



# Tenant Screening Guidelines

Property Manager: Drick Ward, Realtor®

NEPTUNE REALTY utilizes the following criteria and procedures to determine the qualifications of applicants seeking to rent properties managed by Drick Ward, NEPTUNE REALTY.

## PAYMENTS

All rent, and deposits paid prior to lease begin date must be in certified funds (money order, cashier's check, etc.)

An application fee of \$40 per applicant may be paid online or in person by personal check but must be paid separately from the Security Deposit and is non-refundable.

Each individual who is to reside in the property must be listed on the application. Each non-related resident (roommate) 18 years of age or older must submit application and be on the lease.

All checks and money orders should be made payable to NEPTUNE REALTY. **CASH CAN NOT BE ACCEPTED.**

## SECTION 8 / NAVY SET ASIDE

We do not currently participate in Section 8 housing or the Navy's Set Aside programs, but ask, we may have a recommendation which we could provide to you..

## OCCUPANCY GUIDELINES

To prevent overcrowding and undue wear and tear to rental properties, we restrict the number of people who may reside in a property. In determining these restrictions, we comply with all applicable fair housing laws. We allow no more than two persons per bedroom, provided that all residents are related. We allow no more than one non-related person (roommate) per bedroom.

You must be willing to take possession and begin paying rent within 2 weeks of the advertised available date of the property.

## PETS

Each property owner decides individually whether pets are allowed at a particular property. To reduce the risk of damage to the property if an owner chooses to allow pets, we place special restrictions on the pets considered for a rental unit.

- Generally, no puppies or kittens, under the age of 12 months, will be considered for a rental property because of the greater risk of damage from young, untrained animals.
- You must have had the animal at your previous rental for at least 12 months, so that we can obtain a rental reference from your previous landlord.
- No more than two pets will be considered for a property, and in case of smaller properties or community associations which restrict pets, we may limit you to one pet; we may also limit the size or type of the pet that we will allow in a property.
- Because many insurance companies have determined there to be a greater risk of liability from certain breeds of dogs, we generally will not allow Rottweiler or Pit-bull in a rental property.
- If we allow you to keep a pet, you will be charged a non refundable pet initiation fee of \$250-400 per pet and additional monthly rent of up to \$25 per month for each pet, based on that pet's scoring at our pet screening service. These amounts could be higher for larger pets or for properties which rent for more than \$1200 per month.
- You will be required to have a flea treatment on all carpeted areas when you vacate the property.
- If you have questions about whether your pet qualifies for a particular property, ask your leasing agent or property manager prior to submitting your application.

## LEASE PROVISIONS

A copy of the lease and any applicable addendums (as required) are available for review in our office prior to application. The lease may include an additional addendum relevant to the specific property with special instructions for equipment operation, maintenance, or care of that property. This information should be reviewed prior to submitting application as it will be a mandatory portion of the lease.

## APPLICATION AND LEASE TERM

Each application will be evaluated in the following manner: you must submit a written application on our standard form and answer all questions on the form completely and honestly. Incomplete applications will not be processed. **If you are in the military, you must include a copy of your current orders and LES with your application.** If you are self-employed, you must include a copy of your two most recent Federal tax returns. To speed verification of your income, you may wish to submit copies of your most recent pay stubs or documents that confirm any other income listed on your application, such as rental property income, retirement pay, child support, etc. **Everyone over the age of 18 who will occupy the property must complete an application and will be required to sign the lease. You must pay a non-refundable application fee per applicant.**

Term of Lease may not be exactly one year. During certain times of the year, we may want a lease term slightly longer than one year. When you submit application for a rental property, you are free to specify any move-in date, term, and monthly rent. If your application is approved, you will be told the start date, end date, and monthly rent rate that were approved for your application. If you have specific timing requirements, you should clarify this before submitting application. Leases can begin on any day of the month, but always end on the last day of the month.

## APPLICATION PROCESS

**Rental properties are advertised in a variety of places and may be at different prices in some of those places for a variety of reasons. An advertisement of a property for rent is not an offer to rent, it is an offer to accept applications from prospective tenants.** When you submit application for a rental property, you are free to specify any move-in date, term (length of lease), and monthly rent you wish to offer.

**Each application will be evaluated in the following manner:**

We will determine if the information provided on your application is sufficient for processing. If the application can be processed, it will be evaluated. If it meets our rental criteria as outlined herein, you will be contacted for approval. If not, your application(s) may be declined. We will check your credit report and/or verify employment and rental history either directly or through third party screening services. If any of the verifications do not confirm that you meet our criteria, your application may be declined. The entire approval process will normally take about a day, but it may take up to several days depending on how quickly we are able to verify the information you have provided. If your application is declined, you will be notified in writing and will be provided with a list of the reason(s) that your application was declined. [A reasonable attempt will also be made to telephone you with this information as quickly as possible once we know.](#) If your application is declined, you may request that your application be reconsidered with additional consideration, such as a higher security deposit or the addition of a co-signer, or that you be considered for a less expensive rental property managed by Agent. If you make such request within 30 days of denial, no additional application fee will be due, but additional time may be required to process your application.

**The property may remain on the market until an approved applicant has signed the lease AND paid the security deposit.**

Once approved, an applicant has 24 hours to complete these steps – failure to do so may result in other applications being considered and the property may be leased to another applicant. You will be required to pay your first month's rent in certified funds at the time when you pick up your keys. If the lease begins on the 20<sup>th</sup> or later of the month, the pro-rated rent for that month PLUS the first full month's rent must be paid at this time.

## GUARANTORS (“CO-SIGNERS”)

If you do not meet one or more of the criteria, you may be eligible for a rental unit if you can get a third party to guarantee your lease. The guarantor must be related to at least one of the applicants and must reside within the state of Virginia. The guarantor must submit a written application along with an application fee and must pass the same screening process as any other applicant, except that the guarantor must have a minimum credit score of 700 and must have a minimum of five years of employment history with the same employer or in a related field at substantially the same income level. In addition, a guarantor may not have any judgments or collection accounts within the past two years whether paid or unpaid, may not have had a late payment on rent or mortgage within the past 12 months and may not have more than two late payments on any other reported account within the past 24 months.

Guarantors will NOT be considered in any of the following situations: (a) where bankruptcy has been filed within the past two years; (b) where unpaid judgments or collection accounts exist; (c) where a judgment for rent or rent-related charges has been filed within the past five years, whether paid or unpaid; or (d) when in Agent/Owner sole discretion an excessive number of late rent payments have occurred within the past 24 months, whether or not a judgment was obtained.

## **RENTAL CRITERIA**

### ***Income and Employment History***

- Gross monthly income must be at least three to four times the monthly rent price and total monthly debt payments PLUS rent amount must not exceed 45% of gross monthly income. Each non-related applicant (roommate) must qualify for the property on their own (we will not combine the income of unrelated individuals when computing these multiples).
- You must have a minimum of one year with your current employer at substantially the same income you now earn, or a minimum of three years in the same field with substantially the same income level and no more than two employers within the past three years. If you have two years or more with your current employer, you are eligible for expedited processing.
- If you are self-employed or receive more than 25% of your income in the form of commission, you must have earned substantially the same income for the past two years, you may be required to submit a certified copy of your tax return and/or bank statements for the past two years, and only income which was included on your tax return may be used for qualifying.
- If you are currently a member of the military, you may not be allowed to sign a lease for a term longer than your current enlistment term or the length of time remaining at your current duty station.
- If you fail to meet the minimum employment requirements because you were a full time student during the year preceding your application, we will require a guarantor. However, this requirement may be waived if you have a masters degree or higher or hold a professional designation such as CPA and have permanent full-time employment in your field of training at the time of application.
- If you are unemployed, you must provide a proof of sufficient income to qualify for the rental property, and we may have reasonable certainty that such income is likely to continue for the entire lease term.
- You must provide recent pay stubs and supervisor contact information when submitting your application. If you are self employed, you should provide 6 months of bank statements to substantiate the income you are claiming.

### ***Rental History***

- You need to provide a minimum of two years of rental or mortgage history within the five years immediately preceding your rental application. Greater weight will be given to rental references from real estate companies and apartment communities than will be given to those from individuals.
- Your proposed rent must be no more than 25% greater than your prior rent.
- Your credit report must contain no derogatory rental information and you must not have a judgment or collection account from a former landlord within the preceding five years whether paid or unpaid.
- You must not have had more than one late rent payment in the past two years and no rent payment may have been more than fifteen days late.
- You must have met all of the terms of your prior lease, must have given proper notice to vacate in accordance with the terms of your lease, and must not have had any unauthorized pets or occupants in the property.
- You must not have had deductions from your security deposit for damages of more than 25% of the total amount of your deposit.

### ***Credit History***

- You must have an active checking or savings account.
- A credit report must be available and will be obtained for each applicant from one of the credit reporting agencies.
- You must have at least two accounts which appear on your credit report which have been open for at least two years and which have been paid on time.
- You must not have had a bankruptcy within the past two years and new credit must have been established since any bankruptcy (at least one installment loan or credit card) and have been paid as agreed for at least 12 months prior to application.
- You must not have any unpaid judgments or collection accounts, and you must not have had more than two paid judgments or collection accounts within the preceding 24 months except that special consideration may be granted at Agent/Owners sole discretion for small medical judgments or slow payments on student loans, if in our opinion there are enough favorable credit references to outweigh these.
- You may not have had more than two late payments (greater than 30 days past due) on any installment loan or credit card within the past year.
- Each applicant must have a credit score of 620 or greater. Married applicants may use an average of each spouse's score, provided that neither spouse has a score below 550.

***Other Factors***

- The primary applicants and any additional non-related applicants (roommates) must be over 21 years of age. Co-applicants may be under 21 if related to one or both of the primary applicants.
- Any proposed pet must be at least one year old and you must have had the pet for at least one year preceding your application.
- You must be willing to take possession and begin paying rent for the property no more than two weeks after the date on which the property will become available for occupancy.
- You must be willing to sign a lease for at least 12 months, unless the property has been listed as being available for a shorter term.
- A tenant screening service may be utilized for verification of information provided in application and analysis of suitability.
- Neptune Realty and all of our associates support the letter and spirit of the law by observing all fair housing guidelines.

