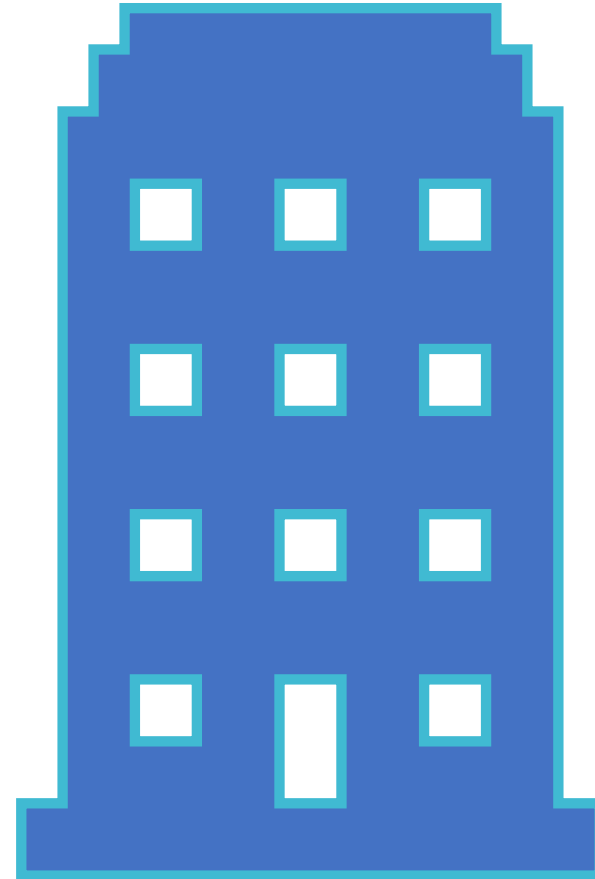


# Tenant

Dr Alfred MIFSUD



## Tenant:

1. Marketing Vacancies/Setting Rents and Terms;
2. Setting rents and structural leases;
3. Screening tenants;
4. The mechanics of rent billing, collections and reporting.
5. Tenant relations, communications and problems

Part 1:  
Marketing  
Vacancies/ Setting  
Rents and Terms

# Bare bones Information:

Any one searching for a home will need to know the following to bother contacting you for a showing or for more information:

- Location
- Number of bedrooms and bathrooms
- Price and whether utilities are included
- When it is available

After eliminating properties that do not fit their needs for location, site, price and availability then renters will be interested in:

- Parking/garage space;
- School district;
- Pet policy;
- Laundry and amenities;
- Storage

- One of the best ways to fill your rental property is free, easy, and painless.... And it might yield some excellent tenants!
- Do you know anyone who is looking for an apartment?

Word of  
mouth:

Most renters begin their search for a new home in one of the following ways:

- For Rent section in the papers
- Drive around the area where they want to live looking for signs.


Classified  
Ads

# Newspaper Ads

- Newspaper office – costs and circulation;
- Online edition available?
- Deadlines
- Prepare for the advert well in advance;
- If your advert is running for than two weeks, rewrite if after the lapse of the first week;



## Sign on property:

- A sign on the home façade or on the front garden, is a terrific way to advertise for a new tenant;
  - Many people shop around for a home.
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# Signage:

If you have a nice apartment in a non established neighbourhood, signs work really well. People who do not know the neighbourhood may make an appointment to see your apartment, but they do not show up because they do not like the neighbourhood or it is too far from transportation. But people who already work or live in the neighbourhood will not do that.





## Other methods:

- Flyers and hand-outs;
  - Notice on bulletin boards;
  - Rental listing booklets;
  - List with a rental agent;
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## Target good tenants:

Whichever means you select to market your property, keep an eye on the target market:


- Responsible;
- Financially stable;
- Long-term tenants;
- Price has a lot to do with who you attract.

- Your advertising is in place.
- You have the word of mouth grapevine humming;
- Your classified ads are placed;
- Your signs are up;
- And your flyers have been distributed and posted on bulletin boards;


Show the  
property:

## Man the phones:

- Record a greeting message that includes basic information;
- Callers who have three Great Danes will hung up when they hear no dogs on your message saving time for both of you.
- Return any phone messages as promptly as possible!



At your  
fingertips:

- A fact sheet about the property;
  - Directions to the rental property;
  - Your personal calendar;
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1. Be early at the site;
2. Welcome the prospects;
3. Briefly show them around the outside of the property first then lead them inside;
4. Walk them through all the rooms;
5. Emphasis on the good features of the property;
6. Once guided tour is over
7. Gauge their reaction to the property;
8. Ask for a photo ID to verify their name, address and any other information you will need;
9. If they are interested to an application, then it is important to go over any restrictive policies;
10. Explain that you will carry a credit check and check references

## The showing of the property:




## Negotiation:



If a prospect tries to negotiate rent or rental terms, stand firm.

It is best to stick to the pricing terms and policies you originally set.

Once you start negotiating terms, you are on a slippery slope to less rent and potentially more work for you.







# Part 2: Setting Rents and structuring Leases

## High rent vs. Low Rent:

- The problem with setting your monthly rent too high is that you can end up increasing the length of time you rental property is vacant – and that can add up to a substantial loss of funds – more than if you were to charge and get a lower rent.
- The problem with setting your rent too low is that while you are likely to get a tenant right away, you will basically lose money every month.

## Determining rent:

- Figure your property management expenses;
- Check your local rental market;
- Estimate your own rent;

Irrespective whether you end up hiring a property management company to handle your rentals you should go through these steps. You became a landlord for the additional income, and you will want to make sure you are getting the appropriate amount of rent each month.

## Increasing the value of your rent:

- Include parking;
- Install a washer and/or dryer or make them available in a multiunit building;
- Install infrastructure for cable, satellite TV, and /or DSL Internet service;
- Install a security system;
- Install air conditioners;
- Redecorate – sand floors or add new carpet;
- Add a hot tub, swimming pool, or a deck;
- Allow pets;



# Part 3

## Screening Tenants:

# Rental Application:

- Identification;
- Move in information;
- Rental history;
- Employment information;
- Financial information;
- Signed consent;
- Check them out!

## Know the warning signs:

- Credit history shows late payments;
- Credit history shows a lot of debt;
- Bank records show low bank balance;
- Tenancy check shows applicant moved around a lot;
- Criminal background check reveals past convictions;

## Landlord insights:

- The two toughest things about being a landlord are finding the right property and making sure you have good tenants.



## Keep a paper trail:

- Due to the risk of discrimination lawsuits, it is good practice to keep records of all applications and rejections for at least the last three years.( check on the legislation in your hometown)

# When you inherit Tenants:

## Pros

1. Do not have to launch an immediate search for tenants;
2. Rental income is collected as soon as you take over ownership;
3. Some time is available to adjust to property management;
4. You can implement your own lease as soon as each tenant's existing is over and raise rents as necessary

## Cons

1. You are stuck with Current tenants until the end of the year;
2. Rent may not be as high as you would like;
3. If a problem arises, you have to address it within the terms of the existing lease;
4. You may lose tenants who do not like the changes you put in place with a new lease;
5. All things considered, if the investment property is a good one, it may be worth it to go ahead with the purchase even if you suspect a few problem tenants.



Part 4:

The Mechanics  
of Rent billing,  
Collection and  
reporting



- Ask tenants to mail you a check;
- Ask tenants to drop off their check at your home or office;
- Collect the rent in person each month;
- Electronic transfer from their bank accounts to yours;
- Credit card payments

## Collection options:

## A system for billing and collecting.


- Security deposits;
- Getting deposits;
- Rent receipts;
- Setting and enforcing due dates;
- When, why and how to increase rent;
- When, why and how to lower rent;




# Part 5: Tenant Relations Communications and problems

- Pays the total amount of her rent promptly every month;
- Takes good care of your property;
- Never causes neighbours to complain.
- Abides by your house rules and policies;
- Is interested and able to stay in your property for more than a year.

A Good  
tenant:



## Keeping the tenants happy:

- Keep their home in good repair;
  - Do not raise the rent too much;
  - Get rid of bad tenants;
  - Generally keep your property nice;
  - Respect their privacy and rights;
  - Do not neglect the long-term tenant;
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## Difficult tenant:

- Are over demanding and request unrealistic amounts of work and effort on your part, such as repainting an apartment every six months;
- Damage your property; either by accident or on purpose;
- Draw complaints from neighbours about noise and disturbances.

- Sever the tenant with a notice to pay rent or quit – in writing;
- If he pays within the time limit accept it; if not do not accept it;
- Involve your attorney and proceed with legal matters;
- Change the locks on the property immediately to ensure the tenant cannot come back.

How to  
legally evict  
someone:



Any questions?



Thank you!