

How to find fabulous tenants

by Collette Lord

So, you have bought the house, refurbished and redecorated it. It is now time to find a tenant – one that will look after your property and generate you some income!

REMEMBER: This is THE most important bit – a bad tenant who does not pay the rent can cause you to lose the house. A good tenant will stay for a long time and will protect and even improve your prized asset. Whenever I have an empty property I call my existing tenants first and ask if they know anyone who is looking for a new home – I have found several excellent tenants this way. But, if this does not work then –

Advertising is key

I place small lineage adverts in my local newspaper's 'Houses to Let' column. I usually put something like: "Newly refurbished 2-bed terrace, Acre Lane area, £425pcm, refs and bond essential. Tel: ...".

If you use small ads and cards in shop windows, prospective tenants who are not legitimate, and who would be refused by a Letting Agency, think they may be able to pull the wool over the eyes of a private landlord.

The other important thing is to have decided if you will accept tenants who are on housing benefit or not. Your mortgage

lender may have specified that you cannot, so make sure that you check your mortgage documents. If you do have housing benefit tenants, it is wise to get a guarantor to guarantee the rent and the top-up.

If you do accept housing benefit tenants, I suggest you fill in the form with your tenant. I have occasionally gone to the HB office with a tenant to make sure this is done. If you ask for the rent to be paid to you, the tenant cannot then spend it on other things, but the local authority can 'claw back' the rent if the tenant is found submitting a fraudulent claim.

For young couples, use their employed parents as guarantors.

10-point action plan for when your prospective tenant calls

Please bear in mind the pointers below when prospective tenants call.

1. **GOLDEN RULE:** Remember YOUR property is YOUR asset and YOU choose who lives there. Have confidence in yourself and your property. If you have prepared it correctly and marketed it at the right price then you will have people ready to bite your hand off to take it!

2. Do make sure you are available to answer the phone when the newspaper

first appears on the streets.

3. Before you talk about the property ask the prospective tenants to talk about themselves! Your first question will be, "What is your name – and how many folks are you looking for a home for?" (Have a tenant application sheet in front of you to fill in.)

4. Ask questions about their family members who will also be moving in; for example, if a boyfriend/girlfriend will regularly be staying over. Find out why they are looking for somewhere new to live.

5. Ask where they work, and how long for, and whether they object to your talking to their employer. During this time, you can get a pretty good feel as to whether someone is lying to you or not.

6. Be clear whether you are letting furnished or unfurnished. Describe the benefits of the property.

7. Describe the house and its BEST features (alarm, GCH, fully double glazed etc), but do not give them the full address – only give them the street name. You could be talking to a potential burglar!

8. Explain the cost of rent and the deposit. Explain that you will need one month's rent in advance, plus another month's rent as a deposit, which will be returned at the end of the tenancy if all the rent is paid and there is no damage to the property. Tell them which deposit scheme you will be using.

If you use a credit reference agency, explain that there will be a small administration charge of £x per applicant. This will pay for the credit check. Explain this is non-refundable – even if you subsequently cannot offer them a tenancy if negative information is produced by the credit check.

Tell them exactly how much it all adds up to, and ask if they have any problems.

Explain that you will need the credit check fee in cash when they attend the property if they wish to proceed after the viewing.

9. If you like the sound of the person and they are still interested, arrange a time to meet them at the property. However make sure you arrange to have them phone you one hour ahead of time to confirm they will attend (50–75% of appointments are not kept!).

10. Only tell them the exact address in this final phone call, one hour before the viewing.

Give your tenant the WOW factor

When you meet up with the prospective tenant make sure you demonstrate three things:

- How friendly you are – SMILE!
- How remarkable your property is.
- That you are a PROFESSIONAL landlord who has gone out of his/her way to make life easy for the tenant.

If you can demonstrate these three key points then you will have 'sold' your property to your tenant without appearing like a salesman.

Here are some tips to bear in mind:

1. Point out the best features in the property, including recently carried out and forthcoming refurbishment.

2. Show them the Landlord's Gas Safety Certificate, Electrical Safety Certificate, and insurance policies for appliances, e.g. British Gas 5 STAR,

plumbing and drains cover.

3. Show the tenant the following documents:

- A copy of the tenancy agreement they will be expected to sign.
- A copy of your tenant welcome pack, which shows all the utility suppliers for the property as well as useful information like where the stopcock is located and contact details for emergencies.
- A copy of the inventory checklist.

4. Have your tenant application form in your briefcase and if you think you like them – and they are interested – fill it in there and then.

5. Have a standing order form attached to the tenant application form for the rent.

If anyone is reluctant to give you any of the information required, start to question why. The final page should ask them to sign to give permission, in terms of the Data Protection Act, for you to do checks on them. Without their signature you cannot proceed.

If both you and the tenant are happy to proceed then take their £x fee, give them a receipt and your business card and tell them you will get back in touch after the checks are finished.

Choosing your tenant

After you have carried out your relevant checks you will be able to decide which tenant is best for you. Gut feeling is always a good indication as well.

The final GOLDEN RULE to remember is: Never, ever give keys to a new tenant who has not provided the first month's rent and deposit.

Finally, don't forget to do your repairs quickly when a tenant phones you, and don't forget to log important dates in your diary, such as your Corgi landlord's inspection date, so that you can renew it ahead of time.

I leave a little gift and a 'welcome to your new home' card in the house for them on arrival.

Good luck!

