The Rental Owner's Profitability Guide

Start with the money you actually collect

Asking rent is only the starting point. Record scheduled rent, vacancy, concessions, unpaid rent, and other recurring income separately. Compare the same period each month so timing differences do not look like performance changes.

Build a complete expense picture

Include property taxes, insurance, HOA dues, management, leasing and renewal fees, owner-paid utilities, routine repairs, and reserves for larger replacements. Keep debt payments separate from operating expenses. Net operating income excludes financing; cash flow also accounts for financing and the reserves you choose to set aside.

Use a vacancy decision sheet

Divide monthly rent by 30 for a rough daily vacancy cost. At an illustrative $2,400 monthly rent, one empty month costs $2,400 before carrying expenses. A $100 monthly price adjustment totals $1,200 over a full year. This comparison does not predict a leasing date; it gives you a better question to discuss with your manager.

Ask for evidence with a rental recommendation

- Which comparable homes are actually leased, and which are still advertised?
- How do size, condition, location, amenities, concessions, and lease term compare?
- What is the initial asking range, the review date, and the adjustment plan?
- What work must be completed before photography and showings?

Review your manager each month

- Reconcile beginning cash, income, expenses, reserves, and owner distributions.
- Review open maintenance, work approvals, invoices, and recurring issues.
- Track vacancy days, leasing activity, upcoming renewals, and payment exceptions.
- Agree on the next action, owner, due date, and expected evidence of completion.

Switch managers with a documented handoff

Review your agreement before giving notice. Ask both managers to coordinate leases, resident contact records, deposits, ledgers, keys, maintenance history, vendor warranties, notices, and future payments. Confirm responsibilities and dates in writing; do not assume an online portal contains the complete record.

Planning education, not a valuation or a promise of returns. Your property, contracts, and financing determine the actual numbers.

Your working notes

Property and review period: ____

Rent collected and vacancy allowance: ____

Operating costs and debt payments: ____

Reserve balance and upcoming work: ____

Questions for my property manager: ____

Next action / responsible person / date: ____

Next step: call 888.777.6664 or visit your APMI website to request personal help.