

## How to avoid tenants from hell



Renting property is not a hobby, it's a business. Well, that's the way you should be looking at it. You are providing a service for a valued customer and you need to be professional and provide a great service at all times.

But it works both ways. We all know that's not all the case and we have to be prepared when we do get that one bad tenant. The one who refuses to pay their rent and the one who destroys the property.

I'm glad to say that in my experience there are many more great tenants than there are bad ones, but we still have to prepare ourselves as best as we can for the minority who spoil it for the majority.

So how do we do that. How can we filter out the bad tenants to ensure who ever we choose looks after our properties and pays the rent on time?

After all you more than likely have a mortgage to pay!

The following tips and tricks have been based on over 20 years' experience in renting properties both as a landlord and also an agent.

In some circumstances you won't be able to follow all the tips, such as if you rent a 1 bedroom flat in the middle of a industrial town where many people rent, might be difficult to get home owner guarantors or if it's the persons first home, I doubt you will be able to go and check their bedroom out if they have been living with their parent.

But you will be able to implement the majority of the advice into your renting strategy.

Best of luck and I'm always here to help if you need any advice  
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### **Always get a home owner guarantor**

We always try to get a home owner guarantor, especially if its Mum or Dad, as they are the emotional guidance to help keep the tenant on track should they fall behind in their rent. The



amount of times we have had grown men and women (mostly men I'll admit) say "please don't tell the guarantor, it's my parents" is frightening. Parent's always make the best guarantors.

Ensure the guarantor contract, you don't need a contract deed, has clauses in it stating that any overpayment of housing benefit for up to 6 years after the tenancy has ended can also be claimed from the guarantor. Reason being is that is how long the council can come after you and ask you as the landlord to repay any overpayment of housing benefit.

### **Get a deposit**

With the rise of the insurance backed deposit schemes it's never been as easy to get some sort of deposit. This shows the willingness of the tenant. In certain circumstances they may not be able to pay the deposit up front and you will have to take a commercial view on accepting the deposit over a few payments or if you don't mind the insurance backed deposit schemes, but make sure the tenant has "skin in the game".

### **Set repair expectations**

A big issue is when repairs are not done as quickly as the tenant wishes. It can cause friction between you and the tenant and with the rise of social media, rather than talk about it, we see tenants taking to Facebook, giving their half a version of the situation. Never mind the fact the contractor was out 4 times and the tenants were never in!

By setting those expectations it can be very much a case of explaining to the tenant that you have upheld your side of the agreement and you are working very hard to get the repair rectified in the agreed time frame.

### **Visit them at their own property**

This works very well for prospective tenants. Always visit them at their current property so you can see the condition of the property and how they are keeping it. If they are messy or lots of hand prints on the walls or its in serious disrepair, it can be quite obvious when it's not been looked after as opposed to a poor landlord, then you know they won't look after your property the way you want them to.

It also can dispel the myth of receiving a bad landlord reference. In some cases when the previous landlord gives a bad reference, the tenant might say, and we have had this on many occasions "Oh I didn't pay the rent as he didn't do my repairs" You can now state that you have seen the property and that it all seemed in good order. Again, this won't happen on every occasion but it's all about those marginal improvements to your process.

### **Have an in-depth application form**

Gather as much information as possible. If they don't want to give it then there is a reason why and that might not be the sort of tenant, you want. Always ask for the National Insurance number. A tenant can change their name, their appearance, even their gender, but they can't change the NI number – Great for chasing arrears.

### **Ask for the last 2 landlord references**

If you ask for just one landlord reference, what's to say the immediate past landlord might give you a good reference just so you take on the tenant, in actual fact the tenant might have been a nightmare? We would hope that the landlord would be honest in their reference but by asking the "previous previous" landlord, you will get a good idea as to how the tenant conducted their tenancy.



### **Never rush it**

It's very tempting to get a tenant very quickly but from bitter personal experience take as long as necessary to get all the relevant information for you to make an informed decision. If you rush them in, then its sods law something will come out later on that if you had your time again then you might not have given the tenant the property – Have a list of what you need and be rigid in that approach. Don't let the tenant plead or use emotion to make you rush the decision. Stick to your guns.

### **Professional credit referencing**

For the small price of between £7 and £20 make sure you get the tenant professionally credit referenced. Most self-managing landlords don't do this, and I can never understand why. Not only can you get rental guarantee insurance if the tenant passes but it also gives you piece of mind that you have made the right choice.

### **Lay down the rules**

You may know your own rules as what you expect from the tenant but does the tenant? In any situation especially in business, remember this is a business, it's always best if both parties know and understand what is expected from them. From noise, to rent dates, to improvements and everything in between, have them either in the AST or as an additional document

### **Don't be unreasonable**

It's all about fairness. If the tenant wants to change the room colour, then let them. As long as they put it back to the same colour when they leave then don't prevent them. You also have to remember that it might be your house but it's their home. They are the ones paying to live there, so don't be unreasonable and prevent them from putting their own stamp on it. It may come back to haunt you.

### **Inventories and inspections**

Never move in a tenant without carrying out an in depth and extensive inventory of the property. Regardless if you bought it as an investment or it was your former home. Make sure you make it as in depth as possible. Don't just take wide photos of room, take photos of any marks on the walls, window locks, the garden, outside shed etc Unless you can prove that there was nothing wrong with the condition of a room, a tenant can very easily say "it was already like that" and unless you can prove it wasn't, then you may have an issue claiming part of the deposit to repair it!

Inspections should be carried out no sooner than every 3 months and 6 months is more like a fair time frame. Remember, you have to allow the tenant "quiet and peaceful enjoyment", so popping round every few weeks to check on the condition of the property is not allowed.

### **Know the law**

Whatever your business, whatever your industry, it's always advisable that you know and understand the law. The buck stops with you. You cannot contract out your legal obligations and responsibilities, so ignorance is not an acceptable excuse should anything go wrong.

Whether you have one house, or 100 you really should know what you are getting into. There are plenty of forums, groups and networking events you can go to or join so you can improve your knowledge.



### **Treat Friends and Family as you would anyone else**

One of the biggest mistakes I have ever made in property is to rent to friends and expect things to run smoothly. You could argue that I need better friends, but unless you have been in the same situation then it's hard to describe.

No matter who you rent too, have your process and stick to it, no matter what. You can argue that if they are your friends then they should take better care of your property but again, sometimes they expect more from you.

I had a friend rent a property from me, he decided to plaster a room, off his own back and then not to pay the last month's rent as he thought it was in for exchange for the room he plastered. I wasn't aware he had even plastered the wall.

In his mind that was fair but I hadn't set the expectations – I quickly learned form that mistake and never made it gain

Follow these 13 top tips and tricks and you will find being a landlord a much easier and more enjoyable experience.

### **Want to know more?**

If you are thinking of becoming a landlord, talk to me first. Letting is a complex, specialist field incorporating more than 50 Acts of Parliament and 70 sets of regulations which landlords should be aware of.

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