

RESIDENT SCREENING POLICY

Each Applicant (18 years or older), who plans to reside on the premises, must fill out a Rental Application with all required supporting documentation, pay necessary application fees, satisfy all rental criteria, have positive references and no history of disputes with property owners to be considered. Applicants who do not provide requested information or documentation within a reasonable amount of time may be denied.

Any misrepresentation or omission made by Applicant during the screening process will result in immediate denial of the Rental Application and may constitute a material breach of any existing Rental Agreement.

While the screening process looks at certain things individually (such as tenancy history) and certain things collectively (such as income), when multiple individuals are applying as roommates for a rental unit, each person is jointly and severally responsible for the performance of all terms and obligations under any rental agreement. For this reason, it is the Owner/Agent's discretion to select Residents most likely to fulfill their obligations to the lease.

Guarantor Requirement

A qualified cosigner is required for approval when an Applicant cannot satisfy rental criteria, including in instances where Applicants provide the required tenancy history (not including dormitory housing, family-owned housing, or previous home ownership) or does not meet the required employment and income/liquidity standards. In the event an Applicant is unable to independently satisfy rental criteria (*i.e.*, minimal rental or employment history, Applicant may provide a qualified cosigner that can produce verified liquidity in the amount of 36 times the amount of their portion of the total rent being applied for (in addition, to the income requirements) or if Applicant is a foreigner, a copy of their Visa showing funds verified by the U.S. Government. *For more information, please review the Guarantor Screening Policy.*

Photo Identification

Each Applicant must provide a valid government-issued photo identification. Acceptable identification includes a current driver's license, passport, and/or state-issued photo identification card. A photocopy will be retained for our records. Foreign Applicants must provide a copy of their entry visa (I-20, H-1, etc.) along with a copy of a current and valid passport.

Tenancy History Requirement

Each Applicant must provide a chronological history and contact information relating to their current residence and any residences from the previous four (4) years. In the event Applicant has neither owned nor rented a property in the four years preceding, Applicant may provide a residency history from a prior period in order to meet the four-year requirement. Owner/Agent will make attempts to verify previous tenancies. **A negative tenancy reference will result in the Applicant being denied, even if the Applicant believes the reference is unjustified.**

Unlawful Detainers, Evictions, or Lawsuits with Property Owners

Disclosure or discovery of an eviction, Unlawful Detainer, or lawsuit with a rental property owner will result in immediate denial of the Rental Application, even if the Applicant believes the legal action was unjustified.

Where Owners/Agents of prior residences are unable to provide a reference due to a change in ownership, loss of records, or company policy, Owner/Agent may consider a positive reference from at least one previous residence as sufficient to meet the requirements. Owner/Agent reserves the right to utilize the ability to verify prior residences as a condition for acceptance of Rental Application.

Employment, Income/Liquidity, and Financial Requirements

Current employment must be verified. Applicants are requested to provide a recent paycheck stub containing year-to-date totals and/or a phone number of an employment supervisor who will verify Applicant's income. Self-employed Applicants must provide their Schedule C or the top two pages of their filed Income Tax Return for the previous tax year. Applicants who have recently graduated from an undergraduate or graduate institution may provide an offer letter establishing future employment.

The total gross income of all Applicants must equal at least three (3) times the monthly rent.

An Applicant may provide liquidity information or a qualified cosigner as a substitute for proof of required employment and/or income.

For Applicants with no monthly income derived from employment, Applicant must provide proof of recent liquidity (e.g., banking/savings account, retirement or investment fund, securities, etc.) to qualify. Liquidity must equal at least three (3) times the annual rent.

Foreign Applicants may provide a valid entry visa showing that they have proven to the U.S. Government that they have enough funds available overseas to satisfy liquidity requirements.

A combination of monthly income and liquidity may be used at the Owner/Agent's discretion for Applicant qualification.

Financial aid or student loans may be considered income. Qualification will be determined by total income divided by nine (9) months. *Please note:* a cosigner may be required if the Applicant does not satisfy tenancy history or other rental criteria requirements.

Applicant must have a maximum rent and monthly debt ratio of 50% or less (rent plus monthly credit commitments divided by total verified monthly income or liquidity)

Applicant cannot have open or active bankruptcies that are less than 5 years old and must have proof of re-established credit showing consistent on-time payments.

Section 8 and Other Rent Subsidies

An approved Section 8 Voucher or other government subsidy without an expiration date may be used to offset employment and income requirements according to Berkeley Housing Authority's relevant payment standard at the time of application. If Applicant with a housing voucher does not meet credit history requirements, Applicant will be given a reasonable amount of time to provide additional proof of ability to pay. Applicants are required to satisfy all other rental criteria.

Credit Requirements

All Applicants must consent to a credit report inquiry by at least one major credit bureau (Transunion, Equifax, or Experian). All collection accounts and public records must be either paid off, or a written explanation satisfactory to Owner/Agent must be provided. A credit score of at least 700 with no open or active bankruptcy or foreclosure within the previous three (3) years will satisfy the credit requirements. A credit score in the range of 650-699 is acceptable as long as no active credit lines are in default. If the Applicant has a credit score below the requirement, and there are multiple Applicants signing the Rental Agreement, then the Applicant may be approved so long as the average credit score of all Applicants is at least 700.

Selection Process

Applications are considered in the order in which a complete application is received. **An application is presumed complete only after the submission of all required information and supporting documentation.** An Application for a tenancy involving more than one resident is considered complete once all Applicants in the tenant group have submitted complete applications. Each Applicant must meet all rental criteria to qualify for a rental.

Qualified tenants are those who:

- Submit complete applications and pay the application fee (if applicable)¹
- Satisfy rental criteria, including rental history and financial requirements
- Do not have a history of disputes with property owners and have positive references
- Agree to an owner's desired lease terms, including start date and monthly rental amount

Equal Housing Opportunity

Owner is committed to providing equal housing opportunities in compliance with local, state, and federal housing laws. Applications will not be approved or denied based on race, religion, national origin, color, nationality, religion, sex (including sexual orientation and gender), familial status (including the presence of children under the age of 18), disability, or source of income. Where applicable, Owner complies with the City of Berkeley's Fair Chance Ordinance.

¹ Owner/Agent will not charge an application screening fee unless or until the application is actually considered, and will approve for tenancy the First Applicant (or as applicable, group of Applicants) who meets Owner's established screening criteria, or will return the entire screening fee to any Applicant who is not selected for tenancy within the earlier of 7 days of selecting another applicant, or 30 days of when the application was submitted.