

DAILY NEWS

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It's a renter's market, so shop around

In these hard times, tenants are looking for — and often finding — lower rents and other concessions from landlords.

A recent survey by Rent.com, an online rentals search site, found a number of signs that the recession is affecting the apartment market, including:

- * A larger percentage of tenants searching for two- and three-bedroom apartments — apparently a sign that people are living with roommates or relatives to cut housing costs.
- * A larger percentage of tenants using search terms like "bad credit apartments" or "no credit-check apartments," apparently because their credit records are not as clean as they'd like.
- * Visits to more Internet apartment sites, apparently because tenants now have a larger inventory of apartments to choose from.

Fred Sokolich, a Fort Lee real estate broker specializing in rentals, said even in North Jersey's traditionally tight, expensive apartment market, the effects of the recession and the housing bust are being felt.

Sunny Kancherla, founder of Newark-based GardenStateApartments.com, agreed.

"A lot of people think that just because home buying is slow, rentals should be booming, but there's some pressure on rents and demand," he said.

Apartment vacancies are up, for several reasons. For one thing, there's a larger supply of properties because of building, especially near the Hudson River, during the housing boom. In addition, many homeowners who have failed to sell their homes are renting them out instead.

At the same time, rising unemployment rates mean fewer people are looking for apartments. For example, recent college grads struggling to find work are now more likely to live with their parents than to get places of their own, as they might in a healthier economy.

As a result, Sokolich said, tenants are taking their time shopping around for apartments, because they have so many choices. His agents once expected tenants to pick a place after seeing five or six.

"Now people want to see 15 or 20 because there's so much inventory out there," he said.

And landlords are cutting rents.

"Landlords are giving more rent incentives, especially in the luxury market, because there's a lot of competition for that type of tenant," Kancherla said.

"I tell landlords all the time: 'You want to get a tenant, you've got to be prepared to cut your price,' " said Sokolich, giving the example of an apartment that used to rent for \$1,675 a month and is now rented for \$1,400.

Landlords who won't reduce the rent, he said, often end up losing more money while the apartment sits empty.

Landlords also are offering such concessions as new carpet or a month or two rent-free. A few are even offering to pay the broker's fee, which traditionally has been paid by the tenant in this area.

Kancherla told of one landlord who offered to throw in a small flat-screen TV to tenants who rent from him.

Sokolich encourages landlords who have banned pets to consider accepting small pets, to increase the odds of finding tenants.

"It's very, very competitive, and there are lots of choices," he said.

Kancherla advises tenants to be ready to jump on good deals. He recommends renters check their credit reports (it's free at annualcreditreport.com) before applying to rent an apartment, so you'll know if there are any problems there.

In addition, he advises tenants to bring some cash when they visit apartments to pay the application fee (which can range from \$10 to \$75 and may include credit checks and criminal background checks).

Finally, he said, a tenant should amass enough money to cover the first month's rent and a security deposit of up to a month and a half's rent.

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