

# Renting Out Part of Your Home

## How to Turn Space Into Extra Income Safely and Legally

If you have extra space in your home — a basement suite, a finished attic or a separate guesthouse—it might be more than just square footage. Renting out part of your property can bring in steady income and help cover your mortgage, but it also requires planning, preparation and a solid understanding of local laws.

### KNOW THE RULES FIRST

Before advertising a rental, check your city or county's zoning and housing regulations. Some municipalities limit how many units can be rented on a single property or impose restrictions on short-term rentals like Airbnb. Others may require safety inspections, separate utility hookups or minimum square footage for rentals.

If you live in a community with a homeowners association (HOA), review its rules. Some HOAs prohibit rentals or require prior approval. Violating local ordinances or HOA rules can lead to fines or legal trouble.

Also consider your insurance coverage. Renting out part of your home may affect your policy, so talk to your provider to ensure you're pro-

tected in case of damage or liability.

### PREPARE THE SPACE

Whether you're renting a room, basement or ADU, the space should be clean, private and up to code. At minimum, it should have working smoke detectors, proper exits and

functioning heating and cooling. If it's a long-term rental, a separate entrance and full kitchen or bathroom can increase appeal.

Consider how you'll separate your space from your tenant's. This might include soundproofing, separate laundry access or locking interior

doors. The more independent the space feels, the more comfortable both parties will be.

Create a lease agreement that outlines rent, payment terms, house rules and notice requirements. Even if renting to a friend or relative, a written agreement helps avoid misunderstandings.

Renting part of your home can be a smart financial move — but it's also a responsibility. With the right setup, clear communication and attention to legal details, you can turn unused space into steady income while maintaining peace and privacy in your home.



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### REAL ESTATE 101



### HOMEWISE GLOSSARY

#### Check Local Zoning and Rental Rules

Before renting out part of your home, make sure local laws allow it. Some cities restrict short-term rentals or require permits, especially for basement units or ADUs.

**Accessory Dwelling Unit (ADU):** An accessory dwelling unit is a self-contained living space on the same lot as a single-family home. ADUs can be basement apartments, garage conversions or backyard cottages, and may be rented out for extra income.

AD SPACE