

HOW TO SCREEN A TENANT

Do you have a horror story to tell? Most landlords and managers do. It comes with the territory. But you can improve your odds by following a proper screening procedure prior to renting. While this won't guarantee you good tenants, it will go a long way toward keeping the known bad tenants out, and will reduce your rates of problems to levels you can live with. But far too many people don't know how to screen a tenant. So, here is how you do it.

First, make them fill out an application that asks for, at a minimum, the following:

- (1) Full Name;
- (2) Social Security Number
- (3) Current Address
- (4) Time at current address
- (5) Current Landlord's name and phone number
- (6) Employer
- (7) Employer's phone number
- (8) Their income
- (9) ALL - that means EVERY - address they have lived at for AT LEAST the last 3 years, with LL names and numbers, and dates they lived there.
- (10) Names of EVERYONE to occupy the rental

The app must also have on it a release permitting you to do a complete background check on the applicants, and all applicants age 18 and over must sign the application.

Then, check the DRIVERS LICENSE or STATE ID of every applicant age 18 or over - NO EXCEPTIONS, NO EXCUSES. When you look at the ID, make sure that the picture matches the person who gave it to you. Then verify that the name on the ID is the same (including middle initial) as the name on the application. For women, this often involves careful questioning. MAKE SURE you have all the last names for the person that you can obtain. The address on the drivers license MUST BE one of the addresses listed on the application. If the Social Security number is on the ID, match it against the one on the app. Finally, compare the signature on the ID to the signature on the application.

Charge the applicants \$25 or \$30 per name (nonrefundable) for an application fee. This is not unreasonable; a screening service will charge you at least that much, and if you do it yourself, you will put some time into it. Also, this is your first line of defense; if the applicant has a bad history, they usually won't pay the fee since they know they will lose the money and won't get the place. If they are bad guys, you don't want them anyway.

Then, you should turn it over to a good tenant screening service for evaluation. Make sure they are thorough. If you wish to screen the applicants yourself, here is what you do.

First, go to the local courthouse and search the eviction records to see if they have ever been evicted. In many areas, you can do this online. If they have been evicted, you need to evaluate why. While you are there, check court records for criminal convictions. Then go to the tax office and pull property records on all addresses listed on the app. Make sure that the owner listed on the app is indeed the current (or previous) owner of the property. One of the most common scams is to list a friend as a landlord. If you have cause to suspect this might have happened, then check the records to see if the friend has ever been evicted or arrested. You will wind up knowing a lot.

Second, go to the police station, and pull arrest records on them. This will usually be enlightening; many arrests never make it to court. So by looking at these records, you will learn if your applicant is troublesome.

Then, go to the credit bureau and pull their credit report. You can use this to determine whether they are a deadbeat or not. Bad credit is common among tenants; learn to decide WHICH KINDS of bad credit raise red flags. For instance, I tend to ignore medical collections; it is expensive and if you are ill, you have to have the service. I don't consider non payment of medical bills to necessarily indicate moral turpitude. However, bad checks to grocery stores is a major red flag, and I routinely reject those who get jewelry store credit cards, run 'em up, then default. In my book, that is no different than theft.

Now, get on the phone. Call the present and previous landlords. Get references. Ask set questions; "Did they live there? did they pay on time? did you ever give them an eviction notice? did they cause damage? would you rent to them again?" Never forget the "would you rent to them again?" -

often, your other questions don't pick up something and that last one is your clue.

Call the employer. Do they really work there? Is the employer really an employer?

If anything makes you in the least bit suspicious, criss cross phone numbers. You can do this at www.infospace.com, among other places.

When you are done with all this, you will know who you are dealing with. It won't guarantee you that you will avoid a bad experience, but if you don't do it you are certain to have some extremely bad experiences, and by doing this you will certainly filter out 99.9% of the bad guys.

A good screening service will do all of these things for you. If you are not set up to do it routinely, you will find it to be a terrible nuisance and will be inclined to take shortcuts. Shortcuts will cost you many thousands of dollars in evictions, lost rent, and repairs. So don't take shortcuts.

My screening service (this is NOT a plug - we are strictly local in the three county area here in Ohio) maintains eviction, arrest, and property ownership records on site. We also keep complete records of everyone we have ever screened - so the second and third and fifteenth times we screen them we can see what they said the earlier times. We keep records on landlords as well, so we know who they all are (as best we can know - we know of several thousand of them in the area). So when you come to us, we have the data to quickly tell you what you need to know about the person, and all the previous landlords, and so forth. Of course, we know who all the bad guys are.

Any good local screening service will have this kind of data - and some of it is only data that you get by running a screening service. This is the argument in favor of using a service rather than doing it yourself.

But ultimately it doesn't matter, just so long as you do it.