



## Preparation, negotiation can help good tenants avert a big rent increase

Published: Sunday, October 21, 2012, 5:00 AM Updated: Sunday, October 21, 2012, 5:02 AM



**Judy Stringer**  
By

With downtown apartment occupancy rates now at a whopping 97 percent, property owners have the upper hand when it comes to raising your rent.

The good news is that the fall and winter months typically are not bustling with rental activity, so if your lease is nearing an end, the landlord may be willing to work with you on finding terms you can both agree upon. And, while you may not be able to avoid a rent increase altogether, you should be able to minimize it or get some enhancements with the rate increase.

Bartering on the terms of a lease agreement is not unlike negotiating the price of a car, according to Angela Shuckahosee, executive director of the Cleveland Tenants Association. It requires educating yourself on the going rate of similar apartments and taking into consideration all of the amenities that come with the apartment, she said.

"If the landlord can reasonably prove that the cost is being passed down or that he is incurring new municipal waste collection fees or school levies, for example, then the tenant doesn't have much wiggle room. It would be considered 'unreasonable' if the landlord can't account for the cost increase. And even then, the renter has the option to not sign the new lease," Shuckahosee said.

### **The law**

If you are getting a rent increase, the first thing you should do is make sure your landlord is legally allowed to increase your rent. Peter Iskin, managing attorney of the Legal Aid Society of Cleveland, said property owners can only increase the rent upon the expiration of the current lease agreement for renters who are not living in subsidized housing. That means if you signed a one-year lease, barring some highly unusual clause in the lease agreement, the agreed upon rental price is good for the whole year.

Of course, if you are renting on a month-to-month basis, the rental price is only good for that month and the landlord may increase the price in a subsequent month. A month-to-month tenant, however, generally is entitled to a 30-day notice for a rent price adjustment, Iskin said.

"Renters who choose a month-to-month lease do so for the flexibility they have to terminate it at any time



essentially," he said. The biggest tradeoff is the security in terms of rental payments.

There are some unusual situations where landlords are barred from increasing a rent, even at renewal time. Landlords cannot increase the rent because of some whistle-blowing activity on the part of the tenant, for example, such as reporting a health code violation or because the renter joined a tenants' association. Yet, in almost every case, once the existing lease agreement has run its course, a property owner has every right to boost the proposed rent payment.

### **The preparation**

Your landlord may have the upper hand, but if you've been a good renter, have always paid your rent on time, and have not been a troublesome tenant, you are not without bargaining power of your own. For one thing, finding a new tenant can be costly if the landlord has to advertise the property or if he loses rent payments while the apartment is empty, Iskin said. And, there is no guarantee that a new tenant will be as responsible or as low maintenance as you.

"Landlords love good tenants and want to keep them," he said.

Making your case as a "keeper" is a good place to start, but come armed with some supporting information:

- Find out if there are unrented units in the community. Since the landlord may be less willing to lose a tenant if he or she has vacant apartments, the fill rate is an important bargaining chip.
- Research the market rate of similar units with comparable amenities. See what specials are out there, including the complex where you live. What are they offering to new tenants?
- Do a quick survey on what it would cost to paint your apartment, replace the carpet and make any repairs that would be required before a new tenant moves in.

Have this information ready as fire power to keep your rent the same or minimize the increase.

### **The negotiation**

Successful negotiators know that everything is negotiable, according to Ed Brodow, author of Negotiation Boot Camp. Therefore, the key is to recognize that there is room for negotiation and to ask for what you want, which in this case is to circumvent a significant rent increase.

Begin by making your case for what a great tenant you are. Have you paid rent on time? Are your calls for maintenance reasonable? Are you a good neighbor? Share what you've uncovered about any vacancies and the cost of prepping the apartment for a new tenant.

But, don't do all the talking. Listen to your landlord's side of the story, Brodow said, and be willing to see things from his perspective.

"We have a tendency to focus on our own pressure and on the reasons why we need to make a deal," he said. "When you focus on your own limitations, you miss the big picture."

If you discover that the property owner is under pressure to cover the costs of upgrades, for instance, you may be able to identify ways to meet his needs that achieve better result for you, such as agreeing to forgo new carpeting if he forgoes the rent increase.

If cost of upkeep of a rental home is the issue, you can offer to mow the grass or shovel the snow. Property owners with high turnover or vacancies may subdue a rent increase in exchange for a longer lease term.

Finally, be willing to walk away, Brodow said. If you depend too much on keeping this particular apartment or rental home, you will not have the resolve to force the landlord to make concessions. If, on the other hand, you are not desperate and you recognize you have other options, the landlord will sense your resolve and be willing to compromise, he said.

© 2012 cleveland.com. All rights reserved.