

SOP: Tenant Screening and Application Processing

This SOP details the **tenant screening and application processing** procedures, including application submission guidelines, background and credit checks, verification of employment and income, reference checks, evaluation criteria, approval or denial processes, communication with applicants, and record keeping. The purpose is to ensure a consistent, fair, and thorough assessment of prospective tenants to select qualified individuals who meet the rental property's standards and comply with legal requirements.

1. Application Submission

1. Provide the applicant with the official rental application form either online or in person.
2. Inform the applicant about the required documentation (e.g., photo ID, proof of income, rental history).
3. Collect a non-refundable application fee as outlined in the rental policy.
4. Verify that all application fields are completed, signed, and dated.

2. Background and Credit Check

1. Obtain written consent from the applicant to run background and credit checks.
2. Utilize a reputable screening service to conduct:
 - Credit report evaluation
 - Criminal background check
 - Eviction history search
3. Document all reports received for compliance and record keeping.

3. Employment and Income Verification

1. Request recent pay stubs, tax returns, or bank statements from the applicant.
2. Contact the employer directly to verify employment status and income level.
3. Use an income-to-rent ratio (recommended: 3:1) as part of the qualification criteria.

4. Reference Checks

1. Contact previous landlords to inquire about payment history, property care, and compliance with lease terms.
2. Document answers using a standard reference checklist.
3. Verify at least two references, when possible.

5. Evaluation Criteria

All applicants will be assessed based on the same objective criteria:

- Minimum credit score
- Clean eviction and criminal history (as legally permissible)
- Sufficient and verifiable income
- Positive rental references
- All necessary documentation submitted

Note: All evaluation must comply with federal, state, and local fair housing laws.

6. Approval or Denial

1. Compare application results against established criteria.
2. If approved:

- Prepare the lease agreement and outline next steps (deposit, move-in date).
3. If denied:
- Provide a written notice stating the reason for denial (as required by law).
 - Inform the applicant of their right to dispute inaccurate information, if applicable.

7. Communication with Applicants

1. Acknowledge receipt of the application within 2 business days.
2. Communicate status updates throughout screening process.
3. Notify applicants of approval or denial, ideally within 5-7 business days of application receipt.
4. Respond promptly to questions or requests for additional information.

8. Record Keeping

1. Maintain records of all applications, screening results, and related correspondence for at least the legally required retention period (usually 2-3 years).
2. Store information securely to protect applicant privacy.
3. Ensure disposition of records is compliant with privacy and data security laws.

9. Revision and Review

1. Review this SOP annually or as required by changes in law or company policy.
2. Document revisions and ensure all staff are informed of updates.

Effective Date: _____

Revision Number: _____

Reviewed By: _____