The Investment Property Due-Diligence Checklist

For buyers weighing a short-term rental or income property

THE RIDGE REALTY · BUYER & SELLER RESOURCES

A mountain rental can be a strong investment — if the numbers and the rules line up. Confirm these before you commit.

IS IT ALLOWED TO RENT?

- [ ] Check the town/county ordinance for short-term-rental rules and permits
- [ ] Read the HOA/POA covenants — many restrict or ban rentals
- [ ] Confirm any occupancy or minimum-stay limits
- [ ] Verify parking and septic capacity for guest counts

WILL THE NUMBERS WORK?

- [ ] Pull comparable nightly rates and occupancy for the area
- [ ] Model gross revenue, then subtract management, cleaning, and platform fees
- [ ] Add taxes, insurance, utilities, HOA dues, and maintenance reserve
- [ ] Calculate net income and cap rate — not just gross

PROPERTY & SETUP

- [ ] Assess condition of roof, HVAC, and major systems
- [ ] Budget for furnishing, linens, and guest-ready amenities
- [ ] Consider a hot tub, fire pit, or view — features that lift nightly rates
- [ ] Plan for professional management and turnovers

PROTECT THE INVESTMENT

- [ ] Line up the right landlord/short-term-rental insurance
- [ ] Set aside a maintenance and vacancy reserve
- [ ] Understand your tax situation with a CPA

NOTE

The Ridge is the only local team that can help you buy the property AND manage it afterward — ask us to model the numbers on any home you're considering.