

FPI MANAGEMENT

APPLICATION CRITERIA

CONVENTIONAL

VERSION 04172018

Thank you for choosing **The Village at SoTa** as your potential new home. We are delighted that you are interested in our community and the following resident selection criteria is being provided to identify the evaluation process through which your application will be processed.

It is the policy of FPI Management to comply with all applicable federal, state, and local fair housing laws and not discriminate against any person based on race, color, religion, sex, family status, national origin, handicap/disability, or any other basis protected by state or local law.

It is the policy of FPI Management to consider any and all requests for reasonable accommodations or modifications when they are necessary to provide a person with a disability an equal opportunity to use and enjoy their apartment home and/or the community common areas. If you have any questions on how to submit a reasonable accommodation or modification request, please contact the apartment community rental office and ask to speak with the Community Director.

The acceptance and processing of the rental application and its application fee does not constitute a guarantee of acceptance for housing. All applicants must meet the itemized criteria listed below to be considered for tenancy. All documentation requested during the application process must be submitted immediately. Failure to supply information or documentation within forty-eight (48) hours of the request may result in an application being rejected.

Application Fees

Application fees are **\$35.00** for every application processed. Application fees are non-refundable and cover the costs of obtaining information about you, including but not limited to the cost of using a tenant screening service or a consumer credit reporting service and the reasonable time spent to validate, review, or otherwise process your application. Application fees are deposited on the same business day.

Reusable tenant screening reports are not accepted.

Acceptable forms of payment for the application fee: **Cash is never accepted**

☒ CASHIER'S CHECK ☒ MONEY ORDER ☒ PERSONAL CHECK ☒ CREDIT CARD

Rental Application

All persons eighteen (18) years of age or older, and those deemed to be an adult under applicable law with respect to the execution of contracts, will be required to complete their own separate application. Only applications that are fully completed and signed will be processed for consideration. An applicant's intentional misrepresentation or intentional omission of any information on the application will be sufficient reason for rejection of the application.

Occupancy Guidelines

In accordance with the following guideline, the household composition must be appropriate for the apartment size in which the household is applying.

BEDROOM SIZE	MINIMUM PERSONS	MAXIMUM PERSONS
1 Bedroom	1 to 3 people	
2 Bedroom	2 to 5 people	
3 Bedroom	3 to 7 people	
4 Bedroom	4 to 9 people	

If the household exceeds the maximum occupancy during tenancy, the household may be allowed to remain in the unit until the lease expires, or for a reasonable period of time after, before being transferred to a larger unit or move from the property. This is not applicable to the addition of adult occupants. Adding unauthorized occupants, without first obtaining management approval, is considered a violation of the lease.

Rental Scores

The approval of credit is based on rental scores. Rental scores are relied upon to estimate the relative financial risk of leasing an apartment to you. Scores are calculated using a weighted average of factors, and your rental score results from a mathematical analysis of information found in your credit report and application. Such information may include your bill-paying

history, the number and type of accounts you have, open bankruptcies, unpaid utility bills, collection actions, charge-off, repossession, eviction histories, outstanding debt, income relationships (rent-to-income and debt-to-income ratios), and other attributes that reflect on your qualifications to meet the terms of your lease.

The rental scoring system used was created for the purpose of treating all applicants consistently and impartially, without regard to subjective criteria.

The rental scoring system uses information obtained by the third-party tenant screening service and consumer credit reporting agency, **On-Site.com** ("**On-site**"), which includes information obtained from the credit bureau **Experian** to evaluate the application.

You have the right to obtain a free copy of consumer report(s) in the event of denial or adverse action, and to dispute the accuracy of information appearing in the consumer report:

- 1) **On-site.com** - If you would like to review the information that the property used to evaluate your application, you can do so by visiting On-Site's applicant help center at www.renterrelations.com and requesting a free disclosure of the information that the credit bureaus and consumer reporting agencies maintain in their consumer files about you. After you receive that information, you may submit a dispute about any of the information, including that it is inaccurate or incomplete, through by contacting **On-site**: a) at www.renterrelations.com; b) by mail to On-Site at Renter Relations, 2201 Lakeside Blvd. Richardson, TX 75082; or c) by telephone at (877) 222-0384.
- 2) **Experian** - You have the right to directly dispute the information obtained in your credit report with the reporting credit bureau **Experian**. You are also entitled to request a free copy of your credit report from the bureau itself by calling Experian at 1 (888) 397-3742. Disputes can be started by contacting Experian by website at www.experian.com or by mailing a dispute to Experian P.O. Box 4500 Allen, TX 75013 (printable form for mailing a dispute is available on the above website).

Rental Score Recommendations

Approve - This is the most desirable recommendation and has the lowest security deposit level.

Approved with Conditions - Although the application will be accepted on this recommendation, this score presents a higher risk and may require the highest security deposit or co-signer.

Decline - The community may not proceed with the application.

Income

All households must have verifiable gross income of at least **2.5** times the monthly rent amount. Income must be legal and verifiable. Written verification and proof of all income includes, but is not limited to, current and consecutive pay stubs, social security or other retirement income, verification of welfare, disability, or SSI, income tax returns, unemployment benefits, worker's compensation payments, bank statements, and trust accounts. Applicants not meeting the income-to-rent ratio may be required to pay an increase to the security deposit or obtain a co-signer.

Rental History

Each applicant must have recent, consecutive, and a minimum of **12 months** month(s), verifiable third-party or mortgage payment history. Note: Applicants living with family members will not be considered as having third-party rental history. Applicants not having verifiable third-party rental or mortgage history may be required to pay an increased security deposit or obtain a co-signer.

Applications may be denied for the following reason:

- 1) An outstanding debt to a previous landlord
- 2) A public record of an unlawful detainer action or an eviction
- 3) A breach of a prior lease including failure to pay rent timely and non-compliance with rules, laws and regulations

The Village at SoTa does not accept Comprehensive Reusable Tenant Screening Reports.

Criminal History

A criminal background check may be conducted for all persons eighteen (18) years of age or older. Applicants with prior convictions for manufacture or distribution of controlled substances will result in a denial of the application. In addition, applicants may be rejected for convictions related to offenses for drug use, fraud, property destruction, property theft, sex offenses, and violence.

FPI Management will conduct an individualized assessment to determine whether the applicant poses a direct threat to others or property prior to making a final decision on whether to accept or deny the application. The individualized assessment will take into account relevant mitigating information such as (1) the facts or circumstances surrounding the criminal conduct; (2) the age of the individual at the time the conduct occurred; (3) evidence that the individual has maintained a good tenant history before and after the conviction or conduct; and (4) evidence of rehabilitation efforts.

Personal Liability Insurance

This community does ☐ does not ☒ require personal liability insurance. Approved households may be required to carry a

Personal Liability Insurance Policy. The coverage limit for the personal liability insurance must be maintained at not less than **\$100,000.00**, per household. You may obtain this through the property program or through the insurance company of your choice.

Photo Identification

All applicants will be required to show a government-issued photo identification to confirm identity. If an applicant's identification cannot be verified, it is grounds for rejection.

Guarantors

Guarantors are processed only after it has been determined that the applicant will not qualify on their own. Guarantors will be accepted for applicants who do not meet the required rent-to-income ratio, credit, or rental history requirements. Only one (1) guarantor per apartment is permissible. The guarantor will be required to complete an application and pay a full application fee. Guarantors must meet a higher financial standard which includes demonstrating the ability to meet the income-to-rent ratio of the household they are guaranteeing in addition to their own mortgage or rent payments. Guarantors must also meet all other financial qualifying criteria identified in the Guarantor Application Criteria. The guarantor will be asked to sign a Guaranty Agreement and a notary may be required.

Pets

If pets are accepted, applicants must fill out a Pet Application and follow the Pet Acceptance Criteria established for the community. Assistive animals for persons with disabilities are not considered to be pets, but do require advance written approval of management.

Smoking

This community is ☒ is not ☐ a smoke free community. This community ☒ offers ☐ does not offer smoke free apartment homes. If the apartment home or any part of the community is smoke free, the resident, members of the resident's household, or resident's guests or visitors, shall not smoke anywhere prohibited and identified in the Smoke Free Addendum.

Water Furniture

Liquid filled furniture over ten (10) gallons is allowed but requires proper insurance coverage and prior written approval. A certification of insurance in the amount of \$100,000.00 evidencing liquid filled furniture coverage must be provided prior to bringing any liquid-filled furniture into the household.

Conduct

Applicants may be rejected for conduct displayed during the tour or application process that would constitute a violation of the lease policies. Applicants must display the ability to comply with lease policies.

Denied/Approved with Conditions

Denied or conditionally approved applicants will be notified in writing of the reason for denial or conditional approval. Consideration may be given for extenuating circumstances where this would be required as a reasonable accommodation for disability when determining the acceptability of tenancy.

Register to vote

Three ways to register:

1) Online

You can register online, 24 hours a day, at VoteWA.gov.

To register online, you will need:

- A current Washington State driver license, or
- A current Washington State ID card

If you do not have either of these, you can still register by mail or in-person.

2) By mail

Download and print a voter registration form and mail it to Pierce County Elections. Forms are available in many languages.

3) In-person

You can register to vote in-person at the Pierce County Elections Office in Tacoma.

Applicant Acknowledgement:

I/we acknowledge that our application will be reviewed and a consumer credit report, public search and/or an investigative consumer report that discloses the consumer's character, general reputation, personal characteristics and mode of living will be obtained. A copy of any such report(s) will be provided to the applicant upon request.

I/we, the applicant(s), acknowledge that I/we have received a copy of the application criteria and understand the terms of possible residency.

(Applicant)

Date

(Applicant)

Date

(Applicant)

Date

BROKER AND AGENCY DISCLOSURE ADDENDUM

1. DWELLING UNIT DESCRIPTION.

Unit No. _____, _____ (street address) in _____ (city),
_____, _____ (zip code) ("Dwelling")

2. LEASE CONTRACT DESCRIPTION.

Lease Contract date: _____

Owner's name: _____

Resident(s) (list all residents): _____

This document shall serve as an addendum (the "Addendum") hereby incorporated into the Dwelling Lease Contract (the "Lease") between Resident and Owner. **Where the terms of the Lease and this Addendum may conflict, the terms of this Addendum shall control.**

3. PURPOSE OF ADDENDUM.

By their signature below, Resident acknowledges receipt of the Real Estate Brokerage in Washington Pamphlet, as set out in RCW 18.86.120, and attached hereto, and hereby acknowledges the Agency Disclosure set out below.

Agency Disclosure

Broker solely represents the Owner and Property Management Agency in any real estate or leasing transaction related to this Apartment Community.

4. SPECIAL PROVISIONS.

The following special provisions control over conflicting provisions of this printed form:

(Print Name) Date

(Print Name) Date

(Print Name) Date

(Print Name) Date

Real Estate Brokerage in Washington

When the seller of owner-occupied residential real property enters into a listing agreement with a real estate firm where the proceeds from the sale may be insufficient to cover the costs at closing, it is the responsibility of the real estate firm to disclose to the seller in writing that the decision by any beneficiary or mortgagee, or its assignees, to release its interest in the real property, for less than the amount the borrower owes, does not automatically relieve the seller of the obligation to pay any debt or costs remaining at closing, including fees such as the real estate firm's commission.

Introduction

This pamphlet provides general information about real estate brokerage and summarizes the laws related to real estate brokerage relationships. It describes a real estate broker's duties to the seller/landlord and buyer/tenant. Detailed and complete information about real estate brokerage relationships is available in chapter 18.86 RCW.

If you have any questions about the information in this pamphlet, contact your broker or the designated broker of your broker's firm.

Licensing and Supervision of Brokers

To provide real estate brokerage services in Washington, a broker must be licensed under chapter 18.85 RCW and licensed with a real estate firm, which also must be licensed. Each real estate firm has a designated broker who is responsible for supervising the brokers licensed with the firm. Some firms may have branch offices that are supervised by a branch manager and some firms may delegate certain supervisory duties to one or more managing brokers.

The Washington State Department of Licensing is responsible for enforcing all laws and rules relating to the conduct of real estate firms and brokers.

Agency Relationship

In an agency relationship, a broker is referred to as an "agent" and the seller/landlord and buyer/tenant is referred to as the "principal." For simplicity, in this pamphlet, seller includes landlord, and buyer includes tenant.

For Sellers

A real estate firm and broker must enter into a written services agreement with a seller to establish an agency relationship. The firm will then appoint one or more brokers to be agents of the seller. The firm's designated broker and any managing broker responsible for the supervision of those brokers are also agents of the seller.

For Buyers

A real estate firm and broker(s) who perform real estate brokerage services for a buyer establish an agency relationship by performing those services. The firm's designated broker and any managing broker responsible for the supervision of that broker are also agents of the buyer. A written services agreement between the buyer and the firm must be entered into before, or as soon as reasonably practical after, a broker begins rendering real estate brokerage services to the buyer.

For both Buyer and Seller - as a Limited Dual Agent

A limited dual agent provides limited representation to both the buyer and the seller in a transaction. Limited dual agency requires the consent of each principal in a written services agreement and may occur in two situations:

- (1) When the buyer and the seller are represented by the same broker, in which case the broker's designated broker and any managing broker responsible for the supervision of that broker are also limited dual agents; and
- (2) when the buyer and the seller are represented by different brokers in the same firm, in which case each broker solely represents the principal the broker was appointed to represent, but the broker's designated broker and any managing broker responsible for the supervision of those brokers are limited dual agents.

Duration of Agency Relationship

Once established, an agency relationship continues until the earliest of the following:

- (1) Completion of performance by the broker;
- (2) Expiration of the term agreed upon by the parties;
- (3) Termination of the relationship by mutual agreement of the parties; or
- (4) Termination of the relationship by notice from either party to the other. However, such a termination does not affect the contractual rights of either party.

Written Services Agreement

A written services agreement between the firm and principal must contain the following:

- (1) The term (duration) of the agreement;
- (2) Name of the broker(s) appointed to act as an agent for the principal;
- (3) Whether the agency relationship is exclusive (which does not allow the principal to enter into an agency relationship with another firm during the term) or nonexclusive (which allows the principal to enter into an agency relationship with multiple firms at the same time);
- (4) Whether the principal consents to limited dual agency;
- (5) The terms of compensation;
- (6) In an agreement with a buyer, whether the broker agrees to show a property when there is no agreement or offer by any party or firm to pay compensation to the broker's firm; and
- (7) Any other agreements between the parties.

A Broker's Duties to All Parties

A broker owes the following duties to all parties in a transaction:

- (1) To exercise reasonable skill and care;
- (2) To deal honestly and in good faith;
- (3) To timely present all written offers, written notices, and other written communications to and from either party;
- (4) To disclose all existing material facts known by the broker and not apparent or readily ascertainable to a party. A material fact includes information that substantially adversely affects the value of the property or a party's ability to perform its obligations in a transaction, or operates to materially impair or defeat the purpose of the transaction. However, a broker does not have any duty to investigate matters that the broker has not agreed to investigate;
- (5) To account in a timely manner for all money and property received from or on behalf of either party;
- (6) To provide this pamphlet to all parties to whom the broker renders real estate brokerage services and to any unrepresented party;
- (7) To disclose in writing who the broker represents; and
- (8) To disclose in writing any terms of compensation offered by a party or a real estate firm to a real estate firm representing another party.

A Broker's Duties to the Buyer or Seller

A broker owes the following duties to their principal (either the buyer or seller):

- (1) To be loyal to their principal by taking no action that is adverse or detrimental to their principal's interest in a transaction;
- (2) To timely disclose to their principal any conflicts of interest;
- (3) To advise their principal to seek expert advice on matters relating to the transaction that are beyond the broker's expertise;
- (4) To not disclose any confidential information from or about their principal; and
- (5) To make a good faith and continuous effort to find a property for the buyer or to find a buyer for the seller's property, until the principal has entered a contract for the purchase or sale of property or as agreed otherwise in writing.

Limited Dual Agent Duties

A limited dual agent may not advocate terms favorable to one principal to the detriment of the other principal. A broker, acting as a limited dual agent, owes the following duties to both the buyer and seller:

- (1) To take no action that is adverse or detrimental to either principal's interest in a transaction;
- (2) To timely disclose to both principals any conflicts of interest;
- (3) To advise both principals to seek expert advice on matters relating to the transaction that are beyond the limited dual agent's expertise;
- (4) To not disclose any confidential information from or about either principal; and
- (5) To make a good faith and continuous effort to find a property for the buyer and to find a buyer for the seller's property, until

the principals have entered a contract for the purchase or sale of property or as agreed otherwise in writing.

Compensation

In any real estate transaction, a firm's compensation may be paid by the seller, the buyer, a third party, or by sharing the compensation between firms. To receive compensation from any party, a firm must have a written services agreement with the party the firm represents (or provide a "Compensation Disclosure" to the buyer in a transaction for commercial real estate).

A services agreement must contain the following regarding compensation:

- (1) The amount the principal agrees to compensate the firm for broker's services as an agent or limited dual agent;
- (2) The principal's consent, if any, and any terms of such consent, to compensation sharing between firms and parties; and
- (3) The principal's consent, if any, and any terms of such consent, to compensation of the firm by more than one party.

Short Sales

A "short sale" is a transaction where the seller's proceeds from the sale are insufficient to cover seller's obligations at closing (e.g., the seller's outstanding mortgage is greater than the sale price). If a sale is a short sale, the seller's real estate firm must disclose to the seller that the decision by any beneficiary or mortgagee, to release its interest in the property for less than the amount the seller owes to allow the sale to proceed, does not automatically relieve the seller of the obligation to pay any debt or costs remaining at closing, including real estate firms' compensation.