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August rental advice: What's a late renter to do?

August marks the end of the rush to move — and to apartment hunt. But just because you didn't plan ahead to find an apartment by September doesn't mean you'll have to rent a loser.

By Karen Aho of MSN Real Estate



We're a bit late with this month's rental-advice column, so in the spirit of tardiness, we thought we'd address the question that needles all those late-moving apartment hunters out there: What happens if you miss the July and August rush for a new place?

If, as we always hear, landlords prefer a September-to-September lease, what's left when the leaves turn and Halloween nears? Should the last-minute renter be spooked?

A solid "no" might be nice to hear. But in some markets, the bulk of rentals have been picked through by summer's close. In Boston, where college-student demand drives the rental market, 79% of landlords use a September lease, says Greg Vardaro, an associate rental agent with [Charlesgate Realty](#).

"Right now, if you don't have your apartment yet, what are you waiting for? Now's the time," he says.

But in San Jose, Calif., where the rental market is even tighter but the tenants are high-income tech workers, not students, "the September lease is not even relevant," says Ron Stern, CEO of [Bay Rentals](#). "We have a ton of stuff that could still be secured for Sept. 1" or later in the fall.

So it certainly depends on where you're looking.

In general, summer is the season when moving trucks roll. That's when the weather cooperates, and it's when kids can get settled before the new school year. Many landlords prefer to start annual leases on Sept. 1 to capture these renters.

- **MSN Money:** [Is it better to rent or buy?](#)

Which brings us back to this question: If you don't have bottomless pockets, does a fall hunt kill your chances for a great find? Or might there even be some advantage to hunting in the quiet of autumn?

Is it worth it to take your time?

Christina Aragon, director of strategy and consumer insights at [Rent.com](#), a national listing site consisting primarily of large apartment complexes, says she sees a steady flow of available inventory throughout the year.

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"Barring those towns that are college towns, where there is a very strong anchor to the school year, there is always stuff coming out on the market," Aragon says. Late-season apartment hunters "are not necessarily locked out of getting a good apartment."

Aragon says Rent.com does see more tenants applying for units in April and that the number peaks in July.

In extremely tight markets, such as New York and San Francisco, where prospective tenants "have to walk in the door with checkbook in hand," she says, "that's just exacerbated by the high season. The reality is, you can look at a bit of a more leisurely pace sometimes after the summer is over," Aragon says.

In some less competitive markets, that relaxed atmosphere may translate to cheaper rent.

"There aren't as many applicants, so you may be able to get a little bit of a better deal if there's inventory the landlord wants to move and there isn't as much demand for it," Aragon says.

Don't overlook the advantages of taking your time: It's extra time to research the market and learn which rents are higher than average, extra time to get your references and rental history in order, and extra time to delineate your needs from your wants to narrow your search.

And if you still come up short, consider these bits of wisdom from the pros, even though some may be hard to swallow:

- In a tight market where you need more time to apartment hunt, consider taking a monthly rental. It will likely cost more, but the market for short-term rentals is still strong.
- Be less picky. "It's just a rental," Vardaro says. "It's not going to be perfect."
- After looking, act quickly. "If you see something you like, take it. Don't think about it too long," Vardaro says. "If you wait, and think about it overnight, it will most likely be gone."
- Shift your focus elsewhere. "Try to find a place nearest where you want to be," Stern says. "Sometimes (the first choice) is just not going to happen, for the price range or what's available."

Toughest cities for renters

With former and would-be homeowners now getting squeezed out of the housing market — thank foreclosures and strict lending standards for that — the number of renters has exploded. The volume of available rental properties, however, has not.

The result: fewer empty units to choose from, which creates a tight rental market. At the end of June, the national rental-vacancy rate shrank to 5.9%, a significant drop from the 7.8% a year earlier, according to real-estate research firm [Reis](#).

[Slide show: 10 cities where rents are rising least](#)

In areas where the vacancy rate is shrinking fastest, rents are also rising most quickly. (For those areas, see our [July rental column](#).)

Here are some of the cities with the lowest vacancy rates in June, according to real-estate research firm Reis:

- New Haven, Conn: 2.5%; nearby New York City, Westchester County and Long Island, N.Y., and Hartford, Conn., also have similarly low vacancy rates, below the national average, as does Syracuse, N.Y.
- Minneapolis: 2.9%
- San Jose, Calif.: 3.2%
- Portland, Ore: 3.5%
- San Diego: 3.7%; the San Francisco Bay area and Ventura County also are well below average.
- Pittsburgh: 3.9%
- Milwaukee: 4%

- Buffalo, N.Y: 4.1%
- Albuquerque, N.M.: 4.4%
- Boston: 4.4%

Can I swap repairs for rent?

After our July column, one MSN Real Estate reader asked whether his landlord could opt out of making repairs in exchange for not raising the rent.

On the surface, it seems like a fair pitch. After all, landlords' costs have been rising, too, but landlords can't raise additional revenue, via rent increases, until the market bears it.

Taking a tenant's hardship into consideration seems kind: "I won't raise the rent if, in exchange, you make repairs."

[Read: 6 tips to finding the best deals on rent](#)

The problem is that landlords are required by law — in every state except Arkansas — to provide and maintain a fit and habitable dwelling. If they don't, it can quickly get murky as to what's fair compensation for only a slightly reduced rent.

Only in a few special cases, such as when a manager is hired in exchange for no rent or drastically reduced rent is offered, may a contract be drawn up that arranges for the tenant to make repairs. But these leases are rare, says Janet Portman, a landlord-tenant lawyer and author of "[Every Tenant's Legal Guide](#)."

The reason the states assume control is that living conditions are safety and health issues. If landlords were allowed to forgo repairs, even with good intentions, tenants may let a dwelling become unfit. That's why it's also in the landlord's best interest to retain responsibility for the condition of the home.

Best bet for both parties? Leave the repairs to the building's owner, the landlord.