STANDARD OPERATING PROCEDURE

Rent Collection SOP

Document no.	SOP-PRM-004
Revision	1.0
Owner	Property Manager
Effective date	September 15, 2026
Review cycle	Every 12 months

1. Purpose

To collect rent on a consistent schedule, apply late fees and notices fairly and within the lease and local law, and resolve payment issues before they escalate.

2. Scope

Applies to routine monthly rent collection, late payment follow-up, and payment plans for residential tenants. Formal eviction proceedings are handled by legal counsel and are outside this SOP.

Definitions

Grace period	The number of days after the due date, set by the lease, before rent is considered late.
Pay or quit notice	A formal notice giving a tenant a set number of days to pay overdue rent or vacate, as required by local law.

3. Responsibilities

Property Manager	Approves payment plans, authorizes late notices, and decides when to involve legal counsel.
Leasing Agent	Posts payments, sends reminders, and communicates with tenants about balances and plans.
Accounting Clerk	Reconciles the rent roll against bank deposits and reports discrepancies.

RACI matrix

Activity	Property Manager	Leasing Agent	Accounting Clerk
Post and reconcile rent payments	I	R	R/A
Send a late payment reminder	I	R/A	C
Issue a formal late or pay-or-quit notice	R/A	C	I
Approve a payment plan	R/A	C	I
Refer an account to legal counsel	R/A	I	I

R = Responsible, A = Accountable, C = Consulted, I = Informed

4. Materials and PPE

Materials, tools and systems

- Online tenant payment portal
- Rent roll and ledger in the property management software
- Late notice and pay-or-quit notice templates
- Payment plan agreement form
- Lease agreement for reference

5. Procedure

Step	Task	Owner	Done
5.1	**Confirm rent due dates and methods** Confirm each tenant's rent amount, due date, and accepted payment methods in the property management software at the start of the billing cycle.	Leasing Agent	☐
5.2	**Send a due date reminder** Send tenants an automated or manual reminder a few days before rent is due, including the amount owed and accepted payment methods.	Leasing Agent	☐
5.3	**Post payments as they arrive** Post each payment to the correct tenant ledger on the day it's received, whether through the online portal, check, or another approved method.	Accounting Clerk	☐
5.4	**Reconcile the rent roll to deposits** Reconcile the total posted payments against the bank deposit for the period and investigate any mismatch before closing the cycle. **Checkpoint:** The rent roll total matches the bank deposit for the period before the cycle is marked reconciled.	Accounting Clerk	☐
5.5	**Identify accounts past the grace period** Run the past-due report after the lease's grace period ends and identify every tenant with an unpaid or partial balance.	Leasing Agent	☐
5.6	**Send a late payment reminder** Contact the tenant about the overdue balance, referencing the lease's grace period and any late fee that now applies, and offer the available payment methods.	Leasing Agent	☐
5.7	**Apply the late fee correctly** Apply only the late fee amount and structure allowed by the lease and local law, and record it on the tenant's ledger with the date it was assessed. **Warning:** Late fee amounts and notice requirements are governed by the lease and local law. Confirm current limits before applying a fee or sending a formal notice.	Accounting Clerk	☐
5.8	**Issue a formal late notice** If the balance remains unpaid after the reminder, issue the formal late or pay-or-quit notice required by local law, delivered by an approved method.	Property Manager	☐
5.9	**Consider a payment plan request** If a tenant requests a payment plan, review their payment history and the amount owed, and document any approved plan in writing with specific dates and amounts. **Checkpoint:** Any approved payment plan is documented in writing and signed by the tenant before payments resume on the new schedule.	Property Manager	☐

Step	Task	Owner	Done
5.10	**Track payment plan compliance** Monitor whether the tenant meets each payment plan date, and follow up immediately if a scheduled plan payment is missed.	Leasing Agent	☐
5.11	**Refer unresolved accounts to legal counsel** If a tenant remains unresponsive or non-compliant after formal notice and any agreed plan, refer the account to legal counsel to advise on next steps under local law rather than acting alone.	Property Manager	☐
5.12	**Update records after resolution** Once an overdue balance is resolved, whether by payment, plan completion, or legal outcome, update the tenant's ledger and file the related notices and correspondence.	Accounting Clerk	☐

6. Quality checks

- Every payment is posted to the correct tenant ledger on the day it's received.
- Rent roll totals reconcile to bank deposits each cycle.
- Late fees and formal notices follow the current lease terms and local law.
- Payment plans are documented in writing and tracked for compliance.

7. Records

- Tenant rent ledgers
- Late notice and pay-or-quit notice copies
- Signed payment plan agreements
- Bank deposit reconciliation reports

8. KPIs

- Percentage of rent collected by the due date
- Average days late per delinquent account
- Number of accounts referred to legal counsel per quarter

9. Common mistakes

- Applying a late fee amount that exceeds what the lease or local law allows.
- Skipping a written reminder before jumping to a formal notice.
- Approving a payment plan without documenting it in writing.
- Letting the rent roll go unreconciled for more than one cycle.

10. Revision history

Revision	Date	Description	Reviewed by
1.0	September 15, 2026	Initial release	Alexa Uskova

Approval

Prepared by	Approved by	Date

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