

MGM PROPERTY MANAGEMENT, LLC APPLICANT SCREENING CRITERIA

Fair Housing Statement

- As a fair housing provider, we do not discriminate against persons on the basis of race, color, religion, national origin, sex, familial status, disability, creed, marital status, receipt of public assistance, sexual orientation, and any other protected class protected by applicable fair housing law.

Business Relationship

- The relationship between Management and our residents is a business relationship. A courteous and businesslike attitude is required from both parties. We reserve the right to refuse rental to anyone who is verbally abusive, uses profanity, is disrespectful, makes threats, is under the influence of alcohol or illegal drugs, is argumentative, or in general displays an attitude at the time of the showing or application process that causes Management to believe we would not have a positive business relationship.

Application Requirements

- The application must be filled out completely and accurately. An incomplete application may be rejected or not processed. Any misstatements, misrepresentations, or omissions made on your application, whether or not discovered before you move into the building, is grounds for denial of an application or termination of an existing lease. Information must be legible and verifiable. Your application may be rejected if any requested information (such as a prior address or source of income) on the application is omitted or cannot be verified.
- All applicants must be 18 years of age or older, or a legally emancipated minor. Each adult must complete an application and pay an application fee.
- It is the intention of MGM Property Management, LLC (MGM MGMT) to create a good living environment for all residents. Through the use of a tenant screening service, we are better able to accomplish this. All applicants are subject to Resident selection and screening standards based on MGM written Application Screening Criteria.
- There are financial qualification standards for all properties, assuring us that we would not be unknowingly putting someone in financial jeopardy by allowing them to live beyond their means. Typically, our income standards are approximately 33% of your income allotted for housing. Thus, approximately (3) times the amount of rent should be your verifiable monthly gross income.

The denial of your application for residency could be based on a number of factors including, but not limited to the following:

- 1) Previous or current landlord/housing history.
- 2) Rental payment history.
- 3) Credit history.
- 4) Inability to obtain, or other questions on verifications of employment or other income source.

- 5) Income qualification.
- 6) Criminal history.
- 7) Fraudulent, misleading, incomplete, or unverifiable information on application.

In taking an application and showing an apartment, we are each contemplating a business relationship. Management is dedicated to treating you with professionalism and respect. In turn, we request a businesslike and courteous attitude. If any comments or behaviors during the application process, or other information obtained by Management, leads us to conclude that this may not be a positive business relationship. This is grounds for denial of an application.

Income

- Monthly gross income should be equal to or greater than 3 times the monthly rent.
- Income must be verifiable through current pay stubs, employer contract, public benefits records, tax records, or similar records, accepted at the discretion of Management. Income from all sources will be considered as long as it is verifiable, reliable, and predictable.

Housing History

- Applicants must have a positive housing history. We require the name and last known telephone number of each landlord/property manager, mortgagee, or contract for deed payee for each address for the last two (2) years. Roommate and family-member references are not acceptable. We reserve the right to deny your application if we are unable to verify your housing history. The refusal of a prior landlord to give a reference, or a negative reference, may be grounds for denial. Negative items that can result in rejection include evictions, lease non-renewals, household safety / health / housekeeping violations, lease violations, pest-control issues, unpaid rent, unpaid utilities or other housing-related debt, etc. In the case of first-time renters or renters who, because of age or other reasonable explanation, have less than 2 years of housing history, this requirement may be varied subject to additional requirements of management.

Credit History

- Credit history will be checked. An adverse credit report, a high amount of household debt, judgments, or bankruptcy or the absence of a credit history may be grounds for rejection of an application. In the case of first-time renters or renters who, because of age or other reasonable explanation, do not have a credit history, this requirement may be varied subject to additional requirements of management.

Criminal History

- We do not reject applications based on arrests, dismissed charges, or expunged convictions. We do not reject applications based on juvenile records unless the resulting adjudication or conviction is based on an adult charge or public juvenile adjudication. We do not reject applications based on minor crimes (failure to pay transit fare, minor consumption of alcohol, loitering without intent, worthless check, etc.) or for minor and moderate driving offenses that do not involve criminal vehicular operation causing property damage or bodily injury. DUIs/DWIs will not be considered unless the applicant has three or more such offenses in the past five years.
- No matter the date of the conviction, we reject applications for criminal convictions such as homicide; arson; criminal sexual conduct; child pornography; illegal manufacture or distribution of controlled substances; terrorism; blackmail; extortion; and racketeering. We reject applicants who are currently

subject to any sex-offender registration requirement under any jurisdiction.

- Convictions for violent crimes not discussed above will result in rejection if the conviction is less than 15 years old. Convictions for drug-related crimes not discussed above will result in rejection if the conviction is less than 10 years old. For convictions not described above, we consider the nature, severity, and age of the conviction in determining whether to approve or reject an application. Given the variety of convictions that exist and the need to review accurate records, we cannot make binding pre-application determinations about whether your criminal history may disqualify you from our housing. We make admissions decisions after we have ordered and reviewed screening reports.
- Open charges: Unless the charge is for a crime that we disregard under our screening criteria, we reject applicants with open charges. An applicant may re-apply upon resolution of the open charge, at which time the then-closed charge will be considered under our criteria. If the open charge was dismissed, the application will not be denied on the basis of that charge. If the open charge resulted in a conviction, it will be evaluated under our criteria to determine whether the conviction requires rejection of the application.
- We have the discretion to evaluate criminal records to determine how to characterize them and apply our screening criteria. Our screening criteria are narrowly and proportionately tailored to comply with fair housing law, advance the property's interests, and not unduly limit an applicant's admission based on criminal history. We have and will continue to consider the interests of the property; various laws; and other relevant materials when determining how to treat criminal records under our criteria. We will reject applications when required to do so by federal, state, or local law. We have the discretion to modify our criteria based on new information, new law, our experience in applying the criteria, and other business justifications.

Occupancy Limits

- Local ordinances will vary. If the local ordinance for your community is more restrictive than MGM limits, the local ordinance will apply.

<u>Size of Apartment</u>	<u>Maximum # of occupants</u>
Efficiency/Studio	Two persons but no more than one adult
One Bedroom	Two persons
Two Bedroom	Two persons per bedroom but no more than two adults*
Three Bedroom	Two persons per bedroom but no more than three adults*

*Our restriction on the number of adults is designed to maximize housing opportunities for families with children and to minimize the problems that can occur with parking and guests, where there are multiple adults/roommates.

Conditional Approvals

- At the discretion of Management, approval of an application may be conditioned on payment of first and last month's rent. Management may place such conditions on acceptance for the following reasons:
 - Insufficient housing history,
 - Insufficient or borderline income,
 - Lack of established credit,
 - Less than six (6) months' employment with the present employer or other reasons to question predictability and certainty of income,

- Students with no verifiable means of support,
 - Less than positive landlord references or credit history.
- The Rental Office Staff does not make the decision regarding your application. After the screening search, all applications are forwarded to the MGM Corporate Office for approval or denial. The Community Manager or Leasing Consultant will notify you as to the status, usually within 1 to 5 working days. MGM MGMT is a Fair Housing provider and will grant equal opportunity to all persons under the law.

Should your rental application be denied and you wish to obtain information about your Residential Tenant Reports, do not call MGM Property Management, LLC, please call Rental History Reports, Consumer Information line at 1-888-389-4023. This is the reporting agency contracted by MGM MGMT to perform the verification on rental prospects.

- There is a \$45.00 application fee per adult and \$500.00 Performance Deposit required on all rental applications. This application fee is NON-REFUNDABLE regardless of approval or disapproval. All applications will be thoroughly verified through a professional rental screening service. All adults in the household must apply.
- Applicant (s) and MGM MGMT agree to the following terms regarding the Performance Deposit.
 - 1) MGM MGMT agrees to process Applicant's application and notify Applicant whether Applicant has been accepted or denied. Depending on our ability to verify your application, this process will usually require one to five days.
 - 2) When Applicant is notified of acceptance, the Performance Deposit becomes non-refundable.
 - 3) If application is denied, the application cannot be approved because material information cannot be obtained or verified through no fault of Applicant, or the application is only approved with additional financial conditions (such as payment of first and last month's rent that are not agreeable to Applicant). Then the Performance Deposit will be returned to the Applicant within seven days of notification to the Applicant. If the Performance Deposit was paid by personal check and MGM MGMT deposited the check, additional time may be required to verify that the check has cleared the Applicant's bank. Upon verification, a check will be issued by MGM MGMT to the Applicant in the amount of the Performance Deposit.
- This Performance Deposit Agreement when signed by the Applicant (s) and MGM MGMT, is a binding agreement to enter into a Lease subject only to Applicant (s) meeting MGM MGMT's screening standards. Applicant (s) acknowledges that MGM MGMT has agreed to hold an apartment for Applicant (s) subject only to the resident screening process. If Applicant (s) fails, for any reason, to take possession of the rental unit, the Performance Deposit will be held by MGM MGMT as liquidated damages. Additionally, Applicant (s) is responsible for a two (2) month notice period equal to two (2) month's rent.
- Applicant (s) have reviewed and signed the Lease, agreeing to the terms and conditions of the Lease, with the understanding that the Lease is not a legal and binding document until the Application (s) have been approved, the Applicant (s) have been informed of the approval, and the Lease is approved and signed by an authorized representative of MGM MGMT. MGM MGMT may refuse to sign a Lease, or cancel a Lease, in the event that MGM MGMT cannot deliver possession of the rental unit as agreed. At the time of notification of the approval, the Lease will be signed by MGM MGMT and will be a legal and binding document.

- I/We hereby authorize Rental History Report, to prepare a consumer report for MGM Property Management, LLC. This report may include, but will not be limited to federal and state records, including State Employment Security Agency records, as well as a criminal history search. This authorization is for this transaction only and shall continue in effect for one (1) year unless limited by state law, in which case this authorization continues in effect for the maximum period, not to exceed one (1) year, allowed by law.

Disclosure of Tenant Screening Service

- MGM Property Management, LLC uses a professional third-party company to process and screen applications. The company we use is:

Rental History Reports: 7900 W 78th St, Suite 400, Edina, MN 55439

Phone Number: 1-888-389-4023/952-545-3953 www.rentalhistoryreports.com/applicant