

RESIDENT SELECTION CRITERIA FOR CONVENTIONAL COMMUNITIES

Revised September 2015

Welcome to our Mission Rock Residential community. Before you apply to rent an apartment home in our community, please take the time to review this screening policy. All persons 18 years of age or older will be required to complete separate rental applications. The term "applicant(s)" under this policy means the person or persons that will be signing the Lease as "residents"; the term "occupant(s)" in this policy means the person or persons that are authorized occupants under the Lease.

Please also note that these are our current rental criteria; nothing contained in these requirements shall constitute a guarantee or representation by us that all residents and occupants currently residing in the community have met these requirements. There may be residents and occupants that have resided in the community prior to these requirements going into effect; additionally, our ability to verify whether these requirements have been met is limited to the information we receive from the various resident credit reporting services used. It is the policy of this community to comply with all applicable Federal Fair Housing laws including those which prohibit discrimination against any person based on race, sex, religion, color, familial status, national origin or handicap. As well as any additional State, County or Municipality protected classes.

1. Occupancy Guidelines

The following occupancy standards apply based on 2 persons per bedroom, plus one per apartment.

Studio	Two Persons
One Bedroom	Three Persons
Two Bedroom	Five Persons
Three Bedroom	Seven Persons
Four Bedroom	Nine Persons

2. Age

Applicants must be 18 years of age or older unless deemed to be an adult under applicable law with respect to the execution of contracts.

3. Credit

A credit report will be completed on all applicants to verify credit ratings. Income plus verified credit history will be entered into a credit scoring model to determine rental eligibility and security deposit levels. Unfavorable accounts which will negatively influence this score include, but are not limited to: collections, charge-off, repossession, and current recent delinquency; open bankruptcies will result in an automatic denial of the application.

Refer Credit Recommendation occurs on applicants with little or no credit history. In such cases, additional screening for rental and income/employment will be completed. If the criteria are met in these screens, applicant is subject to an **additional deposit**. On rental history, applicant must have 6 months of positive rental history within the past 24 months. (Please refer to Clause 8 of this document for detailed information on rental history requirements.) When no rental history exists, an **additional deposit** is required. A criminal background check must be approved before further approval consideration is given.

4. Deposit Levels

The results of the credit score will determine the amount of Security Deposit and additional deposits, if applicable. In the event an applicant does not have a valid SSN, an additional deposit may be required.

5. Income

Gross income for all applicants in one apartment home will be combined and entered into the credit scoring model for income eligibility. All applicants will be asked to produce consecutive and most recent pay stubs for the last 4 weeks from application date. If handwritten pay stubs are supplied, the documents must be validly notarized to be deemed sufficient. Applicants must have a minimum combined gross income of times the **monthly market rent**. Additional sources of verifiable income may be considered. These sources may include: child support, grants, pensions, GI benefits, disability, trust funds, social security and savings accounts. (The applicant must supply six current consecutive months of bank statements if any of the additional sources of income listed above cannot be provided directly from the supplier.)

Some credit scoring results will necessitate further income verification. In such instances, verification with employer will be completed or applicant may be asked to produce additional financial statements/records.

- i. **Employment** –If employment is to begin work shortly, the applicant must provide a “letter of intent” to hire from the employer.
- ii. **Self Employment, Retired or Unemployed** – Such applicants must provide the previous year’s income tax return and the previous two month’s bank statements, or twelve months of financial statements and must exhibit no negative references. Seasonal employment must be verified by providing the prior year’s tax return.

7. **Criminal History**

A criminal background check will be conducted for each applicant. All records are evaluated from the date of disposition. Felony charges and/or convictions of any crimes relating to narcotics, violence to person or property, and any sexual offense will result in immediate denial of application.

Please remember that this requirement does not constitute a guarantee or representation that residents currently residing in our community have not been convicted of or subject to deferred adjudication for a felony, certain misdemeanors or sex offenses requiring registration under applicable law; there may be residents that have resided in the community prior to this requirement going into effect; additionally, our ability to verify this information is limited to the information made available to us by the resident credit reporting services used.

8. **Rental History**

Some credit scoring results will necessitate an evaluation of verifiable rental or mortgage payment history for the last 24 months. In these instances, applicant must have a minimum of 6 months cumulative verifiable rental or mortgage payment history within the last 24 months. In such instances, if a previous landlord cannot be contacted, 6 consecutive months of proof of payment must be verified and a copy of the lease contract must be provided.

Applicants not having verifiable rental or mortgage history are subject to an additional deposit.

When applications also depend on the results of a rental history investigation for an approval/denial determination, applications for residency will automatically be denied for the following reasons:

- i. An outstanding debt to a previous landlord or an outstanding NSF check
- ii. A breach of a prior lease or a prior eviction or in the process of eviction of any applicant
- iii. More than 1 late payment and/or 1 NSF within 6 months or late payments and/or NSFs within a year

9. **Guarantors**

Guarantors will be accepted for applicants who do not meet the required rent-to-income ratio or denied on credit. Only one guarantor per apartment is permissible. For guarantor-supported applications, an additional deposit may be based on the credit analysis. The guarantor will be required to complete an application and pay a full application fee. Guarantors must have a gross monthly income of [redacted] times the **monthly market rent** and meet all other qualifying criteria identified in this screening policy. The guarantor will be asked to sign a Guaranty of Resident Obligations to support the application. Guarantors may be relatives or an employer; friends may not serve as a guarantor.


10. **Animals**

If animals are accepted at the Mission Rock Residential community where the application is made, no more than [redacted] animals each weighing [redacted] pounds or less **full-grown** are allowed per apartment. Animals must be no less than six (6) months of age. Prohibited animals/pets are not allowed, see list below. The Community determines breed in its absolute discretion. A \$[redacted] deposit, a \$[redacted] non-refundable animal fee and prior approval from management **will be required**. Additionally, a \$[redacted] monthly pet rent will be charged for the first pet and \$[redacted] for the second.

PROHIBITED ANIMAL/PET LIST (included but not limited to) <i>(Note: Service/Companion animals may not be subject to this list)</i>	
Breeds of Dogs:	Pit Bulls Rottweilers Presa Canario German Shepherds Huskies Malamutes Dobermans Chowchows St. Bernard's Great Danes Akitas

	Terriers (<i>Staffordshire</i>) Wolf Breeds American Bull Dog Karelian Bear Dog Any hybrid or mixed breed of one of the aforementioned breeds
Poisonous Animals:	Tarantulas Piranhas
Exotic Animals:	Reptiles (snakes, iguanas, etc.) Ferrets Skunks Raccoons Squirrels Rabbits Birds (parrots, cockatiels, macaws)

11. **Vehicles**

 vehicles are allowed per apartment home. Vehicles must be operational and have current registration and inspection. Boats or trailers are not allowed at any time.

12. **Renter's Insurance Requirement**

Mission Rock Residential communities require all residents to carry a minimum of \$50,000 Personal Liability Insurance coverage; required documents are due at move-in. In addition, we ask that you identify the apartment community as a "Party of Interest" or "Interested Party" (or similar language as may be available) on the renter's liability insurance policy. Current proof of this coverage is also required at lease renewal. Although you may select any insurance provider, Mission Rock Residential has partnered with ePremium Insurance to provide you with a convenient, well-priced option that offers you the required personal liability coverage and coverage for your personal belongings. Enclosed is a brochure on ePremium Insurance that outlines enrollment guidelines and answers several frequently asked questions regarding insurance. For more information, please contact ePremium at (800) 319-1390 or you may visit their website at www.ePremiuminsurance.com.

13. **Falsification of Application**

Any falsification in Applicant's paperwork will result in the automatic denial of application.

14. **Monies Given**

Unless prohibited by law, an individual check for the application fee, separate from additional monies required, must be provided with the completed rental application form. This check is deposited on the same business day, or business day following the weekend or a holiday.

Application will not be considered until the Application has been fully executed and returned, and all applicable Application fees and Deposits have been paid. I have read and understand the entire resident selection criteria of this community.

APPLICANT SIGNATURE

DATE _____

AGENT SIGNATURE

DATE _____