# *Application Requirements*

In all cases, Cotton Property Management ("CPM") makes a good faith effort to evaluate all candidates in light of the same objective criteria. In accordance with the **Federal Fair Housing Act** we cannot discriminate or make determinations with regards to persons because of race, color, religion, sex, disability, familial status, or national origin as this is prohibited by federal law. The minimum criteria for approval to rent one of our homes with a standard (1) month security deposit is as follows:

- Minimum Credit score of 600*.
- Monthly income that meets or exceeds 3x the monthly rent for the property in question is preferred, however 2.5x is acceptable**.
- Clean rental history with no past due balances owed to landlords or utility companies. Evictions, bankruptcy, or serious criminal convictions will be evaluated on a case-by-case basis.***
- Move in date within 15 days of available date is preferred, move in within 30 days of available date is acceptable.

* - While 600 is our minimum credit score unless otherwise noted, this will depend upon the actual rent rate of the subject property. The following represent the rent rate ranges and what the corresponding minimum credit score requirements are:

- Homes renting from $1,200 - $1,699/month – 600 Minimum Credit Score
- Homes renting from $1,700 - $2,499/month – 650 Minimum Credit Score
- Homes renting from $2,500 - $4,000/month – 700 Minimum Credit Score

** - In our industry it is almost universally recognized that the gold standard for qualifying income requirements is that the gross household income should be 3x or more what the home rents for each month. However, in our local economy, it is frequently the case due to our low mean area income in comparison to home prices, this may not always be feasible. For this reason, we request and prefer that income be 3x what the home rents for each month, however we will accept as low as 2.5x.

*** - Having an eviction, bankruptcy, owing past due balances to landlords or utility companies, having been convicted of a violent crime or being listed on a national offender registry is a serious deterrent to acceptance of an application to rent a home. These represent a significant risk to the landlord. However, having an eviction, bankruptcy, open collections, or criminal history is not an automatic disqualifier. We will review case by case and consider factors such as but not limited to how long ago the event took place before making a final determination.

# *Verification of Income*

- For employees with W-2 income, submission of the (3) most recent paystubs are to be submitted for review.
- If someone has recently started or been offered a job, a valid job offer letter is to be submitted for review.
- For self-employed individuals, the last (2) years of tax returns are to be submitted for review
- If someone is unemployed, verification of social security income, retirement accounts, VA benefits, disability benefits, or other supplemental income is to be submitted for review.
- For any other scenario when someone is not currently employed and earning income, we need bank assets that are equal to or greater than 2.5x the monthly rental income for the entire lease period.
- Evaluating applications one at a time:
    - This process is easier and more straight-forward. The first applicant to apply who meets the minimum requirements is awarded the home. Provided that they agree to the terms and conditions, sign the lease document and pay the required security deposit they will be eligible to rent the home.
- Evaluating multiple applications side-by-side:
    - If (2), (4), or even (6) applications are received at once, or if more applications are received while one is being evaluated but for which we do not yet have enough information to be able to approve an applicant (ex: applicant has failed to provide pay stubs or verification of income) then CPM will rank ALL applicants to determine which is the most qualified applicant presenting the least risk to the homeowner using a merit based point system to eliminate bias.

# *Unsure about whether you are ready to apply?*

Please be aware that applying to rent a home through CPM will NOT impact your credit score! The screening services that we utilize constitute a "soft" credit pull and will not lower your credit score as a result.

Have questions about the applications process? Not sure if you would be approved or not? We would be happy to discuss with you the particulars of your unique situation if desired prior to submitting an application. While we cannot render a binding decision without first reviewing a completed application we are happy to discuss and give you the opportunity to evaluate if you would want to proceed in submitting an application. Our goal is not to collect application fees and later inform individuals that they do not meet the criteria. We would much rather have a discussion beforehand which may help to clarify the process before submission of an application. Please give us a call to speak with a leasing specialist for more information.