

A photograph of a white leather armchair with a striped pillow, a white side table with a clock and flowers, and a stack of colorful books. The scene is set against a light blue wall. The text 'Rental GUIDE' is overlaid on a teal square in the lower-left corner.

Rental GUIDE

House or Apartment

Size or location? Convenience or cost? Space or amenities? These are the factors you have to weigh when it comes time to choose if a house or apartment better fits your rental needs.

An educated renter will carefully evaluate both the positives and negatives associated with renting an apartment, as well as a house.

Doing your homework on the front end means looking into how much utilities usually cost on a monthly basis. Add up the costs for extra amenities that may be optional in an apartment complex, including gym memberships or parking. The better handle you have on what your monthly out-of-pocket expenses will be, the wiser decision you will make.

UTILITY EXPENSES

House: One of the main drawbacks of renting a larger home is the cost it takes to heat and cool it. The water bill, however, should be comparable between a house and apartment.

Apartment: Apartments are likely to offer cheaper prices on utility costs because of the size of the apartment compared to a home. Apartment buildings also usually offer more insulated walls for noise purposes. This can also be a benefit for heating and cooling efficiency.

PRIVACY

House: Even the thickest of walls cannot fully mitigate the



sound of noisy, obnoxious neighbors. If privacy is very important to you, a secluded home rental may be more fitting for your lifestyle.

Apartment: On the other hand, being connected to the people around you may be more important to you than

privacy. Apartments offer a great option for spending time alone when you want, and the ability to socialize at your convenience.

RENT TO BUY

House: One sector of the

realty market that seems to be on the rise is in the rent-to-own space.

This arrangement can be ideal if you don't have the credit to buy a house but are intrigued at the prospect of one day owning a home.

Apartment: Renting to buy

an apartment is less likely to happen unless a complex is transitioning to a condominium complex.

This may be an attractive option in bigger cities where condos can benefit tenants looking for more space with numerous amenities.

Finding Great Listings

With enough time to research and visit various listings, finding your perfect house or apartment rental should not be much of a challenge.

The process increases in difficulty, however, when you're up against a tight deadline. Time limitations can throw a wrench into your planning process, but with the right approach you can go from stressed to secure in your new rental before you know it.

GO ONLINE

As with most aspects of our daily lives, technology has made things easier on all of us. Most realty companies boast online listings to make your dream rental one click away.

These listings can include virtual tours of various properties so you can choose which ones you'd like to see in person. Even the most time-consuming processes, such as filling out an application, can be done online, saving valuable time for all involved.

YOUR LOCAL NEWSPAPER

On Sundays especially, your local newspaper's classified section can be a hotbed of new rental listings. You can easily find a few properties that fit your budget, space and location needs.

Local landlords like advertising in the newspaper because of the relatively low cost of advertising and large, loyal readerships. Depending on how much they pay, their ad will contain key information you will need to make your decision.

So this Sunday, pay the couple of dollars for your local Sunday paper. Your return on investment could be a great one.

ASK AROUND

Your group of friends can be a great place to start when it comes to finding your next living space. They may know a local landlord with a vacancy or someone who plans to move out soon.

You also can put out a message on social media to find leads on new listings. Facebook and Twitter are full of possible connections. And following the old adage, "It's who you know," you may just know someone ready to help set you up with a quality rental.



Upfront Costs

You may be attracted to the idea of renting because of its lower costs compared to home ownership. But don't underestimate the large up-front expense associated with renting.

First-time renters especially can sometimes overlook what they'll need to come up with at the front end of a rental transaction, wiping out some of their savings before they even move in.

FIRST AND LAST MONTH'S RENT

Some landlords require up to three months of rent up front. And with apartments in major cities starting in the \$1,500 to \$2,000 per month range, this can be a quite a hefty price tag.

Be sure to ask your potential landlord how much will be expected from you up front. Knowing this information could help save you the time of looking at apartments that are out of your price range.

PET DEPOSIT

If you're lucky enough to find an apartment that allows dogs and cats, you will likely be asked to pony up a pet deposit before you can move in. Collecting such a payment protects the home or apartment's owner in the case of your pet causing damage to the unit.

Some landlords actually add a pet fee to each month's rent, which can really add up



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over the long run.

If you're only going to be renting for a short period of time, it may ultimately save you money if you can find a family member or friend with room for your pet. You can still offer to pay for food and grooming needs to lessen the

burden of your pet pal.

OTHER FEES

To protect themselves from wasting time, most landlords will require an application fee up front. This shows them that you are

financially invested in becoming a tenant. Fees can vary, so ask your potential landlord how much he charges and what the money goes toward.

Other up-front fees can include a security deposit and first-month payments

on utilities if the landlord is keeping them in his name. Many of the fees you pay on the front end may be reimbursed after you move out.

Find out which ones and what you need to do to make sure you see your money again.

Respecting the Rules

A positive relationship with your landlord can get you far in the rental world. A negative one can hamper your chances of ever renting again.

Most landlords require three to five references before they sign any kind of contract with you. This provides them a list of people who will either be your advocates or detractors.

You may be required to provide the name of a past landlord, who will likely be honest about any late payments or damaged property in your rental past. That's why it's crucial to respect the rules and be a good tenant. Your rental future depends on it.

READ YOUR LEASE

Even if you think you have covered every base in meeting with your landlord, there may be key bits of information that you are missing. Knowing your legal obligations as a renter is an important aspect of renting. Reading your lease can help you understand which responsibilities fall on you, and which ones fall to your landlord.

Leases define fees you could owe if you're late on the rent or cause damage to the property. They also include important rules on topics such as monitoring noise, having roommates or smoking inside.

Before you take the keys, read over your lease with a critical eye and mark up any sections that you don't understand. It's the responsibility of your landlord to clearly explain any confusing information.

COMMUNICATION

The cornerstone of any successful relationship, communication is key to strengthening the bond between you and your landlord. Here's how you can make sure you stay in the good graces of your landlord:

- If your landlord lives nearby, stop in with the rent instead of sending it through the mail
- Check in periodically with your landlord to see if you can help them with anything
- If something breaks in the rental, call your landlord immediately. They will appreciate your diligence in helping keep a simple fix from turning into an expensive repair.





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Reducing the Rent

When you see a rental price, you may think that the price is fixed. Actually in some cases, the landlord may be willing to come down on the rent, depending on what you could bring to the table.

If you decide to offer a proposition, remember to be tactful and professional when making your case.

Always keep your composure in a negotiation, even if it isn't going your way. The way you handle yourself can say a lot about your character and trustworthiness as a tenant.

IMPROVEMENTS

Are you skilled in carpentry

or electric work? You may be able to talk your landlord into a deal on the rent by providing your expertise on household projects.

Landlords consider their properties an investment. The more improvements that are made over the years, the more money they can bring in through rental fees and the price of sale when they decide to unload it.

LANDSCAPE WORK

Especially if your landlord lives a few towns away, the hassle of mowing the rental's lawn or paying someone to do it could be a burden. If you're willing and able, why not offer to mow the lawn or take care of extra yard work for a reduction in rental fees?

Check in with your landlord

to see if there are any outdoor projects he or she has been putting off, and offer your help. He may cut you a deal if you prove you're committed to improving the quality of the home.

PROFESSIONAL SERVICES

Are you in the professional services business? Accounting,

legal or writing? You may be able to work out some kind of services swap for a cut in the rent.

An accountant who generally charges \$400 for tax preparation services may be able to get that amount cut off the annual rent by providing the service for free to the landlord. Similarly, a lawyer could offer up free work on legal documentation for cheaper rent.

Paying Your Bills

The financial requirements of renting your own place can be overwhelming to many first-time renters.

Proper preparation is key to making sure you're on top of your own fiscal destiny.

The last thing you want to do is fall behind on your rent. This can lead to unhappy landlords and even worse, ruined credit. The decision to move out on your own is definitely an exciting one, but just make sure to do your homework before making the leap.

MAKE A BUDGET

The first step to creating an accurate budget is listing everything you will be spending to keep your rental and living requirements fulfilled. These items can include:

- Rent
- Insurance
- Electric
- Water
- Trash/recycling
- Groceries
- Cable/television

Take your monthly income and subtract the total from the list above.

Now let's move on to your discretionary spending. This can include:

- Eating Out
- Movies and entertainment
- Gym memberships
- Gifts

- Electronics and games

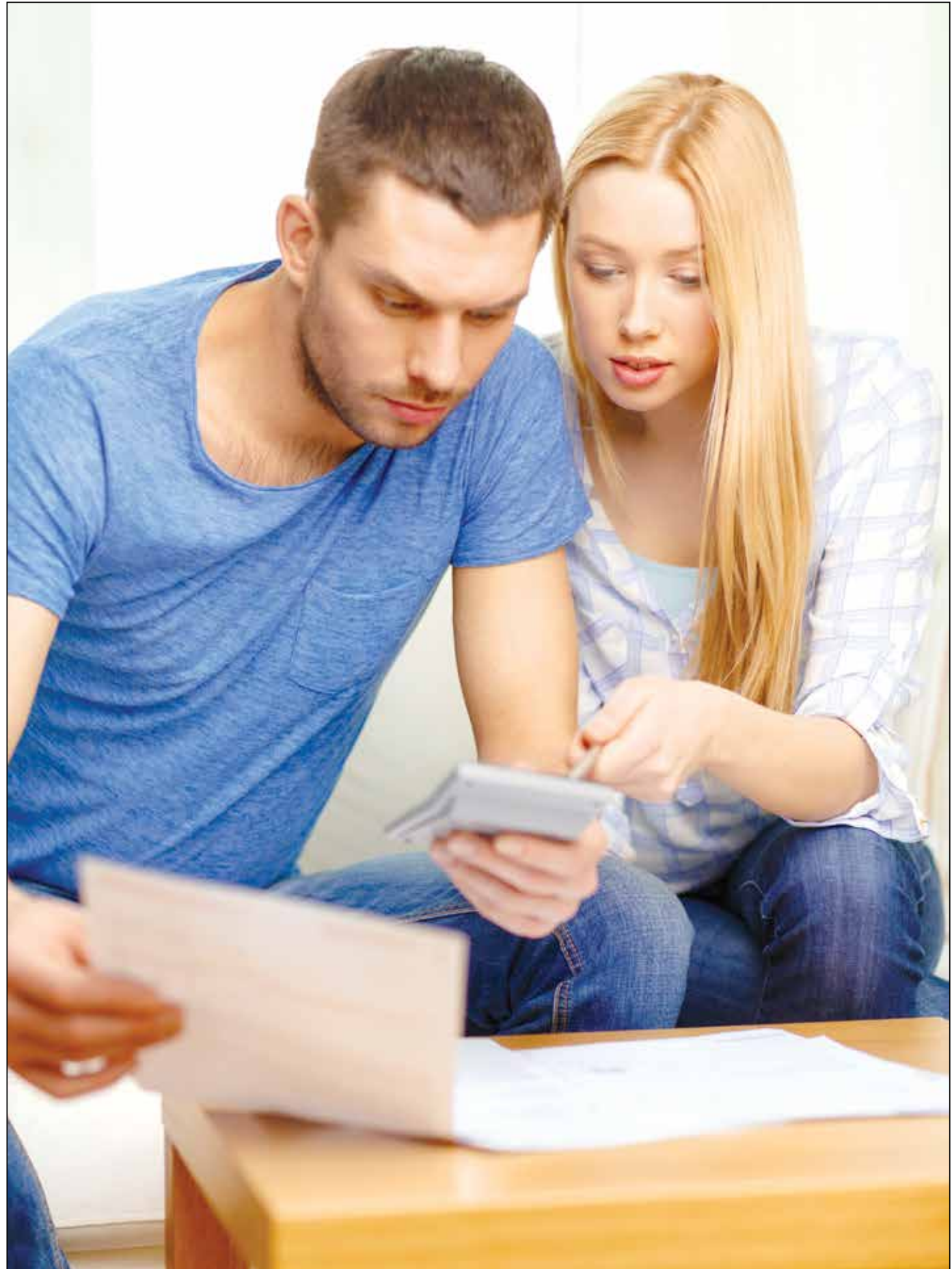
Subtract this total from what was left over above. Do you have enough to enjoy a few nights out per month or to add some money into your savings account?

If not, you may be overreaching on what you can afford. Obviously, it is better to do this math before moving in to make sure you're making a smart financial decision. Options for padding your savings include picking up part-time work, if possible, or sticking to plans of cutting discretionary spending by a certain amount per month.

CHANGE YOUR ADDRESS

If you have bills coming to your current address, be sure to change your address with your post office and creditors. Stop in at your local U.S. Postal Service office once you have officially moved in and fill out the necessary forms.

The process only takes a few minutes and will help you continue to receive your mail. It also will ensure that you're on time with all bills during what can be a fast-paced moving experience.



By the Numbers

The rental market is booming and isn't expected to slow anytime soon. More than 36 percent of the adult population are renters, according to the U.S. Census Bureau.

This is the highest fraction of renters since the Bureau's American Community Survey originated in 2005.

A primary reason for the uptick in total renters can be attributed to the long-lasting effect of the housing crash and ensuing recession.

Many homeowners were foreclosed upon and are still working on rebuilding their credit. Others may have sworn off owning a home altogether, opting instead for the convenience factors of renting.

And landlords are making a pretty penny on their investments.

On the following chart, the numbers on the right show how much, on average, Americans are paying in monthly rent. As you can see, there has been a steady increase of more than \$60 since 2005.

Average rent in U.S.

Year	Rent
2013	\$962
2012	\$951
2011	\$950
2010	\$960
2009	\$956
2008	\$963
2007	\$916
2006	\$916
2005	\$894

Other interesting findings from ACS studies include:

- U.S. renters paid 20.78% of their median household income toward the median monthly gross rent in 2013.

- The lowest median gross monthly rents among all United States metro areas were \$502 in Wheeling, W.Va., and \$536 in Johnstown, Pa.

- The highest was \$1,460 in San Jose, Ca., and \$1,419 in Honolulu, Hawaii.

