ARTHUR

5 Types of Troublesome Tenants and How to Be Prepared

Contents

ARTHUR

Contents

Introduction

According to the English Private Landlord Survey 2021 (EPLS), over 20,000 private landlords are registered in the UK. Of those, 7 in 10 said finding good tenants was extremely difficult.

Regardless of how many properties you own and let, being a landlord is no walk in the park. It takes grit, hustle and patience. But at the crux of it all lies the tenants themselves. Most will be as charming as a fairytale prince, a handful can be a little more boisterous. These "troublesome tenants" tend to be those that fail to pay rent, bombard you with petty maintenance problems or cause damage to your property.

Furthermore, the recent Renters Reform Bill in motion grants more power to the tenant. Nevertheless, your priority is to scale your portfolio, whilst also maintaining high tenant satisfaction. Right? Of course!

Introduction

Although we hope you don't come across any troublesome tenants, it's best to be prepared for the worst-case scenario. In this eBook, we dive deep into the different types of tenants in the Private Rented Sector (PRS), and how to be proactive. We'll also provide insight into an all-in-one solution that tackles the challenges they could present, whilst your portfolio multiplies concurrently.

Our mission is to enable you to become the boss of your business, without tenants becoming the boss of you!

5 Types of Troublesome Tenants

_____

ARTHUR

5 Types of Troublesome Tenants

First and foremost, not all tenants are bad. You'll meet some lovely tenants that are practically family. However, the majority of landlords (and property managers for that matter) tend to agree that the biggest headache is difficult tenants.

One anonymous landlord went as far as to say: "You will have a slew of nightmare tenants that make you want to hide when you see them coming." Yikes.

Although it's rare you'll come across troublesome tenants, here are five types to be wary of in property management.

The Needy Tenants

Picture this: you have around twenty properties rented out. Each property homes around two to four tenants in each. The majority cruise through their tenancy, quiet as the friendly house mouse. One or two will neither understand their responsibilities nor your boundaries.

Needy and whiny tenants are likely to message you whenever a problem arises; whether it's poor wi-fi connection or no batteries in the TV remote. Although landlords will always be on-hand to help, they'd also like to clock off at six for supper.

When it comes to maintenance issues, these tenants will report anything under the sun – including a broken lightbulb. They'll want regular updates on when a maintenance issue will be fixed and the geo-location of the contractor. But they also lack understanding of what falls under their responsibility, which can be both draining and irritating.

This costs landlords a lot of time and energy, meaning they'll likely be on-call 24/7. However, the point stands: it's a landlord's job to find tenants a home, not be their caretaker.

The Tardy Rent Tenants

Most landlords are very understanding of the economic strains to collect rent on time. However, if this happens once, twice, or thrice, failure to pay rent can take a toll on a landlord's patience and income. This results in late rent fees, eviction notices and potential disputes.

Additionally, 18% of landlords reported issues of rent repayment during COVID-19. Some landlords let tenants live rent-free in particular unprecedented circumstances. However, persistent failure to pay rent leads to more financial stress and awkward tenant-landlord relationships.

Collecting rent is an art: you have to be strict with rent payment otherwise some tenants may forget. The onus should fall on occupants to pay on time, and systems put in place to make it easy for them.

Although evictions are a gruelling process and cause a dent in revenue, they're often a necessary evil. The biggest concern is the proposed abolition of Section 21. This puts tenants in increasing power over the property they rent, meaning landlords will find it much more difficult to issue an eviction notice.

The Irresponsible Tenants

Even though you have pre-assessed tenants, a few problematic ones can fall through the net. They might host house parties leading to late-night noise complaints from neighbours and police. Or park without a permit on the road.

Worse still, some tenants might ignore maintenance problems that could be resolved quickly. This could be in fear of a rent increase to cover the cost; which means the issue exacerbates and the landlord is left to pick up a hefty bill.

Chasing after irresponsible tenants to follow the terms of their lease can eventually overburden you. This is why it's important to outline terms clearly and get a signature from each tenant encouraging them to follow said rules, before handing over the keys. Doing this avoids any uncertainty, prevents legal disputes and takes a load off your shoulders.

The Messy Tenants

To put it bluntly, some occupants might lack respect for the property and fail to keep it tidy. In some cases, messy tenants could even cause damage to it.

Repairs and maintenance come part and parcel with tenancies. In fact, 59% of landlords agreed maintenance was the most difficult part of their jobs. But if tenants are messy, this exacerbates original maintenance issues. Failure to unclog hair from the shower or mow the lawn regularly can cause more harm (and work for landlords) in the long run.

Upon the end of their tenancy, there's a likelihood you will be left with a huge clean-up job before the new tenancy begins. It's a tenant's duty to take care of the premises, but they could depart with a pirate's ransom for damages. Providing tenants with an inventory list can ensure properties are kept clean and tidy.

The Lawbreaking Tenants

Landlords need to know the law and what potential lawsuits could ensue. Yet 58% of landlords find it increasingly difficult to grapple with their legal responsibilities. This can include anything from noise and smell nuisances to subletting without permission.

It's a huge chore to get to grips with legislation. Hence why tenants can find loopholes in contracts. A survey by SimplyBusiness found that 1 in 6 tenants admitted to subletting a property illicitly. Tenants can sublet a property with their landlord's permission, but it must be outlined in their lease.

Airbnb is also considered subletting – often an attempt for tenants to not lose out financially if they travel abroad. One landlord discovered that over 300 holiday-goers rented out the apartment in a single year, without any clue. This is an issue, especially for London properties where no one but the registered owners are allowed to provide temporary accommodation for more than 90 days.

The Lawbreaking Tenants

This is why it's important to have an updated and signed tenancy lease. When occupants understand their legal rights, it can prevent any criminal activity from going on under your nose.

How to Be Proactive Towards Troublesome Tenants

How to Be Proactive Towards Troublesome Tenants

During your career as a landlord, you'll likely come across hundreds of tenants, all with different personalities. The only aspect in your control is how proactive you are from the offset. So if you do come across troublesome tenants, you need to have systems in place that keep problems at bay.

We understand that to run a respectable letting business, it's important to:

- Maintain a rational perspective so you respond calmly to troublesome tenants
- Express how you like to be treated by tenants and vice versa
- Improve your strategy to enhance communication and relationships with tenants

At the centre of it all, you need to procure high tenant satisfaction and become more efficient to scale your portfolio. What if we told you there was a way to achieve all this and save approximately £25,000 per year? The secret is: automation.

An All-in-One Property Management Solution

Property management software helps you multi-task and double your output with 50% less effort. You'll become much more efficient with tasks – especially in maintenance and rent collection – whilst simultaneously increasing your return on investment. This makes it easier to manage tenants and increases their satisfaction overall.

We present five features of Arthur's landlord-led solution, which can ensure you achieve your goals, and also, minimise tenant challenges.

Maintenance Tracking Tool

Having a real-time reporting tool will prevent a bottleneck of maintenance issues; this will enhance your proactivity so there is less on your plate.

Arthur integrates with Fixflo, an online portal that allows tenants to log and track their maintenance issues. They can upload pictures (which usually speak a thousand words) and help identify problems much quicker. This report gets sent straight to the contractor which triggers a workflow, removing many steps in the typical maintenance journey.

The system also flags up when it's a tenant's responsibility to fix something (like that broken lightbulb or reading the water meter). This allows you to focus on more complex problems, saving money on unnecessary call-outs and resolving issues promptly. Ergo, increasing tenant satisfaction easily.

Maintenance Tracking Tool

Humans have become more anxious and desperate for updates. Think of it like ordering a takeaway on UberEats: you constantly refresh the page for the status of your chow mein. With a maintenance tracking tool, tenants will be kept at ease, meaning your phone will be almost silent. You can now relax and sleep easy.

"[Tenants] love having an app and having the transparency of rent statements and knowing what is happening with maintenance issues, which they have not always experienced with other agents/landlords in the past."

Automated Reminders

Presumably, your calendar (whether Google or a good old-fashioned diary) is full to the brim with reminders. Perhaps you currently track deposits and rent on a trusty spreadsheet. It might work for you right now, but what will happen when you start to take on more properties and tenants under your wing?

Arthur allows you to set up rent reminders seamlessly and send payment links directly to tenants. With ArthurPay, tenants can pay deposits or rent instantaneously and receive immediate confirmation of payment, saving you hours on end chasing for fees.

Also, did you know that 88% of spreadsheets have errors? According to Raymond Panko (Professor at the University of Hawaii), it's "practically impossible" to create an error-free spreadsheet. We rely on "eyeballing" to check calculations look correct, without realising formulae have been input incorrectly.

Automated Reminders

With an automated finance tool, it increases the odds of receiving rent on time. And ensures money matters are kept in check. This means you can minimise angry back-and-forth calls and you never have to worry about a flawed spreadsheet ever again.

"I love Arthur, it's been a complete godsend sorting out new tenancy agreements and all the related paperwork... and reconciling with Xero has been a doddle."

Improve Communication with an Audit Trail

We understand that by providing the best service to your tenants, you probably have various mediums of communication. This could be emails, a landline, a WhatsApp chat, a pigeon carrier – the full monty. But how are you logging all this communication? Whether a paper-filing system or spreadsheet, it can eventually overburden you.

With Arthur, all communication is logged in real-time. Text or email, the application records each message, which cuts time in half. You have a clear audit trail that is automatically saved and updated. You no longer need to hire office space for storage as all paperless documents are readily available; this is also helpful when gathering information for potential disputes.

Automating the communication process means you have peace of mind, and protects you against potential disobedient tenants. Manage properties effortlessly knowing you're both compliant and free of nagging easily resolved issues.

Find and Screen New Occupants

Finding the right tenant is a difficult process. It requires landlords to run necessary background checks, such as criminal records or credit checks, for example. Not to mention, searching and screening for new tenants is time-consuming which can result in void properties leaving you with two qualms:

1. How will you pay off the mortgage?
2. Who will move in next?

Arthur is connected to all the major online letting platforms including Zoopla, OnTheMarket and RightMove. It allows potential occupants to apply online using bespoke forms. You can also obtain tenant references and cross-reference with third parties to find your ideal tenant.

Manage and schedule viewings, update listings and send automatic reminders to applicants, without flitting between multiple platforms. It's all controlled from one place and logged automatically – easy peasy.

ARTHUR

Find and Screen New Occupants

In turn, this speeds up the onboarding process and is a more streamlined approach to traditional paper filing. It also minimises void properties; so you can rest assured that rent will roll seamlessly, mitigating any financial stress. (Ah! The sigh of relief.)

"Arthur is without any doubt the best property management software out there that works around your needs... Absolutely love the automated event section which has reduced our work load and given us piece of mind."

Update Leases and Documents

Instead of hoping a tenant understands the terms of a lease, you need a signable document that clearly states house rules. Again, tenants are not always prompt on admin, so before they even begin to window-shop for new furniture, you need a signature from them. This is much harder to facilitate when you need to arrange an in-person contract signing. A landlord's busy schedule leaves no room for faff.

You can manage contracts and documents flexibly when you go digital with Arthur. This means e-signatures can be captured instantly, accelerating the onboarding process. From here, you can make any changes to the lease, and send and receive updated signatures.

Remember, once you have the updated and signed contract, you'll be prepared against any tenancy disputes or court proceedings. This is the perfect protection against any potential lawbreaking tenants who wreak unnecessary havoc.

Update Leases and Documents

"We have been using for a year now, and during that time have gone from 20 units to 49. Arthur has made taking on new properties and managing existing, a seamless exercise. The software is very user friendly and our tenants love it."

ARTHUR

The Take-Home

The Take-Home

- Landlords have a plate full of tenants that get harder to manage when scaling their portfolio.
- Arthur's Landlord Solution allows you to manage properties and tenants' expectations more efficiently – it doesn't require you to completely transform your process or use several different complex tools.
- On average, landlords have doubled their property portfolio since using Arthur.
- This is a cost-effective solution that takes the weight off your shoulders through automation.

Book your free demo to walk through Arthur and discover the trick to thousands of landlords' sweet success. It's slick property management without the fuss.

Website

https://www.arthuronline.co.uk/

Phone

+44(0)207 112 4860

Email

sales@arthuronline.co.uk