

# SELECTION CRITERIA FOR TENANCY

**THE FOLLOWING POLICIES ARE ESTABLISHED TO ENSURE THAT ALL PROSPECTIVE APPLICANTS FOR A PROPERTY PROCESSED BY REAL ESTATE OPTIONS WILL BE TREATED EQUALLY.**

Please read the following policies. If you feel you meet the guidelines for qualifying, we encourage you to submit an application. Only one application will be processed at a time and applications will be processed in the order received. **An incomplete application will not be processed or considered.**

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## MINIMUM CRITERIA FOR TENANT SELECTION

**A completed and signed application to be received from each person 18 years of age or older. Everyone 18 years of age or older must be a lease holder. All applicants must provide a social security card, driver's license, or government issued photo ID upon request.**

### Occupancy Standards

- Definition of occupants: For the purposes of screening, occupants are any person living in the rental unit that are over 18. For occupancy purposes, occupants are any person that will be living in the unit.
- Occupants under the age of 24 months at the time of lease signing or renewal are not counted toward maximum occupancy.
- Occupancy Guidelines: The following occupancy standards apply based on 2 persons per bedroom plus one per apartment.

Studio	Two Persons
1 Bedroom	Three Persons
2 Bedroom	Five Persons
3 Bedroom	Seven Persons

\*Residents who exceed these occupancy standards during the lease term will be required, upon the end of the current lease term and review of the Landlord, to:

1. Transfer into another available apartment with more bedrooms  
OR
2. Vacate the unit.

### Rent to Income Ratio

- Sufficient Income – Monthly income is **two and one-half (2.5)** times the rental amount (married couples' combined income may be used to meet this criteria). For roommate situations, each lessee must show gross income equal to or exceeding **one and three-fourths (1.75)** times the monthly rental amount.
- Bank accounts, stocks, bonds and other forms of assets may also be used to verify the financial status of a prospective resident. It will be necessary to furnish management with proof of funds equal to one (1) year worth of rent and they must document that the funds have been in their account for the last four (4) months.
- Able to pay full deposit and rent requested.
- If a guarantor is required, guarantor's income must be **four (4)** times the tenant paid rental income.

### Employment

- Verifiable source of stable income or employment. Unverifiable income will NOT be considered.
- Same source of income or employment for a minimum of twelve months. Unemployment compensation is NOT considered a qualifying source of income.
- If self-employed, applicant must provide (1) the prior year's tax return with Schedule C form with the applicant's affidavit that anticipates applicant's NET earnings for the next 24 months; (2) CPA/accountant's statement of the prior year's tax returns and anticipated NET income for the next 24 months; OR (3) 24 months of certified or uncertified financial statements (including accountant's calculation of straight-line depreciation expense if accelerated depreciation was used on the tax return or financial statement). Otherwise, an additional deposit or guarantor may be required.
- Full-time students who do not have verifiable employment must provide proof of school enrollment and must provide either additional deposit or an acceptable guarantor.

### Credit Screening

- No negative remarks on credit history from utility companies. Marginal or bad credit (lower than 560) may result in an increased security deposit or denial of the application.
- No excessive financial obligations – no more than **20%** of income.
- Able to provide credit references.



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## Residency Behavior/History

- Resides at current address for minimum of twelve months or can provide two verifiable concurrent years of residency with acceptable rental history. A satisfactory rating on the credit report for a mortgage will serve in lieu of rental history.
- Landlord reference indicating the landlord would not re-let to the applicant due to lease violation is grounds for automatic denial of the application.
- Gave proper notice to previous landlord.
- No prior evictions.
- No notices of any kind from previous landlord, nor deposit withheld because of property upkeep or non-payment of rent.
- No notices of any kind from previous landlord, neighbor complaints or police reports regarding disturbing the peace.
- No notices of any kind regarding a violation of a previous rental agreement.
- Does not owe any unpaid balances to previous landlords.
- No nuisance code violations nor health or safety hazards present at applicant's current residence.
- First-time renters or applicants with no verifiable residency history will require payment of an additional deposit or acceptable guarantor in lieu of immediate past rental history.
- Applicant's conduct toward the current Management during the application process may result in denial of tenancy.

## Criminal History Screening

- All applicants (and current residents upon renewal where applicable) will be screened for criminal history.
- Management reserves the right to deny residency and occupancy for any criminal activity at their discretion. Guarantors / co-signers cannot be used as a substitute for this requirement.
- Convictions do not result in automatic denial of application or lease renewal; consideration will be given to the nature, date, and circumstances of conviction.

## Additional Criteria

- Those with pets, are able to provide proof of license, tags, shots, references & insurance. Full veterinary records within 1 year of the application date are appreciated for each pet upon application.
- Able to put utilities in your name that you will be responsible for at the rental you are applying for. Utilities to be transferred into your name for the date you are moving in, as soon as a move-in date has been determined.
- Fills out application completely and truthfully. Applications be denied if falsified, and will not be processed if missing information.
- Able to verify all above criteria.

## Optional Criteria

- Management may, at their discretion, accept a guarantor / co-signer for prospective residents who do not meet the above listed INCOME requirements. The guarantor must qualify for the apartment/house based upon the above listed criteria, except income. Guarantor income requirements: must qualify using only his/her sources of income and must provide proof of income equal to four (4) times the monthly rent.
- Able to have rent payments paid directly from employer or income provider.
- Able to pay additional deposit.
- Able to set up an automatic transfer from [your] bank account to ours with overdraft protection equal to at least one month's rent.

**All persons 18 and over intending to reside in the apartment must qualify in each of the above categories with the exception that the household's combined income may be used to satisfy the rent to earnings ratio.**

**Any person under the age of 18 intending to occupy the apartment must be identified on the application and listed on the lease, or such person will otherwise be considered an unauthorized occupant.**

**ALL MOVE-IN FUNDS** are to be paid in the form of a **cashier's check, direct deposit, or money order, payable to Lake Grove Properties LLC** and all utilities for which you are responsible for must be transferred into your name by the agreed upon move-in date **BEFORE** keys are provided. **NO exceptions.**

No person or persons shall be denied the right to rent one of our apartments because of race, color, sex, religion, familial status, national origin, age, or physical handicap.

