

# HOMEOWNER'S QUARTERLY



Hello from Pensacola! It's fall and things are starting to cool down (the market included) as we approach the holidays. We have some education and news for you so please take a moment to review our 3rd Quarter Newsletter below. Here's an update from your friends at Realty Masters. Haven't heard from us lately? Please reach out!

*-The Realty Masters Team*

## Property Tax Discount for Hurricane Expenses

Did you have significant expenses in 2021 related to Hurricane Sally repairs? If so, you may be eligible for a property tax discount for your next year's property taxes. Several of our owners have already benefitted from this discovery. All you have to do is give Escambia County Property Appraiser's office a call. They will ask basic information about you and your property, including the address and zip code, and will require some evidence of major expenses in order to assess the credit.

Call the Escambia County Property Appraiser's office at (850) 434-2735 and ask about the tax credit available for hurricane related repairs. Repairs must have been completed or paid in the 2021 tax year to qualify. This credit is not available for Santa Rosa County.



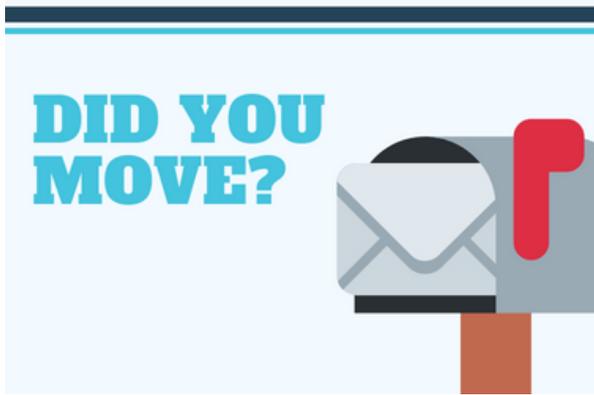
### Improve your Asset

Don't forget that maintenance you spend on your rental property helps offset your taxable income and improves your asset. Is it time to upgrade an appliance, do some pressure washing or change out some lighting?

Do it before the end of the year. Reach out to us for suggestions for your property.

### Change of Address

As we approach the end of 2021, we ask that you update us with any changes to your contact information including your phone number or address. We will be mailing out year-end



statements by January 31, 2021!

These documents are also uploaded into your owner's portal so be sure you are utilizing it. Not using your owners portal? [Click here.](#)

## Insurance Rates Continue to Climb

Florida's insurance market is in serious trouble, causing insurance carriers to become bankrupt and rates to increase substantially. You may have seen an increase in your policy, and expect to see another 5-10% increase next year. Insurers lost more than \$1.5 billion dollars last year, and this loss must be passed on to consumers. Some carriers are choosing to pull out of Florida or increasing their premiums sky high. If you get a substantial rate increase, we recommend shopping for a new carrier.

Here's what to expect if you are shopping for or need to obtain a new insurance policy.

- A **wind mitigation inspection** will be needed if you have a newer roof in order to receive the discounts that you deserve. Trust us, this \$75-\$100 fee is well worth it.
- A **four point inspection** will most likely be needed to change carriers if your home is over 20 years old, and this inspection costs about \$160. Pensacola Insurance Inspections has been doing both of these inspections for us and working with the tenants to schedule.
- If your **roof has less than 5 years remaining life**, as deemed by the insurance company or a 3rd party inspector, they may require you to replace your roof in order to obtain coverage, or you may be forced to utilize a carrier with a much higher premium.
- We recommend reaching out to a **local insurance agency**. We do not recommend contacting the insurance companies directly to obtain new coverage. Local insurance agents know the average cost for coverage and the nuisances of coverage in our area. They also know the difference between different carriers and policies, such as the difference between a DP01 and a DP03 policy.

Remember, an insurance policy is not a homeowner's warranty, and sometimes items are not covered under insurance. You should always have a savings to substantiate any sudden surprises or routine replacement of high ticket items, like your roof or wood siding.

We can help by providing local insurance agents to reach out to. Just reply back to this email if you need some contacts or reach out to us at any time.

## Eviction Moratoriums Expired

Luckily, with the news that the CDC Moratorium was ruled unconstitutional (again), the Pensacola area is now free of any legislation preventing

# CDC EVICTION MORATORIUM LIFTED



evictions.

We are now able to conduct evictions as normal.

## Rental Assistance Funds

We are finally receiving rental assistance funds from Our Florida on behalf of tenants. We have collected over \$25,000 in assistance for tenants in the last two months.

We are educating and encouraging tenants to apply for this program to see if they may qualify.

## What is Normal Wear and Tear?

Florida Landlord Tenant Law allows for the property to be returned similar to the condition it was received in, less normal wear and tear. Many landlords don't quite understand the concept of normal wear and tear and think that tenants should be billed any charges to bring the property back to a rent ready state.

So what is normal wear and tear? Under the law, normal wear and tear is not considered damage and cannot be billed back to your tenant. The law does not provide an exact definition for normal wear and tear, but the general definition accepted is any deterioration that occurs naturally as a result of the tenant using the property as it's designed to be used.

Some common examples of repairs often found by judges to be ordinary wear and tear include: general cleaning, reasonable nail holes, wear on carpet caused by furniture, broken lightbulbs, loose grout in bathroom tiles, worn countertop, loose hinges or door handles, worn out blinds, broken microwave handle,

Judges will also consider the reasonable life expectancy of a product when determining how much to charge a tenant for actual damage, such as a hole in the carpet or crayon marks on a wall. In these cases, you would think it's appropriate to charge for replacement, but a Judge will require that you consider and deduct for useful life remaining of the item.

Please remember, as the landlord, it is your responsibility to invest in and routinely change out paint, flooring, blinds, lighting, appliances, and more to maintain your property over time. While your tenants pay down your principal balance and cover your taxes and insurance, they are not responsible for paying for routine maintenance and for absorbing the cost of maintaining and improving your property.

## Good Tax Reading for Landlords

Here are some real estate related articles that may interest you.

- **ABC News-** [American's quit their jobs at a record pace in August](#)
- **Fortune-** [Where home prices are going next, according to forecast models](#)
- **Bigger Pockets-** [Understanding cash flow: are your properties really profitable?](#)
- **The Roanoker-** [Construction costs up up and away](#)
- **Bankrate-** [The new rules for selling your home and buying another at the same time](#)
- **Benzinga-** [What are the factors increasing home values?](#)

*Did You Know?*

You Can  
Text Us!

850.473.3983



## Pensacola Rental Market Update

Rents have been strong over the last quarter. In fact, we saw an 18% increase in new move in rental rates last month, which set a record for us, and an average quarterly move in increase of approximately 15%. However, we are starting to feel a shift in the market. As Pensacola rental inventory levels are higher than they have been all year, we are currently advising for less aggressive pricing than over the summer months. It does appear we may have some version of the typical, seasonal fall/ winter market cool down that we did not experience last year. But, don't worry if your tenant is set to vacate! You will still likely have a great increase in your monthly rent, especially if you have had the tenant in place for more than a year.

## Pensacola Real Estate Market Update

With rising home prices, lower consumer confidence and increasing fears of inflation, we are starting to see signs of a market cool down. The consensus among experts is that the growth we saw in 2021 is not sustainable as affordability becomes an issue for many Americans. At this time, experts predict a healthy increase in inventory and a slowing of price increases in 2022, but they do not predict a market adjustment or worse a market crash.

**Request a Market Analysis**

Contact me for a market  
evaluation

Interested in a CMA to know what the current market value of your rental property is?

## WE HELPED THESE LANDLORDS SELL



*How can we better assist you? Reach out to our team!*

### Help Us By Leaving a Review

We'd sure love it if you could leave us a few kind words on **Google!** Just [Google Realty Masters of Florida](#) and click to leave a review. Having top placement on Google helps us rent our properties faster than the Pensacola average. We appreciate you!

### Questions About Your Property?

If you have any questions or concerns about your rental property, please respond to this email to reach a supervisor or reach out to our office by phone, text, or email. Don't hesitate to let us know how we can be of assistance to you. We look forward to hearing from you.



### Realty Masters of Florida

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Call us Monday- Saturday at **850.473.3983**

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LET'S CONNECT



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