

10 Tips to Reduce the Vacancy Rate of Your Rental Property

By AllBusiness.com

Vacancy is the bane of every landlord's existence. If the vacancy persists, you may be unable to make your mortgage payment. While there are many things that can lead to high vacancy rates, there are specific steps you can take to reduce the vacancy rate of your rental property.

Keep it Clean

A clean dwelling is a place where people will want to live. If the common areas of your rental property are filthy or unkempt, it will give people a bad impression of your property. If your current tenants are contributing to this problem, set some basic rules for cleanliness of the units.

Make Timely Repairs

One of the most common reasons for vacancy is infrequent or nonexistent repairs.

Invest the time and the money that is necessary to keep your rental units operating in top condition.

Spruce Up the Exterior

In addition to keeping your rental dwellings clean, you need to frequently paint or otherwise maintain the exterior. If a dwelling looks shoddy, people will not want to live there. Landscaping is also very important in attracting and keeping new tenants. Even though you may not live at your rental property, try to make it as "homey" as possible.

Research Local Rent Prices

If you are finding that your tenants are not staying past their lease, you may be charging too much rent or raising rent costs too much at the end of the lease term. Find out what your competitors are charging to see if you can offer your tenants a better deal.

Reward Existing Tenants

The best way to keep a tenant happy is to not raise the rent. Although you may need to increase rent over time, try to avoid this for as long as you can. This will encourage your tenants to stick with you and decrease the number of people leaving to find a better deal.

Provide Amenities

Consider providing amenities such as washer-dryers, updated appliances, garbage disposals and the like.

Offer Paid Utilities

Even a bill as small as \$255 a month can seem like a lot to someone who needs to find a cheaper place to live. Offering paid heat or water can be a great way for landlords to attract new tenants and retain their existing ones.

Offer Incentives

If a large number of tenants are leaving, offer them an incentive to stay. For example, if they sign another six month lease, offer them a reduction in one month's rent. You can also try offering free gifts with a new rental, such as household appliances.

Look at Your Neighborhood

If your rental property is not in the best part of town, add a security system so that your tenants feel safer. Not only will this help keep your tenants safe, but it will also let them know that you care about their safety and well-being.

Get to Know Your Tenants

Instead of being a feared Machiavellian landlord, try to make friends with your tenants. It is a lot harder to leave a friend's house than it is to leave a rental dwelling run by someone you don't know – or don't like. Take the time to learn more about your tenants and do your best to make them feel at home.

These are just a few suggestions to help you keep your current tenants happy. Your individual situation may call for some different ideas, but this list will get you started on your way to a full rental property that is profitable and a joy to run and own.

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