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Six tips to finding the best deals on rent

Competition heats up for decent rentals at affordable prices

By Amy Hoak, MarketWatch

CHICAGO (MarketWatch) — The competition for rental homes is heating up as more Americans choose to rent instead of buy. And that increase in demand is driving up rents in some markets.

Consider these eye-opening statistics: One in four renters spends more than half their income on rent and utilities, according to a recent report by Harvard's Joint Center for Housing Studies. And another quarter of renters spend between 30% and 50% of their income on rent and utilities. [Read more: Rental affordability worse after recession: study](#)



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"As more and more people decide to rent longer... we will face a rental market that is going to be tighter for a period of time," said Eric S. Belsky, managing director of the Joint Center for Housing Studies. While rents fell in 2009, they began increasing last year, he said.

"We think that's just the beginning," Belsky added.

"You sort of bear it by looking for smaller places in neighborhoods where you otherwise would not have looked in," he said. "Overall, it looks like people will be paying more for whatever it is they're getting."

For those looking for a new rental, that means they'll have to roll up their sleeves and do some homework before settling on a place — and they'll also have to be more savvy when negotiating rent.

Below are six tips for getting the best apartment deals.

1. Know how to work rental websites

To find a great rental, you have to know how to search for one. And for many, the search begins online.

It's important to know which sites will help you find what you're looking for. Looking for an apartment in a large rental community? Start with or [Rent.com](#), said Allison Atsiknoudas, CEO of [Rentometer.com](#), a site that allows people to analyze and compare rent prices. Set on finding a unit owned by a smaller apartment company, or maybe even a condo unit being leased by the owner? Start out on [Craigslist.org](#), she said. There are many local sites for apartments as well, which can be found through a simple Web search, she added.

Another option is using a search engine, such as [HotPads.com](#) which features both rental and for-sale home listings from 400 partners, including multiple-listing services and brokerage companies. And

[Cazoodle.com](https://www.cazoodle.com) pulls listings from nearly 10,000 websites, including newspaper classifieds, online forums and individual property management sites.

It's important to be persistent in a search — monitoring the Web for new listings on a regular basis. Search engines can help make the search more efficient, said Govind Kabra, chief technology officer at Cazoodle.

“You're never going to be able to go to so many websites” on a daily basis, Kabra said. “Many of them you might not even know.”

2. Word of mouth can be powerful

In addition to surfing the web for listings, tell friends and family members that you're looking for a place, too.

“Sometimes you can get into a great apartment through word of mouth before it hits the market,” Atsiknoudas said.

Whether it's at a dinner party or online through Facebook, tell acquaintances what you're looking for — they may have a great lead.

3. Consider a single-family home

Bargain hunters may consider renting from accidental landlords, single-family homeowners who are renting out their condos and houses because they're having difficulty selling them in this market, said Douglas Pope, co-founder of HotPads.

These properties are often priced lower than other rentals, partly because they may not come with the same level of amenities but also because these owners may be more motivated to get their places rented.

“Also, to be truthful, on the single-family side there's a lot more opportunity for people to under price their properties because they don't exactly know what the going rate is,” Pope said.

4. Look beyond the rental listings

Not finding something you're interested in? Start looking at the for-sale listings, Atsiknoudas said. People typically aren't selling these days unless they have to, so they may be willing to rent it out to you instead.

“If a house has been on the market a little too long, you can approach that owner or that Realtor to rent out the unit. That might be a good way to get a good deal,” she said.

“If it's on the market and taking a long time to sell, it puts a lot of stress on the owner,” Atsiknoudas said. “You may be providing some relief to that seller or that owner.”

5. Assess whether rents are fair

After finding a place you're interested in, search comparable rentals to make sure that the rent price is competitive with the rest of the market.

In its listing pages, HotPads shows how rentals compare with others in the area. Meanwhile, the whole purpose of the Rentometer site is to analyze how a particular rent compares with others in the neighborhood.

With printouts of comparables as proof, you can negotiate with a landlord for lower rent. That said, if you're in an area with a lot of competition for rentals, understand that you may not get the price you want.

Even then, “there's always room to negotiate a little bit, as long as you're willing to let the place go,” Pope said.

6. Go ahead and flaunt your good credit

If you have good credit, mention that to the landlord, Atsiknoudas said.

“Credit makes a big difference because there aren't too many people who have great credit,” she said. With so many people dealing with job losses and missing bill payments, those who have good credit really shine.

If you're in the position to present a great credit report, make that known when negotiating on price. ■

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