

The five-step process to securing the right tenant

By [Natalie Muller](#)

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Times are indeed tough, and the rental market is no different. While landlords have the opportunity to boost their income through renting out property, it can be a tricky sea to navigate without following certain steps and taking precautions. By properly screening a tenant, a landlord has a better chance of keeping the rent coming in consistently. There are five steps landlords can follow to get this process right.



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Vetting is very important

It can be tempting to simply get a tenant in to avoid having your property standing empty, but placing a reliable tenant is really the first step. Screening potential tenants is of the utmost importance and a thorough credit check shows you if the potential tenant is employed, or if there is more than one person applying for the lease, if all parties have a job that is in fact paying what they say they earn, as well as the likelihood of jobs being long-term. And don't think tenants who are under review or probation at work won't apply as though they already have full-time employment.

Top tip: You can have a credit check conducted by an estate agent. In this case, the agent doesn't even do the check personally, but instead an administrator does so that the agent cannot be biased. There are also a few good credit checking facilities you can use directly.

Going two steps back

Landlords may think that the previous landlord's glowing report of the tenants in question is an indication that choosing these tenants is the best decision. Make no mistake, landlords may lie to get rid of a tenant by singing their praises.

Top tip: Get references from the second or third last property your potential tenants lived in. These accounts will be much more accurate as to who you might be allowing to sign your lease.

Live by the lease

An obvious step, but nevertheless worth mentioning, a signed lease agreement is essential. Never commit to anything verbally and make sure everything has been considered and captured in your written and signed lease agreement. There

are many templates of leases available online, but these won't necessarily protect you as a landlord, so they may need to be edited.

Top tip: You can also ask an agent to draw up a professional lease agreement that you can use.

Consider a managing agent

While this will cost you, the benefits are almost priceless. The wonderful thing about using a managing agent is that all the landlord responsibilities are eased – from avoiding having difficult conversations with tenants, to getting the rental income in, to ensuring the deposit is in an interest-bearing account, these are among many other benefits.

Top tip: Dealing with tenants can be emotional, particularly for landlords. Of course, you will feel sorry for your tenant who is going through a hard time. But a managing agent will step in – much like a financial adviser might do – and mitigate any risks and act unemotionally, putting your financial wellbeing first. A managing agent is on the landlord's side through and through. Choosing a tenant can also be difficult when emotions come in to play – you might love the dog or child a couple has, or find common ground. A managing agent, however, will look for the best tenant for you from a solvency perspective.

Keep on keeping on

Ongoing vetting of a tenant is also important, particularly in today's uncertain economy. When a tenant gives permission for a credit check, it means you can check in on them at any time in the lease period, and it is encouraged that you do. Today somebody could have a sound credit profile, tomorrow they could be getting divorced, or be made redundant, and their profile adjusts literally overnight.

Data on recorded payments is sent to the credit bureau all the time, so they can flag if any of a tenant's other accounts have become problematic or if they have defaulted. This makes the decision to renew the lease easier, or helps highlight any issues so a landlord can prepare.

Top tip: Insurance policies can be taken out to protect rental income and offer a buffer for both landlords and tenants. These are worth looking at to safeguard your property.

ABOUT THE AUTHOR

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