

Leasing apartments or homes by the numbers – get the story also!

I've had some success in finding great residents that stay longer term in apartments and homes. When processing them as applicants, one has to run the numbers for sure. This consists of the usual background check resulting in a FICO number or risk assessment. Then check on line websites for resident address history, evictions, criminal history and other information – e.g. 0 evictions, 0 late rent payments, etc. This gets synced up with documents on income and addresses applicants have lived. Now one can put together the applicant's story. Some stories are short and easy – no evictions and lots of income. Great news, when can they move in! Some stories need a little more understanding and digging. This is where I like to talk to past landlords and have them tell me what they can about them as residents. Were they good residents, did they take care of the place, were they kind and respectful to neighbors, etc. One may need to go back to the applicant and ask questions on what one has discovered, sort of like connecting the dots. For some applicants this can be important. Perhaps their rental application and supporting information does not match what their past landlords have to say, or perhaps it strengthens what you know. So while the leading indicator as to someone's ability to pay rent on time in the future is them having done so in the past - for me it's still important to get the story, connect the dots for alignment. The story enables one to make an educated decision on applicants against defined standards resulting in great residents that stay longer term maximizing owner cash flow.