

Selecting tenants

A casual chat with a prospective tenant may give you a feel for their suitability as a tenant. While this is important, your tenant selection process should be methodical. In fact, some landlord insurance policies require landlords to demonstrate their tenant selection process when making a claim.

It is helpful if you:

- are familiar with the Pre-tenancy Application Form, including requests for referees and consent for a credit check.
- understand the content of a Tenancy Agreement.
- have an interview plan that includes your key selection criteria.
- treat prospective tenants equally.

Assessing prospective tenants: when to interview?

If they are interested in renting the property, ask them to complete a Pre-tenancy Application Form (available from www.dbh.govt.nz) while they are at the premises.

Tip: You should only interview prospective tenants who have completed a Pre-tenancy Application Form.

You can start interviewing while they are filling out the form by:

- answering any questions they have.
- asking if the property suits their needs and if they are interested in living there.
- setting your expectations about the tenancy (eg, the date the tenancy can begin, bond required, frequency of rent payments, etc).

Planning an interview

You are letting out a valuable asset. Experienced landlords treat this as a business relationship. Your objective is to gather information about your 'customer' before entering into a tenancy agreement.

Some useful steps are:

1. Explain that you want to find out more about the tenant and answer any questions they may have. You might want to indicate that you ask all your prospective tenants to complete a Pre-tenancy Application Form and that you may want to conduct a reference and credit check.
2. Ask questions from your criteria list. This might include questions about:
 - aspects of the property
 - their last two premises rented and why they moved
 - their work circumstances

- the specifics of your Tenancy Agreement (eg, fixed-term or periodic tenancy, maximum number of occupants, if pets are allowed, who will be responsible for mowing the lawns, etc)
 - their renting history – have they been involved in any disputes?
3. This is a good time to ask the prospective tenant if they are familiar with their standard responsibilities as a tenant – paying rent, advising the landlord of maintenance and repairs needed, and keeping the premises reasonably clean and tidy.
 4. Let the prospective tenant know if you have specific terms you want to add into the tenancy agreement (eg no pets, responsibility for maintaining lawns, etc) and ask if they have any concerns about their ability to comply with those terms.
 5. Make sure you have all the information you need, confirm that you have consent to conduct a credit check, and advise the prospective tenant that you will contact them soon to advise if they have been selected.

Selection criteria – using the tools to make an informed decision

To help you select a tenant, you can:

- review the Pre-tenancy Application Forms
- evaluate the results of the reference check
- evaluate the results of the credit check
- search for the prospective tenants on www.tenancytribunal.govt.nz, a website that lists Tenancy Tribunal orders dating back for the last three years.

This information, along with your impression of the prospective tenant, will help your selection process.