



How to Find and Retain Good Tenants

FIRST THINGS FIRST: ATTRACTING POTENTIAL TENANTS

The most effective technique in finding good rental tenants is casting a wide net. A larger pool of tenants to choose from allows you to find someone who is the right fit, and who has the potential to stay in your property for a long time. So what's the best method for attracting the attention of potential tenants?



EXCELLENT PROPERTY CONDITION

Reaching a large audience is worthless if your property isn't appealing! Keep in mind the goal of each and every potential tenant: they likely want to find a clean, comfortable home where they can stay a long time. Keeping your property in excellent condition should always be the first step in attracting good tenants. In-between tenants make sure to:

- Get a professional carpet cleaning (or replace carpet if it's needed)
- Patch and paint walls
- Complete a deep cleaning (especially bathrooms and kitchen!)
- Clean interior and exterior of windows
- Clean tenant interactions?
- Check all appliances and plumbing/electrical systems for issues, repair & replace as needed

Ongoing property maintenance is also very important, no matter where you are in the rental cycle. Keeping the interior and exterior of the rental

looking and functioning well is at the core of attracting the best tenants.

AGGRESSIVE MARKETING

Potential quality tenants won't know you have a property available unless you have an aggressive marketing plan. Remember, finding good tenants is all about getting your great property in front of searchers and gathering a large pool of applicants. Because many potential tenants will start their search online, great photography and a well-written description of the property is the first step.

The next step is to start listing the property around the web; there are a number of free and paid websites to list an available rental online, the most popular among searchers is probably Craigslist.



Lastly, don't forget about offline marketing options as well:

- Referrals from happy tenants at other properties
- Patch and paint walls
- Complete a deep cleaning (especially bathrooms and kitchen!)

Get creative, and find as many interested renters as possible!



- Make sure to meet all potential leases in person (hopefully you've already done this at the showing!)
- Verify their employment status and income
- Ask for and check references
- Review their rental history – have they paid rent on time and in full consistently?
- Run a background check
- Verify that they are able to pay the deposit

SHOWING AND SALES

As you're marketing the property, you will need to be available for showings – it is very rare for a tenant to rent a property sight unseen! Presenting yourself and the property professionally is very important; if they are savvy, potential tenants will be evaluating you as their possible landlord, as well as the property. You should make sure to:

- Show up early for the showing
- Wait outside to greet the potential tenant
- Tour the unit, prompting for and answering questions
- Clearly explain the benefits of your property (location, updated appliances, pet friendly, etc.)
- Give the potential tenant time to explore and envision themselves in the property
- Explain the application process again

EFFECTIVE TENANT SCREENING

Some of the tenants who see the property will be interested in applying. The most important step in finding good tenants is to have a well-defined and effective screening process after someone applies. A potential tenant may seem perfect at the showing, but you should make sure to verify a number of things before offering them the property:

If you follow each of the steps above risky tenants should start to become obvious, and you can focus on finding people who have a proven history of being a good tenant. Every person's history will be unique, and unfortunately there is no foolproof formula for deciding if an applicant is good enough, but with a comprehensive screening process you will be well-informed when making the decision.

Remember: as you're screening potential tenants, make sure to follow all laws related to the Fair Housing Act.



RETAINING TENANTS THROUGH PROACTIVE MANAGEMENT

You've found a good tenant and they are all moved in, awesome work! Learning how to retain your good tenant will be an invaluable skill. Keeping your current tenant happily renting your property eliminates the need to go through the very labor-intensive leasing process too often. The secret to retaining tenants is proactive management: below are the most important aspects of effective tenant retention.



CLEARLY DEFINE THE LEASE RENEWAL PROCESS

When someone is first signing their lease, be up front and make sure they are aware of the renewal process. When the lease is coming up on the renewal date, reach out and let the tenant know that you'd like them to stay (if they have proven to be a good tenant!), and clearly define what steps they need to complete if they are interested in staying at the property and renewing their lease.

EXPLAIN THE RENT INCREASE PROCESS

Increasing rent is a reality for any property, but in order to keep your tenants happy make sure they are aware of how often you evaluate the rental rates on their property, and what the policy is for determining potential increases. Avoiding surprise rent increases with good communication will go a long way in keeping your existing tenants happy.

Owner tip: you can incentivize excellent tenants to stay long term by waiving or reducing rental increases for lease renewals.

FAST AND FRIENDLY SERVICE

Just like in all businesses, customer service is an important part of being a good landlord for your tenants. A fast response time and friendly professional service when issues arise with the property is essential. Be approachable! If you're the grumpy landlord, your tenants might shy away from getting in touch with you about issues, not only will this cause issues to go unmanaged, but they may decide to find friendlier lodging when their lease is up.

Be consistent: if you are too busy to respond quickly and take care of issues as soon as possible, you should consider finding trusted partners who can be on-call for you.

KEEP IN TOUCH

Occasionally checking in with your tenant and asking about their property is a good way to be proactive about potential issues. Tenants are much more likely to let you know about small maintenance issues if you reach out and ask how things are going. Regular (but not too frequent) phone calls or emails will build trust and keep both parties informed and happier with a strong communication flow.



RESPECT PRIVACY

You may own the property, but while they are leasing it, it is your tenant's home. Respecting the privacy of your tenants is very important. You should define clearly in your lease the policy on entering the property for maintenance, inspections, emergencies, or showings. Giving your tenants plenty of notice before entering the property is respectful, important, and in some states, the law.

CAPITAL IMPROVEMENTS

Continuing to make improvements to the property while you have a tenant will make the property more valuable to them and any future tenants; you don't have to wait until someone moves out to make improvements! Proving your dedication to providing quality housing by consistently improving the property will likely persuade someone to stay in the rental past their initial lease.

Incorporating your tenant's feedback into your decision-making on improvements builds rapport and leaves a good impression - people appreciate having input on changes to their home!



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