



It is our strict policy to verify the credit references, employment, income and rental history of every adult applicant. The following are guidelines used by HPE Property Management, LLC. to interpret the information gathered on each applicant.

SOCIAL SECURITY NUMBER

- Each adult applicant must present evidence of a valid Social Security Number. This usually takes the form of a government issued identification card but payroll stubs will also be considered.

EMPLOYMENT AND INCOME VERIFICATION

- Applicants must have verifiable monthly income from a local employer equal to or greater than three times (3x) the monthly rental rate.
- Any non-employment and/or passive income must be guaranteed for the term of the lease by the government agency or payer.

PRIOR RENTAL VERIFICATION

- Applicants must have a history of satisfactory rent payments and occupancy with all previous landlords.
- Applicants must have given sufficient notice-to-vacate at their last address.
- Judgments and evictions from any previous landlord are considered bad credit.

CREDIT REPORT VERIFICATION

- HPE Property Management will purchase(Pull) a credit report on every adult applicant. We require proof of good credit from everyone.
- Applicants must have two or more acceptable credit ratings or references, within the last 3 years.
- The bottom of this webpage further explains credit ratings and our policy toward large unpaid medical bills, defaulted student loans, bankruptcies, repossessions and judgments appearing on public records.

MARRIAGE

- Married couples must be able to prove they are married. Generally, two photo ID's (such as driver's licenses) with the same last name are sufficient. An alternative is to present a Marriage Certificate.
- The combined income of married couples will be considered to meet the income requirement (i.e., 3 times the monthly rental rate)
- The income of unmarried singles will not be combined and each single must qualify individually to meet the income requirement (i.e., 3 times the monthly rental rate)

FINAL DECISION

- Note that the final decision is NOT made by HPE Property Management, LLC in most instances. We request to all owners review information we provide and give us approval or denial. HPE Property Management, LLC purchases (Pull) a credit report which uses the North American Standard Account Rating System:
 1. Account too new to rate
 2. Paid or paying as agreed
 3. 30 days past due
 4. 60 days past due
 5. 90 days past due
 6. At least 120 days past due
 7. (not used)
 8. Making regular payments through a special arrangement
 9. Repossession (voluntary or involuntary)
 10. Charge off as bad debt
- A rating or status of 1 is considered to be good credit.
- A rating or status of 2 is considered to be questionable credit.
- A rating or status of 3 through 9 is considered to be bad credit (See Further Guidelines).

MORE APPLICABLE GUIDELINES

1. Open, revolving and installment accounts rated 1 are good credit accounts.
2. Applicants **must have two or more acceptable** credit ratings or references, within the last 3 years.
3. Applicants with recent ratings (within last 3 years) of **3 to 9 should be considered bad** credit risk.
4. Applicants with long credit histories whose records show **ratings of 2 should be asked for an explanation** of this questionable credit in order to determine whether it is reasonable to expect rental payments to be made on time.

5. Large unpaid medical bills as a result of circumstances beyond the applicant's control will not be considered as part of the credit history if the applicant presents reliable, written evidence of mitigating circumstances and settlement efforts. (See mitigating factors below.)
6. One or more **unpaid collections and judgments** are considered to be bad credit. Collections and judgments appear under "Public Records." Collections and judgments can be paid, marked paid or satisfied but will not be removed from the credit report for 7 years. If collections and judgments have been paid and all other credit is satisfactory, the Property Manager may approve. If earnest and substantial efforts are being made to settle unpaid accounts, they may be documented as mitigating circumstances by the applicant.
7. Cases where the **overall credit history is good but some minor discrepancies** exist should always be discussed with the applicant in order to reasonably determine whether or not an expectation can exist that rents will be paid as agreed.
8. Defaulted student loans and bankruptcies should be considered bad credit, however, a bankruptcy followed by good credit established after filing, indicates an attempt to rectify past credit problems and may be considered acceptable if the bankruptcy occurred over three years ago.
9. If an applicant has a "**Voluntary Repossession,**" he/she had indicated that they have realized they cannot fulfill their contract and allowed the item to be returned. Please discuss all "Voluntary Repossessions" with the Property Manager to determine if approval is possible.
10. Credit reports indicating installments in excess of 40% of Gross Monthly Income are not acceptable.
11. If the Leasing Agent receives part of the credit, employment, income and/or rental history verbally, the report should be detailed thoroughly on the back of the Rental Application. Simply writing "good credit" or "excellent reference" on the back of the application is not acceptable.
12. Both present and previous landlord references should always be checked and noted on the back of the Rental Application.
13. Mitigating factors regarding an applicant's credit report such as hardships and disputes with creditors, will be considered by HPE Property Management, LLC. upon submission of objective written evidence, as long as the evidence presented, in the sole opinion of HPE Property Management, LLC., represents reliable evidence beyond the applicant's control.
14. It is not HPE Property Management, LLC.'s responsibility to discover, research or verify that there are possible mitigating factors. The **burden of proof** to present mitigating factors rests entirely with the applicant.

Any unusual questions dealing with credit references, employment, income and/or rental history should be dealt with by the Property Manager assigned to the specific rental property.