

Ten Tips for Being a Successful Landlord

Simple suggestions to help your business -- and your relationships with tenants -- run smoothly.

1. Don't rent to anyone before checking his or her credit history, references and background. Haphazard screening and tenant selection too often results in problems -- a tenant who pays the rent late or not at all, trashes your place or moves in undesirable friends -- or worse.
2. Get all the important terms of the tenancy in writing. Beginning with the rental application and lease or rental agreement, be sure to document important facts of your relationship with your tenants -- including when and how you handle tenant complaints and repair problems, notice you must give to enter a tenant's apartment and the like.
3. Establish a clear, fair system of setting, collecting, holding and returning security deposits. Inspect and document the condition of the rental unit before the tenant moves in, to avoid disputes over security deposits when the tenant moves out.
4. Stay on top of repair and maintenance needs and make repairs when requested. If the property is not kept in good repair, you'll alienate good tenants.
5. Don't let your tenants and property be easy marks for a criminal. Assess your property's security and take reasonable steps to protect it. Often the best measures, such as proper lights and trimmed landscaping, are not that expensive.
6. Respect your tenants' privacy. Notify tenants whenever you plan to enter their rental unit, and provide as much notice as possible, at least 24 hours or the minimum amount required by state law.
7. Disclose environmental hazards such as lead. Landlords are increasingly being held liable for tenant health problems resulting from exposure to environmental toxins in the rental premises.
8. Choose and supervise your manager carefully. If a manager commits a crime or is incompetent, you may be held financially responsible. Do a thorough background check and clearly spell out the manager's duties to help prevent problems down the road.
9. Purchase enough liability and other property insurance. A well-designed insurance program can protect your rental property from losses caused by everything from fire and storms to burglary, vandalism, and personal injury and discrimination lawsuits.
10. Try to resolve disputes with tenants without lawyers and lawsuits. If you have a conflict with a tenant over rent, repairs, your access to the rental unit, noise or some other issue that doesn't immediately warrant an eviction, meet with the tenant to see if the problem can be resolved informally. If that doesn't work, consider mediation by a neutral third party, often available at little or no cost from a publicly-funded program. If your dispute involves money, and all attempts to reach agreement fail, try small claims court where you can represent yourself.