

TAX CREDIT SECTION 42 CRITERIA FOR RESIDENCY RESIDENT SCREENING AND SELECTION PROCESS



CAMBRIDGE
real estate services

Thank you for applying to live at our community. This criteria is provided to you to define the process we use to select our residents. Cambridge Real Estate Services is an Equal Housing Opportunity provider, and seeks to process all applicants in a fair and consistent manner.

OCCUPANCY POLICY

1. Occupancy is based on the number of bedrooms in a unit. A bedroom is defined as a habitable space within the premises that is used primarily for sleeping, with at least one window and a closet space for clothing.
2. Two persons are allowed per bedroom plus one additional occupant will be allowed for the apartment.
3. In addition to maximum occupancy guidelines, certain communities which have received funding from the HOME program may require minimum occupancy of 1 person for a one bedroom; 2 persons for a two bedroom; 4 persons for a three bedroom; and, 6 persons for a four bedroom apartment. Exceptions may be granted based on demonstrated need and following approval by government agencies and/or their designated program compliance administrators. Contact the site manager for further information regarding program restrictions and exceptions.
3. In order to provide housing to the greatest number of qualified individuals and comply with state and federal regulations, Cambridge Real Estate Services reserves the right to follow HUD, Rural Development and Tax Credit program guidelines designed to encourage the optimal utilization of housing. This may require that Cambridge declines applications in cases where the minimum number of occupants is less than one individual per bedroom for the apartment selected. This condition shall apply throughout the entire term of tenancy and may, if violated, require that the tenant vacate the premises following the legally required procedures for termination or, if all other conditions of residency continue to be met, relocate within the community (upon re-screening) to the next available apartment of appropriate size upon written notification from the landlord.

APPLICATION PROCESS

Steps to become a resident.

1. Select your apartment.
2. Complete the LIHTC Rental Application (one for each adult), Certification of Tenant Eligibility, and Section 42 Certification. Note: Inaccurate or falsified information will be grounds for denial.
3. Pay your non-refundable screening charge of \$ _____. The screening charge is the cost of ordering a resident screening report. Screening entails verification that individual applicants meet the requirements listed below.
4. Be prepared to wait 5-7 business days for the application verification process to be completed. More time must be allowed if the information proves difficult to verify. All verification forms including but not limited to Income Verifications, Employment Verifications and Asset Verification must be completed by qualified third parties before your application will be approved.
5. If the application is approved and you accept the available unit, you will be required to: 1) sign a minimum 6 month lease in which you will agree to abide by all the rules and regulations; and 2) pay your security deposit and pro-rated rent for the month. (After the 25th of the month, the following month's rent will be required as well.)
6. If the application is approved and you decide not to rent or the application is denied you will forfeit your \$ _____ non-refundable screening charge.
7. You are encouraged to read the lease agreement at the time of application. If you require assistance in completing the application, please contact the Manager.

GENERAL REQUIREMENTS

1. Positive identification with a picture will be required for each adult applicant. (photocopy may be kept on file)
2. A complete and accurate Rental Application listing your current and at least one previous rental reference with phone numbers will be required (incomplete applications will be returned to the applicant).
3. Each legal applicant will be required to qualify individually.
4. Applicants must be eighteen years of age or older, married, emancipated, or under the age of 18 and (a and/or b):
 - a) pregnant and expecting the birth of a child who will be living in the primary applicant's physical custody;
 - b) the parent of a child or children living in the physical custody of the person.
5. Household consisting solely of full time students may not qualify. Consult Manager for exceptions.
6. Except for the birth, adoption or custody of a minor dependent, there shall be no changes in the household composition within the first six months of residency.

INCOME REQUIREMENTS

1. Monthly household income should be at least 2.5 times the stated monthly rent.
2. Some form of verifiable income will be required for applicants. (Verifiable income may mean, but is not limited to: bank accounts, alimony/child support, trust accounts, social security, unemployment, insurance benefits, AFDC, grants/loans, retirement funds) If you are unemployed and have no other source of income, either a security deposit which equates to twice the monthly rental amount or at least six months of living expenses on hand will be required. "Living expenses" will be defined as the minimum required household income as specified in the rental criteria.
3. Self employed applicants will be required to show proof of income through copies of the previous year's tax returns.
4. If monthly household income does not meet 2.5 times the stated monthly rent, a security deposit equal to a full month's rent or qualified roommate may be required. If monthly income falls \$500 or more below 2.5 times the states monthly rent, then either a security deposit equal to twice the monthly rental amount or at least six months of living expenses on hand will be required. If you are an applicant that holds a current Section 8 voucher, your monthly household income will not be considered a factor in determining a required security deposit amount. All sections in the additional screening criteria will apply to applicants holding current Section 8 vouchers when determining the required security deposit amount.
5. You will be denied if your source of income cannot be verified.

RENTAL REQUIREMENTS

1. One year of positive verifiable rental history from a third party reference will be required within the past two years from the date of application.
2. Rental history demonstrating residency, but not third party rental history, will require a security deposit equal to a full month's rent.
3. A security deposit equal to one full month's rent for first time renters will be required when rental history does not meet the stated third party rental criteria, but residency can be verified with parents, student housing or military housing.
4. Home ownership will be verified through the county tax assessor's office. Home ownership negotiated through a land sales contract must be verified through the contract holder.

5. Five years of eviction free rental history will be required.
6. Three 72-hour notices (or 144-hour notices) within a period of one year will result in a security deposit equal to 1 months rent. Four or more 72 hour notices (or 144-hour notices) within a period of one year will result in denial.
7. Three or more NSF checks within a period of one year will result in denial.
8. Rental history reflecting damage and/or past due rent will require a security deposit equal to a full month's rent (when the debt is settled).
9. Rental history reflecting unpaid damage and/or past due rent will be denied.
10. Rental history demonstrating documented noise or disturbance complaints caused or contributed to by applicant, will be denied when the former manager would not re-rent.

CREDIT REQUIREMENTS

1. A credit report will be obtained.
2. Outstanding bad debt (i.e. slow pay, collections, bankruptcies, repossessions, liens, judgement & wage garnishment programs not medically related) being reported on the credit bureau which is more than \$2,500 will require a deposit equal to a full month's rent.
3. Fifteen or more collections on the credit bureau will result in denial.
4. Discharged bankruptcy listed on the credit report will result in a security deposit equal to a full month's rent to be required. Bankruptcy with subsequent outstanding bad debt (as defined in #2) will result in denial.
5. Delinquent or past due mortgage payments without subsequent bad credit (as defined in #2, #3, and #4), will result in a security deposit equal to two full month's rent to be required.

CRIMINAL CONVICTION CRITERIA

1. Upon receipt of the rental application and screening charge, landlord will conduct a search of public records to determine whether the applicant or any proposed tenant has been convicted of, or pled guilty to or no-contest to, any crime.
 - a) A conviction, guilty plea or no-contest plea for any felony ever involving serious injury, kidnapping, death, arson, rape, sex crimes and/or childsex crimes, extensive property damage or drug-related offenses (sale, manufacture, delivery or possession with intent to sell) class A/felony burglary or class A/felony robbery shall be grounds for denial of the rental application.
 - b) A conviction, guilty plea or no-contest plea for any other felony (other than listed above) where the date of disposition, release or parole occurred within the last seven (7) years shall be grounds for denial of the rental application.
 - c) A conviction, guilty plea or no-contest plea for any misdemeanor or gross misdemeanor involving assault, intimidation, sex related, drug related (sale, manufacture, delivery or possession with intent to sell) property damage, weapons charges, obscenity and related violations where the date of disposition, release or parole occurred within the last seven (7) years shall be grounds for denial of the rental application.
 - d) A conviction, guilty plea or no-contest plea, for any B or C misdemeanor in the above categories, or those involving criminal trespass I, theft, dishonesty, prostitution, where the date of disposition, release, or parole have occurred within the last five (5) years shall be grounds for denial of the rental application.
2. Pending charges for any of the above (a, b, c, or d) will result in a suspension of the application process until the charges are resolved. Upon resolution, if an appropriate apartment is still available, the processing of the application will be completed. No apartment will be held awaiting resolution of pending charges.
3. Denials resulting from certain misdemeanor convictions at times may be overturned by following the rejection policy outlined below.

DISABLED ACCESSIBILITY

1. Cambridge Real Estate Services allows existing premises to be modified at the full and complete expense of the disabled person, if the disabled person agrees to restore the premises at their own expense to the pre-modified condition. Cambridge Real Estate Services requires:
 - The applicant to seek the landlord's written approval before making modifications.
 - Reasonable assurance (in writing) that the work will be performed in a workmanlike manner.
 - Reasonable details regarding the extent of the work to be done.
 - Names of qualified contractors that will be used.
 - Appropriate building permits and the required licenses must be made available for inspection by the landlord.
 Cambridge's policy regarding payment for modifications is subject to adjustment for properties constructed with direct Federal or State Subsidies including HOME funds.

REJECTION POLICY

You have the right to dispute the accuracy of any information provided to the landlord by a screening service or credit reporting agency. If your application is rejected due to unfavorable information received during the screening process you may:

1. Contact the screening company that supplied the information to discuss your application. The screening company that processed your application is Background Investigations. Their name and the reference number for your file will be printed on the acceptance or denial letter.
Background Investigations, 1800 Blankenship Road, Suite 250, West Linn, OR 97068
2. Contact the credit reporting agency to identify who is reporting unfavorable information.
3. Correct any incorrect information through the credit reporting agent as per their policy.
4. Request the credit reporting agency to submit a corrected credit check to the appropriate screening company.
5. Upon receipt of the corrected and satisfactory information, your application will be evaluated again for the next available apartment.

Be advised:

- Incomplete, inaccurate or falsified information will be grounds for denial.
- Any applicant that is a current illegal drug user or addicted to a controlled substance or has been convicted by any court of competent jurisdiction of the illegal manufacture or distribution of a controlled substance shall be denied.
- Any individual whose tenancy may constitute a direct threat to the health or safety of an individual, or whose tenancy would result in physical damage to the property of others will be denied.
- Applications and background screenings will be valid for a 60 day period from the date of submission. If the applicant(s) fails to execute a rental agreement within the stated 60 day period, an updated application/background screening will need to be obtained with costs paid by the applicant.
- The Criteria for Residency applies throughout the duration of tenancy. Management reserves the right to update records to confirm continued eligibility for housing.

If your application has been denied and you feel that you qualify as a resident under the criteria set out above, you should do the following:

Write to: Equal Housing Opportunity Manager
Cambridge Real Estate Services
PO Box 2968, Portland, OR 97209

In the letter explain the reasons you believe your application should be approved and request a review of your file. Within seven working days of receipt of your letter, your application file will be reviewed and you will be notified of the outcome of the review.