

MRLANDLORD.COM Tips on Management

by Jeffrey Taylor

Keep Taking Applications until New Residents Move In

This past week we had two residents for two different rentals change their mind about moving in after being approved. Actually in one case, the applicant was not able to come up with all the needed funds to move-in. The following is our policy regarding keeping vacant units on the market *after* we approve an applicant, and at what point, do we take a vacancy off the market? It is best to keep showing the rental. Do NOT cancel any newspaper ads and keep considering all the other applicants until you have done all your background checks, all the paperwork is signed, and all of the move-in monies have cleared.

Then STILL keep showing the rental until the new residents have started moving in. Until the new residents actually move in, continue to take back up applicants. People sometimes still back out up to moving-in day. I also recommend that you take a holding fee and explain to them that part of it will be non-refundable if they change their minds - and *make sure to put it in writing*. (AOA Form 100B – Deposit Receipt and Offer to Rent). Have them sign a copy of this written acknowledgment that informs them that should they change their mind after they have been accepted as residents, that the holding deposit will be charged. Once the residents move in, (and not before) the money can be applied toward their security deposit.

Test a Higher Rental Price

Let me first give you some background regarding my rental area: I manage a building in a historic district. Rentals are in high demand by young professionals and I probably receive over 100 calls in a month from advertising. This gives me the opportunity to be very picky and selective. The current tenant was vacating on September 30th with a rent of \$760. I am the property manager and I told my property owner that I was advertising the unit at \$795 and he could not believe it!! Bear in mind, when he was managing his own properties a few years back, this unit rented for about \$500 to a very long term tenant. My rationale? Try pushing the higher rent rate for a week or so to see the responses. If the number of calls is weak, then I will reword the ad and change it to a lower price. Part of my rationale is that a Wall Street Journal article reported that nationwide rents are up about 4 to 5%.

Thus the name of the game is supply and demand. I have the supply, so I'll see what the demand reflects. There weren't many other newspaper ads for my location and I had received six calls on the first day of the ad...mostly good callers.

One Rent Check Only Per Property

Do unrelated residents share one of your rental properties? Tired of accepting multiple checks? *Require one check only* for rent payment. This solves the inconvenience of getting two or more checks from two or more persons at different times. This policy also encourages the room mates' awareness of joint and several liability for rent obligations and forces them to chase their delinquent roommates! Here is suggested wording for your lease: *Only one check in full payment of the rent will be accepted for one rental*

home or apartment, even though two or more persons have signed the lease or occupy the property.

Don't Delay in Setting Court Dates

Landlords have a tendency to wait too long to set a court date for nonpayment of rent or other lease violations. Don't let a situation get out of hand; nip problems in the bud before they become bigger problems. Don't let tenants get behind thousands of dollars, because you may never see it. We have signed contracts with our tenants, and we need to stick to the contract and enforce it, especially with new tenants, who may simply be trying to test how long they can get you to go before you begin enforcing your rules.

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