

Panel Discussion: Establishing Best Practices for Rental Property

This portion of the workshop was a free-flowing discussion that touched on topics such as tenant screening, lease elements, landlord responsibilities, “red flags”, landlord resources, and problem tenant remedies.

The entire panel agreed that it is important to carefully screen your applicants before renting to them. Taking the time to research a prospective tenant could save a landlord money and problems later. It was recommended a landlord: require an application fee or waiting period, which can discourage renters who need something quick because they have problems with their current landlord; rent only to those who have a verifiable source of income or work history; thoroughly check all provided information and references; complete credit and/or background checks either on your own or through an agency; perform drive by’s or home inspections of where the renter currently resides; read body language and demeanor during initial meeting.

As a landlord, you will want to protect yourself and your property. One way to limit exposure is through a strong lease. While there are many elements to a good lease, this panel specifically mentioned a few to consider including, such as a late payment policy/penalty, liability waiver, and permanent guest authorization. A penalty for late payment might be a certain dollar amount for every day it is late. Two approaches to addressing unauthorized guests could be to either forbid them or require additional rent.

Both the landlord and tenant enter their agreement with certain responsibilities. The panel noted that a landlord will have obligations imposed by law and regulation. They specifically mentioned two duties dealing with tenant safety: providing lead-based paint information for applicable units and supplying smoke detectors.

The panel offered what they referred to as “red flags,” on when deciding to rent to a tenant. Among these are: renters who want all their utilities paid for as part of rent (which could mean they already owe back payments to utility providers) and renters who need a unit immediately or are looking during the holiday period of November to December.

A landlord should take advantage of the many available resources. These include: Greene County MO’s assessor website, the state of MO’s Casenet website, City Utilities, Springfield Police Department and Public Information Office, your rental property’s neighbors and mail delivery person, health inspector, and the tenant’s 2nd to last landlord (because the last/current one may lie to get them out of their unit).

Most landlords will encounter a problem tenant, such as one who does not pay rent. In this case, one remedy for the landlord is to sue for rent and possession. Before filing suit the landlord must make a formal demand for the rent owed. Ultimately, if the tenant was served summons and does not pay (and has no defense for nonpayment), the landlord should be awarded all rent due, possession of the rental property and court costs.

** NOTE: This information is not intended as a substitute for personal legal advice. It is recommended that you always consult an attorney before initiating legal proceedings.*