APPLICATION QUALIFICATION CRITERIA – VILLAGE AT JOHNSON CREEK

Effective 5/2025

Our community supports The Fair Housing Act as amended, prohibiting discrimination in housing based on race, color, religion, sex, national origin, familial status or disability. Please note that these are our current rental criteria; nothing contained in these requirements shall constitute a guarantee or representation that all residents and occupants currently residing at this community have met these requirements. There may be residents and occupants that have resided at this community prior to these requirements going into effect; additionally, our ability to verify whether these requirements have been met is limited to the information we receive from various resident credit reporting services used. A complete and signed application from all proposed occupants over the age of 18 must be submitted. Please review this information before completing the application and paying the application screening fee, which is nonrefundable. Falsification of information on the application will result in denial of residency and loss of security deposit as liquidated damages for our time and expense. The Development will comply with state and federal fair housing and antidiscrimination laws; including, but not limited to, consideration of reasonable accommodations requested to complete the application process. Chapter 1, Subchapter B of this title provides more detail about reasonable accommodations. Screening criteria will be applied in a manner consistent with all applicable laws, including the Texas and Federal Fair Housing Acts, the Federal Fair Credit Reporting Act, program guidelines, and the Department's rules. Specific animal, breed, number, weight restrictions, pet rules, and pet deposits will not apply to households having qualified service/assistance animals.

IDENTIFICATION**

All applicants must present a valid driver's license or other government-issued photo identification and one of the following:

- United States government issued Social Security number;
- Form I-94 Arrival-Departure Record;
- Temporary resident alien card verifying approved entry by the United States government (I-94W);
- I-551 Permanent Resident Card (Alien Registration Receipt Card);
- Form I-688 Temporary Resident Card;
- Form I-688A Employment Authorization Card.

AGE/OCCUPANT

- Lease holder(s) must be at least 18 years of age or older, unless head of household.
- All occupants 18 years or older are required to apply and qualify under the Criminal History criteria and must not have any automatic rejections.
- All occupants 18 years or older are required to be screened under Income/Credit Criteria unless they are legal dependents as indicated on the most recent federal or state income tax form or a Live-in Caregiver as defined by HUD regulations.

HOPA-This property operates as Housing for Older Persons under the Housing for Older Persons Act of 1995 as amended (HOPA), and in accordance with the LURA, all household members must be 60 years or older.

INCOME AND RENT/EARNINGS RATIO **

- All applicants must have a verifiable income source through check stubs, W2s, income tax return, proof of government payments/court ordered income or letter from employer (If paystubs and Employment Verification are not available).
- Gross monthly income of household must be **2 times** monthly resident paid portion of rental income less any concessions or incentives.
- If more than 1 applicant, at least 1 applicant must meet the Income/Credit Criteria and Applicants may qualify with combined income/rent/earnings ratio.
- If applicant's income is not sufficient, a guarantor may be required.
- Household Student Status may impact household eligibility. Full time student households must meet an exception as outlined in LIHTC guidelines to qualify. The exceptions are as follows:
    - At least one member of the household receives assistance under Title IV of the Social Security Act, i.e. TANF payments.
    - At least one member of the household is currently enrolled in a job-training program that receives assistance under the Job Training Partnership Act (JTPA) or is funded by a state or local public agency.
    - The head of household is a single parent with children and neither the parent nor the children is the dependent of another individual.
    - At least one member of the household is married and filing a joint federal tax return. A married couple that is entitled to file a joint tax return, but has not filed one, still satisfies the exception under IRC 42(i)(3)(D)(ii)(II).
    - At least one student was under the care and placement responsibility of the state agency responsible for administering foster care.

- This property is governed by the IRS Section 42, LIHTC program. According to LIHTC guidelines, household income may not exceed the following:

MAXIMUM ANNUAL INCOME FOR RENT RESTRICTED APARTMENT HOMES (5/2025)

	1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
50%	$37,350	$42,700	$48,050	$53,350	$57,650	$61,900	$66,200	$70,450
60%	$44,820	$51,240	$57,660	$64,020	$69,180	$74,280	$79,440	$84,540

EMPLOYMENT/JOB STABILITY (current and previous) **

- If retired or not employed, applicant must produce bank statements sufficient to meet minimum income requirements and pass income, credit and criminal criteria.
- If self-employed, applicant must produce bank statements sufficient to meet minimum income requirements.

CREDIT RATINGS (Excluding student loans and medical accounts)

- Applicants with a Credit Risk of **Severe** will automatically be declined.
- An applicant with a Credit Risk Result of the following categories will be required to pay a security deposit equal to ½ month's rent plus the standard security deposit.
    - **Limited Established Credit, No Established Credit, High Credit Risk**
- The standard deposit for a 1 bedroom is $150.00 and for a 2 bedroom is $250.00.
- If more than one applicant, at least one applicant must meet the Income/Credit Criteria
- The presence of utility collection accounts within the last 36 months will result in a denial.
- Any bankruptcies in the previous 36 months must be discharged and a debtor's list presented.
- Foreclosure history in the past 24 months may be allowed with a security deposit equal to ½ month's rent plus the standard security deposit or guarantor so long as there is clean rental or no rental history since the filing.

RENTAL HISTORY

- Previous rental history is not required. However, if you have rental history, the following will be verified for eligibility:
  Timely rental payments are required. Tenant complaints, unpaid unit damages, and early lease terminations without payment, as noted by the previous landlord, will be not be eligible.
- Verification must be by apartment community or organization. It cannot be made by an individual unless proof of payments on a timely basis can be made**.**
- If a former landlord reference will not release reference for the applicant due to a lease violation, the application is automatically rejected.
- Balances owed to prior landlords/apartment communities within the last 36 months will automatically be denied.
- An eviction will result in automatic denial.
- Mortgage - must be verifiable via credit report or formal written documentation of home ownership.

GUARANTORS - Guarantor must complete and sign a Lease Contract Guaranty. Guarantor must reside in the United States. Guarantors must not have any automatic rejections and need to qualify showing income of 5x monthly rent and have a Credit Risk of at least Moderate.

REJECTED APPLICATIONS: Our 3rd party reporting services will mail a written notification of the grounds for rejection within seven (7) days of the determination to any rejected or ineligible applicant/household that completed the application process. The written notification will include the specific reason for the denial and reference the specific leasing criteria upon which the denial is based. Additionally, rejection letters will include contact information for any third parties that provided the information on which the rejection was based. Denied applicants are eligible to apply again for reconsideration 60 (sixty) days after initial denial.

Upon request, the contact information of Village at Johnson Creek Apartments third party screening company will be provided.

RECERTIFICATIONS

Per LIHTC Guidelines, Village at Johnson Creek Apartments tenants must obtain and perform an annual recertification after initial move in consisting of household composition, student status, and change of income should we request. At the time of recertification, change in income may be received for consideration re-designation of the household whether to increase or lower set aside rents based on the county's current income limits. Should anyone request a change of their unit designation; they must be on the community waiting list. Please see our Waiting List Policy on page 4 for further details. Annual recertifications are required to perform; if anyone should deny to participate, per LIHTC Guidelines you will be out of compliance at that time and may be considered for a non-renewal.

REASONABLE ACCOMMODATION POLICY:

In compliance with Section 504 of the Rehabilitation Act and the Federal Fair Housing Act, this property will grant qualified reasonable accommodations and modifications upon request to all applicants and residents. The requests will be responded to within 14 calendar days of receipt. Management is obligated to offer qualified applicant and residents with disabilities additional consideration in the application of rules, practices, services, and structural alterations if such allowances will enable equal opportunity to access and enjoy housing. However, management is not requires to make accommodations or modifications that will result in a financial burden to the property, is a structurally impracticable alteration, requires the removal of a load bearing wall, or if it requires management to alter or change a fundamental component of the housing program.

DEFINING PERSONS WITH DISABILITIES

Section 504 regulations define an individual with a disability as any person who has a physical or mental disability that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment [24 CFR 8.3]. Major life activities include walking, talking, hearing, seeing, breathing, learning, performing manual tasks, and caring for oneself.

SECTION 504/REASONABLE ACCOMMODATION PROCEDURES

An individual with a disability may request a reasonable accommodation during the application process and anytime during residency. Requests will be responded to within 14 calendar days of receipt. Individuals with a disability wishing to request a reasonable accommodation to complete the application process should contact the management office. All reasonable requests will be considered.

CRIMINAL HISTORY

A criminal background check will be conducted for each applicant and occupant age 18 years or more. The application will be denied for any of the following reported criminal related reasons (including but not limited to conviction or probation) that have occurred within the timeline identified below prior to the application date regardless of the applicant's age at the time the offense was committed. All records are evaluated from the date of disposition.

This requirement does not constitute a guarantee or representation that residents or occupants currently residing in our community have not been convicted of or subject to deferred adjudication for a felony, certain misdemeanors or sex offenses requiring registration under applicable law; there may be residents or occupants that have resided in the community prior to this requirement going into effect; additionally, our ability to verify this information is limited to the information made available to us by our third party reporting services used. All criminal background checks are through state and federal public records.

Application will be automatically denied for any of the following, felony or misdemeanor, regardless of time:

- All sex-related felonies
- Organized Crime
- Homicide
- Kidnapping
- Assault and Battery
- Terrorism-related offenses, including Weapons related II
- All VCAP offenses
- Applicant or occupant appears on the list of known terrorists and wanted fugitives as provided by the Office of Foreign Asset Control (OFAC), federal agencies to include the FBI or other state and local law enforcement agencies
- Felony DWI/DUI + or DUI/DWI Resulting in Bodily Harm

Application will be automatically denied for the following misdemeanors/felonies that have occurred within the designated number of years of the application date:

- Sex Misdemeanors 7
- Traffic Felony 7
- Theft by Check Felony 7 Felony; Misdemeanor 3
- Drug Offenses III-VII 10 Felony; Misdemeanor 3
- Weapon Related Offenses I 10 Felony; Misdemeanor 7
- Theft Larceny 10 Felony; Misdemeanor 3
- Property felonies 15 Felony; Misdemeanor 3
- Harassment 10 Felony; Misdemeanor 7
- Crimes against animals 10 Felony, Misdemeanor 3
- Cyber Crimes 10 Felony; Misdemeanor 7
- Fraud 10 Felony; Misdemeanor 7
- Arson 15 Felony; Misdemeanor 3
- Embezzlement 15 Felony; Misdemeanor 3
- Trespassing 15 Felony; Misdemeanor 3

Depending on the nature of the criminal related offense's risk to resident safety and property, Management will use its discretion in considering an applicant whose criminal background check shows any felonious offenses not already listed above that have occurred within seven (7) years prior to the application date.

Depending on the nature of the criminal related offense's risk to resident safety and property, Management will use its discretion in considering an applicant whose criminal background check shows any misdemeanor offenses not already listed above that have occurred within three (3) years prior to the application date.

Depending on the circumstances, applications may be rejected based on criminal records falling outside or beyond the timelines set forth above.

OCCUPANCY GUIDELINES - The maximum number of residents permitted to dwell in an apartment is 2 occupants per bedroom exclusive of 1 occupant under the age of 6 in a unit that provides all occupants with more than 120 sq. ft. of usable floor area in a bedroom or other habitable room and 120 sq. ft. of usable floor area in a living room.

UNIT TRANSER POLICY: All existing residents are eligible to request a unit transfer. If the requested unit type is not available, the requesting household will be placed on the waiting list. The cost to transfer mid-lease is $300.00. Unit transfers are subject to a satisfactory unit inspection that will be conducted by onsite management prior to transfer. Unit transfers will require new security deposits for the new unit. The security deposit for the current unit will be refunded to the household less any damages beyond normal wear and tear. Reasonable Accommodation transfers will not be accessed a $300.00 mid-lease fee. A background check will be conducted according to the criteria listed in the Criminal History section of this document.

ANIMALS – A maximum of 2 pets are allowed per apartment. Dogs whose breed or dominant breed weight exceeds 40 pounds at maturity are not accepted. The following breeds or partial breeds are not permitted: Rottweilers, Pit Bull Terriers, Akitas, Dobermans, Chows, and German Shepherds. Exotic animals and reptiles are not accepted. Additional restrictions may apply. Guide, service, support and signal dogs are not

considered pets and are permitted to reasonably accommodate a leaseholder or occupant with a disability. All animals must be photographed by management before approval. A $300 (per pet) non-refundable fee must be paid before or at time of move-in. In addition, there will be monthly pet rent. Nothing in this section shall prevent management from requiring the removal from any property of any pet whose conduct or condition is duly determined to constitute a threat or nuisance to the other occupants of the property. No pet may be kept in violation of humane or health laws. Occupant shall be liable for any damage or injury caused by the pet(s) and shall pay management any costs related to such damages to the extent those costs exceed the pet deposit. Occupant further agrees to indemnify, hold harmless, and defend against liability, judgments, expense, or claims by third parties for damages or injuries caused by occupant's pet(s).

Qualified service animals are permitted and are not subject to the community's policies regarding pet restrictions.

APPLICATION SCREENING FEE –A non-refundable application fee of $50 will be charged to each applicant/occupant 18 years of age or older. Applications are accepted written or on property website online. Applicants may pick up an application located at 815 Senior Creek Drive Arlington, TX 75115 or apply online at villageatjohnsoncreek.com. The property may be contacted by phone 817.226.8800 or email johnsoncreek@sandalwoodmgt.com

Note: Sandalwood Management screening reports are valid for 60 days. If your screening report is over 60 days old from the date you pay your screening fee to your anticipated move-in date, your screening will be run again to ensure screening requirements are still met; however, you will not be charged a screening fee again. In addition, you will be required to fill out another Application to ensure we have your current information.

SECURITY DEPOSIT- A refundable security deposit will be charged upon approval of your application and must be paid prior to move-in. In the event that there is a signed lease in place, and you fail to move in, this deposit immediately becomes non-refundable and will be retained by the property and management company.

WAITING LIST - Property waiting list remains open at all times. Applicants are encouraged to apply to be placed on the property waiting list when a desired or appropriate apartment is not available at the time of application. Applicants must complete an application and pay the appropriate application fees. Applicants of both set-asides are selected from the waiting list based on a first come-first served basis. There are no regulatory preferences for this property. In addition, when an accessible unit becomes vacant, Management before offering such units to a non-handicapped applicant shall offer such unit:

(1) First, to a current occupant of another unit of the same project, or comparable projects under common control, having handicaps requiring the accessibility features of the vacant unit and occupying a unit not having such features, or, if no such occupant exists, then

(2) Second, to an eligible qualified applicant on the waiting list having a handicap requiring the accessibility features of the vacant unit.

The lower rent restricted units will follow the same procedures as the higher restricted units.

Once a unit becomes available, applicants will be contacted in the order in which they applied/placed on the waiting list. 3 attempts, 2 days apart will be made. If no response is received after the 3rd attempt, the applicant will be removed from the waiting list.

Should the applicant contact management anytime within thirty (30) days from the date their application was removed from the waiting list and can provide an acceptable reason for not responding to the notification, their application will be reinstated at their original place. The applicant must update their contact information prior to reinstatement.

RENTER'S INSURANCE –You may sign up with our choice provider insurance program or provide your own renter's insurance policy. If you choose to provide your own insurance, please provide us with the Declaration page showing (1) Minimum of $100,000 liability coverage (2) Our property named as additional interest, (3) Policy start and end dates covering your lease terms, (4) Policy #. Renters Insurance is not required at Johnson Creek Apartments but recommended.

PRIVACY POLICY FOR PERSONAL INFORMATION OF RENTAL APPLICANT AND RESIDENTS - We are dedicated to protecting the privacy of your personal information, including your Social Security Number and other identifying or sensitive personal information. Our policy and procedures are designed to help ensure that your information is kept secure, and we work to follow all federal and state laws regarding the protection of your personal information. While no one can guarantee against identity theft or the misuse of personal information, protection the information you provide us in a high priority to our company and staff. If you have concerns about this issue, please feel free to share them with us.

How Personal Information is collected: You will be asked to furnish some personal information when you apply to rent from us. This information will be on the rental application form or other document that you provide to us or an apartment locator service, either on paper or electronically.

How and When Information is used: We use this information for our business purposes only as it relates to leasing a dwelling to you. Examples of these uses include but are not limited to, verifying statements made on your rental applications (such as your rental, credit and employment history), reviewing your lease for renewal and enforcing your lease obligations (such as to obtain payment for money you may owe us in the future).

How the Information is protected and who has Access: We allow only authorized persons to have access to your personal information, and we keep documents and electronic records containing this information in secure areas and systems.

How the Information is disposed of: After we no longer need or are required to keep your personal information, we will store or destroy it in a manner designed to prevent unauthorized persons from accessing it. Our disposal methods will include shredding, destruction or obliteration of paper documents and destruction of electronic files.

****NOTE: The identification, income, employment and deposit requirements may be modified if required by federal subsidy or financing programs. Based on final results of applicant screening, a security deposit equal to ½ month's rent plus the standard security deposit may be**

required and is due and payable upon approval. If a guarantor is required, Guarantor must complete and sign the Lease Contract Guaranty.

By signature below, all Applicants acknowledge that he/she has reviewed the rental qualification criteria, which includes reasons why the application may be denied. The Applicant understands that if he/she does not meet the rental qualification criteria or fails to answer any questions or gives false information, we may reject the application, retain fees allowed by statute and terminate any right of occupancy.

_____ _____
APPLICANT SIGNATURE DATE

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