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## Renting with bad credit

By Amelia Ross, editor  
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NEW YORK (CNNMoney.com) -- A bad credit history doesn't mean you won't pay your rent on time. But if you know that your credit report will be less than stellar, there are some steps you can take to make it easier to find a new apartment.

Look for private rentals in a house or an apartment where the unit is rented by the owner or his or her representative. An independent owner may be more flexible or more desperate for a renter than a building managed by a professional management company.

Start by checking the cheap ads in free newspapers, on Craig's List and on bulletin boards. These landlords haven't paid a premium to advertise their property and you may find a landlord who doesn't do credit checks.

As you inquire about an apartment, ask the landlord what criteria they use to approve tenants for a rental. If credit check isn't one of them, then you have one less thing to worry about.

You'll find though that many landlords require a credit check along with a completed application before they will let you sign a lease for an apartment. Here's what you can do:

"If there's one event that made your credit nosedive, like a dispute with a credit card, you can negotiate with the landlord to pay a chunk of the rent upfront, like six months, on the signing of the lease," said Donna Rohan, associate broker at Peter J. Riolo Real Estate. "If someone has a truly bad credit rating, they can have someone else co-sign the lease."

### References make a difference

Getting someone to vouch for your financial responsibility can help soften the hit of negative entries on your credit report. A letter of reference from a previous landlord can go a long way.

"If you are currently renting a property elsewhere, ask your current landlord for a letter of reference. If you have had several landlords in the past, give them a call to request letters as well," said Peggy Abkemeier-Alford, president and general manager Rent.com.

Have your previous landlord(s) write about your track record for paying rent on time, respect for the property and how long you resided there. Provide contact information so your previous landlord can be reached directly.

And you can contact others with whom you've have a financial relationship -- your bank, current and previous employers for a reference. If you have past due accounts on your credit report, pay them off and get the creditor or lender to write a letter stating the account has been paid in full. ■