

QUALIFYING GUIDELINES

**Lakes of Eldorado
1400 Eldorado Parkway
McKinney, TX 75069
972.529.4004 (p) 972.547.3005 (f)
manager@lakesofeldorado.com**

We are pledged to the letter and spirit of the United States policy for the achievement of equal housing opportunities throughout the United States. We encourage and support an affirmative advertising and marketing program where there are no barriers in obtaining housing because of race, sex, age, religion, color, familial status, national origin or handicap. 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. Income and rent restrictions apply at this community and are adhered to as required by the Texas Department of Housing and Community Affairs (TDHCA). All applicants are required to meet the following criteria in order to qualify to live here. In accordance with the Violence Against Women Reauthorization Act of 2013 (VAWA), we will not deny admission on the basis that the applicant has been a victim of domestic violence, dating violence, sexual assault or stalking. The criteria will be applied uniformly in accordance with program guidelines and TDHCA rules.

All applicants will be reviewed based on the following written criteria:

Applicants must be 18 year of age or older unless Federal/State Regulations provide for an exception. Any persons under the age of 18 not meeting an exception provided by Federal/State Regulations must occupy an apartment with parent/guardian of legal age. All adult household members 18 years of age or older will be required to complete a separate rental application. Proof of identity will be required for all family members (such as driver's license, state identification card, social security cards, or other identification). Should the applicant be personally unable to complete the form, the Applicant must be present to provide the information to the person that is completing the application form, indicate it was completed at the direction of the named applicant, and provide identification to management. Applicants must meet all qualifying requirements of the affordable housing program (IRC Section 42). The same consideration for occupancy will be provided to applicants receiving Section 8 Rental Assistance. Any additions to the household during residency must be immediately reported to the office. The new household member is required to meet the qualifying guidelines and complete an Income Certification.

Occupancy Standards:

No more than two persons will be allowed per bedroom plus a child who is twelve months old or less at the time of initial lease commencement or lease renewal. If the age of the resident's child causes such occupancy standard to be exceeded during the term of the lease, at the end of said lease term the household must either:

- a) Move to another available unit which has more bedrooms or;
- b) Vacate the residence with proper notice

<u>Bedroom Size</u>	<u>Maximum # of Occupants</u>
One Bedroom	2 Occupants
Two Bedroom	4 Occupants
Three Bedroom	6 Occupants

Eligibility Requirements:

1. **Income** – Applicants not receiving Section 8 Rental Assistance must have a verifiable source(s) of income that meets or exceeds 2.5 times the resident paid portion of the rent. Roommates, married applicants and households will be allowed to combine their income to meet the income requirements. Applicants that receive Section 8 Rental Assistance must have a verifiable source (s) of income that meets 2.5 times the resident paid portion of the rent. If the resident paid portion of the rent is \$50 or less, the applicant's income must be at least \$2,500 annually. Minimum income requirements for applicants at this community will be based on management guidelines as stated. Maximum allowable income for federal and government regulated programs at this community will be determined

and based on HUD guidelines. The maximum allowable income limit for household size can be found on the following pages.

- Applicant must have verifiable employment or income. Sources of verifiable income can include employment wages, unemployment wages, self-employment income, social security benefits, disability benefits, pension or retirement benefits, annuity benefits, child support and alimony. Non-verifiable income will result in automatic rejection.
 - Income/Asset Verifications-Each applicant is required to provide the staff with proof of income and assets prior to application approval. Acceptable forms of verification include two (2) months of current consecutive check stubs, third party employment verification, social security and pension award letters, payment history for child support and/or alimony, current bank statement and interest/dividend from all investments. If self-employed, provide a copy of the most recent federal Tax Return with Schedule C.
2. **Student Status** – A student is defined as an individual, who during each of five (5) calendar months during the calendar year is a full time student at an educational organization. Whether a student is full or part-time is determined by the educational institution. Please note, those five (5) calendar months need not be consecutive. Full-time student households that are income eligible must meet and provide documentation for one or more of the exceptions to be considered eligible: 1) household members that are married and file a joint tax return or eligible to file a joint tax return; 2) household consisting of single parent(s) and their child(ren), and both the parent(s) and the child(ren) are not a dependent of another individual; 3) an individual receiving assistance under Title IV of the Social Security Act (TANF Assistance); 4) an individual enrolled in a job training program receiving assistance under the Workforce Investment Act or under other similar federal, state or local laws; 5) an individual previously placed in foster care. This does not apply to an applicant moving into a market rate unit.

Screening Guidelines:

1. **Credit History** – A credit check will be completed on all applicants 18 years of age or older and in accordance with federal and state laws. Outstanding balances owed to a landlord or utility company will result in automatic denial. We use a third party residential screening service. Their scoring model is not a FICO credit score but a scoring system that relies on a neutral network to be a predictor of future behavior. It takes into account rent to income ratio, trade lines with balances and limits, payment history, criminal history and residential history.
- A score of 626 or higher is approved;
 - A score of 525-625 is approved with an additional deposit equal to the security deposit
 - If a score is not generated due to not having at least 5 trade lines to analyze or credit length is less than 18 months is approved;
 - A score of 524 or less is declined
2. **Criminal History** – Criminal history reports will be obtained on all applicants and occupants 18 years of age or older. Arrest records will not be considered in the screening. Conviction records will be reviewed to determine if the record demonstrates that the household member threatens the health, safety or right to peaceful enjoyment of the premises by other residents. The following behavior or convictions will be reasons for immediate denial:
- If a household member is currently engaging in illegal use of a drug
 - If there is a reasonable cause to believe that a household member's illegal drug use or pattern of illegal drug use threatens the health, safety or right to peaceful enjoyments of the premises by other residents
 - If any household member has been convicted of drug-related criminal activity for manufacturing or producing methamphetamine on a residential premises or if any household member has been convicted of the illegal manufacture or distribution of a controlled substance
 - If any household member is subject to a lifetime registration requirement under a State sex offender registration program.
 - If there is reasonable cause to believe that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety or right to peaceful enjoyment of the premises by other residents

Criminal convictions for offenses that are violent, sexual related or property crimes will be considered for denial if the completion of sentence, whether adjudicated or not, occurred within the past 10 years of the rental application as these types of offenses potentially pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents. All other felony convictions will be considered for denial if the completion of sentence, whether adjudicated or not, occurred in the past 3 years of rental application.

Any applicant that is denied based on their criminal history is encouraged to present any mitigating factors or evidence of rehabilitation for consideration.

- 3. Rental History** – Applicant must have a minimum of 6 months cumulative verifiable rental history or mortgage payment history within the last 24 months. Renting from a relative will not be acceptable as rental history because no contract performance can be determined. Home ownership must be verifiable via cancelled checks for a period of 6 consecutive months. If landlord cannot be contacted, 6 consecutive months of proof of payment must be verified and a copy of the lease contract must be provided. Applicants not having verifiable rental or mortgage history will have to provide an additional deposit equal to the security deposit. All disclosed prior rental history will be verified. An outstanding debt to a previous landlord or an outstanding NSF check that is not paid in full will result in automatic rejection. A prior eviction will result in an automatic rejection of the application.

Application Procedures: Fully completed applications to be considered for approval may be faxed, mailed or returned to the property during normal business hours (contact information is at the top of this document). If applications are faxed or emailed, original documentation is required at lease signing. The applicant’s application will be screened accordingly. An application fee will be collected from any applicant 18 years of age or older and will be based on the actual cost to process the application. Applicants who do not qualify will be notified in writing of the specific reason(s) for rejection and contact information for any third parties that provided the information on which the rejection was based within seven (7) days from the rejection date.

Reasonable Accommodations: A person with a disability may request a reasonable accommodation during the application process and anytime during residency by submitting a request orally or in writing to the Management Office. Requests will be responded to within seven (7) business days of receipt.

Falsification of Application: In the event that an applicant falsifies their application paperwork, the applicant will be automatically rejected. The Owner has the right to hold all deposits paid to apply towards liquidated damages. The Owner has the right to liquidate security deposits paid in the event of falsification of application paperwork.

Terms of Residency: Each eligible, qualified applicant who accepts an apartment home will be required to sign an Initial Lease Agreement for a period of no less than one year.

Pets: ALL ANIMALS MUST HAVE MANAGEMENT APPROVAL and a pet agreement signed. Animals must be no less than six months of age. No more than two animals to an apartment. There is a refundable pet deposit of \$200 plus a \$10 pet rent per month for dogs and cats up to 25 pounds and a refundable pet deposit of \$250 plus a \$15 pet rent per month for dogs 26 to 50 pounds if all terms of the Pet Addendum are met. Pet deposit and pet rent is per animal. Aquariums will be allowed with a 20 gallon maximum on the first floor only with proof of insurance for the entire term of the lease. No exotic or poisonous animals are allowed. A reasonable accommodation request must be completed orally or in writing to the property manager by the resident or prospective resident requiring a service assistance animal. Service animals will be allowed after third party verification has been received from a medical practitioner. Accommodations do not extend to any animals posing a direct threat to the health and safety of others.

Waitlist Procedure: This development has additional income and rent restrictions and the following restrictions apply to this property:

X 60% income/rent limits

Management will maintain an applicant waitlist for each bedroom size. The following procedures will be followed for all income and rent restrictions:

- Applicants who fill out a TAA Rental Application, TAA Supplemental Rental Application, TDHCA Special Needs Certification, Privacy Notice and signs a Qualify Guidelines will be placed on the waitlist once the application has been received at the management office in person or via mail, fax or email. They will be placed on the appropriate waitlist in chronological order by date and time it was received in the management office.
- Based upon the income information given on the TAA Rental Application and TAA Supplemental Rental Application the staff will determine income and rent restrictions the applicant qualifies for. The applicants' qualifications will be noted on the appropriate waitlist.
- As a unit becomes available, the first position applicant that qualifies for the unit designation will be contacted by management staff at the phone number provided on the application for possible residency. If we do not reach the applicant and do not hear back from the applicant within two (2) business days, the applicant will be removed from the waitlist and management will contact the next applicant that qualifies for the unit on the list.
- If the applicant declines the unit that is available, the applicant will be removed from the waitlist.
- If the applicant is interested in the apartment that is available, the applicant must come to the office to complete an application within two (2) business days. Development staff will then screen the household for criminal/credit and verify income, assets and student status.
- If the applicant does not show up within two (2) business days to complete the application and bring requested documentation, management reserves the right to remove the applicant's name from the waitlist.
- The applicant is responsible for contacting property staff to update their income/asset and contact information as it occurs. If the applicant's updated income places them into another income bracket, we will update the appropriate waitlist. Property staff may periodically contact applicants but management is not responsible for updating an applicant's income/assets or contact information.
- Priority for accessible units will be given, first, to an occupant residing at the property requiring the accessibility features. Second, to a qualified applicant on the list requiring accessibility features and third, to a qualified applicant on the list not requiring accessibility features. Priority will also be given to persons protected under VAWA.
- A resident in good standing that meets one of the three conditions listed under the apartment transfer policy will be considered a priority household on the waitlist. If the waitlist is closed it will be opened to allow this household to be placed on the waitlist.
- The waitlist will be closed when it reaches 30 applicants for each bedroom size. The waitlist will open back up when the waitlist for each bedroom size is down to five (5) applicants.

Apartment Transfers: In order for a resident to transfer to another apartment home within the community, the resident must meet one of the following criteria:

- Have experienced a change in household composition;
- Have experienced a change in income which is permanent in nature;
- Requires a reasonable accommodation for a disability or is protected under the VAWA Act of 2013

All transfers must be approved by management. The property requirements allow households to transfer to another unit without having to income qualify again. Unless the household exceeded the 60% AMI set aside at 140% (OI) over income limit at the last certification. If the household was OI then they are only allowed to transfer units within the same building. All adults will be required to meet the criminal background requirements. Residents in poor standing: balances owed, more than 3 late payments, more than 2 uncorrected lease violation(s), violation of unit conditions defined in the TAA lease paragraphs 19.2 and 25.2, will not be allowed a transfer. You will be required to pay a security deposit for the unit you are transferring to. The security deposit for the unit you are transferring from will be refunded within 30 days minus damages beyond the normal wear and tear and other charges allowed by the lease. If a unit is not available, the resident will be placed and selected from the waitlist as described in the wait list procedure above.

Non-Renewal and/or Termination Notices: Non-Renewal Notices for all programs, will be notified in writing with the specific reason(s) for non-renewal with a 30-Day Written Notice that will be delivered by posting the notice on the back of the front door of the unit, or hand delivered to an adult occupant, or by certified mail. Termination Notices for all programs, will be notified in writing with the specific reason(s) for termination with a Written Notice to Vacate that will be delivered by posting the notice on the back of the front door of the unit, or hand delivered to an adult occupant, or by certified mail.

Maximum Income Limits:

Household Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
60% AMI	\$50,880	\$58,140	\$65,400	\$72,660	\$78,480	\$84,300

Maximum Rent Limits:

Bedroom size	60% AMI
One bedroom	\$1,362
Two bedrooms	\$1,635
Three Bedrooms	\$1,889

Application Fees:

\$17.00 for the 1st applicant

\$12.00 for each additional applicant

Security Deposits:

1 bedroom: \$200.00

2 bedroom: \$250.00

3 bedroom: \$300.00

All monies must be paid with a money order or cashier checks, no personal checks will be accepted for application fees and deposits.

Note: Income and Rent Limits Change Annually

By signing below, you acknowledge that you have read and understand the Qualifying Guidelines described above for this community.

Applicant Signatures

_____ Date _____

_____ Date _____

_____ Date _____