

SOP Template: Tenant Screening and Application Processing

This SOP details the **tenant screening and application processing** procedures, including the collection of applicant information, background and credit checks, verification of employment and rental history, evaluation of application criteria, communication with applicants, and final decision-making.

The aim is to ensure a consistent, fair, and thorough evaluation process to select qualified tenants and minimize risks associated with leasing properties.

1. Purpose

To outline standardized procedures for screening prospective tenants and processing rental applications to ensure compliance with applicable laws and fairness for all applicants.

2. Scope

This procedure applies to all rental properties managed by the company and must be followed by all leasing agents and property management staff involved in the application process.

3. Responsibilities

- **Leasing Agents:** Responsible for accepting and processing applications, conducting preliminary reviews, and maintaining applicant communication.
- **Property Manager:** Final decision authority on tenant selection and ensures all procedures comply with legal requirements.

4. Procedure

1. **Collect Application and Applicant Information**
 - Provide applicants with standardized application forms and a list of required supporting documentation.
 - Ensure all sections are completed and documentation is attached (e.g., photo ID, proof of income).
 - Collect necessary fees (application, screening, etc.) securely.
2. **Conduct Background and Credit Checks**
 - Obtain signed consent for background and credit checks.
 - Utilize a reputable screening service to process criminal, eviction, and credit histories.
 - Document and file all reports securely and confidentially.
3. **Verify Employment and Rental History**
 - Contact employer to confirm employment status, position, and income.
 - Contact previous landlords to verify rental history, payment record, and tenant behavior.
 - Document all verification attempts and results.
4. **Evaluate Application Against Criteria**
 - Compare information and reports against established qualification criteria (e.g., income threshold, credit score minimum, background check results).
 - Consistently apply criteria to all applicants.
 - Note reasons for approval or denial.
5. **Communicate Decision to Applicants**
 - Inform successful applicants and provide next steps for lease signing and move-in.
 - Send written notification to unsuccessful applicants and return any documents as appropriate.
 - Provide required notices if denial is due to credit (per FCRA and local law).
6. **Recordkeeping**
 - Maintain application records and screening documentation for at least the minimum period required by law (typically 1-3 years).
 - Ensure the confidentiality and security of applicant data at all times.

5. Compliance

- Abide by all federal, state, and local fair housing and non-discrimination laws.
- Follow Fair Credit Reporting Act (FCRA) guidelines regarding the use of credit reports and adverse action notification.

- Use only approved application and screening criteria.

6. Review and Updates

This SOP shall be reviewed annually and updated as necessary to reflect changes in legal requirements or company policies.

Note: All staff are required to complete tenant screening training prior to handling applications independently.