

RAISING A TENANT'S RENT-

A SAMPLE LETTER FOR THE INDEPENDENT LANDLORD

July 15, 2004

Ms. Ann Smith
3232 E. Elm St.
Phoenix, AZ 88009

Dear Ann:

As you are probably aware, your existing lease terminates on August 31 of this year. We are looking forward to your extending your lease for the following twelve months, and the appropriate paperwork is included with this letter for you to sign and return.

Unfortunately, we find ourselves in a position in which will have to adjust the monthly rent from the present \$850 to \$885. I assure you that this was not done capriciously or without hesitation. You have been an excellent renter; you have always paid on time and have taken excellent care of our property. Unfortunately, our assessed valuation on the property was increased over 16% this year which translates into higher taxes for us. Added to that were capital expenses over and above what we usually incur.

That said, your increase still represents about a 4% increase, and my accountants assure me that this was the least we could increase your rent and still meet our financial obligations.

I thank you for understanding and we trust that you will continue to remain a tenant here. If I can answer any questions, please do not hesitate to call. Meanwhile, please sign the enclosed papers and return them prior to August 1, 2004. (One copy is for you to keep for your records.)

Very truly yours,

John Jones, Trustee
Jones Properties, LLC

*NOTE: Property owners should **not** cite prompt payment and good property care in their letter to the tenant if in fact that is not the case.*