



JACKIE TOM
www.RentalsInSF.com

Making Your Rentals More Marketable

by Jackie Tom (Reprinted from SF APARTMENT MAGAZINE - August 2004)

People often say that if your product is good enough it will market itself. Back in the dot-com days, good enough was any vacant unit, for all we had to do was clean it and hang a "For Rent" sign out front. In just a matter of hours, there would be a line of people with applications in hand, hoping to rent your unit. These people were not looking for a view, laundry, gas stove and/or parking. In that tight market, they were simply hoping to find a vacant unit in the city by the bay.

It is a very different story today. Unemployment is a reality to many, for most of the dot-com jobs have dried up or moved out of town. As a result, the number of vacant units has risen dramatically. "Good enough" is no longer any vacant unit. We now realize that we must each change our frame of mind. We can no longer rely on a quick cleaning and a "For Rent" sign to attract tenants. We have to learn new ways to market our product.

As a real estate rental agent specializing in filling landlords' vacant units, I will share some of the techniques I use in this "tenants' market."

Preparing Your Unit

As you begin to prepare your vacant unit for showings, remember that in this market, prospective tenants are concerned about the landlord as much as they are with the unit. The condition of your unit and building is seen as an indicator of how you will treat your tenants. A dirty unit in need of maintenance suggests the land-

lord will be unresponsive to his or her tenant's requests for service when problems occur.

As I mentioned above, we all know the need to clean our units prior to putting them on the market. But how much cleaning is necessary? My rule of thumb is that your unit should leave no evidence of the previous tenant(s). This advice sounds obvious, but I cannot begin to tell you how many times I have shown units that have not been cleaned to this standard.

I was handling a vacancy in a great, grand Victorian. The unit had been lightly cleaned and I had shown it several times without getting much interest. I decided then to follow my own advice. I worked with the landlord to have the entire unit thoroughly cleaned and repainted. In addition, we installed new knobs on the kitchen cabinets, installed period-looking fixtures and hung nice sheer drapes. Gone was any evidence of the previous tenants. The unit had the look of a recent remodel, elevating it from the look of a typical rental to that of a nice home. The landlord signed the lease with a new tenant a week later.

The example above also illustrates another way to prepare your unit: upgrade it with a new, fresh look. Now is the time to consider strongly ways to make your vacancy stand out from all the others. This is also a great way to increase the value of our investment. The best part is that you do not need to spend a lot of money to spruce it

up. Knobs for kitchen cabinets, new drapes and even new lighting fixtures can be bought inexpensively if you shop for deals.

Last, consider simple staging techniques before showing the apartment. You will be surprised how even a few props can elevate the look of your unit. I remember showing a client's unit with a kitchen and several other rooms that felt small and awkward. To improve its look and feel, I had dark cabinets in the kitchen painted white and put a bowl of fruit on the counter. In one of the small rooms, I staged pillows on a built-in window seat; and in another well-lit room, I placed a nice comfy chair. Simple and inexpensive staging turned the vacant unit into a warm, inviting home. Within two weeks, I was presenting several qualified tenants to the landlord.

Advertising

There are several media outlets and resources available to advertise your unit. Before you list your unit, you must accurately describe its attributes. In today's market, prospective tenants do not want to be deceived or have their time wasted looking at units that do not match the description in your listing. This became very apparent when one of my clients had a one-bedroom unit for rent. It was on the smaller side, and the doors between the bedroom and living room had been removed. When I first listed the unit as a one-bedroom apartment, I had many people come through, but

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the feedback was that it was too small. In response, I decided to advertise it as a junior one-bedroom unit. I had the unit rented within a few weeks. The same unit that was deemed too small when listed as a one bedroom rented quickly at the same price when the advertising accurately described its attributes. For owners of Victorian units, remember that a fainting room is no longer considered a bedroom. List it as an office or spare room.

You have now crafted an accurate description of your unit and you are ready to place an ad, but have you considered whether or not to allow pets? In today's market, it is definitely worth considering. By doing so, you can attract a larger group of prospective tenants. Remember that you can

specify cats or small dogs only, even though many of the large or giant breeds are more docile apartment dogs. As a landlord, all my units are pet friendly. I simply photograph high traffic areas prior to the move-in inspection in order to document the condition of the unit. I then ask the tenant to initial the photographs during the move-in inspection, and I request they sign a thorough Pet Agreement. The photographs and agreement are helpful when settling any potential issues about pet wear and tear to the unit.

Setting the Right Rent

Obviously there are many factors that determine the amount of rent you can charge for your vacant unit. Though it is paramount that you set a realistic

rent, determining the appropriate amount may prove a bit of a challenge. Yes, you can use the trial-and-error method of starting out by listing a high rent and lowering it if the unit is still vacant after a certain amount of time has passed. Setting a realistic rent upfront, however, often reduces the time your unit is on the market. Consider using a qualified rental specialist working in San Francisco, for they are experts at evaluating your vacancy and determining its fair market value.

The opinions expressed in this article are those of the author and do not necessarily reflect the viewpoint of SFAA or the San Francisco Apartment Magazine. Jackie Tom is a native San Franciscan and started her real-estate career in 1995. She has been an active participant in many different aspects of the real-estate market and has found her passion and expertise in rentals. She can be reached at 415-552-3263, or at jackie@rentalsinsf.com. Copyright © 2005 by the San Francisco Apartment Magazine. All rights reserved.