

# Applicant Screening Criteria

Criteria for selection include financial, care and behavioral reference, application content, HUD-Standard occupant code, public record, identification information, and often criminal background data. Any or a combination of all criteria may influence a decision to rent. An application does not constitute an agreement to rent and only a lease signed by both parties does so. Until such time, units are advertised as available while we seek the most qualified tenant. Time is of the essence in our evaluation.

## **Financial criteria**

**Income:** qualified income includes w-2 wages, trust income, insurance income, or other collectable income. HMS requires the rent not exceed 30% of gross monthly income (GMI). Comparative applicants with lower percentages will be give higher ratings. That number is calculated as  $\text{Rent}/.3 = \text{minimum GMI}$ . Offsets are considered and include co-signers (guarantor) who are gainfully employed, collectable and serviceable, and verifiable future employment meeting the above criteria. Some out-of-state guarantors are not acceptable. Under any circumstances an applicant must demonstrate some current or future collectable income that, in combination with a cosigner, represents the rent coverage ratio.

**Collectable Assets:** Collectable means that a court of jurisdiction can order the payment of funds or transfer of assets to cover a debt. Assets can include unencumbered vehicles, real estate, real estate proceeds, personal property, bank accounts, wages or trust assets

## **Reference Criteria**

**Landlord:** landlords are contacted and asked if you paid your rent on time, how many times you were late, if you took care of the residence, if you brought in unwanted pets and unauthorized occupants and other information important to the future landlord, and the results of your security deposit return.

**Vendor:** utility and other vendors are contacted to determine if you paid.

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**Employer:** you are required to submit evidence of employment in the form of at least 2 pay stubs. Employers may be contacted to determine if you are in good standing and expected to remain employed. Future employment is certified by a letter you deliver from your future employer and may be verified by staff.

## Application & ID Content

We review the content of your application and compare it to other data we collect including ID documents, credit reports, public data and background reports. You will be asked for a picture ID and social security card. If you fail to disclose information significantly impacting our ability to make a clear and timely decision, we may reject your application or set it aside for consideration later.

## HUD-Standard Occupant Code

This code controls the number of occupants allowed in any unit. You are required to disclose the number of occupants you intend to occupy a unit or consistently use the premises and landlord-provided utilities and resources. HUD defines such occupancy as two heartbeats per bedroom. Artificial creation of bedroom space is not qualified and, thus, 3 occupants in a 1BR unit are not acceptable.

## Criminal Background Report

Criminal background reports are frequently used to determine risk. However, not all past criminal behavior results in automatic rejection. Time and offence are major considerations. All non-student and student applicants applying on their own without cosigner are subject to a background report as one of our screening criteria.

## Disclosures

Every applicant will be told that our criteria for selection and our applicant Bill of Rights are published on our web site.

Every applicant will be told that because there is competition for units it is in their best interest to look at more than one unit.