



Dec '07

Tenant Tracker, Inc. Subscriber NEWSLETTER

Hours Of Operation

Our normal hours are (Central time):

Monday-Thursday 8:30 am – 7:30 pm

Friday (winter hours) 8:30 am – 6:30 pm

Saturday 9:30 am – 5:30 pm

Web access every day 1:00 am – 11:00 pm

<http://www.TenantTracker.com>

Minimum Staff – Dec 24 & Dec 31

Closed – Dec 25 & Jan 1

Texas Prop. Code § 92.020

EMERGENCY PHONE

A landlord that has an on-site management or superintendent's office for a residential rental property must provide to a tenant a telephone number that will be answered 24 hours a day for the purpose of reporting emergencies related to a condition of the leased premises that materially affects the physical health or safety of an ordinary tenant. The landlord must post the phone number prominently outside the management or superintendent's office.

This is really a common sense rule, and good management already has policies for on-call maintenance type emergencies. You should make sure that you have numbers posted in accordance with local and state laws. It is probably a good idea to add a reminder to your signage for police, fire, and rescue type emergencies call 911.

There have been concerns raised about whether the number must be answered by a live person or an automated dispatch service. It is our opinion that either option is both practical and in compliance.

And now for a shameless cross marketing promotion we encourage you to check out Call Insights www.callinsights.com as a quality vendor option for this service. Call Insights has:

- both automated and live services specifically designed for the apartment industry
- State of the art systems and back-ups with full web integration – get an on-line demo you'll be impressed
- low flat fixed monthly pricing and special cross service discount pricing for Tenant Tracker subscribers

Check out their web site and call **Troy at 1-866-658-9369, ext 2**, for more information, to get a demo, or to learn about the discount pricing.

The Texas Law Changes 1 Jan 08 Are You Ready & In Compliance???

This Newsletter is for our Texas Subscribers. Effective January 1, 2008 - HB 3101 the Omnibus Landlord Tenant Bill, makes several changes to the Texas Property Code. If you are using current TAA forms you are a big step towards compliance. With regards to criteria, if you charge an application fee or an application deposit we want to remind you about a couple of critical areas of concern:

1. Printed selection criteria must be made available at the time the applicant is being provided an application.
2. If you fail to use adequate written criteria and acknowledgements you are required to return the application fee and any application deposit, or be subject to additional fines and attorney's fees.

In addition to these items we have reviewed, and we continue to monitor several mega-dollar lawsuits that hinge around loosely crafted criteria. There are many things that sound great on paper, but they eat your lunch when the trial lawyer gets you on the stand. This has become a target area and an "Achilles heel" for many a lawsuit, and it goes much deeper than a fair housing issue.

How did we get to the point where rental criteria is a legislated subject, and a critical factor in multi-million dollar lawsuits? By my view it was a three-step, two-decade process:

- Starting with the fair housing act we needed to document our selection criteria and that it was not discriminatory against a protected class.
- We stepped up the practice of charging application fees and

deposits, and created another layer of a contractual agreement.

- Trial lawyers got a solid foothold in big dollar premises liability lawsuits targeted at the deep pockets.

So, what started out as a simple low risk document has morphed into one that needs serious attention, and should be critically thought through.

I highly recommend that you take a good look at the sample criteria we have supplied on the reverse side of this newsletter. We have given this a good deal of in-depth legal attention, and it's copyrighted for use by our subscribers.

It's understandable that some housing programs will have specific items that will need to be included for those programs. However, personal and business preferences should be given special attention and only added with caution. We are not offering legal advice, and we will be happy to discuss our sample language with your legal counsel.

Also, for some additional information on the changes in the law and some answers to frequently asked questions you can go to the Texas Apartment Association web site www.TAA.org.

How to use our sample criteria: There are 2 lines and 3 numbers printed in red that are subjective and property specific. The last two lines of the top section (marked by **'s) are optional and you may want to white them out and type in your own particular restrictions. Note that these are restrictions and not screening decline items. Next there are 3 numbers listed in (), and you may white these out and insert the specific numbers for your property.

Attention – Product Reminder:

Exact ID Match: Be sure to verify and enter the name, date of birth, and numbers (SS# DL#) to the State & Federal IDs. This is critical for terrorist and criminal record screening.

The Facts:

- **18.8% of the apps processed in the last 90 days had a criminal record.**
- **5% of those reports had an ID photo included with our report .**
- **Quality counts!**

Rental Qualifying Criteria & Guidelines:

Please take a few minutes to review our criteria and guidelines and discuss any questions you may have before you submit an application and the non-refundable application fee.

You will be treated fairly – we will not discriminate against any person because of RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, FAMILIAL STATUS OR HANDICAP. We will comply with all state and federal fair housing and anti-discrimination laws.

The head of household must be at least 18 years of age unless familial status applies.

To reside on the premises all residents/occupants 18 years of age and older must:

- Provide a valid driver’s license or state issued photo identification,
- Complete an application without omissions or falsifications,
- Meet all of our remaining qualifications, and
- Execute a lease agreement.

The number of occupants in your apartment may not exceed (2) per bedroom as shown on the floor plans. An infant less than 6 months old is not considered an occupant.

**** No pets allowed (service animals for valid disabilities are exempt).**

**** _____ (no water beds, no smoking, etc.)**

Grounds for which your rental application may be denied include:

1. Inaccurate ID – the name, date of birth, and license/ID number must match exactly with the application.
2. A criminal offense history – In general, a criminal record alone does not tell the whole story, and is not an automatic denial. However, you must convince us that things have changed and that there is little chance you will commit any future criminal offenses. All criminal offenses that you have been charged with must be fully disclosed on a supplemental criminal history questionnaire, and submitted with your application.
3. Insufficient Residential history – Your mortgage and rental history must be favorable, all prior lease agreements must have been fulfilled, and address updates submitted to the USPS for each move. The following examples of unfavorable history are not an automatic denial. However, you must convince us that things have changed and that you will have a positive history with us, and may require a Guarantor/Cosigner and/or additional deposits.
 - a) Questionable history examples include – no recent history, multiple moves, late pays, etc.
 - b) Negative history examples include – rule violations, damaged property, unpaid lease obligations, eviction, etc. Negative history must be fully disclosed on a supplemental history questionnaire submitted with your application.
4. Insufficient history of Financial responsibility – You must show verifiable evidence of your ability to fulfill the financial obligations, or we may require a Guarantor/Cosigner and/or additional deposits. Examples of verifiable evidence include:
 - a) You must have verifiable income (pay stubs, tax returns, etc.) that is at least (3) times the amount of the rent. All applicants for this proposed lease (including spouse, roommates, etc.) may combine their income to meet this requirement.
 - b) Your credit history must receive a positive rating from our screening service. The following items may have a negative effect on your rating:

No credit history	Past due payment history	Collections or Write-offs	Bankruptcies	Foreclosures
Repossessions	Tax Liens, or Judgments	History of NSF checks	Multiple IDs	Multiple addresses
5. Misrepresentations – Providing any false, misleading, or omitting information in the application process.
6. Failure to pass the background check – Your application will be screened by our staff, Tenant Tracker, and the National Criminal Tracking Center. The information you have provided must match favorably with these verification processes.
7. Failure to obtain a suitable Guarantor/Cosigner if required – A Guarantor/Cosigner must meet all of the above credit history standards with a verifiable income that is at least (4) times the amount of the rent.

Important Notices & Understandings:

Our criteria and guidelines are strictly for our use to evaluate your application to enter into this business transaction, and in no way is it intended to be part of any warranty or sales promise.

Mitigating circumstances – on a case by case basis we may waive or modify some criteria requirements based upon our reasonable judgement. For example, the credit history shows unfavorably due to a medical emergency, a contested divorce, etc.

Consumer reports are not perfect, however they are an important part of our background checks. To help ensure that your application and information about you is given fair consideration we use Tenant Tracker. If we use consumer report information as part of an adverse decision we will give you a letter of disclosure with instructions on how to resolve any discrepancies. You may have any corrected information resubmitted to us for further consideration. This process is not a promise of any unit availability or that any resubmitted report will cause your application to be approved.

You understand that our criteria and guidelines are subject to change, and that within Fair Housing guidelines we evaluate each situation separately. Further, that we will continue to monitor each occupant for criteria and lease compliance. Any change in your status should be reported to the management, and likewise we will notify you if we make or identify any changes.

We are not qualified nor are we assuming any obligations for making any representations to you about the suitability of our property to your specific needs, safety, or health considerations you may have. You are to use your own judgement or to seek third party expert advice before making those decisions. Some examples are: will the age and location of the property cause allergy issues for me, will my cell phone service work at this location, what type of criminal activity has been reported in the area, or what registered sex offenders live in the area.

The application fee is non-refundable (whether it is approved, declined, or withdrawn). **By signing below you acknowledge that prior to submitting your application and the application fee you have had the opportunity to review the landlord’s tenant selection criteria (“Rental Qualifying Criteria & Guidelines”)** The criteria does include factors such as criminal history, credit history, current income, and rental history. If you do not meet the qualifying criteria, or if you provide inaccurate or incomplete information, your application may be rejected and your application fee will not be refunded.

Further, you understand and authorize us and others to send and receive information about you, by any and all means to ensure criteria and guideline compliance. You represent that you have the legal authority to enter into these contemplated agreements for each of the occupants listed below.

Printed Name(s) of Occupants: _____

Date: _____ Signature: _____

