### How to Sell a Rental Home with Tenants in Utah

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With every problem in life, there is a solution. If you are a landlord in Utah, and you don't want to deal with the sale of your rental property, consider I Buy Utah Homes as a solution to your problem. You won't need to spend any more of your valuable time or energy on your rental home.

### Various Reasons, One Solution

We understand there are many different reasons that compel a landlord to sell their rental property.

- Perhaps you are retiring and moving to a different state. Continuing ownership of your rental property, in this case, would probably require hiring an outside property management company. It is completely understandable that you would not want to hang onto a long-distance property.
- Your rental home has not provided you with any profit. Selling a rental home that is costing you money, or not providing any profit makes perfect business sense.
- You may have inherited the rental home and don't feel you are cut out to be a landlord. In this case selling your rental home frees up your time and energy to pursue other interests.
- You may be getting divorced, and selling the rental home for an equal division is part of your divorce agreement. Once your rental property is sold, you will be able to equally divide the equity and move forward with your life.
- You may have decided to sell your rental home and use the accrued equity to finance other investment
- You may find yourself in a position where you need the cash. Selling your rental property allows you to cash out the equity.

#### **Utah Landlord-Tenant Laws**

In order to sell a rental home that is occupied by tenants, you must comply with Utah landlord-tenant laws. These laws can become stumbling blocks in the sale of your property but nevertheless, must be followed. The information listed below will give you an idea of what the laws entail and how they will apply to the sale of your property.

- 1. Terms of the lease: According to UCA §§ 78B-6-802 in a lease with no specified end date, or when the lease is month-to-month, you are required to give the tenant 15-days notice to vacate.
- 2. Termination for lease violations: As explained in UCA § 78B-6-802, you may terminate a lease within three days if any violations covered under this law have occurred. Some examples of what the law includes are failure to pay rent, engaging in illegal activities, violating a no-pet clause, subleasing when prohibited, causing serious property damage, being a nuisance to others, or providing false information on the rental application.

There is no Statute of the State of Utah pertaining to a lease that includes a fixed-end date. You simply wait for the lease to expire. If the lease end date is too far off in the future for your needs, try to come to an agreement with your tenant that will accommodate you both.

# **Maintaining a Good Rapport with Your Tenants**

Assuming you have a good landlord-tenant relationship, asking your tenants to vacate should not impose a problem. **You might want to consider paying your tenant to vacate before the lease's scheduled end date.** Using this strategy can very motivating, you can implement it in several different ways. Here are just a few suggestions:

- Offer your tenant the money needed to cover moving expenses. They may not have the finances for the unexpected move on hand. If you provide the money upfront this solves their problem.
- Offer to lower the monthly rent during the time period you will be showing the house to prospective buyers.
  This will compensate your tenants for their time and efforts (having to keep the home clean, and vacating for showings).
- Offer to pay half of the upfront expenses on their new residence. Coming up with the first month's rent and a security deposit for a new home may put a financial burden on your tenants. Helping them to meet these requirements, helps you in the end.

If your tenants are willing to agree to any of the aforementioned terms, **be certain to get this in writing.** Come to an agreement on how much notice is appropriate for the tenants before a showing. 24-hours notice, according to the law (UCA §§ 57-22-4(2)) is considered a reasonable time frame.

The notice must be in writing, state the date and time of entrance, and also include the reason for entering the property. *This gives your tenants time to leave the property before the realtor and potential buyers arrive.* It is important that the realtor and buyers are given adequate time together viewing the home and grounds.

Keep in mind there are advantages and disadvantages to selling a vacant property, as well as an occupied property. If your tenant agrees to continue occupying the home until it is sold, you won't be losing any monthly income. However, some realtors will contend that renters can defer potential buyers, therefore seeing occupancy as a disadvantage. If your property is vacant, there won't be any delays in closing waiting for renters to move. However, a comfortable and cozy atmosphere portrayed by the occupants could be very appealing to potential buyers.

Give your tenants a date you have in mind for them to vacate. Set a reasonable time frame that accommodates you both. *Open and honest communication during any business transaction is important.* Explain your situation to your tenants, and ask for their help and suggestions. When selling your rental home, you want the transaction to run smoothly and uncomplicated.

## Let I Buy Utah Homes Buy Your Rental Property

We buy homes in any condition and close in as little as seven days. As investors, we pay all closing costs, so your days of laying out cash for your rental home have come to an end. Whatever the reason for deciding to sell, the decision is yours. Please feel free to contact us today to discuss how we can buy your home fast.