

## **10 Most Common Mistakes Made by Landlords (Part 2)**

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In last week's column, we covered the first five of the ten most common mistakes made by Landlords. Today, let's complete this list. Oh, and if you missed last week's column, send us an email and we'll gladly get you a free copy of that column.

We received several emails asking how we came up with this top ten list. For the past ten years, Kim and I have been Property Managers for a small group of investors. With their guidance, plus attending many Landlording courses, we have learned many of the right and wrong ways to manage rental property.

**6. Filling a vacancy with a tenant who does not have the full Security Deposit and/or the complete month's rental payment.** One of the first lessons we learned was that if you fill a vacancy with a tenant who starts out behind on what he owes, far too often the tenant falls even further behind, and this leads to an eviction - and evictions can be very expensive!

**7. Not knowing the state's Landlord Tenant laws like the back of your hand.** When working with tenants, there is a right and wrong way to do things. If you ever end up standing in front of a Magistrate Judge, you sure don't want to have the following conversation:

*Magistrate Judge:* Mr. Landlord, why did you change the tenant's locks and put their furniture in the front yard without Due Process?

*Mr. Landlord:* I uhhhh, well your Honorship, I ummm, you see your Worshipfulness, I didn't know about that particular law.

Ignorance is not the best legal defense in this situation. Our country's legal system is based on the rule of law. The Magistrate Judge's job is to enforce Landlord Tenant laws. A Landlord's job is to know and follow these laws. Be sure you do.

**8. Not doing a *monthly* walk through of *each* rental property you own.** We've all heard horror stories about a Landlord going to his property only to find it vacant and trashed. If this happens, it can cost the Landlord thousands of dollars.

Experience has taught us that most property damage is done over time, not all at once. Therefore, if a Landlord will inspect each property he owns, he will be able to find and repair any damage caused by the tenant as it happens.

In addition, if a tenant plans to move, he usually needs moving boxes. If a Landlord happens to inspect the property at the end of the month and sees a lot of moving boxes, what did he just discover?

**9. Not immediately making repairs when damage is discovered at a rental property.** Normally, there are two types of repairs to be made to rental property: Damage caused by the

tenant (holes in the wall, a broken window, etc.) and damage for which the Landlord is responsible (broken hot water heater, leaky roof, etc.).

In either case, you want the repairs made as soon as possible. This teaches the tenant that he is responsible for paying for any damage caused by his family when it happens. He also learns that you will repair any damage for which you, as Landlord, are responsible.

Experience has taught us that tenants take much better care of property that is well maintained.

**10. Not seeking an eviction the first day the rental payment is late.**

No one likes evicting a tenant. It is a lose-lose situation. On the other hand, a tenant cannot live at the rental property for free. Doing so will bankrupt the Landlord. Therefore, the Landlord, in order not to go under, needs to begin eviction proceedings immediately.

In Georgia, it takes about 27 days, from start to finish, to evict a tenant. In many cases, if the tenant is able to make his full rental payment before the trial date, the eviction is cancelled. But if the tenant's promised payment doesn't arrive, the Landlord is able to do the eviction, then find a new tenant who will make timely rental payments.

Hope these last two columns help you avoid repeating some of our mistakes. These types of lessons are why taking Landlording courses are so very important.