

Step Two: Prequalify

In step one, you prepared yourself, your dwelling, your qualifications, and your ads to begin your tenant search. During step one, you never actually speak to any potential tenants. Step two changes all that: This is where you will learn how to prequalify all the calls you receive from any of the advertising you did in the previous step. It is at this point in the tenant selection process that you will begin to separate the wheat from the chaff. You want to find the best of the best applicants who fit your preset qualifications, which are based on the Tenant Qualifications form you filled out back in step one. By the completion of step two, you will have found qualified tenant prospects to whom you will show your rental property.

CHAPTER 5

The Caller Interview

With the completion of the first step (preparation) in the tenant selection process, you are now ready to begin step two, the prequalifying step. By completing the Tenant Qualifications form, you have set the groundwork for the rest of your tenant selection process. These preset qualifications, or standards, will be your guide and point of reference as you prequalify all interested parties about your rental unit. Keep the tenant qualification form handy during this step as you may need to refer to it often.

Interviewing Callers

The first thing you'll need to do when prequalifying tenant prospects is interview anyone who calls about your rental advertising. I dislike the interview process, as I'm sure most people do. It's something I never look forward to, and after many years of prequalifying tenant prospects, I'm still sometimes uncomfortable doing these interviews. I have come to realize the reason for the discomfort is twofold:

1. The natural fear of talking to strangers
2. Interviewing just takes time

Natural fear of talking to strangers

Because I feel these reasons effect just about everyone, let's take a moment and discuss them. First, let's look at the natural fear of talking to strangers. For some people, speaking in public is scarier than death itself. And even though there may be a phone between them and the other party

during their initial interview, many people are uncomfortable with the process. Unfortunately, the interview process doesn't get easier when you must evaluate those strangers knowing that one of them could soon be a part of your life. A big part of your life. Someone you must trust to pay rent on time, keep your property in good condition, and not turn your rental into the neighborhood brothel. This causes a lot of anxiety because understandably, you wonder how to make a good choice.

As I've already mentioned, after placing tenants in units for many years, sometimes I still wish I didn't have to interview people. But it comes with the territory, so I've learned to do it, do it well, and above all, be in control.

In fact, being in control is the best thing you can do to rise above the fear and anxiety of speaking to these strangers. You need to learn to be in control of yourself and your interviewee. Having control will provide you with the upper hand and strengthen your confidence to perform the prequalifying interview to the best of your ability. By being in control, you will likely be more thorough and appear more professional.

When I speak of control I mean be *in* control, not *controlling*. There is a difference. To be controlling means you are probably steamrolling and intimidating your caller. It means you're probably being arrogant and demeaning. It means you might be considered rude. When you are controlling, you put the caller on the defensive and therefore you probably will not get the best or most accurate answers to the information you are looking for. On the other hand, being *in* control means you know where you're headed with the interview and how to get there. It means you speak *to* your caller and not above them. It means you are pleasant and professional. And it also means *you* won't be controlled, steamrolled, or intimidated.

Interviewing takes time

We'll take a look at the fact that interviewing just takes time. Unfortunately, this too is hard to avoid. Every night after you come home from your job or other daily duties, you'll have to return calls from interested prospects, sometimes two or three times until you reach someone successfully. When you do reach someone, one call or interview may take up to twenty minutes or more.

Since time is the issue at hand, or more specifically the use of *your* time, you need to ask yourself a question. Do you really want caller interviews to last twenty minutes or more? Not each and every call, that's for sure. Think about it. If you receive ten calls a night and it takes you twenty minutes to find out each caller doesn't fit your qualifications, that means you spent three and a half hours on the phone for nothing. On top of that, when you are done returning calls, dinner is cold and you missed the latest episode of your favorite TV program. Not worth it.

But don't worry. There is a solution. Even though interviewing takes time, it doesn't have to take *a lot* of time. If you wish to run the phone interview in a timely manner, let me give you a valuable tip. Use your Tenant Qualifications form as your guide. With this form, you've already taken the time to develop on paper the desirable and acceptable tenant you wish to have. Because you have this guide, when you begin interviewing your caller, ask those questions that most likely will quickly eliminate the tenant prospect from renting your unit, based on your tenant qualifications. Questions concerning credit, income, pets, eviction, occupancy, and criminal history are best. It makes no sense to spend a lot of time talking with someone who really doesn't qualify to rent your dwelling, so use your established Tenant Qualifications to ask the necessary questions.

In fact, the first minute of your telephone conversation is geared toward trying to discover and eliminate unqualified callers as quickly as possible. In simple terms: Get your tenant prospect on the phone. Ask a few questions. Eliminate them as soon as possible. This is your first primary goal for each interview.

I know that this idea of eliminating callers goes against the philosophy of some landlords who feel one day's lost rent is borderline unacceptable. But I have always been of the belief that I would rather have an empty rental *for* 30 days than deal with unwanted tenant problems *in* 30 days. In other words, I think the best way to eliminate trouble is to eliminate the trouble-makers. I do this over the phone before they're in my rental.

Then if during the eliminating questions, the caller is consistently providing answers that qualify them as per the tenant qualifications you have developed, you must change the primary goal of your conversation from eliminate to *investigate*. Eliminate, then investigate.

Once you've entered the investigation stage, here's where you want to spend time asking lots of detailed questions. At this point, find out everything you can about the caller. If he or she is willing to talk, make this the conversation that lasts twenty minutes. Spend some time on the phone in deep conversation. Learn all you can about the tenant prospect and anyone living with them. Be thorough and complete because you don't want to go rushing out to show the rental to someone until you really know they qualify to rent from you.

Think of it this way: Why drive fifteen minutes one way, only to spend five to thirty minutes discussing the same issues you could have easily discussed on the phone? This could prove to be a waste of time, especially if they don't show up, or they do show up, but find out that the unit doesn't fit their needs or they're simply not interested. When that happens, you have to drive home to begin the same procedure all over again. The sad part is, I know landlords who will use this procedure over and over again, wasting valuable time, like a hamster running in a wheel.

Or what if you are showing the rental and discover something about the prospect that disqualifies them? Now you have to eliminate that prospect in person, face-to-face, eye to eye. Are you comfortable rejecting someone in person? How about rejecting two someones? How about two someones with a sad story holding a baby? *Remember this: It is far easier to reject or eliminate someone over the phone than in person.*

So don't be afraid to ask a lot of questions in your caller interview. Spend the time on the phone.

With all that said, let me recap how I use the caller interview procedure.

First, I *eliminate*.

Then, I *investigate*.

I do both with this ultimate goal in mind: *When I decide to show a caller my rental unit, I am confident that I would rent it to them provided they did not falsify or omit any information I received from them on the phone.*

That is my ultimate goal for all caller interviews. This is a pretty lofty goal, and I will be the first to admit I don't achieve it each and every time, but I do know from comparing notes with the many other landlords with whom I associate, I have an extremely high success ratio. For that reason, I am going to ask you to make this your goal as well.