeout exercise

Use an example month and build one page with these fields: beginning cash, rent received, owner contributions, recurring outlays, one-time outlays, distributions and ending cash. Below that, write committed bills, money held for a separate purpose, flexible reserves and a revised estimate of the lowest expected cash balance over the next three months. Then add one decision you need to make before the next review.

Test the form on this example. Beginning cash is $6,200, rents received are $1,700, recurring outlays are $1,250 and a $600 repair is paid. The owner draws $250. Ending cash should be $5,800. The property itself had negative cash flow of $150 for that month before the draw; the draw was another $250 decrease in cash. A $900 bill remains committed. If the ending balance has no separately held funds and nothing else is owed, $4,900 remains after recognizing that commitment. Keep those three facts distinct: bank balance, property cash result and cash available after obligations.

Ask which assumption you would update. One $600 repair might be a one-off event or a sign of recurring trouble. Investigate the cause and check your next few service records. Don't automatically reduce your future income or increase every maintenance line just because one month missed plan. Equally, don't write off a repeating pattern as a surprise every time it happens.

Close with a note you can use: “I can reconcile this month. I know which bills are still due. I know what I must confirm next, and I've put the review date on the calendar.” That's a useful first-year habit. You don't have to predict every repair to run a rental well. You do have to know where you stand when the phone rings.

The handoff note I would leave a second operator

Prepare one short document that would let a second authorized person take over for a week. Identify what the property is, how to contact the manager, which service vendors are approved, where records are kept, which repairs are open and who can authorize which decisions. Provide only the information that person needs, and store sensitive tenant and financial records appropriately. Do not put login credentials, unnecessary personal information or detailed banking access in a broadly shared document.

Include a short status note for each open job. A useful note sounds like this: “The plumber assessed a slow leak, completed temporary containment and recommended another visit. The repair has not been permanently completed. The manager is coordinating appropriate access and will confirm the scheduled date. The approved amount covers the containment only; any larger scope goes back for approval.” That tells a new operator what happened and what they should do next. “Plumbing handled” could mean anything.

Add a date beside the last reserve review. If another person is making decisions, they need to know which funds can be used and which already cover obligations. Imagine a manager asks to spend $600 and you have $2,400 showing in flexible cash, but $1,900 is already committed to work due next week. There is only $500 available before other changes. This isn't a

reason to ignore a necessary repair. It's a reason to identify the funding gap instead of authorizing work on the assumption that the full bank balance is free.

Test your handoff plan on a normal day. Ask the authorized person where they would find an open invoice, who they would call to check a repair and how they would tell whether a payment had been approved. If the answer is “call me for the password,” fix the access process with the relevant service provider. If the answer is “I don't know what we agreed to,” put the actual agreement where the right people can find it.

At year end, read that handoff note beside your acquisition memo. What did you think ownership would require when you bought the place? What does it actually require now? Maybe you underestimated coordination. Maybe a reserve assumption was adequate but you paid a bill earlier than expected. Maybe a good manager freed time but the fees deserved a higher underwriting line. Record the lesson you can apply to the next deal. The best result from the first year is a property you understand better and a decision process you can repeat without pretending the surprises are over.

Exercise: test your own readiness

Pretend you are away tomorrow with limited access to your phone. List the three decisions another authorized person might need to make before you return. For each, name their source of authority, the records they need and the point at which they must escalate the decision. A good answer identifies a person and a process rather than asking a resident or vendor to wait for an owner who may not be available.