

Section 6: Landlord & Tenant Leases



Congratulations you have a tenant!

Let's go through the steps that you and your tenant will take.

1. QUALIFYING CRITERIA

Start by sharing with your client the common qualifying criteria for rentals.

- ✓ Landlord requires, the monthly income per family to be at least 3 times the monthly rent amount.
- ✓ The last 3 months of Paystubs if the prospect is a W-2 employee
- ✓ The last 6 months of bank statements if the prospect is self-employed
- ✓ Job history will be checked and current and previous managers or HR department will be contacted.
- ✓ Good rental history, previous landlords will be contacted to confirm
- ✓ No eviction
- ✓ No early terminations
- ✓ No disputes



Credit score - If credit is 570-599 with no big issues on the report prospect may need to provide 2 month's deposit - If the credit score is above 600 it is normally good to go.



No history of bankruptcy and short sales in the last 5 years.



Credit score and background check will be run



A non-refundable fee of \$40-\$65 per adult living in the house (anyone over the age of 18).. This is the cost of obtaining a credit score and conducting a background check.

2. PROCESSING THE APPLICATION

Once the house is chosen, the application process begins. Be sure to contact the listing agent to see if there are any other applications on the house or if the landlord has already chosen an applicant.

If there are applications on the house, notify the prospect, and if he understands that there is a fee associated with the application and still wants to apply, go ahead and do it. There are two methods to submit the application, and it is entirely up to the listing agent; always check agent remarks in the MLS to see which method they are using:

Method 1.

Property Management Website- Agents request the application to be submitted on their website

If the agent remarks show a link to submit an application, you will be sending that link to your clients to apply. Everybody in the household over age 18 will have to apply, all documents can be submitted through the application link. The fee will be paid directly online.

Method 2.

Send application to listing agent- TAR Application to be submitted to agent directly

Collect the following documents from your tenant and send them to the listing agent. The listing agent will provide instruction to pay the application fee.

- ✓ Fully completed TAR Lease application form (one per person over the age of 18 in the house). If application is not fully complete the agent may not present it to the landlord for review. If some sections do not apply to your tenant please advise for them to write NA on those sections.
- ✓ Last 3 months of paystubs for W-2 employees
- ✓ Most recent 6 months of bank statements for self employed
- ✓ copy of tenant/s ID

If the application is denied, the prospect may request the credit score and background check directly to the listing agent/property management company or landlord. **Agents cannot request reports for tenants.**

If your application is accepted, the listing agent will send you the lease agreement.

Steps to take once tenant signs the Lease Agreement:

Upon signing the lease, the prospect must deliver the **Deposit** in the form of a Cashier's check or money order. The deposit will be the equal amount of one month's rent (two months if you have bad credit or a low or inconsistent income). The deposit check is made payable to the landlord. Tenant can deliver the checks to the listing agent's office or to tenant agent's office. As the tenant's agent you are in charge to be sure that the checks are delivered and received by the listing agent.

First month rent is due prior to or the same day the tenant is occupying the property. Payment must be made in the form of a cashier's check or a money order made PAYABLE to the broker of the Listing agent.

First month's rent will need be paid in full. If the tenant is moving in any day other than the 1st day of the month the prorated amount will be paid during the second month of the lease to the landlord.

RENT:

- A. **Monthly Rent:** The monthly rent is \$2,000. Tenant will pay the monthly rent so that Landlord receives the monthly rent on or before (check only one box):
- (1) the first day of each month during this lease.
 - (2) _____
- Weekends, holidays, and mail delays do not excuse Tenant's obligation to timely pay rent. Tenant will pay first month's rent made payable to Landlord or Listing Broker or Property Manager. The first month's rent is due and payable not later than June 15th, 20____ by (select one or more): cashier's check electronic payment money order personal check or other means acceptable to Landlord.
- B. **Prorated Rent:** The prorated rent of \$1,000 is due on or before July 1st, 20____ by (select one or more): cashier's check electronic payment money order personal check or other means acceptable to Landlord.
- C. **Place of Payment:** Unless this lease provides otherwise, Tenant will remit all amounts due to Landlord under this lease to the following person or entity at the place stated and make all payments payable to the named person or entity. Landlord may later designate, in writing, another person or place to which Tenant must remit amounts due under this lease.

Name: Larry Landlord
Address: Zelle Payments to: 713-123-9876
Bank of America Account 1231111999

Notice: Place the Property address and Tenant's name on all payments.



**SCAN ME TO LEARN MORE
ABOUT SMARTMOVE!**



RESIDENTIAL LEASE APPLICATION

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Each occupant and co-applicant 18 years or older must submit a separate application.

Property Address: 773 Ocean Front Dr, Waco, TX 77891
Anticipated: Move-in Date: 06/15/2023 Monthly Rent: \$2000 Security Deposit: \$2000
Initial Lease Term Requested: 12+ (months)

Property Condition: Applicant has has not viewed the Property in-person prior to submitting this application.

Applicant is strongly encouraged to view the Property in-person prior to submitting any application.
Landlord makes no express or implied warranties as to the Property's condition. Applicant requests Landlord consider the following repairs or treatments should Applicant and Landlord enter into a lease: Applicant would like the broker window in the master bedroom to be replaced, and for a washer and dryer to be installed and included in the lease term.

Applicant was referred to Landlord by:
 Real estate agent Tony Tenant Agent | tony@housematchmakers.com (phone) 832-345-9876 (e-mail)
 Newspaper Sign Internet Other _____

Applicant's name (first, middle, last) Rene Renter
Is there a co-applicant? yes no *If yes, co-applicant must submit a separate application.*
Applicant's former last name (maiden or married) _____

E-mail rene@gmail.com Home Phone _____
Work Phone _____ Mobile 832-332-1234
Soc. Sec. No. _____ Driver License No. _____ in _____ state)
Date of Birth _____ Height _____ Weight _____ Eye Color _____
Hair Color _____ Marital Status _____

Emergency Contact: (Do not insert the name of an occupant or co-applicant.)

Name and Relationship: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Phone: _____ E-mail: _____

Name all other persons who will occupy the Property:

Name: _____	Relationship: _____	Age: _____
Name: _____	Relationship: _____	Age: _____
Name: _____	Relationship: _____	Age: _____
Name: _____	Relationship: _____	Age: _____

Applicant's Current Address: 456 Heights Apt. No. _____
Houston, TX 77027 (city, state, zip)

Landlord or Property Manager's Name: _____ Email: _____
Phone: Day: _____ Nt: _____ Mb: _____ Fax: _____
Date Moved-In _____ Move-Out Date _____ Rent \$ _____
Reason for move: _____

Applicant's Previous Address: _____ Apt. No. _____
 _____ (city, state, zip)
 Landlord or Property Manager's Name: _____ Email: _____
 Phone: Day: _____ Nt: _____ Mb: _____ Fax: _____
 Date Moved-In _____ Move-Out Date _____ Rent \$ _____
 Reason for move: _____

Applicant's Current Employer: _____
 Address: _____ (street, city, state, zip)
 Employment Verification Contact: _____ Phone: _____
 Fax: _____ E-mail: _____
 Start Date: _____ Gross Monthly Income: \$ _____ Position: _____
Note: If Applicant is self-employed, Landlord may require one or more previous year's tax return attested by a CPA, attorney, or other tax professional.

Applicant's Previous Employer: _____
 Address: _____ (street, city, state, zip)
 Employment Verification Contact: _____ Phone: _____
 Fax: _____ E-mail: _____
 Employed from _____ to _____ Gross Monthly Income: \$ _____ Position: _____
Note: Applicant is responsible for including the appropriate contact information for employment verification purposes.

Describe other income Applicant wants considered: _____

List all vehicles to be parked on the Property:

Type	Year	Make	Model	License Plate No./State	Mo. Payment

Will any animals (dogs, cats, birds, reptiles, fish, and other types of animals) be kept on the Property? yes
 no

If yes, list all animals to be kept on the Property:

Type & Breed	Name	Color	Weight	Age in Yrs.	Gender	Neutered?	Bite History?	Rabies Shots Current?	Assistance Animal?
						<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
						<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
						<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
						<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N

If any of the animals listed above are assistance animals, please provide appropriate documentation with a reasonable accommodation request for the assistance animal(s).

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Will any waterbeds or water-filled furniture be on the Property? |
| <input type="checkbox"/> | <input type="checkbox"/> | Does anyone who will occupy the Property smoke? |
| <input type="checkbox"/> | <input type="checkbox"/> | Will Applicant maintain renter's insurance? |
| <input type="checkbox"/> | <input type="checkbox"/> | Is Applicant or Applicant's spouse, even if separated, in military? |
| <input type="checkbox"/> | <input type="checkbox"/> | If yes, is the military person serving under orders limiting the military person's stay to one year or less? |

Has Applicant ever:

- been evicted?
- been asked to move out by a landlord?
- breached a lease or rental agreement?
- filed for bankruptcy?
- lost property in a foreclosure?
- been convicted of a crime? If yes, provide the location, year, and type of conviction below.
- Is any occupant a registered sex offender? If yes, provide the location, year, and type of conviction below.
- had any credit problems, slow-pays or delinquencies? If yes, provide more information below.
- Is there additional information Applicant wants considered?

Additional comments: _____

Authorization: Applicant authorizes Landlord and Landlord's agent, at any time before, during, or after any tenancy, to:

- (1) obtain a copy of Applicant's credit report;
- (2) obtain a criminal background check related to Applicant and any occupant; and
- (3) verify any rental or employment history or verify any other information related to this application with persons knowledgeable of such information.

Notice of Landlord's Right to Continue to Show the Property: Unless Landlord and Applicant enter into a separate written agreement otherwise, the Property remains on the market until a lease is signed by all parties and Landlord may continue to show the Property to other prospective tenants and accept another offer.

Privacy Policy: Landlord's agent or property manager maintains a privacy policy that is available upon request.

Fees: Applicant submits a non-refundable fee of \$40-80 to SCREENING COMPANY (entity or individual) for processing and reviewing this application. Applicant submits will not submit an application deposit of \$N/A to be applied to the security deposit upon execution of a lease or returned to Applicant if a lease is not executed.

Acknowledgement & Representation:

- (1) Signing this application indicates that Applicant has had the opportunity to review Landlord's tenant selection criteria, which is available upon request. The tenant selection criteria may include factors such as criminal history, credit history, current income and rental history.
- (2) Applicant understands that providing inaccurate or incomplete information is grounds for rejection of this application and forfeiture of any application fee and may be grounds to declare Applicant in breach of any lease the Applicant may sign.
- (3) Applicant represents that the statements in this application are true and complete.
- (4) Applicant is responsible for any costs associated with obtaining information.

Applicant's Signature	Date

For Landlord's Use:	
On _____, _____	_____ (name/initials) notified <input type="checkbox"/> Applicant
<input type="checkbox"/>	by <input type="checkbox"/> phone <input type="checkbox"/> mail <input type="checkbox"/> e-mail <input type="checkbox"/> fax <input type="checkbox"/> in person that Applicant was <input type="checkbox"/>
approved <input type="checkbox"/> not approved <input type="checkbox"/> Reason for disapproval: _____	



AUTHORIZATION TO RELEASE INFORMATION RELATED TO A RESIDENTIAL LEASE APPLICANT

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I, Rene Renter (Applicant), have submitted an application to lease a property located at 773 Ocean Front Dr
Waco, TX 77891 (address, city, state, zip).

The landlord, broker, or landlord's representative is:

Lisa Listing Agent (name)
123 Nan Street (address)
Houston, TX 77441 (city, state, zip)
713-873-5628 (phone) (fax)
Lisa@nanproperties.com (e-mail)

I give my permission:

- (1) to my current and former employers to release any information about my employment history and income history to the above-named person;
- (2) to my current and former landlords to release any information about my rental history to the above-named person;
- (3) to my current and former mortgage lenders on property that I own or have owned to release any information about my mortgage payment history to the above-named person;
- (4) to my bank, savings and loan, or credit union to provide a verification of funds that I have on deposit to the above-named person; and
- (5) to the above-named person to obtain a copy of my consumer report (credit report) from any consumer reporting agency and to obtain background information about me.

Applicant's Signature Date

Note: Any broker gathering information about an applicant acts under specific instructions to verify some or all of the information described in this authorization. The broker maintains a privacy policy which is available upon request.

CONGRATULATIONS! YOUR APPLICATION HAS BEEN APPROVED!

NOTIFY YOUR CLIENT OF THEIR APPLICATION APPROVAL. BELOW IS A SAMPLE TEMPLATE YOU CAN USE, WITH RESOURCES TO HELP THEM PREPARE FOR THEIR BIG MOVE.

New Message

recepient@gmail.com

Congratulations! Your application has been approved!

CONGRATULATIONS! YOUR APPLICATION HAS BEEN APPROVED!

Hey Rene Renter,

Congratulations! Your lease application has been approved for 773 Ocean Front Dr! I've emailed you the lease agreement for you to e-sign, please let me know if you have any questions.

Below is a quick overview of the Lease Agreement terms:

- Lease term: 12 months begins on Thursday June 15, 2023.
- 60 day notice is required at the end of the lease for renewal or moving out.
- Rent is \$2,000 due on the 1st of each month.
- Inventory and Condition Form must be completed within 5 days of move in.

The 3 following Payments are needed as followed:

- 1.) Deposit is due in the next 48 hours in the form of a cashier check:
Cashier Check
Made Payable to: Larry (Landlord)
Amount of: \$2,000
Memo: Deposit / Rene Renter / 773 Ocean Front Dr
- 2.) Prorate rent due on July 1, 2023 for \$1,000
- 3.) \$2,000 First month's rent is due on the day of move-in | June 15, 2023
Cashier Check
Made Payable to: NAN Properties (Listing Agent Brokerage)
Amount of: \$2,000
Memo: 773 Ocean Front Dr / Lisa Listing Agent

Lastly... don't forget to call and transfer your utilities to start on August 22nd =-)

Below is the contact number to Sara with

Empire Utility Concierge
(832) 628-4404

She can help you with the setup of your utilities. You can also go to www.PowerToChoose.org to compare the best electricity providers at your new address.

Thank you for the opportunity to Match you with your new home! Do not hesitate to contact me with any questions.

Texas requires that all license holders provide Information About Brokerage Services to all consumers so they understand how real estate agents work and who they represent.





Choose documents to add. ✕

SEARCH

SAMPLE TENANT DOCS

- BROKERAGE MISC DOCS
- TREC INTERACTIVE FORMS
- TEXAS REALTORS INTERACTI...
- WORKSHEETS
- INTERACTIVE DOCS
- HOUSTON ASSOCIATION OF ...




SELECT ALL HIDE ALL DETAILS

- WIRE TRANSFER AUTHORIZATION FOR ... OPTIONAL
Updated June 11, 2022 Provided by Alma Flores
- INDEPENDENT CONTRACTOR AGREEME...OPTIONAL
Updated June 11, 2022 Provided by Alma Flores
- Addendum to Independent Contractor ... OPTIONAL
Updated June 11, 2022 Provided by Alma Flores

COPY

	REQUIRED* TENANT DOCUMENTS <i>(at the time of representation)</i>
TAR	<input type="checkbox"/> Residential Buyer/Tenant Representation Agreement (TAR 1501)
TAR	<input type="checkbox"/> Information About Brokerage Services (TAR 2501)
TAR	<input type="checkbox"/> Wire Fraud Notice or TXR 2517-
	<input type="checkbox"/> Broker Notice to Buyer/Tenant (HAR 410)

	REQUIRED* UNDER CONTRACT
TAR	<input type="checkbox"/> Residential Lease (TAR 2001) <i>provided by Listing Agent</i>
TAR	<input type="checkbox"/> Agreement Between Brokers (TAR 2002) <i>(Send to Listing Agent)</i>
	<input type="checkbox"/> W-9 <i>(Send to Listing Agent)</i>
	<input type="checkbox"/> MLS Full Agent Report with OP, P, PSHO, or S Status with <i>Tax Record</i>
TXR	<input type="checkbox"/> Addendum for Lead Based Paint Disclosure Signed (TXR 1906) <i>(IF APPLICABLE)</i>
TAR	<input type="checkbox"/> Lead-Based Paint Pamphlet (TAR 2511) <i>Insert Buyer(s) Initial(s) & Signature(s)</i> <i>(IF APPLICABLE)</i>
TXR	<input type="checkbox"/> Landlord's Floodplain and Flood Notice (TREC No. 54-0)

*ADDITIONAL REQUIRED WHEN APPLICABLE TENANT DOCS	
TAR	<input type="checkbox"/> Pet Agreement (TAR 2004)
TAR	<input type="checkbox"/> Residential Lease Application (TAR 2003)
TAR	<input type="checkbox"/> Residential Lease Inventory and Condition Form (TAR 2006)
TAR	<input type="checkbox"/> Addendum Regarding Lead-Based Paint (TAR 2008)
	<input type="checkbox"/> Notice to a Purchaser of Real Property in a Water District (MUD/LID Disclosure HAR 400)
TXR	<input type="checkbox"/> Notarized T-47 Residential Real Property Affidavit (TXR 1907)
TXR	<input type="checkbox"/> Intermediary Relationship Notice Signed (TXR 1409)
TXR	<input type="checkbox"/> Information about on-site sewer Facility Signed (TXR 1407)
	<input type="checkbox"/> HAREI-Hou.Assoc.of.RELE.Inspectors List (Insert Buyer(s) Signatures)
	<input type="checkbox"/> Survey
	<input type="checkbox"/> Apartment Referral Invoice
	<input type="checkbox"/> Signed Settlement Statement (Title Company)
	<input type="checkbox"/> Communication Log

Leases – Landlord

Congratulations you have a Lease Listing!

Begin the process by meeting with the landlord to view the home and determine the lease price.

The CMA for leases is done based on leased properties in the community. Once the price is agreed upon with the landlord and all representation documents are signed, the home is ready to go to the market!


STEPS TO TAKE:

- Price the home
- Schedule Photography
- Place For Lease Sign and Lockbox
- Upload to MLS
- Market the home

Discuss the tenant common requirements with the landlord. Be sure to ask the landlord if there are any additional requirements they want to request from tenants.

Common requirements are:

- ✓ Credit score above 600
- ✓ Household Income 3x the rent amount
- ✓ No bankruptcy in the last 5 years
- ✓ No short sales or foreclosures
- ✓ No evictions
- ✓ No broken leases
- ✓ No felonies



Go over the Lease Agreement with the landlord so they are aware of the terms that the tenant will adhere to. Go through all the sections and verify the information you will put on the lease is accepted by the landlord.

Example of the information to go over with the landlord:

- Is Smoking allowed?
- Are pets allowed?
- Is there a specific method they would like to receive rent payments such as wire, zelle, checks, mail, etc. If so have landlord provide the details necessary to share on the lease agreement.

Once all the documents are signed and the listing is live on the MLS, prepare your documents for compliance. In the MLS under agents remark do not forget to note the smart move link.

When applications are received and the application fee is paid through the my smart move portal, you will receive the reports. You will have to do all the due diligence to vet the applicants prior to presenting them to the landlord. You will present all the applications and list all the facts. You will have to call:

- the previous landlords to verify rental history,
- Employer to verify job employment
- Review the credit score to make sure there are no issues

It is crucial that the FAIR HOUSING ACT doesn't get breached, meaning that no applicant can be discriminated because of:

- Race
- Gender
- Religion
- Familial Status
- Disability (no applicant can be denied because of a service animal)
- Ethnicity

If the applicant has an emotional support animal (service animal) they can not be denied nor charged the pet fee. Supplemental documents verifying the legitimacy of the pet can be accurately requested.

[See Landlord checklist below :](#)



Choose documents to add. ✕

SEARCH

SAMPLE TENANT DOCS

- BROKERAGE MISC DOCS
- TREC INTERACTIVE FORMS
- TEXAS REALTORS INTERACTI...
- WORKSHEETS
- INTERACTIVE DOCS
- HOUSTON ASSOCIATION OF ...

SELECT ALL HIDE ALL DETAILS




- WIRE TRANSFER AUTHORIZATION FOR ... OPTIONAL
Updated June 11, 2022 Provided by Alma Flores
- INDEPENDENT CONTRACTOR AGREEME...OPTIONAL
Updated June 11, 2022 Provided by Alma Flores
- Addendum to Independent Contractor ... OPTIONAL
Updated June 11, 2022 Provided by Alma Flores

COPY

	REQUIRED* LANDLORD DOCUMENTS <i>(at the time of representation)</i>
TXR	<input type="checkbox"/> Residential Real Estate Listing Agreement Exclusive Right to Lease (TXR 1102)
TAR	<input type="checkbox"/> Information About Brokerage Services (TAR 2501)
TAR	<input type="checkbox"/> Wire Fraud Notice or TXR 2517
TXR	<input type="checkbox"/> Lead Based Paint Disclosure (PRE-FILLED AND UPLOADED TO MLS IF APPLICABLE)
TXR	<input type="checkbox"/> Landlord's Floodplain and Flood Notice (TREC No. 54-0) (PRE-FILLED AND UPLOADED TO MLS)

	REQUIRED* UNDER CONTRACT
TAR	<input type="checkbox"/> Residential Lease (TAR 2001)
TAR	<input type="checkbox"/> Agreement Between Brokers (TAR 2002) (also known as "ABB")
TAR	<input type="checkbox"/> Key Box Authorization by Tenant (TAR 1411) If applicable
	<input type="checkbox"/> W-9
	<input type="checkbox"/> MLS Full Agent Report with OP, P, PSHO, or S Status with Tax Record

	*ADDITIONAL REQUIRED WHEN APPLICABLE LANDLORD DOCS
	<input type="checkbox"/> MLS Printout or Seller Authorization to Exclude Listing from MLS (HAR 300)

	<input type="checkbox"/> Notice to a Purchaser of Real Property in a Water District (MUD/LID Disclosure HAR 400)
TXR	<input type="checkbox"/> Addendum for Lead Based Paint Disclosure Signed (TXR 1906)
TXR	<input type="checkbox"/> Notarized T-47 Residential Real Property Affidavit (TXR 1907)
TXR	<input type="checkbox"/> Intermediary Relationship Notice Signed (TXR 1409)
TXR	<input type="checkbox"/> Information about on-site sewer Facility Signed (TXR 1407)
TAR	<input type="checkbox"/> Residential Lease Inventory and Condition Form (TAR 2006)
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TAR	<input type="checkbox"/> Lead-Based Paint Pamphlet (TAR 2511)
TAR	<input type="checkbox"/> Pet Agreement (TAR 2004)
	<input type="checkbox"/> HAREI-Hou.Assoc.of.RELE.Inspectors List (Insert Buyer(s) Signatures)
	<input type="checkbox"/> Communication Log
	<input type="checkbox"/> Apartment Referral Invoice
	<input type="checkbox"/> Signed Settlement Statement (Title Company)
	<input type="checkbox"/> Survey