

Garrettland, Inc. Selection Criteria

Project Name: **ALL GARRETTLAND, INC. PROPERTIES**

Effective Date: **JULY 15, 2008**

INTRODUCTION

Garrettland, Inc., the managing agent, has established the following SELECTION CRITERIA to be used as an instrument in selecting and processing applicants.

Garrettland, Inc. will follow and abide by the Fair Housing and Equal Opportunity Laws and any other Fair Housing and Civil Rights Laws in effect in selecting residents. We will not discriminate against any person because of race, color, religion, sex, national origin, familial status or disabled persons. Each applicant will be evaluated according to the following criteria and every effort will be made to screen the applicants consistently in the same way.

The following guides will be used to determine eligibility:

1. The Federal Register
2. The Federal Fair Housing Law
3. The State Fair Housing Law
4. IRS LIHTC Section 42 (when applicable)
5. Rural Development (RD) and/or HUD Requirements

This procedure will be posted in the rental office and made available for applicants to review. It will be updated periodically in accordance with changes implemented in Federal and State guides.

Any questions pertaining to these selection criteria should be directed to the Site Manager.

A. INCOME LIMITS

Project Income Information:

- See Attached. (you will attach this information when submitting Selection Criteria – see your property manager)

Maximum Incomes:

- *See attached Income Guidelines (you will attach this information when submitting Selection Criteria – see your property manager)

BEDROOM SIZE REQUIREMENTS: A household should not be assigned to a dwelling unit smaller than necessary to accommodate assigned as follows:

	<u>No. of occupants</u>	
<u>No. of Bedrooms</u>	<u>Minimum</u>	<u>Maximum</u>
1	1	3
2	2	5
3	3	7
4	4	8

Conversely, the bedroom size assigned should not require more than two persons to occupy the same bedroom. A child may share a bedroom with parent(s) if the parent so wishes depending on the child's age. This is, however, a decision to be made by the parent(s). Persons of different generations, persons of opposite sex (other than spouses) and unrelated adults should not be required to share a bedroom.

If, because of a physical or mental handicap of a household member, or a person associated with that household, a family may need a unit that is larger than the unit size suggested above - - reasonable accommodations will be made. However, local zoning ordinance and/or laws must be observed.

CHILD CUSTODY. If an applicant shares joint custody of a minor child on a 50/50 basis, then that child will be considered as part of the family composition in determining the appropriate unit size and rent. If custody is an unequal basis, the parent with major responsibility for the child should be considered to have full custody.

C. PRESENT & PAST CREDIT HISTORY. Any pre-application may be rejected for one (1) of the following, unless the issue is resolved in a reasonable amount of time and proper documentation provided:

1. Two judgments not remedied.
2. Unpaid utilities.
3. Any suits not remedied or pending against previous landlord(s). Consideration will be given to the applicant if it is proved that the aforementioned credit history was beyond the control of the applicant. Examples would be: reduction in labor force, illness, extremely high medical bills, divorce, etc.

NOTE: Credit inquiries will be forwarded to the local credit bureau.

- D. PRESENT AND PAST RENTAL HISTORY. A pre-application will be rejected for one (1) of the following:
1. One (1) History that the Applicant has “SKIPPED” a previous housing unit
 2. One (1) EVICTION from a previous housing unit
 3. Three (3) LATE PAYMENTS of rent within a six (6) month period from a current or past housing unit.
 4. RENTAL HISTORY questionnaires returned to us wherein the previous management has signed that the applicant was destructive to the apartment or surrounding public areas. This includes destruction by children of the applicant and/or guest of the applicant and poor housekeeping, which is defined as follows:

General Items

1. Unauthorized alteration of the building unit which would create an unsafe condition, such as an insurance risk or a fire hazard
2. Unauthorized redecoration (painting or wallpaper) in the dwelling unit.
3. Unauthorized use of the dwelling unit such as running a business
4. Poor housekeeping habits which constitute an unsanitary living condition (excessive accumulation of garbage or trash, dirty dishes and general filthy.
5. Obvious signs of needed maintenance in the unit that the resident has neglected to notify the management.
6. Gas driven machine housed in the dwelling unit (motorcycles, lawn mowers)
7. Inadequate control and supervision of children
8. Evidence of unauthorized person(s) living in the dwelling unit.

NOTE: “DAMAGES” are defined as those which are above normal wear and tear caused or created by inhabitants, their children or guests.

- E. PRESENT AND PAST CHARACTER HISTORY. One of the following will be cause for the applicant to be rejected:

1. One conviction of a felony (that resulted from VIOLENT BEHAVIOR) – i.e. assault, battery, etc.)

2. One ARREST which is currently pending in court which involves one of the following:

- A. The use or distribution of any controlled substance
- B. The use of a weapon
- C. Prostitution

F. CATEGORIES OF DISAPPROVAL If any member of the family who is expected to reside in the apartment is determined to fall within any one of the following categories, the family may be disapproved for admission. However, before such determination is made, consideration shall be given to favorable changes in the family's pattern of behavior, a lapse of years since occurrence of an offense and to other extenuating circumstances.

1. History of Criminal Activity – Includes cases in which a member of the family who is expected to reside in the household was engaged in any criminal activity which involved crimes of physical violence to persons or property or the nature of which would be detrimental to the safety or welfare of other tenants or their peaceful occupancy of the premises.

2. Violent Behavior – Includes evidence of acts or violence or any other conduct which would constitute a danger or disruption of the peaceful occupancy of neighbors.

3. Confirmed Drug or Alcohol Addiction or Abuse – Includes evidence of confirmed drug addiction or alcohol abuse, such as a record of conviction for possession, trafficking, or use of heroin or other narcotics or controlled substances, a record of conviction of activity relating to the misuse of alcohol, or written reports from a probation office, a social agency, or the family itself to the effect that the individual is addicted to or is misusing drugs or alcohol. In cases where the individual is undergoing follow-up treatment by a professional agency after discharge from an institution, he shall not be considered ineligible if such agency confirms in writing that he/she is rehabilitated.

4. Rape, Prostitution or Sexual Deviation – Includes convictions for the offenses of rape, prostitution, indecent exposure, sodomy, carnal abuse, impairing the morals of a minor or similar crimes indicating sexual deviation.

5. Grossly Unsanitary or Hazardous Housekeeping – includes generally creating any health and/or safety hazard through acts or neglect and causing or permitting any damage to or misuse of premises and equipment if the family is responsible for such hazard, damage or misuse; causing or permitting infestation, foul odors,

or other problems injurious to other person's health, welfare or enjoyment of the premises; depositing garbage improperly; failing to use in a reasonable and proper manner all utilities, facilities, services, appliances and equipment within a dwelling unit or failing to maintain them in a good and clean condition; or any other conduct or neglect which could result in health or safety problems or in damage to the premises. In case where a qualified agency is working with the family to improve housekeeping and the agency reports that the family shows potential for improvement, decisions as to eligibility shall be reached after referral to and recommendation by such agency. This category does not include families whose housekeeping is found to be superficially unclean or who lack orderliness where such conditions do not create a health and safety problem, do not do damage or deterioration of the premises and do not adversely affect the peaceful occupancy of neighbors.

6. Records of disturbance of neighbors, destruction of property or other disruptive or dangerous behavior – includes behavior or conduct which adversely affects the safety or welfare of other persons by physical violence, gross negligence or irresponsibility which damages the equipment or premises in which the family resides which is disturbing or dangerous to neighbors or disrupts family and community life.

7. Non-compliance with Rental Agreements – includes evidence of any failure to comply with the terms of rental agreements on prior residences, such as providing shelter to unauthorized persons, keeping of pets or other acts in violation of rules and regulations and painting or decorating without permission of owner.

8. Former Tenants with a debit balance – former residents who owe the owner of any development a balance from prior occupancy with not be considered for admission until the account is paid in full and reasonable assurance is obtained that contributing causes for nonpayment of rent during the prior occupancy have been sufficiently changed to enable the family to pay, when due, rent and other expenses relation to the occupancy of the apartment. The spouse will not be required to pay the balance before admission if his/her spouse was the former lessee, provided there is legal documentation evidencing a divorce or separation. In any event, the former lessee with unpaid balance will not be added to the lease until the amount is paid in full.

9. Tenancy or credit records – a consistent, severe or recent history of deficiencies in overall credit or in rent payment which indicates that the family would be unable or would otherwise fail to pay when due rent for the apartment and other expenses relating to occupancy of the apartment; or the absence of any history of timely payment of rent and other obligations, unless the family can show good cause for such absence.

10. Misrepresentation – willful or serious misrepresentation in the application procedure for the apartment for any other governmental assisted dwelling unit.

11. Supervision of Children, disabled and elderly persons – If any child (17 years or under), or any disabled or elderly person who is unable to care for him or herself is to occupy the apartment, the applicant must demonstrate that proper supervision by a responsible adult (18 years or older) will be provided during the period of time while the child or the disabled or elderly person is at home and the head or heads of household are at work or otherwise absent from the apartment.

12. State and Federal Laws – Failure to meet the eligibility requirements imposed by the authority or by applicable state and federal laws and any regulations or requirement promulgated there under.

13. Prospective tenant, head of household, co-head of household and all tenant household resident members (over the age of 18) may be required to complete and/or submit to question on one or more of the following affidavits, forms or history background checks. Failure to complete, intentional deletion, falsification or misrepresentation of information or facts may lead to the disapproval of the application and/or future eviction.

- Rental Application
- Employment/Termination Verification
- Bank Verification
- Verification of Welfare Benefits
- Verification of Social Security Benefits
- Verification of Unemployment Compensation
- Retirement/Pension Verification
- Verification of Child Support/Alimony
- Verification of Child Care Expenses
- Asset Verification-Real Property
- Verification of Education Funds
- Affidavit of Support
- Affidavit of Support during college
- Certification of Handicap
- Credit Bureau Application form
- Landlord Reference
- Home Visitation to determine eligibility
- Tenant Certification
- Check returned by bank
- Rental Assistance
- Non full-time student verification
- Unemployment verification
- Full Time Student Verification
- Certification Questionnaire of Income/Assets
- Verification Disability Benefits
- Criminal Background Investigation

DISAPPROVED, the applicant shall be notified in writing by the site manager or managing agent. Such notice shall clearly state the reason(s) determining the disapproval of an application. If any person or family is not satisfied with this notification, such person or family shall have the right to request in writing a conference with the site manager which will be held within (10) days of receipt of the written request. The conference will be arranged to allow the person or family a reasonable opportunity to explain and demonstrated reasons for reversal, the application will continue processing. However, if no change in the determination is appropriate, the person or family shall be entitled to no further review with respect to any application for occupancy of any unit.

As managers, our ultimate responsibility is our tenant selection. The owner has developed this project in hopes of servicing a need for housing. As managers, we must try to make every effort to occupy the owner's project with tenants who will care for the unit and general grounds, who will pay their rent on time in full and who will inform us of maintenance issues.

Every attempt will be made to have tenants who are not financially burdened by their rent payment. Our goal is to house people/families, not to move someone in who is financially unable to afford it.