

**BERKSHIRE HATHAWAY HOMESERVICES RW TOWNE REALTY  
TENANT SELECTION CRITERIA (VIRGINIA ONLY)**

**APPLICATIONS:** All Applicants must meet the criteria for acceptance set forth in this Tenant Selection Criteria. Management complies with all federal, state, and local laws including fair housing laws which prohibit discrimination based on any protected class under federal, state, or local fair housing laws. If you have any questions regarding these Selection Criteria, please do not hesitate to contact the Property Manager. When more than one Applicant is applying to be a Tenant in a single Dwelling Unit, each Applicant must individually meet these Tenant Selection Criteria. Further, the Applicants that may be considered are individual persons, and corporations, companies, partnerships, or other business entities.

The following requirements must be met to live in one of our rental homes:

**TAX IDENTIFICATION NUMBER VERIFICATION:** All Applicants are required to provide either a social security number or individual taxpayer identification number issued by the U.S. Internal Revenue Service in accordance with Section 55.1-1203 of the Virginia Residential Landlord and Tenant Act (the VRLTA). Prospective applicants who do not have a SSN or ITIN will be considered on a case by case basis. Alternate identification documents that may be considered include but are not limited to: Unexpired Passport, Unexpired Government Issued Photo Identification.

**SOURCE OF FUNDS:** All Applicants must have verifiable sources of funds on a gross monthly basis, less any garnishments or other deductions, in excess of three (3) times the monthly rent on the unit selected. All sources of funds must be verified through Applicant's funds provider, employer, or you must provide two recent pay stubs. A signed release from Applicant may be necessary to obtain this information. If you are self-employed, you will need to provide prior year tax returns for the preceding three (3) years. When evaluating Applicants receiving housing assistance, the amount of assistance will be deducted from the rent and the rent to income ratio will be based on the difference between the two numbers.

**CREDIT:** A credit check through a third-party credit reporting service is performed on each Applicant. A history of acceptable credit for the preceding two (2) years must be established. Evidence of a history of poor or delinquent credit, absence of credit, absence of gainful employment or failure to meet source of funds requirements may be grounds for disapproval. Judgments or collections that appear on the report may be cause for rejection of the Applicant. Any Applicant with a bankruptcy must show a discharge more than three (3) years ago and have established new credit with a positive rating with at least one account. If you have medical related debt that may otherwise disqualify you under the credit criteria, the Landlord will consider any evidence you provide that you have entered into a written payment plan and you are current with your obligation under the payment plan for such medical related debt, prior to making a decision on your Rental Application. Landlord shall consider an Applicant's status as a victim of family abuse to mitigate an otherwise qualified Applicant's low credit score, in accordance with the provisions of VRLTA Section 55.1-1203(D), and Landlord shall treat any information so obtained as a confidential tenant record.

**ADDITIONAL REQUIREMENTS:** If an Applicant does not have the necessary source of funds or credit score to qualify to be a tenant under this Tenant Selection Criteria, Landlord may require a guarantor (see "Guarantors" section below), offer Applicants an opportunity to pay prepaid rent for up to twelve (12) months, and/or provide an additional security deposit in order to meet the required qualifications, up to a maximum of two (2) month's rent.

**EMPLOYMENT VERIFICATION:** Applicant must provide two (2) years of employment history, and complete address and telephone number for each employer. Current and/or past employment will be verified, including salary, position, length of

employment, and probability of continued employment (if employment history is not available, Applicant must have good credit history and rental references, and current or new employment must be verifiable).

**RENTAL HISTORY:** Two references will be obtained from previous landlords, if possible, relative to payment history, length of rental agreement, amount of rent, damages, and violation history. If the Applicant is breaking an existing rental agreement, it must be determined what liability the Applicant has under the current rental agreement, which may affect the Applicant's ability to pay current rent. Any adverse information from a previous landlord is grounds for rejection of an Applicant. An Applicant may be rejected for a poor prior rental history, for example if you have a history of late payments, previous non-compliances with a rental agreement or rules and regulations, have any unsatisfied judgment from a prior landlord or have been evicted from prior housing, or have a record of inadequate housekeeping. Having no prior rental history will not by itself be ground for disqualification, provided the other provisions of the Tenant Selection Criteria are met.

**AGE:** All people aged 18 and older must complete a Rental Application and qualify individually as a Tenant. However, any person who is a legal dependent of any Applicant who is age 18 and older shall not be required to satisfy the source of funds, credit and employment tenant selection criteria, and shall be listed as an Occupant rather than a Tenant on the Lease, Except as set forth in the preceding sentence, no person over age 18 may reside in the Dwelling Unit without being approved as a Tenant, and listed as a Tenant on the Lease.

**INFORMATION VERIFICATION:** Applicant will be asked to provide verifiable information or documentation to support application items. These may include, but are not limited to, "Leave & Earnings Statements," pay stubs, evidence of taxes paid in past years, personal identification, or confirmation of employment signed by an authorized officer of employer on company letterhead. Failure to provide such documentation may be grounds to reject an Applicant.

**OCCUPANCY REQUIREMENTS:** A maximum number of two persons, whether Tenants, and/or authorized Occupant(s) as listed in the Lease Agreement, are permitted to reside per bedroom within the leased premises, provided that the total number of people residing in the bedroom complies with applicable building and zoning code requirements. The current Virginia Building Code requires that each bedroom occupied by more than one person shall contain at least 50 square feet of floor area for each person. For purposes of this paragraph, the term "Tenant" shall mean any person aged 18 or over who is required to be listed as a Tenant on the Lease Agreement and an "Occupant" shall mean any person under age 18 required to be listed on the Lease Agreement.

**GUARANTORS:** Guarantors are accepted for only those applications where the Applicant has insufficient income or poor or delinquent credit. All Guarantors must meet the following requirements:

1. Residents of the Commonwealth of Virginia are preferred as Guarantors.
2. Must have a source of funds to rent ratio of twenty percent (20%) or less.

**CATEGORIES OF DISAPPROVAL:** The following issues related to any Applicant shall be grounds for disapproval of Applicant:

- A. Tenant Selection Criteria: Applicant's failure to meet any of the criteria set forth herein may be cause for disapproval.
- B. Violent or disruptive behavior: A history of violent or disruptive behavior of such a type that would endanger fellow tenants, staff, or visitors, result in damage to property, or disrupt the quiet enjoyment of property by tenants.
- C. Criminal Convictions: A criminal check through a criminal record check service may be performed on an Applicant, for the purpose of determining whether such Applicant is likely to pose a threat to the health and safety of others, and/or site employees, or a threat to the safety of the property. The following list includes certain categories of felony crimes, and the minimum number of years that must have elapsed since the conviction for that crime:

Crimes Against Persons:

- Assault related offenses 7 years
- Homicide related offenses 7 years
- Kidnapping/abduction related offenses 7 years
- Sex related offenses 7 years
- All other offenses causing a threat to the health or safety of a person 7 years

Crimes Against Property:

- Arson related offenses 7 years
- Robbery, larceny, or theft related offenses 7 years
- Burglary/Breaking and entering related offenses 7 years
  
- Destruction/damage/vandalism of property 5 years
- Extortion/blackmail related offenses 3 years
- Fraud related offenses 3 years
- Bad checks related offenses 1 year
- Counterfeiting/forgery related offenses 1 year
- Embezzlement/bribery related offenses 1 year

Crimes Against Society:

- Illegal manufacture or distribution of a controlled substance All years
- Currently required to be registered on the Virginia Sex Offender and Crimes against Minors Registry All years
- Any terrorism related conviction 7 years
- Any crime involving the use of a firearm, weapons, or explosive 7 years
- Other Drug or Narcotics related offenses 5 years

If an Applicant has a conviction of one or more of the criminal offenses listed above, Landlord will reject the Rental Application if the Applicant failed to disclose such offense or affirmatively misrepresented that Applicant had no criminal convictions, when in fact Applicant had one or more criminal offenses. Otherwise, Landlord will notify Applicant prior to rejecting the Rental Application and such Applicant shall have five (5) business days from receipt of such notice (the "Response Period") to provide any mitigating information Applicant would like Landlord to consider regarding such prior criminal history, to include, for example: the facts or circumstances surrounding the criminal conduct; the age of Applicant at the time of the conduct; evidence that Applicant has maintained a good tenant history before and/or after the conviction or conduct; and evidence of rehabilitation efforts. Landlord shall review any such information provided by Applicant prior to making a final determination on acceptance or rejection of the Rental Application. If the Applicant fails to timely provide any such mitigating information prior to the conclusion of the Response Period, the Rental Application will be denied.

- D. Drug or Alcohol Use and/or Convictions: Any evidence of current use of an illegal drug will be grounds for rejection of an Applicant's Rental Application. Any evidence of alcohol abuse that manifests conduct that poses a threat to health or safety of others will be grounds for rejection of an Applicant's Rental Application. Any record of a prior conviction for the illegal manufacture or distribution of a controlled substance will be grounds for rejection of an Applicant's Rental Application.
- E. Inadequate Housekeeping: Any history of inadequate housekeeping will be cause for rejection of an Applicant, which generally includes any conduct, inaction, or neglect which could result in health or safety problems or in damage to the premises or any equipment, appliances, or other items therein.
- F. Misrepresentation: Supplying false, misleading, or inaccurate information, or omitting information shall be grounds for disapproval.