

TENANT SCREENING POLICY & RENTAL APPLICATION PROCESS

Thorough screening is crucial to the successful rental of a unit. Valor Property Solutions (VPS) requires all applicants fill out a detailed application and submit it for processing/approval. A credit check is not enough! Our company conducts a careful review of an applicant's credit, income, and tenant history or ownership. This signed document should accompany your rental application unless you are submitting your application online through our website: valorps.co

It is VPS's policy to provide a standardized guideline for screening and accepting tenants. These guidelines ensure all applicants are treated fairly and equally, eliminating the possibility of discrimination in rental decisions and to accept only responsible tenants who pay rent on time and maintain the rental property.

MINIMUM RENTAL CRITERIA

Each applicant must meet Minimum Rental Criteria before and during the application process. The requirements are detailed below:

- No Terminal or Negative items as outlined in this policy without extenuating circumstances and an exception being made by one of our licensed staff members
- Income should be a verifiable 2-3x monthly rent for the unit in which the applicant is applying
- Minimum credit score of 720 per adult applying (without additional security deposits being required)
- Minimum of one-year verifiable rental history for all applicants
- Minimum of one-year verifiable employment history for all applicants who normally work and are providing pertinent income on the application
- Additional requirements as listed below in General Requirements section must be met through the application process

ADDITIONAL SCREENING POLICY

We screen and verify each applicant's: work history, current employer, residential references, residential history, criminal background check, credit check, and income verification. Each applicant's screening report will be reviewed for four types of information:

- Minimum Rental Criteria
- Terminals
- Negatives
- Requirements

All screening criteria categories apply to all applicants and their household members.

- If any single Terminal item is found, without extenuating circumstances, the application will be denied
- If Negative items are found, without extenuating circumstances, the application may be denied, or an increased security deposit may be required

All requirements must be met. If there are extenuating circumstances surrounding a Terminal or Negative Item and an exception is made for the applicant, they may be subject to additional security deposits as outlined in the policy below.

GENERAL REQUIREMENTS

- Completed and signed Rental Applications from all occupants over 18 years of age
- Non-Refundable Application Fees for all Rental Applications (\$60 per applicant over 18 years of age)
- Proof of ability to pay rent: copies of current paycheck stubs, tax returns, bank statements as required submitted to VPS
- Copy of Government Issued Photo ID or Driver's License for each adult in the residence
- 12 consecutive months of verifiable rental history or other indication of responsible property upkeep

Incomplete applications, omissions, or misrepresentation on the Rental Application are grounds for denial of the application.

TERMINALS

- Any bankruptcy that has not been fully discharged or dismissed; no exceptions
- A total of \$5,000 or more in unpaid collections or accounts charged-off in the last 5 years, excluding medical debt, foreclosure debt, and student loan debt
- Negative or incomplete rental references
- Any collection filed with a property management company or landlord
- Any filing of an eviction action (unlawful detainer) in the past 3 years
- Any current 72-hour Notice of Non-Payment of Rent or Notice to Move-With-Cause
- Any income level less than 2.75 times rent of the unit applied for
- Any applicant who does not cooperate in all aspects of the application process
- Reasonable likelihood any household member or guest will interfere with the health, safety, security, or peaceful enjoyment of the community or cause damage to the property

NEGATIVES

- Any income level less than 3 times the rent of the unit applied for
- A total of 3 or more 30-day late payments in the last 12 months

- Any single account with more than three 30-day late payments within the last 3 years
- Any collection, charge-off, judgment, bankruptcy or lien within the last 5 years (excluding medical, student loans or foreclosures)
- Any instance of a security deposit not returned due to damage beyond normal cleaning
- Any instance of property Notice to Vacate not being given to a previous Landlord
- Any Landlord reference that cannot be verified
- Credit score of 720 or below (allowable with additional deposit)
- Any filing of an eviction action older than 3 years but within the past 10 years requires an additional deposit

SECURITY DEPOSIT POLICY

Standard Security Deposits vary by unit and are uniquely determined per property, owner, and location. The deposit listed on a vacancy is the standard deposit required for any applicant who meets our Minimum Rental Criteria and has no Negative or Terminal extenuating circumstances.

Additional security deposits are required as follows:

- Any one Negative/Terminal item exception up to 1.5-2x normal security deposit
- Any 2-3 Negative/Terminal items exceptions up to 2.5-3x normal security deposit

SCREENING EXCEPTIONS POLICY

All exceptions are given on a case-by-case basis and require the approval of the management team. No single member can make a promise that is required to be enforced by the company. All decisions require a majority team property manager vote before being allowed. All speculative answers given over the phone are to the best of the VPS employee's knowledge but contain no guarantee.

CO-SIGNER/GUARANTOR POLICY

VPS normally does not accept co-signers. Applicants should have the ability to rent on their own merits. A guarantor may cure qualification issues regarding negative credit, insufficient income, or lack of rental history.

The guarantor must:

- Be an immediate family member living in Oregon
- Submit an application
- Have a minimum income 6x the monthly rent
- Have excellent credit history (no late payments, liens, judgments, or bankruptcy in the last 7 years)

PROOF OF INCOME REQUIREMENTS

- Employed applicants must submit the 2 most recent paystubs or an offer letter for new employment
- Self-employed applicants must provide 3 months of company bank statements and the most recent tax return
- Retired applicants must provide 3 months of bank statements showing monthly deposits or official income documentation
- Applicants using income from assets must provide account statements showing at least 3x monthly rent multiplied by the lease term
- Unverifiable income is not considered

RESIDENCY VERIFICATION REQUIREMENTS

- A minimum of 6 months rental history is required if not moving from a home owned by the applicant
- College students may qualify without rental history if all other criteria are met; a parent guarantor may be required
- Relatives are not acceptable rental references unless moving directly from a home they own

APPLICATION SELECTION CRITERIA POLICY

Applicants understand more than one application may be received. VPS does not select residents on a first come, first serve basis. Approval is based on best-qualified status. A property is only taken off the market when a signed Holding Deposit Agreement and Holding Deposit (50% of the security deposit) is received.

ANTI-DISCRIMINATION POLICY

Valor Property Solutions provides equal housing opportunity regardless of race, color, religion, sex, national origin, family status, disability, or any other protected class.

Applicants acknowledge they must provide proof of renter's insurance with minimum \$100,000 structural damage coverage before receiving keys.

Applicant Signature _____

Date _____