

RHR Information Services, Inc

# SelectRent News

## Editor's Note

The renting season is truly upon us! Maybe it is the exceptionally mild weather or maybe the economic gears are turning faster than usual. I can't be certain what the reason is, but I can say that January was an unusually busy month at RHR, so I assume you've experienced the same pleasant increase in applicant traffic as well.

In addition, the outlook for the rental industry is positive this year according to the folks that spoke at the National Multi-Housing Council's annual meeting held recently in Boca Raton, Florida.

This month our newsletter fo-

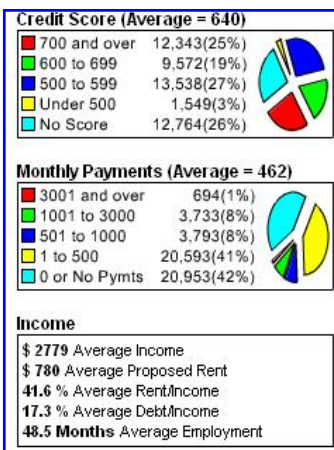
cus is a bit of getting back to the basics. It can't be stressed enough that you and your staff are really the most integral part of the screening process, as you insure that the input that is ultimately analyzed by our company is accurate. As a result we've included a basic tips for successful screening that is really worth the read even if you've been in the business for quite awhile.

We've also highlighted some of the statistics from our newly enhanced demographic profile report that has some great new charts and graphics that make this report more useful than ever.

We appreciate your feedback to

the monthly newsletter, so if there is an area of focus that you would like us to cover in a future issue, please don't hesitate to let us know. Have a great month!

*Tony Karels*  
Account Manager



*RHR's new Demographic Profile Report is more useful than ever!*

### Inside this issue:

- 1 Tips for Successful Background Screening
- 2 Not Just Another Screening Agency
- 3 Demographics of a Typical Renter

## Tips for Successful Background Screening

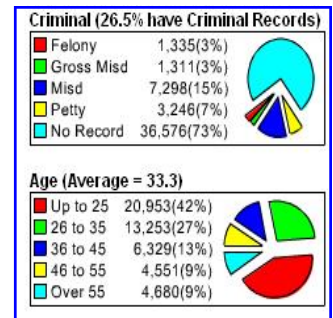
The quality of the tenants you attract to your property is largely contingent on neighborhood, unit mix, rent rates, and marketing methods. Attracting the best potential candidate is the first step in selecting the best possible resident. The second step is to carefully and thoroughly screen them. The most fundamental aspect of the

screening process is the application. It must be designed to provide all of the crucial information accurately. It must ask all the important questions, and be created to eliminate the possibility of errors and minimize confusion. Since the key to reading a prospective rental application is to recognize inconsistencies, it is imperative

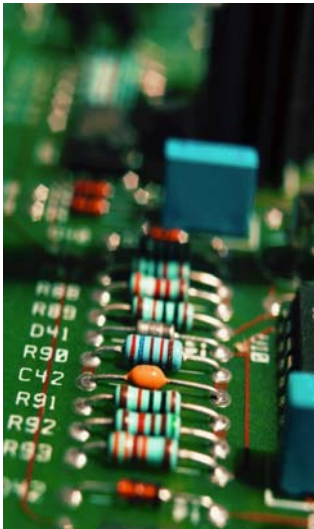
that a proper application form be used. A successful tenant screening program mandates an understanding and inquiry into each of the following areas:

**Name** - A full, complete and current name must be provided for every resident. It must be clear who the responsible par-

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## Not Just Another Screening Agency...




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*“With increased flexibility, speed and accessibility, SelectRent delivers the most complete screening solution for property managers looking to maximize their properties’ performance.”*

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Today it is imperative for your screening process to run as fast and as smooth as possible. You want your on-site staff to spend as little time as possible on the qualification process and more time servicing the needs of your residents. To accomplish this goal and more you need a fast, easy-to-use system accompanied by thorough, efficient training.

SelectRent was designed specifically for multi-family housing screening, and delivers the most advanced and feature-rich online tools in the industry. With increased flexibility, speed and accessibility, SelectRent delivers the most complete screening solution for property managers looking to maximize their properties’ performance. SelectRent provides property managers with the competitive advantage to maximize rental revenue in any economic climate or region.

SelectRent gives your rental offices:

- Fast, efficient online screening from any computer.
- Secure internet access to credit reports from one of the big three credit bureaus.
- Straightforward data-entry screens.
- Detailed explanations

of the credit information and recommended score.

- Easy to read reports often generated within minutes.
- FCRA pre-adverse action and adverse action letters automatically generated.
- Unlimited training sessions available for on-site staff.
- Unlimited access to RHR’s toll free customer service area.
- Seamless transfer fax reports option should onsite computers go down.
- Around the clock maintenance of all of your hardware needs, including the fax machine we provide you.

SelectRent gives your management team:

- Efficient, consistent, low-cost screening across your entire portfolio
- Easily modifiable decision criteria to effect performance changes, address property types, or adapt to market conditions.
- Proprietary decision support technology using sophisticated risk management principals.
- Experienced consultants to assist you in customizing and fine

tuning your decision criteria for maximum effectiveness.

- Management reporting suite to monitor and evaluate site level leasing decisions and decision criteria.
- Billing options to fit your needs: centralized and/or “bill to property” payment options, plus your account history is available to you online.

Does your management and rental staff deserve more? Do you deserve more? Call your RHR Information Services, Inc Sales Manager at 888-389-4023 ext 122 or 952-259-3022 and let him tell you how RHR can give you and your staff more.

## The Demographic of a Typical Renter

What is an average applicant? Look at your average applicant in the demographics section of our website. Looking at all of our applicants from 2005, we find our clients' average applicant looks like the following:

- 3% had a felony record
- 3% had a gross misdemeanor
- 15% had a misdemeanor
- 7% had a petty misdemeanor

- meanor
- 640 was the average credit score
- \$2779.00 monthly income
- \$780.00 proposed rent
- 41.6% rent to income ratio
- 17.3% debt to income ratio

It may be interesting for you to see how your properties compare to our average applicant or perhaps more

interesting to examine based upon your properties' demographics where your applicants are coming from, how they are hearing about your property and thus, where you want to spend your marketing money.

If you have questions using the demographics tool, feel free to contact your RHR Information Services Inc SelectRent representative.



## Tips for Successful Background Screening (cont.)

*(Continued from page 1)*  
ties are and that the name on the application is properly spelled and that all nicknames and aliases are included.

**Social Security Number** - After the applicants name, this is the most important piece of information on the application. First, ask the prospective resident for a copy of their social security card and compare it to the number provided on the application. Next ask for a copy of their pay stub and compare the social security number from the pay stub to that on the application. While many people will not be able to supply you with a copy of the social security card, remember that just because they can does not mean all is well, a fake social security card can be purchased for as little as \$40.00. Ask the prospective renter what state they received the card from. The Social Security Index of valid

numbers will show you how to easily interpret the first three digits and confirm the state of origin. Find out more here: <http://www.ssa.gov/employer/statabweb.htm>

Run a credit report to help find inconsistencies in the information given by the applicant, and to indicate any other "Fraud Alert" messages associated with that SSN, or possibly even other names or SSN's associated with your applicant.

**Date of Birth** - A complete date of birth is often the only thing that allows us to differentiate between people with similar or common names. Remember, criminal records are only verified by Date of Birth and name matches.

**Drivers License** - This is a bon-a-fide picture identification, and often a wealth of information. Cross check the complete name on the license with the name on the applica-

tion and other identification provided. Is the name the same? Is it spelled the same? Do the middle names and initials match? Cross check the date of birth with the applications and other identification to insure consistency. Be sure the physical description matches the picture and identifies the person in front of you. Also since in many states the drivers license number is used to code specific information about the driver make sure you get a copy, or at least that the drivers license number is included correctly on the application.

**Address History** - In terms of fraud detection may be the one fact that cannot be recreated from the person whose identity may have been stolen. If you suspect that an address history on an application is inconsistent with other documentation in the file, ask for copies of old checks, tax

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## The Right Path to the Right People

Disclaimer: This newsletter has been developed for informational purposes only for use by the customers of RHR Information Services, Inc., and should not be relied upon as definitively accurate. Due to the complex nature of your business, we strongly suggest that you work closely with legal council when making business related decisions.

## Tips for Successful Background Screening (cont.)

*(Continued from page 3)*

returns or other evidence confirming the addresses. In addition compare the address history they have given you carefully with that returned on the credit header in the background screening report.

**Employment** -The source of current or future income is important in determining the applicants ability to meet their lease obligation. Be certain they have given you a complete company name, address, and telephone number. The name of a supervisor, length of employment, and pay rate are also important pieces of information that must be confirmed. If they claim to be self employed, an independent contractor, or a partner or owner of a business, get proof. If that field requires a license, like a real estate agent, nurse, or hair stylist, ask for a copy of that license.

**References** -Typically important and helpful as long as they are checked out. Frequently we find out the type of tenant they were, what their payment history was, how they obey rules and treated the property. Other references though, like friends and relatives, while on first consideration may seem to be biased toward helping the applicant, may be an excellent resource for later finding a former tenant that left owing you money.

**Criminal Background Checks** - As the owner or manager of multi family housing you must be concerned with allowing access to dangerous or undesirable tenants. Since criminal records searches are done largely from public records or other commercially available sources the response time can be anywhere from instantaneous to several days. Before ordering criminal records research it is important to determine in which jurisdictions you are going to want to search. It is here that again that the address history from the application and the address history from the credit report need to be closely scrutinized before ordering.

**Red Flags** - There are an endless number of red flags that may be signaling to you a problem applicant. A few are as follows:

- Refusal by an applicant to completely fill out the application
- Refusal by an applicant to provide the necessary documentation of information on the application.
- Inconsistencies on the application itself or between what the application says and what the prospective tenant has said in past conversations
- Information that upon verification appears to be false or inconsistent.
- An applicant that appears nervous, or

in a hurry to get into your property and tries to dissuade you from verifying their application. (Trust me)

- An applicant without a checking account may indicate a lack of stability.
- An applicant that indicates that they are self employed but can produce no documentation substantiating a legitimate business.

In the end it can be very difficult to get rid of a problem resident and selecting the right people can be as simple as attracting the right people and then running them through a properly crafted screening program.

For more information on how to set up a successful screening protocol please contact your RHR Information Services account representative.