

DISQUALIFYING FOR EVICTION?

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Should an Eviction Always Disqualify an Applicant?

Some landlords answer with an emphatic “YES!” There is no way you should ever rent to a tenant who has been evicted.

However, if you rent to low-income or marginal tenants you run into applicants who have been evicted. It's just a fact of life. Low-income and marginal tenants have a higher incidence of evictions than do renters who earn \$100,000 a year.

There can be numerous reasons for those evictions; some that will absolutely disqualify them from renting from you, and some just mean they had some hard luck and probably will not be evicted again. In a slow rental market (one where it's hard to find tenants), you might want to consider renting to applicants who have been evicted. If you make it clear that an eviction will not absolutely disqualify them from renting from you, you may find out that they were in a situation that simply made it impossible to pay the rent or that they had a roommate or spouse who created the problem that precipitated the eviction.

Ask on the screening form or rental application for the reason for a past eviction and you may get an explanation that will satisfy you that you will not have to evict them. Of course, you will verify the information they give you.

Be extremely careful, though. You need to satisfy yourself that the applicant is telling you the truth without embellishment and without forgetting to tell you part of the story. Sometimes people really do learn lessons. Other times they haven't changed a bit, but have gotten really good at telling sob stories to make a landlord's heart bleed. What follows are some possibly legitimate reasons why a tenant would not have been able to pay his or her rent and was evicted. You decide how much credence to give them. Bad tenants always have an excuse; it is our job to decide if the excuse is legitimate.

- Loss of job, layoff
- Rent increases
- Loss of housing subsidy (look at

this one carefully, people don't lose them for no reason)

- Loss of other income subsidy, such as child support
- Medical, transportation or other crisis
- High winter utility bills (then they would have to satisfy you that that would not be a problem now)
- Money stolen
- Budgeting difficulties (how have they improved now?)
- Loss of social service support
- Substance addiction
- Domestic violence (has the situation that caused it changed?)
- Loss of roommate
- Poor communication with landlord, case manager, etc.

Here are some reasons for eviction that would make you never, ever want to rent to an applicant:

- Damage to unit
- Violent crimes
- Drug dealing
- Prostitution
- Child molestation
- Domestic violence
- Disturbance of neighbors
- Drug addicts not in a rehab program
- Keeping a filthy unit
- Gang members
- Left children unsupervised

A rule of thumb is that you want a satisfactory landlord reference between their eviction and their renting from you to show with actual, concrete evidence, rather than just their word for it, that they know how to and are ready to be good tenants.

Robert Cain is a nationally-recognized speaker and writer on property management and real estate issues. For a free sample copy of the Rental Property Reporter call 800-654-5456 or visit their web site at www.rentalprop.com