

Sweat the Small Stuff

You've entered into the rental agreement, the residents signed all fifty-seven addendums, and it appears that everyone understands the expectations. Yet, as time goes on, your tenants aren't quite meeting their obligations. Month after month you turn a blind eye to what's eating away at you and their behaviors, or lack thereof, have begun to cause you an eye twitch, tightening of the jaw, and possibly a pain in your side. I'm not talking about any of the obvious major breaches, but mainly the "micro" breaches that we question if they're worth making a stink about or not. I believe that you owe it to yourself and your business to question: "Why am I not addressing what's bothering me with my tenants?" Is the answer laziness, fear, or simply because you don't have the information needed to feel confident in order to do so? I am personally guilty of all charges.

For example, when rent shows up a day or two late every month because your tenants interpret the due date as postmarked by the 4th, rather than in your hand by the 4th. Why not send a letter thanking them for their rent, letting them know that because it was received after the grace period there is a fee associated, and that you expect that to be paid with the following months' rent? In doing so, not only are you asking for what you're entitled to, but you're also not waiving your rights to collect unpaid late fees in the future by setting a precedence in attempting to collect the fee. In the past you may have done nothing for fear of causing an undue hardship upon your tenants. My guess is that it will only take one or two late fee letters before your tenants realize that there is great incentive on making sure that the rent is paid as the contract dictates.

Or what about the classic scenario of tenants failing to take care of their yard? Your relatives are in town so you decide to drive them by your rentals to show off how well you're doing. To your surprise, and embarrassment, your property happens to be the one property in the neighborhood with 2 ½ feet tall grass, dandelions filling the flower beds, blackberries taking over the ivy, and shrubs so unruly that you can barely see the path to the front door. Instead of issuing a breach of contract notice to the tenants demanding that the landscape be maintained as agreed, you either hire a professional landscaper first thing Monday morning to take care of it and you pay the bill, or you do nothing and cross your fingers that the next time you drive by that they would have at least mowed the grass. Do you justify their lack of care because you know they have busy schedules? Or, are you afraid that confronting them about their ways could possibly offend them or cause a rift in the relationship? Instead, send either a Warning Notice or With Cause Notice as soon as you're aware that there is an issue. Time is of the essence on this one because the neighbors are likely disgruntled. The work that you had done on the yard prior to them moving in is all going to waste and will most likely have to be done again once they vacate which could be costly.

My point is that by addressing the unsettling habits of your tenants promptly, you can minimize, if not eliminate, any potential feelings of disappointment, frustration, and resentment towards your tenants if you were to let things slide. I believe it is natural for us to want to avoid conflict and confrontation in life. However, when it comes to managing your properties, this continual avoidance could come at the expense of your business and property.

Most of us have had some form of training on being a landlord, whether we've taken classes on our own time or have been in property management in a professional setting. Unfortunately, there is no training of this sort for tenants. I've always had the opinion that if both landlords and tenants know what the rules are, exactly what is expected of them, and what improved performance will look like, then everyone involved will mutually benefit from the business relationship.

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