

VOLUME IX

# Tenant Selection Criteria: Finding the Best Renters

By Shamontiel L. Vaughn



While prospective homeowners are scrambling to find good deals on new homes, renters are also in a mad scramble to find new rentals—especially after the eviction uptick during the pandemic from 2020 to 2022.

According to the **Eviction Lab**, in 2020 alone, Houston, Texas had more than 79K eviction filings. While other cities in Florida and Texas have only one-half to one-third of Houston's numbers, this has still left Realtors (and property managers) trying to make the selection process as fair as possible, regardless of a renter's prior circumstances.

City Data reports that both Texas and Florida have cities in the top 25 "**100 cities with highest percentage of renters.**" Popular rental cities include San Marcos, Texas; Miami, Florida; and College Station, Texas.

Whether a Realtor's farming location is here or somewhere else, having a Tenant Selection Criteria form evens the rental playing field for all. This uniform rundown is a documented checklist that Realtors can use when selecting, accepting and denying any prospective tenants. Read on to find out what the form should include, what it should not include and how to create one.



## Tenant Selection Criteria Form Must Honor the Fair Housing Act

Before this form is created, all Realtors should be familiar with what cannot go on the form.

The **Fair Housing Act** prohibits discrimination in housing in any of the following categories:

- Race
- Color
- National origin
- Religion
- Sex (including gender identity and sexual orientation)
- Familial status (Note: Although there was a **century-old law in Florida** banning cohabitation between an unmarried couple, it was outlawed in 2016 by Gov. Rick Scott. Realtors cannot ask questions about marital status when it relates to the parents' or guardian's status either.)
- Disability (Any questions directly related to any of these protected classes should either not be added at all or immediately removed.)

## Common Questions To Add on a Tenant Selection Criteria Form

There's a lot of paperwork and time dedicated to finding the right tenant for a property owner. That includes background checks, **professional and personal references**, eviction reputation, financial documents, patterns of paying rent in a timely manner and so on.

Creating a minimum criteria ahead of time can save Realtors from wasting time with applicants who simply won't make it to the leasing end. The Tenant Selection Criteria Form should have written criteria that is exercised equally for all applicants though. Doing so will reduce the likelihood of discrimination accusations, as well as subjective feelings about one tenant's application over another.

### Here are 15 common questions that should make it onto the form:

1. Is the minimum monthly income at least three times as much as the rent? (Note: Multi-unit rentals that allow federal or state project-based rental subsidies should check with the **U.S. Department of Housing and Urban Development, HUD**, to determine this percentage's accuracy based on the number of bedrooms, units and overall salary of the building.)
2. Was the application fee paid on time?
3. Does the applicant have at least two years of consecutive employment?
4. If not, did the applicant include financial documents confirming consistent income (ex. retirement or Social Security statements, proof of income via bank statements)?
5. Did all prospective tenants (ages 18 and over) submit a photo ID and/or state-approved valid ID?
6. Did the applicant agree to and get a credit report approved?
7. Did the applicant agree to and pass the criminal background check? (Note: HUD determined in the **Notice PIH 2015-19 / H 2015-10** that "someone [who] has been arrested does not itself prove that the person has engaged in criminal activity.")
8. If the applicant did not pass the criminal background check, does the convicted crime directly relate to the safety of other renters (ex. reckless driving versus murder)? (Note: While other states have a seven-year limit on background checks, the **Fair Credit Reporting Act** has no yearly limit for Texas and Florida.)

9. Do any of the applicants (ages 18 and over) smoke?



10. Does the applicant own a pet(s)? What breed? What size? (This matters for property owners and condo associations who are not pet-friendly and/or have strict rules regarding the breed and size of the animal.)

11. Does the tenant have a history of property damage? Could the security deposit cover the damage in full?

12. Did the tenant provide false information on the application?

13. Did the tenant fill out the application completely?

14. Does the tenant have a minimum of a fair credit score (i.e. 580 or higher)?

15. Has the tenant filed for bankruptcy?

By using a checklist of these 15 questions for all tenants, the Realtor can objectively look at all results before moving forward. Additionally, if property owners represented by the Realtor challenge the tenant application choices, the Realtor can also have documented protection to explain those picks, too.

Of course, there is the possibility that prospective tenants may check off all the boxes on a Tenant Selection Criteria form and still end up being a nightmare tenant. Neither the Realtor nor property manager can foresee the future. However, by safeguarding the unit ahead of time, this form will protect all parties and be a valuable source should it be needed for legal reasons later on.

---

[Share on](#)