

## Rent Your Home

Sometimes homeowners choose to move to another less expensive residence (like an apartment or a smaller home) and rent their home to a third party. The rental income combined with the cost savings on the new residence may be enough to keep mortgage loan payments current. When the real estate market improves, these homeowners can return to or sell their home.

This option can be effective even when there is a negative cash flow (the rental income from your former home might be less than its monthly mortgage loan payment), especially if the home is well located, in good condition, and likely to rise in market value (as the real estate market generally does improve over time, when taking into consideration long sample periods).

### ***Renting Out - Quick Tips***

- Renting your home requires some knowledge of property management. This knowledge includes using required documentation and understanding how to obtain credit standing and personal references on tenant applicants. You should contact a licensed real estate broker specializing in managing home rentals.
- You should interview real estate brokers with property management experience in your neighborhood and community.
- You should check the Department of Real Estate's (DRE) website to learn of the license status of the real estate brokers you are considering. Go to [www.dre.ca.gov](http://www.dre.ca.gov), and then click on the link to "Verify a Real Estate License."

