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To: All Prospective Tenants  
Date: 24 August 2010  
Subject: JRealty Showing and Leasing Decision Policies and Procedures

Dear Prospective Tenant,

JRealty gathers Prospective Tenant (PT) information and formulates an Opinion which it shares with the Landlord (L). Much like a bank, JRealty's Opinion relates to the ability of the PT to complete the terms of their contract, which includes the PT's ability to pay the rent in full and on time, for the duration of the term.

**JRealty's Opinion Criteria and Thresholds:**

1) FICO Score	Pass	> 650
	Conditional	630 - 649
	Fail	< 629
2) Rent to Income	Pass	Rent < 33.33% of gross income
	Conditional	Rent = 33.34% to 37.00% of gross income
	Fail	Rent > 37.01% of gross income
3) Bankruptcy Records	Pass	No bankruptcy in past 7 years
	Fail	1 or more record in past 7 years
4) Criminal Report	Pass	No records
	Conditional	Small traffic violations (qty 3 or less in 7 years)
	Fail	All other
5) Manager's Discretion	See 'Opinion Notes' below	

**Opinion Notes:**

- FICO Score. JRealty pulls FICO score and credit information from Experian. The cost is \$30 per application. Tenants or agents may supply a credit report as long as it meets the following criteria: 1) all pages are included, not just the cover page, 2) a FICO score is included, and 3) reports were printed within 1 month of subject date.
- Rent to Income. Calculated by Rent/Income. Income is defined as gross (pre-tax) monthly income. This is the total amount of money that the PT will bring in, before taxes.
- If a PT receives a 'Fail' for any part, then JRealty issues a Fail Opinion to the Landlord.
- If a PT receives one or more 'Conditional', the JRealty may consider any one or more of the following:
  - A co-signer (who also must pass Opinion test) for the lease agreement
  - Previous rental history
  - Feedback and/ or letters of recommendation from previous landlords and/or employers
- Manager's Discretion: JRealty reserves the right to exercise 'Management Discretion' within the process of pre-screening/showing units. If a potential tenant otherwise meets the admission criteria but we are not comfortable leasing to him/her, we may use the Management Discretion as the basis for rejecting the application. As stated below, JRealty does **NOT** discriminate in Housing Based on: Race, Color, National origin, Religion, Sex, Familial status (families with children under the age of 18 or who are expecting a child), or Handicap (if you or someone close to you has a disability). Choosing to make management decisions based upon reasons that fully exclude the above categories does constitute a violation of the law.

**Prescreening/ Showing Units:**

- In almost all cases, JRealty will verbally prescreen the PT prior to showing a unit.
  - JRealty will not show a unit if PT receives a 'Fail' for any part
  - If PT receives one or more Conditional results, JRealty may ask for confirmation or further information prior to showing a unit
  - If PT does not know his/her FICO score, JRealty may require PT to obtain his/her credit report prior to showing unit

**Other Notes:**

- JRealty uses these criteria to formulate an Opinion on **ALL** PT.
- JRealty is an Equal Housing Opportunity
- Please read the following for more information: Fair Housing Act <http://www.justice.gov/crt/housing/title8.php>

