


A Stress-Free Guide to Dealing with Problem Tenants



An e-Book by **Zillow Rentals**

A STRESS-FREE GUIDE TO DEALING WITH PROBLEM TENANTS

Every landlord and property manager wishes they had perfect tenants all the time. Unfortunately, this isn't always the case. Even with an airtight tenant screening process, nearly everyone experiences a difficult tenant at some point in their career.

Difficult tenants are stressful and a pain to deal with. However, once a tenant signs your lease, you are both bound by contract. When you start to notice problems with your resident, emotions run high and frustrations start to set in. The best and only cure for problem tenants is to know how to properly communicate and take on legal procedures. When managed effectively, problems are

either solved, or tenants are asked to leave. Therefore, you must know how to quickly diffuse the situation, so the problems don't get worse and you don't lose money.

In this guide, you'll learn how to deal with specific types of problem tenants and breaches in a lease. The key to dealing with difficult tenants without stress is to follow a strict course of action.

Disclaimer: Each state has its own laws governing landlord-tenant relationships. Make sure to keep updated on the laws in your state. This guide is for informational purposes only and is not, nor is it intended to be, legal advice. You should consult an attorney for individual advice regarding your own situation. This guide does not necessarily reflect the opinions of Zillow.

Common Problem Tenant Types

Late or non-payers.

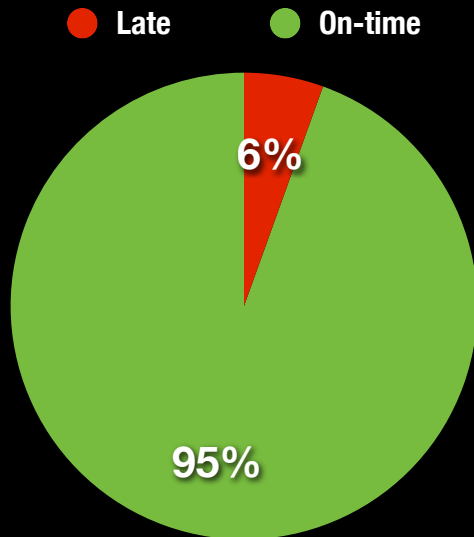
One of the main responsibilities of a tenant is to pay rent on time. If a tenant fails to pay rent, this directly affects your business's stream of revenue. When they can't pay their bills, how can you expect to pay yours?

Payment failures happen. While most renters are diligent with paying their rent on time, a portion of renters aren't. According to the U.S. Census Bureau's Survey of Income and Program Participation in 2003, 5.5 percent of all households failed to pay full rent or mortgage on time. They also found that 0.3 percent of all households were



Photo: StuartPillbrow (Flickr)

Percentage of households failing to pay full rent or mortgage on time



U.S. Census Bureau Survey of Income and Program, 2003.

evicted for not paying rent or mortgage.

If your tenant fails to pay rent completely, you may need to serve a Non-Payment of Rent notice. This is a common eviction notice that informs the tenant that they must pay the rent or leave. A standard length of time a tenant has to pay what they owe or quit is 14 days.

Noisy or disruptive tenants.

Noisy, bothersome tenants are a nuisance. Whether they're fighting, playing loud music, or having loud parties, noisy tenants cause headaches for tenants as well as landlords.

Tenant rules. Nobody likes to be bothered in their own home. That's why every tenant should have the right to peace and quiet enjoyment. Your lease or rental agreement should include a clause prohibiting tenants from disturbing the peace of other tenants, including the prohibition of sexual harassment, racial slurs, and intimidation.

Record complaints. When you receive complaints from the neighbors, make sure that you document them. Record when and what the complaint was about. This may serve as evidence should you ever bring the situation to court.

Write a letter to your resident. If your tenant is being disruptive, you should let them know and give them a chance to correct the problem. If the problem continues, send a copy of the lease terms and the rules and regulations to the disruptive tenant. Sending a Cure or Quit Notice to your disruptive tenants by mail or e-mail may be the next step to take if the problems persist. We'll describe how a Cure or Quit Notice works later in this guide.

Drug-related criminals.

Drug-related criminal activities in any rental property are a huge no-no. This includes (but is not limited to) distributing, selling, manufacturing, and use of controlled substances. Keep in mind that alcohol, prescription drugs, inhalants, and over-the-counter medications are considered legal substances.

Contact the police. If you're suspicious that illegal drug activities may be occurring in your property, contact



Photo: Keith Allison (Flickr)

the police. Call your narcotics division at the local police department. Check and see if they have anything already on record on your residence or if anything could be revealed to you.

Ask witnesses to document observations. If you receive calls or if neighbors approach you about the tenant in question, ask the person to submit a letter to you stating his or her observations. Dealing with people under the influence of drugs can be a very dangerous situation, so assure witnesses that you will not disclose their information without their permission. Have your witnesses send the letter to you as well as the narcotics department at the police station.

Arrest does not equal eviction. Note that even if your tenant was arrested, this does not result in an automatic eviction. An arrest does not change a tenant's right to occupy a property. Even if a tenant goes to court for drugs with the police, this doesn't mean they're evicted. You still need to evict them through a separate court process.

Abide by your lease terms with incarcerated tenants. In the unfortunate event that your tenant is incarcerated, your next steps are determined by the terms of the lease. If your lease includes an "Abandonment" clause that complies with your state law, you may be able to exercise this clause. Otherwise, you may have to serve an eviction notice to your incarcerated tenant. As your legal rights will vary depending on the circumstances, you should consult an attorney for advice on how to proceed with an eviction.

Serve an eviction notice. If your evidence proves that there's drug activity on the property, it may serve as a basis for evicting the tenant. Keep in mind that the police who arrested your tenant aren't going to take part in your eviction. Evictions aren't part of the police's illegal drug activity protocol. Follow the proper procedures for eviction according to your local law.

Property destroyers.

People aren't always good about leaving a space the way they found it. If you find that your property is beyond "normal wear and tear", it's "damage". This should be clarified under the "Rules" clause in your lease or rental agreement.

Ask the tenant to fix it. In a note or an e-mail to your tenant, request that the damages be fixed. Don't forget to keep this document for your records, however you choose to communicate it, and add it to your files.

Get it fixed yourself. If the damages are too much for your tenant to handle, (for example, if there's a giant hole in the wall) you may need to fix it yourself. When repairs are under your control, you can make sure the damage is properly fixed. Once the repairs are made, send the tenant the bill, explaining that the damages go beyond wear and tear and referring to the damage clause in your lease or rental agreement. Suggest that the bill can be covered using the security deposit or you can arrange a payment schedule. If none of these options work, you may need to send some form of Cure or Quit Notice.

Give them the boot. If the tenant fails to pay for the damages or doesn't make repairs after you send a form of Cure or Quit Notice, you may have the right to ask the tenant to leave. Your lease should include that a tenant is

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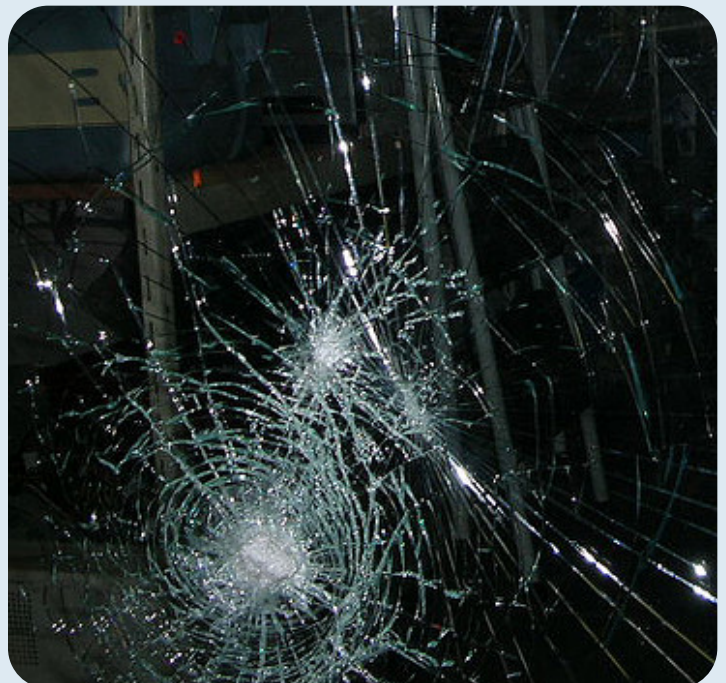


Photo: lara604 (Flickr)

responsible for deliberately or negligently damaging your property. This could provide you with the basis to start the eviction process in the event that a tenant damages your property. Most importantly, ensure that your actions are compliant with state law.

Other miscellaneous problems.

Problem tenants aren't all the same. You may find yourself with hoarder, someone with a secret pet, or a smoker in a non-smoking unit. As with all problems, follow the proper legal steps according to your state and local law.

Train your staff.

It's equally important to train your staff as well as yourself when dealing with difficult tenants. This is important in preventing the escalation of problems.

Information should be handled respectfully. As a professional business, it's important for your staff to know how to deal with the sensitive information of a problem tenant. Some information shouldn't be shared with the community. For example, your staff shouldn't go around telling other residents about your tenant that owes 2 months worth of rent. While not all information will be confidential, your staff should exercise common sense and respect.

Put procedures in place. Create procedures for your staff to follow when they encounter potential problems. You might want to include incident reports, incident review meetings, and a "when to call a supervisor" requirement. It's important to have these procedures and communication vehicles so that your staff is adequately informed with what's going on.

Confrontation techniques.

Before you start sending notices and getting involved with the law, consider talking to your tenants. Granted, only use this technique in the circumstances in which the

problem isn't dangerous. Amicable confrontation could diffuse the situation before it escalates. You may find that after you address the issue verbally, the problem is corrected.

Don't beat around the bush. While some people think that a subtle approach to addressing issues is the best way to go, it's better to be direct. Tell the tenant exactly why you requested to meet, and state the problem. When you're addressing the problem, be very specific and proactive. It's a lot better to tell the tenant, "Remove all your trash from the hallway by Friday" than "Tell me when the trash is removed."

Keep other tenants anonymous. You're not there to start tenant conflicts. This will only make your job harder. If you receive a complaint, respect the complaining party and keep their name under wraps. Revealing names will only cause you more problems.

Keep it cool. Emotions run high when you're criticizing someone. Don't let the tenant rile you up or take anything too personally. You should be firm, but don't get angry.

Calmly tell the tenant what the issue is and how it can be fixed.

Listen to them. No conversation with your

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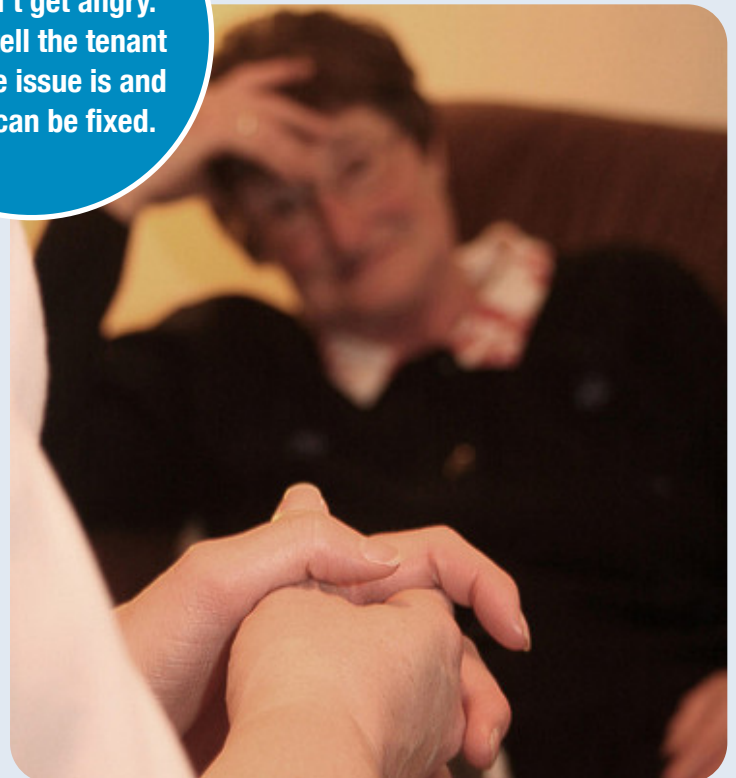


Photo: Allan Cleaver (Flickr)

Elements of a Termination Notice

Part 1: Address the notice.

Tenant's Name: _____

Property Address: _____

Part 2: State the violation.

Please take notice that you have violated the following covenant(s) in your Lease or Rental Agreement.

Part 3: State the number of days the tenant must comply.

Within ___ days after the service of this notice, you are required correct or resolve the violation. Otherwise, you must quit and deliver possession of the premises.

Part 4: Sign and date.

Dated: _____ Owner/Agent: _____

Part 5: Proof of service.

Indicate whether you delivered the notice personally, mailed a copy, or if you posted it in a conspicuous place at the residence.

tenant should be one-sided. Even if you disagree with your tenants, make sure you listen to what they have to say and be patient. Don't interrupt, listen intently, and make good eye contact to show you're paying attention.

Fix it or leave.

Depending on the type of problem tenant you're faced with, your protocol is determined by your location. Using the correct procedures keeps you from heading to court and will protect you from losing your case.

Follow your state and local laws. Laws for landlords and tenants aren't standardized across the nation and vary based on location. Familiarize yourself with your state laws on rental housing, or hire someone who is. You can get more information on the law on your state's Department of Housing website.

Cure or Quit Notice. If a tenant continues to cause problems that are a violation of their lease or rental agreement, send some form of Cure or Quit Notice. A Cure

or Quit Notice tells a tenant that they must stop a certain behavior within a specific number of days, otherwise move out. See the above chart for a general idea of the elements included in the notice. You may want to consider starting the eviction process on tenants who don't respect your Cure or Quit Notice.

Whatever you do, don't self-help evict. No matter how bad the problem is, don't throw your tenant out on the street. You cannot kick the tenant out of the apartment, threaten your tenant, change the locks, or turn off the utilities. This is called a "self-help eviction", and it's illegal. You need to issue an eviction notice from the court before a legal eviction can occur.

Give them the boot.

If you tried and failed to correct the issues with your tenants, the next step is to take legal action. As you begin to recognize your problem tenant, you should have documented every communication. This pays off as it

serves as evidence when you start the eviction process.

Serve your notice. All legal evictions start with a notice that tells the tenants what you're going to do. The notice will have the number of days the tenant has left to comply with your request. Otherwise, the tenant will be asked to leave, also known as "quitting". It's best to not serve this notice yourself for safety reasons. Instead, hire someone else like an eviction service company to serve it for you.

Take it to court. To start the eviction process, you need to bring the situation to court. Avoid bringing this to the small claims court, because they're notorious for being slow. You should reserve the small claims court for smaller

situations like rent disputes, not immediate concerns like removing someone from your property. If you want someone out of your property it needs to happen with haste. Other courts in your jurisdiction such as the municipal court, superior court, justice court, county court, or circuit court could expedite your case.

Make copies of your eviction papers and other evidence. Create additional copies of your eviction papers and evidence, including the notices. You may end up giving copies of your paperwork to attorneys or defendants, so make sure you have enough to go around. The more evidence you have to defend yourself, the better you position your case. Otherwise, you may get stuck in a "my word against his" situation.

When dealing with problem tenants, many things can go awry. Take the correct legal steps when trying to diffuse the situation before things get uglier. Most importantly, make sure you're in accordance with your state's laws so that you're well-protected and stress-free.

Types of Termination Notices*

Non-Payment of Rent Notice

When a tenant fails to pay rent on-time.
Requires tenants to pay rent or leave.

Cure or Quit Notice

When a tenant causes problems and violates the lease. The tenant has a certain amount of time to correct the problem or leave.

Unconditional Quit or Vacate Notice

When a tenant causes severe or dangerous problems. Tenant has no chance to correct the problem and must leave.

*Check your state laws to see which notices are used for your circumstance. Use the proper termination notices according to your state.

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