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## Negotiating rent when you have damaged credit

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Finding an affordable apartment a year ago wasn't very hard for Atlanta area residents. Occupancy rates were lower than they had been in years, so complexes were motivated to do all they could to get people in. They offered free months' rent, dropped their monthly rates and added on perks that customers found attractive.

Those days are mostly behind us now said **Alan Wexler, president of Databank Atlanta**. In the last quarter, the percentage of occupancy rates were in the low 90s. The demand for apartments in the area could be driven by a 16 percent rise in home foreclosure rates since October 2009, according to data released this week by Equity Depot.

Foreclosures lead to severely damaged credit scores. In the 2010 Annual Property Owners and Managers survey conducted by Rent.com, 53 percent reported a decline in creditworthiness of prospective renters. As a result, Wexler said, landlords are relying less on pristine credit, particularly in B or C-grade apartments.

"In the past, they wanted people with good credit," Wexler said. "Well, not everyone has good credit, but they can still pay their rent. They had to come up with a bunch of money up front to move in. By the time you got through with that, you're talking about \$1,000 for someone who barely has a job. You can't do that today. Now, the owners are letting go of the strings."

If you are crippled with bad credit, but want affordable rent, **here are some tips:**

- Ask about the **second-chance programs**, said **Rose Philmore** of Databank Atlanta. You may pay a larger security deposit and they could ask for a bond payment that protects the complex in case you are unable to pay the rent. Be sure to ask about specials when quoted with the market rate.
- **Do your homework**. Compare rental and occupancy rates. This will help you negotiate with the landlord. Also, ask to have the application fee waived. Northwest and southwest Atlanta are among the areas with low occupancy rates currently.

- [Rent.com](http://Rent.com) president **Peggy Abkemeier** suggests those with damaged credit get reference letters from past landlords and your employer.

- **Get a roommate**. According to Wexler, one factor affecting rates is tenants "doubling up."
- **Skip amenities like covered parking**, consider a smaller unit and look at locations outside of high-rate areas, but near public transportation options.