



Property # \_\_\_\_\_

Tenant \_\_\_\_\_

### LEASING GUIDELINES

To be provided with Credit Application prior to Lease Signing  
To be read and agreed to prior to completing the Application process

Applicants' Name(s): \_\_\_\_\_

Property Address: \_\_\_\_\_

### LEASE POLICIES & PROCEDURES

**Thank you for choosing the above referenced Foothills Properties rental property. This property will be removed from the available market temporarily for two (2) business days' ONLY, pending your completion and submittal of application documents. Exceptions to this policy must be presented to the Broker for approved.**

**Foothills Properties' Standard of Practice includes a thorough Tenant screening as outlined below.**

**Agency Disclosure:** Foothills is the sole and exclusive agent of the Landlord/Owner of the properties listed for rent or lease and represents the Landlord/Owner's interest in any and all transactions related to the rent, lease or sale to Tenant. In the event of a Landlord and Tenant sale contract, Foothills shall by contract represent Landlord/Owner/Seller but may also represent Tenant/Buyer at all parties' discretion.

**Fair Housing:** Foothills welcomes all applicants, complies with Federal, State and Local Fair Housing Rules and does not discriminate in the rental of properties on the basis of age, sex, race, religion, marital/familial status, disability, color, creed, ethnicity, national origin, gender identity, or sexual or gender orientation.

**Maximum Time Lapse Between Lease Writing and Start of Lease Term (or Occupancy):** The lease beginning date shall be no more than 21 days from application unless the property is occupied at lease writing. If occupied the lease beginning date (first rental period) shall be no more than 15 days from the date the property is ready for occupancy. The lease beginning date may not be extended without approval of the property's landlord during the lease approval process. If the property is not in move-in condition at the beginning of the lease, the date may be extended to allow for completion of the make-ready process.

**Occupancy Guidelines:** Foothills follows the occupancy guidelines set by the Arizona Attorney General under Fair Housing Standards of: 2 persons per bedroom. Example: In a 3 bedroom property the maximum occupancy is 6 persons.

**Pet Policy:** Where pets are permitted, the following general conditions apply:

- No Puppies or Kittens are permitted – pets must be 1 year old or older, pets must be house broken. Pet damage is NOT normal wear and tear and Tenant will be charged for all related damage.
- Pet weight limits and number of pets may be mandated by some Community Associations or Landlords.
- Known aggressive breeds of dogs may be rejected by Community Associations or Landlord's Insurance Carriers.
- A general limit of 2 animals per unit applies, there may be exceptions for a 3<sup>rd</sup> or 4<sup>th</sup> pet, but over 4 is never permitted.
- Pet Rent per month is \$20.00 per pet. There are no exceptions! This is in addition to the monthly rent.

**Multiple Applications:** Foothills procedure is that the first party to submit an application with all necessary documentation and application fee of \$50 and processing fee of \$5 per applicant 18 and over will be accepted for processing. Additional parties will be placed in backup position.

**Application Accuracy and Subsequent Changes in Information:** The application must be completed in its entirety. Incomplete applications will cause rejection of the application until it is filled out completely. This will delay processing or result in a denial of the application and the Lease. Falsified applications may be rejected without further notice and if discovered after lease approval, will be considered a Material Breach of the Lease and could be grounds for eviction. If any facts in the application prove to be untrue or inaccurate in the sole discretion and determination of Foothills Properties, Foothills may terminate tenancy immediately and collect any damages incurred including reasonable attorney's fees resulting therefrom. The Rental Application and Third Party Guaranty are an integral part of the rental agreement and will be used in conjunction with all legally binding documents and/or agreements. After executing a Lease Agreement with Foothills, tenant is responsible for reporting any changes in the personal information contained therein, including but not limited to change of name, phone number(s), email address, financial and employment information within 48 hours.

**Step 1 - Application Process and Tenant Screening:**

- The Rental Application including the Leasing Guidelines and the Crime Free Addendum must be completed and signed on line.
- All prospective Residents eighteen (18) years and older must submit a Rental Application.
- The non-refundable Application Fee of \$50.00 and Processing Fee of \$5.00 for a total of \$55.00 per applicant must be paid at the time of application for the Application to be processed by our service provider. The fees cover the cost of processing the application, obtaining credit report, Court Reports, Bankruptcy Report, Social Security and Address Verification Report, Landlord Verifications, Employment Verifications and other clerical costs.

**Identification Required From Each Applicant::**

- Two forms of identification including one (1) photo ID. Samples of acceptable ID are shown below:
  - Official Photo ID – Driver's License, State Issued Photo Id, Military ID, unexpired Passport, Official U.S. Government Visa, Military Dependents ID Card or other similar identification.
  - State Voter Registration Card, Original Social Security card; school ID, original or certified copy of birth certificate, Certification of Birth Abroad issued by the Social Security Administration, Native American Tribal Document or similar.

**Applicant Approval Requirements and Process:** The processing and approval process contains a rating process based on the following criteria:

- **Sufficient Income:** Including but not limited to Verifiable income from either employment or retirement income or investments; Sustainable history of employment; Gross Monthly Income should be three times the rental amount per month
- **Verifiable Good Credit:** Reports will be pulled from a national credit bureau. The FICO Score will be used in the credit approval process.
- **Previous Rental History:** Rental history will weigh heavily on the approval rating. Foothills will make a reasonable attempt to contact previous landlord(s) and/or mortgage holder(s) submitted by Applicant; however, the ultimate responsibility for supplying this information lies with the Applicant. **Foothills reserves the right to decline tenancy on the basis of our inability to contact the references provided.**
- **Employment Verification:** Foothills will make a reasonable attempt to contact Current or Previous Employers as submitted by Applicant; however, the application can NOT be processed without this information and the ultimate responsibility for supplying this information is with the Applicant. Pay Stubs may be used in conjunction with employer verification; applicant may provide tax returns as verification of income. If Applicant is self-employed or retired, Foothills will accept Federal Tax Records or Banking or Investment Statements.
- **Monthly Income to Rent and Monthly Income to Debt:** These ratios are calculated in the rental approval process. Also checked and rated are Tax Liens, Collection accounts. Medical and Student Loans collections will not normally be counted against the applicant. Delinquent Accounts are scored. Because Bankruptcy and Foreclosures affect the credit scoring these items are reviewed, they may be questioned, but are not normally counted as a negative in the approval process.
- **Tenant Background:** The following reports will be obtained to verify the information on the application: National Court Report (criminal courts), Bankruptcy Report, Eviction Report, OFAC and Social Security/Address Verifications.
- Foothills will make every effort to process applications within 48 hours of submission; however processing can take several days due to inability to reach previous landlords, employers or other references. Applicants are encouraged to check on the status of an application, particularly if you have not received a response from Foothills within 72 hours (3 business days) of submission.
- **Processing:** Once all verifications and credit and background reports are obtained, the package is processed for qualification, and submitted to Vice President – Property Management or Broker for qualification approval. Depending upon response from employer and/or previous landlords, the process can take 48 to 72 hours. Please contact the Leasing Agent of Property Manager if you are not notified of approval within 72 hours.
- **Pre-Screening:** Applications will not be "pre-screened" outside the standard process under any circumstances. All applications submitted become the property of Foothills Properties.

**What if Applicant is NOT Approved:** If you are not approved under Foothills standard approval criteria, you may still be able to meet our criteria by.

- **Volunteering Last Month Rent:** At Foothills' sole discretion, Applicants who do not meet the minimum requirements may continue the rental process by volunteering the last month rent, as additional consideration and inducement to rent.

**Step 2 - If Qualified:** Once you have been preliminarily qualified using Foothills Standard Criteria or by completing additional qualification steps:

- The Property Manager or Leasing Agent will contact you to complete the rental process. They will gather additional information, if needed, to complete the lease agreement. (Employment / Rental or Mortgage verification)

- Request Earnest Money equal to a full month's rent by Certified Check, Money Order or Credit Card (personal checks will not be accepted). By forwarding the Earnest Money, Tenant acknowledges that the application portal will be closed effectively removing the property the rental market although it will be viewable until the leasing process is complete, that the Earnest Money will be Non-Refundable. If Applicant does not complete the rental process, it will be forfeited as Liquidated Damages. Earnest Money will be deposited within three Business Days of receipt. If Foothills is unable to fully qualify applicant, or is not able to deliver the premises the Earnest Money will be refunded, after receiving proof from our bank that the funds have cleared.
- Upon receipt of Earnest Money - Complete Foothills Standard Lease Agreement
- Forward the Lease Agreement to tenant for review and signatures via email using by eSign or Adobe Acrobat signatures on line

**Step 3 – Payment of remaining funds due, obtain Keys/Remotes – take possession of the property:**

- **Move-in Appointment Requirements:**
  - Tenant to pay remaining funds due for move-in prior to receiving move in package (contents listed below). Funds to be paid by Cashier's Check, Money Order, Credit (service charge of 4% to apply) or Debit Card (service charge of \$5 to apply).
  - Tenant to provide completed Tenant Move-in Requirements form with all Utility Account #'s and information.
- **Move in Packet will be provided to tenant to include:**
  - Copy of the fully executed Lease Agreement and all addenda and other documents.
  - The Tenant Handbook – keep for reference during tenancy.
  - Covenants, Conditions and Restrictions (CCR's) of the community as well as the Rules and Regulations which are more day to day specific.
  - Keys and Remotes as applicable - property doors, mail box, community facilities and garage and gate.
  - Move-In Condition Report and Survey. This form will be emailed to Tenant the day after move-in, with an expected completion and return within 5 business days. This report and survey will be used to document the property condition at your move-in, will be countersigned as received by Foothills and returned to you for your records, and kept on file at Foothills throughout your tenancy to be used at your move-out inspection and when generating your Security Deposit Reconciliation. Accuracy on the form is very important, as it can protect you from being charged at move-out for pre-existing conditions.
  - The Move-In Condition Report and Survey is not to be used to request repairs or maintenance. Any requests of this nature are to be handled through our website for documentation for both you and Foothills.
  - Information on paying on line utilizing a program provided by Foothills utilizing RentTrack which will assist in building positive credit as they report positive payment information to the credit reporting agencies.
  - Information on setting up your Tenant Portal on Foothills web site for sending and receiving communication to your property manager.

**Credit Reporting:** Foothills reserves the right, in its sole discretion, to report to national credit reporting agencies any failure to fulfill any of the terms of any rental agreement, including any amendments, renewals or extensions thereof. Subsequent consumer credit reports may be obtained and utilized in connection with any update, renewal, modification, or extension of any Lease Agreement including any amendments thereto or regarding any collection matter pertaining to, arising from or in conjunction with, the rental or lease of a residence for which application was made.

**Administrative Other Fees and Costs:** To cover Foothills administration costs, processing all documents, entering the tenant information into computer data bases, generating lease correspondence, compliance with the Customer Identity Theft Acts, cost of document and record storage, scanning of records, costs of shredding of records and other costs, Foothills charges the following:

**Lease Writing and Renewal Process Fees:**

- \$100 Lease Administration Fee for each lease written and approved at time of initial occupancy.
- \$25 Lease Renewal Fee at the time of any Lease Renewal or Extension.
- \$100 Tenant departure/substitution/addition (per tenant/applicant), plus the application fee or other applicable fees/costs.

**Lease Non-Compliance Process Fees:**

- \$25 Late Rent Processing Fee (5-Day Quit or Pay Letter).
- \$50 Court Appearance Fee for Special Detainer Action (eviction procedure).
- \$50 Eviction Lockout Fee plus the cost of re-keying or changing the locks
- \$25 Security Deposit Collection Fee – if not paid as agreed.
- \$35 NSF Check Fee to pay bank charges and administrative fees.
- \$25 Utility Procedure Non-Compliance - per utility, per occasion for not placing utility in Tenant's name
- \$50 Lender Rent Verification for completing verification of rents for mortgage or other loan approval.
- \$250 Per pet without approval in addition to the Pet rent of \$20 per month per pet retroactive to the date the pet 1<sup>st</sup> moved in.
- \$10 Duplicate copies of Leases or other documents

**Property Management Special Handling Fees:**

- \$35 Missed Repair Appointment Fee for each missed vendor appointment plus any vendor charged service fee.
- \$25 CC&R Violation letter for each letter received from the HOA (Home Owners Association). If it is later found that the HOA was in error the fee will be waived.
- \$50 HOA Meeting Appearance Fee each time a Foothills employee attends an HOA meeting as a result of Tenants actions or inactions in violation of the CC&R's of the HOA, unless Tenant is found to be innocent of the violation(s).

**Rents Due and Late Fees:** Rents are due at Foothills Properties office on or before the 1<sup>st</sup> day of the month, with 3 days of grace. Late fee of 20% of the gross monthly rent including the monthly pet rent will be applied on the 4<sup>th</sup> day of the month.

**Insurance-Owner/Landlord Responsibility:** The Owner/Landlord's insurance provides protection for the Property Owner ONLY for perils of Fire and Flood to the structure and/or Owner's contents left on the premises, theft of Owner's Personal Possessions on premises (i.e. stove, refrigerator, washing machine, etc.) and liability for accidents on the property. This insurance does not protect tenant or tenant(s) possessions or tenant's liability.

**Insurance Notice – Tenant Responsibility:** Tenant is advised that Landlord's insurance policy does not provide coverage to tenant for loss of personal property, from fire, flood, lightening, explosion, theft, smoke damage, accidental leakage or overflow, electrical issues, windstorm and glass breakage, medical expenses or other casualty, personal injury or liability coverage in case of accident for Tenant or Tenants Guests, Invitees or others or the cost of defense for claim. Tenant is strongly advised to obtain and maintain throughout the term of this Lease, any extension of its term, a Renter's Property and Liability Insurance Policy with minimum liability coverage of at least \$300,000 purchased from an Arizona rated insurance company. Tenant's failure to obtain and maintain insurance shall not obligate Landlord or Foothills for any loss sustained by Tenant, Tenant's Family, guests or invitees or others and shall not invalidate this clause or the Lease Agreement.

Tenant is advised that Landlord's insurance carrier may subrogate to or collect from Tenant or Tenant's insurance carrier any and all damages caused by Tenant or Tenant's Guests.

Renters insurance is inexpensive and usually available from Tenant's auto insurance carrier. FHP can supply referrals of additional sources.

In addition to the above, Tenant shall not, either by act or omission, do anything in violation of any insurance requirement imposed by Landlord's insurer(s). Landlord and Tenant agree that Tenant's failure to observe this covenant shall be deemed a Material Breach of this Lease affecting health and safety.

The "LEASING GUIDELINES" once executed and approved are a part of the lease by reference herein.

**APPLICANTS UNDERSTAND AND ACCEPT THE ABOVE TERMS:**

\_\_\_\_\_  
Applicant Dated Applicant Dated

\_\_\_\_\_  
Applicant Dated Applicant Dated