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REAL ESTATE

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SHARED SPACES

Is your rent due? Just charge it

More and more people reaping credit card rewards each month

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SPECIAL TO THE RECORD

Is Jack Frost nipping at you, but not your neighbor?

You both pay a portion of your income to rent, but somehow she can afford a vacation in the Bahamas while you endure frigid temps in the north.

The difference may be in how she pays the rent.

From Atlanta to Bayonne, some tenants have decided to "charge it" and put their rent to work for them gaining financial rewards. Most credit cards offer rewards, such as points or miles, for each dollar charged and paid on that card. The more you charge the more rewards. This can translate into free airline flights, merchandise, cash back, hotel stays - even that Bahamas getaway.

"If you're paying \$2,000 or \$3,000 a month ... within a year you have a free trip," said Daria Salusbury of Related Cos., the first Manhattan landlord to let tenants charge rent automatically on American Express.

"We rolled this out in 2003 but started thinking about it in 2001-2002," said Salusbury, senior vice president of Related with 21 buildings from Boston to San Francisco including 16 in Manhattan. "We thought, 'You can pay gas on a credit card. You can pay groceries on a credit card. Why can't you put your rent on a credit card?'"

Residents have come to love the convenience, she said, with almost 80 percent charging rent on Visa or American Express credit cards.

"You never have to write a check," said John Stefanick, who rents at Tribeca Green in Manhattan. He also likes the rewards gained from charging. "In a city like New York, it adds up to a lot," he said.

In New Jersey, tenants also are finding a reason to smile as they pay the rent.

"It's easy. I don't have to do anything," said Bryan Kehl, a Giants linebacker who lives at AVE by Korman Communities in Clifton. "If I would be spending the money anyway, I might as well get something for it," said Kehl, who has used his rewards for air travel.

In New Jersey, other tenants also

are finding reason to smile as they pay the rent. Alexan CityView in Bayonne has been welcoming credit cards for rent since it opened in June, said Karen Kossov, vice president-sales and marketing for Kettler Management in Virginia.

"You can set it up to be a recurring charge so you don't have to worry about it," she said, which business travelers appreciate.

The rewards are the draw for others, she said, because it's a "tremendous amount of points." She brought up the example from Virginia of a "gentleman in the military who would use it to get trips home to visit his family."

"It's giving people a choice," she said, about charging rent at Alexan, a practice followed by 33 out of 151 renters there.

AVE by Korman Communities in Clifton and Union are two rental sites that list credit-card payments among their amenities.

"Checks are becoming obsolete," said Amy Barricelli, AVE sales and marketing director. "Renters are savvy. We have many business travelers and they want to take advantage of technology in the best mode possible."

In these days of competition for qualified tenants, Barricelli also said this convenience could be what wins the renter over to AVE.

In Plainsboro, Quail Ridge Apartments introduced credit card payments almost one year ago "as a convenience" and about 50 percent of the tenants charge their rent, either online or by telephone, said property manager Eddie Morgan.

Renters can also charge at Avalon Rutherford Station in East Rutherford, Westminster Towers in Elizabeth and Forest Hill Towers in Newark.

But before you charge anything, it's best to know your financial skills and weaknesses, said Peter Quigley, a member of the New Jersey Society of Certified Public Accountants and partner in Fazio Mannuzza Roche Tankel and LaPlusa LLC of Cranford.

"While there are certainly advantages to paying the monthly rent with a credit card, conversely there are serious pitfalls if you are not the type that pays your credit card balance in full and on time every month," he said.

Drawbacks include if the landlord charges a transaction fee, if charging rent pushes your card over the limit, and when interest is assessed on unpaid balances.



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