

# “Why Me?!”

## Self-Storage Pros Share Strategies for Handling Troublesome Tenants and Other Crazy Stuff

[Part of the ISS 2013 ‘What Would You Do?’ Business-Challenges Series]

# A Day in the Life

If there's a truism about a day in the life of a self-storage operator, it's that no two days are ever the same. Sure, there are common daily duties—move-ins, sales calls, maintenance issues—but every day presents unique experiences and challenges. And sometimes they're enough to make you ask yourself, "Why me?!" While today is never the same as yesterday, you may wish it was!

So, how do facility managers and owners handle these difficult scenarios? Is what you *would* do the same as what you *should* do? Read on and see!



# What Would You Do?

ISS recently asked facility operators what they would do in the case of some crazy situations. They were asked, "What would you do if ..."

- ❖ A tenant behaved inappropriately toward you?
- ❖ A tenant got angry and/or screamed at you?
- ❖ A tenant violated one of your facility policies or procedures?
- ❖ You wanted to get rid of a tenant who was current on rent?
- ❖ You found someone living in a unit?

The answers were provided by facility-operator members of Self-Storage Talk (SST), the industry's largest online community. We then asked professionals from self-storage management companies to tell us what operators *should* do in each case.

# A Tenant Behaved Inappropriately

Operators agree inappropriate behavior should be handled professionally—preferably with an eviction notice. However, a few operators advise others to determine the threat or offense before moving to an immediate eviction.

“Tell them to knock it off and never again or it's termination time.”

~ Jerry Hughes (*SMSSId*), owner of Save Most Self Storage in Caldwell, Idaho

“No second chances with this one. Immediate eviction.”

~ SST senior member *geraldine1051*

“In today's society, this seems to be the norm.”

~ Ralph Driscoll (*FHARumRunner*), manager of West End Self Storage in Richmond, Va.

# A Tenant Behaved Inappropriately

“Everyone has a bad day now and then, so we try as professionals to take things professionally, not personally. Our goal is to empower the managers to call the police if threatened with bodily harm or other types of threats. This is a rarely occurring situation but has happened; and we have in fact called the police and had people removed from the store, as they appeared to be altered in some way.

“We also want customers to receive the best possible customer service and attention, and if there has been a negative comment about how a customer was treated or the issue was handled, the area manager becomes involved.”



*Anne Ballard,  
President of Training,  
Marketing and  
Developmental Services,  
Universal Storage Group*

# A Tenant Behaved Inappropriately

“If the tenant behaved inappropriately toward one of our property managers, we would ask that the manager discuss the issue with his district manager. The district manager would then contact the tenant to discuss the issue and ask that this type of behavior not occur again. Notes would be placed on the tenant’s account for future reference, and the situation would be monitored by the district manager on a monthly basis to verify it’s not persisting.”



*Kevin Bledsoe,  
District Manager,  
Storage Asset Management*

# A Tenant Got Angry or Screamed

Don't take it personally, advises SST Member *Satyra From PhoneSmart*. "Sometimes an upset customer is not upset necessarily with you, but more so the conversation. As people should be respectful regardless of the situation, customers often do not manage their feelings very well."

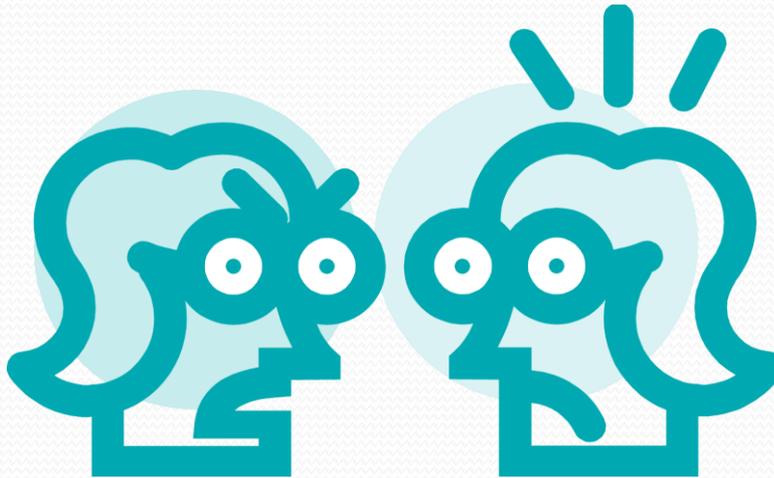
She says the key thing to remember is to remain calm, then explain to the tenant that he cannot be helped if he's screaming or yelling. Let him know you want to help him, but you need to understand the problem so you can find a resolution.

Keeping a level head will ensure a solution is found quickly and the phone call doesn't turn into a customer-service nightmare, points out Robert Madsen (*Madman*), an SST moderator and president of U-Lock Mini Storage in Surrey, British Columbia, Canada.

"We don't want to escalate these events, as solutions become harder and there's a loss of face/good relations. Some of my best tenants today are ones who we helped and found solutions for in the past."

# A Tenant Got Angry or Screamed

“Remain calm and professional. Do not get sucked into some emotionally charged confrontation. Use empathy, understanding and tact. Maybe they are just having a bad day. If required, call the police.”



*Linnea Appleby,  
President,  
Lime Tree Management*

# A Tenant Got Angry or Screamed



**Ballard:** The best thing is to let them get it out, remain calm and then re-state their objection/problem and see what you can do about it. Getting angry back at them never works. For objections you cannot change or do anything about, simply say, “We can 't change that,” or “It is beyond our control.” Always use one set of rules so it's fair for everyone.



**Bledsoe:** First, we ask all our property managers to keep a cool head, speak to the tenant calmly, try to identify the issue at hand and find a quick resolution. If the tenant begins screaming, we would ask him to please calm down and speak to us rationally so we can resolve the problem. Should the screaming continue, we may ask the tenant to leave the property until he's capable of speaking in a more respectful manner.

# A Tenant Violated Policies/Procedures

Some operators deal with this problem on a weekly basis. Despite a signed rental agreement, posted reminders and even common sense, some tenants have a hard time sticking to the rules. What's an operator to do? Say it again, our experts agree, then it's eviction time. Most agree, however, it really depends on the infraction.

“Have a conversation with this tenant and re-explain your policies and procedures. Second time, a not-so-friendly talk. Third time, just say goodbye to this tenant.”

~ Bob Taylor (*astro*), manager of Blue Ridge Self Storage in Cashiers, N.C.

“We had one guy who stored his motorcycle here, and when he would come in to take it for a ride, he would park his car in front of units and those tenants couldn't get to their units. After several times of doing this and asking him not to do it, he was asked to move out and he did.”

~ SST member *StrongTeam*

# A Tenant Violated Policies/Procedures



**Appleby:** This is dependent of the severity of the infraction. Certain things call for immediate eviction such as living in a unit or using it for illegal purposes. Most likely the circumstances just require a conversation or letter to the tenant reminding him of the rules. This puts him on notice that we are aware of the situation. If that does not solve the issue, then a determination must be made as to whether continuing to accept this tenant as a rental is in the best interest of the facility.



**Bledsoe:** Our management staff is required to speak to the tenant about the violation and place detailed notes in the customer's file about the issue and outcome. Depending on the level of the violation, the manager may be required to speak with the district manager about the issue. If the violation is severe enough, the district manager would send the tenant a letter outlining the issue and corrective action that must take place. The district manager would also contact the person.

# You Wanted to ‘Fire’ a Paying Tenant

Even if the tenant pays the bill and seems to be following all of the facility’s rules, sometimes it’s just an undesirable situation. Asking a paying tenant to leave is a tough decision and must be done tactfully—and by the law. Another method is to jack up the rent.

Richard and Beverly Haessler (*RichardandBeverly*), resident managers at Park Inn Storage in Odessa, Texas, say they don’t need to give a reason for eviction, just a 15-day notice to vacate the unit.

“Tell them to leave. As a business person, you have the right to do business with whomever you choose.”

~ Bob Taylor (*astro*)

“To get rid of a tenant, I just raise the rent astronomically. It makes it very easy to get a tenant to leave.”

~ Kevin L. (*Advantage IT*), store manager in North Carolina

# You Wanted to 'Fire' a Paying Tenant

Unfortunately, this didn't work for *geraldine1051*. "I have a tenant who, after nearly two years of paying two and a half times the regular rent (I increased it to get her to move out), is still here. And the best part is, she has become a better and more responsible tenant. Go figure."

Kicking a paying tenant to the curb could also lead to legal trouble, says SST senior member Bob Meister (*BobInIndy*). If the tenant isn't doing anything that causes him to violate the contract, he expects to continue renting. "If you stop that agreement simply because you don't want them there, you may be liable for the damages caused by them having to hire a truck and staff to move." Meister labels it "detrimental reliance." "Once you rent to them, they have the expectation of staying unless they decide to leave, or they violate the lease."

*Satyra From PhoneSmart* agrees a paying, rule-abiding tenant should be able to stay as long as he wants. "Whatever ill feeling one may have toward a customer that is current with payments should be set aside and not taken personally. Keep business business."

# You Wanted to 'Fire' a Paying Tenant



**Appleby:** The real issue here is why you would want to get rid of a tenant. Usually either a violation of lease terms warrants an eviction, or non-payment will put them through the auction process. However, there are some circumstances where neither is true but you do not want the tenant's business for other reasons. Perhaps the tenant is bothering or even scaring other tenants and you want him off the property. In this case, an eviction is warranted. Sometimes simply raising the rent on that unit to an amount he would be unwilling to pay is a way to force a move-out.



**Bledsoe:** The district manager would be involved in this process, and it would require sending the tenant written notification of eviction. The tenant would be notified formally through a certified letter identifying the reasons for eviction from the property and the deadline for vacating. The letter would be followed up by a phone call from the district manager to the tenant to discuss the situation.

# A Tenant Was Living in a Unit

While most people wouldn't even think of making a storage unit their home, it's happening with more frequency, especially since the recession. Despite no modern comforts such as, say, running water, tenants are finding ways to modify units to meet their basic needs.

SST senior member Marie Brown (*Rebee*), the office manager at Ackley Circle E-Z Store in Oakdale, Calif., says she discovered an extension cord plugged into a facility outlet. When she followed the cord to a unit, she found a tenant “had her TV, air conditioner and refrigerator hooked up to our power!”

SST senior member *Billings Storage* came across a similar situation. “We had a guy in a little 5-by-5 sitting on a bucket with a desktop computer and monitor plugged into our climate-controlled building. We don't have Wi-Fi. I have no idea what he was doing on the computer before he had to vacate.”

# A Tenant Was Living in a Unit

Living in a self-storage unit violates rental agreements, and usually city, county and state regulations. As such, most operators would ask the offending tenant to move out.

“They must leave,” says Taylor. “If it requires law enforcement, so be it. There’s a huge possible liability issue for the facility and its owners. Additionally, it tends to scare tenants away from your business.”

SST member *StrongTeam* says the rule-breaker should be added to a master “don't rent” list. “When we found someone living in the unit, they had one hour to get their stuff (while I was there watching) and get out (escorted in and out). They are banned from ever renting here again.”

# A Tenant Was Living in a Unit



**Appleby:** This situation requires empathetic but firm handling. People that try to live in a unit have nowhere else to go. There is no need to kick them when they are down. Treat them with kindness and understanding as you proceed with an eviction.



**Ballard:** If they claim they did not know they couldn't live in a unit, we first make them aware they must be out by gate-closing time and may return next day. If they persist and our gate-entry log shows they're still living on site, then the lease is terminated. Paying rent does not allow any breaches of other rules, and a customer can be terminated for any reason even if the rent is paid. Managers should be aware that no additional monies should be taken after the lease is terminated as this will cause you problems.

# A Tenant Was Living in a Unit



**Bledsoe:** The tenant would be told he's in violation of his lease and legally we are not allowed to have people living in storage units. If the tenant is found living in the storage unit again, we will contact the police and he will be evicted from the property. The property manager is required to notify the district manager when an issue like this comes up at a property, and the district manager would also be involved in this issue should it escalate. Notes would be placed on the tenant's account about the discussion and warning.

# Thank you!

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