

## What is a tenant selection criteria? And Why?

Landlords create a tenant selection criteria that they believe will minimize their financial risk when renting their properties. **Statistical** data commonly used is credit history/score, landlord history, and income history.

Informs prospective applicant exactly what the landlord is screening for

- Describes the minimum requirements to be accepted as a renter, i.e.
  - Minimum Income = 3x the amount of rent
  - Credit score of 600+
  - No previous evictions
  - No criminal history

What statistics show the correlation between criminal history, financial risk, and housing stability as a renter? There is not currently any reliable statistics to justify the screening out of people with criminal backgrounds.

- Disparate impact theory is when the housing provider has a facially neutral policy and applies it uniformly, but it impacts a group in one of the protected classes disproportionately than the other groups.

## Tenant Selection Plan Exercise

### OVERVIEW

With your team you will come up with your own tenant selection plan using this outline.

**APPLICATION FEE AMOUNT?** \$ \_\_\_\_\_

**MINIMUM INCOME** – How much more than the monthly rental amount must the income be?

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**RENTAL HISTORY** – What would you consider an acceptable rental history?

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**CREDIT HISTORY** – What is your minimum acceptable credit score? \_\_\_\_\_

What are the credit deficiencies you will not accept?

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### CRIMINAL HISTORY

Disqualification For Residency For Lifetime

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Crimes That Disqualify For Residency For 10 Years After The Completion Of Sentence

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Crimes That Disqualify For Residency For 5 Years After The Completion Of Their Sentence

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