

KBC MANAGEMENT, INC. RENTAL CRITERIA

KBC Management, Inc., and the properties managed by KBC, comply with State and Federal Fair Housing Laws. No persons shall be discriminated against on the basis of race, color, religion, sex, disability, familial status, national origin, sexual orientation, marital status, age, source of income, or any other class protected by state or local laws.

GENERAL STATEMENTS

- Each Applicant and Co-signer, 18 years or older, must submit an Application, pay a \$41 screening fee, and provide a valid government-issued photo ID.
- Applications are processed in the order in which the completed Application is received.
- If a Co-Signer is required, the Co-signer must meet all Rental Criteria except for Rental History.
- Occupancy is based on the number of bedrooms in a unit. A bedroom is defined as a space within the premises used primarily for sleeping, with at least one window and a closet for clothing. Two persons are allowed per bedroom and two persons are allowed in a Double Studio or Studio apartment.

SUMMARY OF SCREENING RESULTS

1. APPROVED if Applicant meets all Criteria.
2. If Applicant doesn't meet Credit Criteria or Rental History Criteria, one of the following is required:
 - QUALIFIED CO-SIGNER or QUALIFIED ROOMMATE
 - INCREASED SECURITY DEPOSIT (\$300 above standard Security Deposit)
3. If Applicant does not meet Income Criteria, one of the following is required
 - QUALIFIED CO-SIGNER
 - QUALIFIED ROOMMATE

APPLICATION APPROVAL & REQUIREMENTS

If application is approved the Applicant(s) will be:

1. Required to pay required funds and sign documents within 24 hours of approval notification **
2. Provide proof of Renters Insurance that guarantees minimum of \$100,000 Liability coverage. Each Tenant on the Lease must be named on a Renters Insurance policy and proof of Renters Insurance must be provided prior to the lease commencement date.

WHEN THE APARTMENT IS READY FOR OCCUPANCY:

Lease must begin NO LATER THAN 10 DAYS FROM DATE OF APPLICATION APPROVAL.

WHEN THE APARTMENT WILL BE READY AT A FUTURE DATE:

Lease may begin on whichever date is later in the following two options:

1. NO LATER THAN 10 DAYS FROM DATE OF APPLICATION APPROVAL
- or
2. ON THE DATE THE APARTMENT WILL BE AVAILABLE (as determined by KBC)

** IF LEASE BEGINS IMMEDIATELY: Applicant will need to sign a Lease Agreement, as well as all other move-in paperwork, and pay all deposits, fees and a full first month's rent.

** IF LEASE BEGINS AT A FUTURE DATE: Applicant will need to sign an Agreement to Enter into Lease, a Lease Agreement and pay a \$350 Execution Deposit within 24 hours of approval notification. The \$350 will be applied towards the total move-in costs, but shall be forfeited to Landlord as liquidated damages if the Tenant fails to pay the full move-in balance on the lease start date and/or fails to occupy the unit.

CREDIT CRITERIA

ADVERSE CREDIT: A **Qualified Co-Signer or Increased Security Deposit or Qualified Roommate** is required if:

- a) Applicant has three or more accounts which have been ninety days or more past due
- b) Unpaid collections totaling less than \$200
- c) Unpaid collections which are entirely medical expenses
- d) Previously paid collections
- e) Bankruptcy within the past three years

UNPAID COLLECTIONS:

1. A **Qualified Co-Signer or Fully Qualified Roommate** is required if:
Collections totaling \$200 or more (excluding medical expenses) appear on the Credit Report.
2. A **Qualified Co-Signer or Increased Security Deposit** is required if:
Written proof is provided that collections have been fully paid within 24 hours from the time Applicant is notified of such collections by a KBC representative.

INCOME CRITERIA

GROSS MONTHLY INCOME MUST BE THREE TIMES RENT

Note: Income may be combined for two or more Applicants for the same apartment

A **Qualified Co-Signer or Qualified Roommate** is required if Applicant does not have income equal to three times the rent.

EMPLOYMENT INCOME will be verified by Employer or most recent pay stub.

SELF-EMPLOYMENT INCOME will be verified by the previous year's tax return.

NON-EMPLOYMENT INCOME, such as Social Security and Savings Accounts, will be verified with written documentation and must show that Applicant will receive three times the rent every month for the next year, or must show existing funds in the amount of at least equal to three times the monthly rent for a full year.

RENTAL OR MORTGAGE HISTORY CRITERIA

ONE YEAR OF POSITIVE RENTAL OR MORTGAGE HISTORY REQUIRED

A **Qualified Co-Signer or an Increased Security Deposit or Qualified Roommate** is required if Applicant does not meet the Rental or Mortgage History Requirement.

The Applicant will be **Denied** for the following reasons:

EVICTION ACTION within the past four years. Eviction actions that were dismissed or resulted in a judgment for the Applicant will not be considered.

NEGATIVE LANDLORD REFERENCE including any of the following:

- ~ Three or more late payments, dishonored (NSF) checks or 72-hour notices
- ~ Past due or unpaid rent over \$100
- ~ Indication from Landlord that he would not re-rent for a valid and/or non-discriminatory reason

CRIMINAL CONVICTION CRITERIA

Upon receipt of the Rental Application and screening fee, Owner/Agent will conduct a search of public records to determine whether Applicant or any proposed resident or occupant has a “Conviction” (which means charges pending as of the date of the application submittal, a conviction, a guilty plea, or no contest plea) for any of the following crimes as provided in ORS 90.303(3); drug-related crime; person crime; sex offense; crime involving financial fraud, including identity theft and forgery; or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of residents, the landlord or the landlord’s agent. A previous arrest record that did not result in a conviction or an expunged record will not be considered.

If Applicant, or any proposed occupant, has a Conviction in their past which would disqualify them under these criminal conviction criteria, and desires to submit additional information to Owner/Agent along with the Application so an individualized assessment (described below) can be conducted upon receipt of the results of the public record search and prior to a denial, Applicant should do so. Otherwise, Applicant may request the review process after denials as set forth below, however, see item c) under “Criminal Conviction Review Process” below regarding holding the unit.

CRIMINAL CONVICTIONS: The Applicant will be **Denied** should public records show a single conviction, guilty plea, no contest plea or pending charge for any of the following, subject to the results of any review process:

- a) Felonies involving murder, manslaughter, arson, rape, kidnapping, child sex crimes, or manufacturing or distribution of a controlled substance.
- b) Felonies not listed above involving drug-related crime, person crimes, sex offenses, crime involving financial fraud including identity theft and forgery, or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of the residents, the landlord or the landlord’s agent, where the disposition has occurred in the last 7 years.
- c) Misdemeanors involving drug-related crimes, person crimes, sex offenses, domestic violence, violation of a restraining order, stalking, weapons, criminal impersonation, possession of burglary tools, financial fraud crimes, where the date of disposition has occurred in the last 5 years.
- d) Misdemeanors not listed above involving theft, criminal trespass, criminal mischief, property crimes or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of the residents, the landlord or the landlord’s agent, where the date of disposition has occurred in the last 3 years.
- e) Conviction of any crime that requires lifetime registration as a sex offender will result in denial.

CRIMINAL CONVICTION REVIEW PROCESS:

Owner/Agent will engage in an individualized assessment of the applicant’s, or other proposed occupant’s, Convictions if applicant has satisfied all other criteria (the denial was based solely on one or more Convictions) and:

- (1) Applicant has submitted supporting documentation prior to the public records search; or
- (2) Applicant is denied based on failure to satisfy these criminal criteria and has submitted a written request along with supporting documentation. Supporting documentation may include:
 - i) Letter from parole or probation office
 - ii) Letter from caseworker, therapist, counselor, etc.
 - iii) Certifications of treatments/rehab programs
 - iv) Letter from employer, teacher, etc.
 - v) Certification of trainings completed
 - vi) Proof of employment; and
 - vii) Statement of the applicant.

CRIMINAL CONVICTION CRITERIA-continued

Owner/Agent will:

- a) Consider relevant individualized evidence of mitigating factors, which may include: the facts or circumstances surrounding the criminal conduct; the age of the convicted person at the time of the conduct; time since the criminal conduct; time since release from incarceration or completion of parole; evidence that the individual has maintained a good tenant history before and/or after the conviction or conduct; and evidence of rehabilitation efforts. Owner/Agent may request additional information and may consider whether there have been multiple convictions as part of this process.
- b) Notify applicant of the results of Owner/Agent's review within a reasonable time after receipt of all required information.
- c) Hold the unit for which the application was received for a reasonable time under all the circumstances to complete the review unless prior to receipt of applicant's written request (if made after denial) the unit was committed to another applicant.

ADDITIONAL GROUNDS FOR DENIAL

Inaccurate or falsified information shall be grounds for denial of the Application or subsequent termination of tenancy upon determination of such falsified information.

Any Applicant that is a current illegal drug user will be denied. If approved for tenancy and later illegal drug use is confirmed, eviction shall occur.

Any Applicant whose tenancy may constitute a direct threat to the health and safety of any individual, the property or others will be denied.