

landlord's luxury



Let's make some easy money the legal way. You own a second-home in the Town of Southampton. Yes, you love every minute at your home, it's your enchanted paradise. You love the sights so much that you close your eyes just to remember the stars at night that you cannot see from your apartment in Manhattan; the canals that you pass on your treasured drives into town; heck, you love the small downtowns where you get ice cream with your children and remember a better time that was your own childhood and drives with the family to Montauk Point. Yet, maybe you could miss just one month this summer in hopes of thousands of dollars in rental payments. Money has been tight this year. It was your anniversary, and you really spent a bundle celebrating in the Islands for two weeks this past winter. Plus, your big house sits vacant many nights as you and the family stay in Manhattan or wherever else you generally call home. Some of your neighbors have rented their homes in the past for parts of the summer, and they have said good things about their experiences. It's not an unheard of thought.

In fact, you would only miss July, or June, or August and reap potential profits of over \$20,000.00. This is not a stretch in figures for a monthly rental at many great residences in the Town of Southampton. In fact, many can draw at least this much. Additionally, there are three great summer months in Southampton, and you will still be able to live the life for the other two. Plus, the spring month of May remains your own, and it's probably your favorite. When you take your first ride out for the season, make sure to go down to Montauk Highway as soon as you hit Exit 70 on the LIE so that you can stop at every farm stand on your way out.

It's decided, you can do it. The \$20,000.00 will cover all of the carrying costs for the year and with your first child in college, that's not a bad thing at all. Yet, you do not know how to get started. Yes, a local Southampton real estate agent will be very helpful to facilitate finding the appropriate tenant. Yes, you will want to meet the tenants, probably in their own home, to make sure that they will treat your residence the right way. But, first things first. Before



you talk to a real estate agent you should get some required information together to be ready to submit your rental application to the Chief Building Inspector before the rental begins. You have a reputation in the City. You have a first-class job and high-end friends. Finding yourself in Town Court for an illegal rental would not sit well in your circle of friends. Plus the fines, which range from \$1,500.00 to \$8,000.00 for a first offense, and threats of jail-time of up to six months are things that you can live without. Also you want security, and you have heard that you cannot enforce a rental agreement in the Courts without a legal permit. So how do you get a rental permit?

You must first determine if you are going to manage the property or hire a property manager... called a managing agent by the Town. Both are popular options, but a managing agent makes the experience a lot easier, and should include preparing the rental permit application as part of the service. Many local real estate agents and attorneys offer this service, and you may want to consult with a few before you make your decision.

Regardless, whomever files the application will need to gather the following items among others required at Section 270-5 of the Code, in order to apply once a tenant is selected, including: Deed; Survey; Floor plan; Proof of legal residence of each owner; Designation of authorized agent for receipt of Service of Process; County tax map property number; Residential smoke detector Affidavit; Certificates of Occupancy / Compliance; Certification of Code Compliance from a licensed architect or engineer; Information about the tenants; and a maximum application fee of \$200.00.

If you wish to self-manage the property, an application form can be found at: www.southamptontownny.gov/filestorage/760/762/778/930/808/1072/2097/2010-01-25-RentalPermitApplication.pdf. Plus, an instruction page can be found at: www.southamptontownny.gov/filestorage/760/762/778/930/808/1072/2097/2010-01-25-RentalPermitInstructions-English.pdf.

Good luck and go make some money. If you want to learn about other topics in Long Island Real Estate, please visit my blog at www.lirealty.blogspot.com.



ANDREW M. LIEB
LIEB AT LAW, P.C.
376A MAIN STREET
CENTER MORICHES, NEW YORK 11934
(631) 878-4455 EXT. 114
(631) 878-4460 FACSIMILE

Andrew M. Lieb is the managing attorney of Lieb at Law, P.C., and of the firm's NYS Licensed Real Estate School. You can reach Mr. Lieb with questions or comments at Andrew@liebatlaw.com or 631.878.4455.