



Hawkins Residency Standards BMR Apartment Homes

Thank you for your application! To assist you with your decision on your new home, we are providing a list of guidelines used to qualify applicants for residency in our communities. Nothing contained in these requirements shall constitute representation by Quarterra that all residents and occupants currently residing in our community have met or currently meet these guidelines.

Quarterra utilizes the MOHCD income verification procedures for BMR residents. Quarterra will only run rental or credit history checks after income and asset eligibility is finalized.

IDENTIFICATION. Each applicant who is 18 years of age or older, or an emancipated minor with written proof of legal emancipation, must complete an application and be qualified in accordance with these residency standards.

All applicants are required to provide a valid government-issued photo ID at the time the application is submitted.

As part of our screening process when completing an application online, we verify and validate applicant identities. We attempt to complete this process electronically based on the name, address, date of birth and other identifying biometric information.

INCOME. Gross income for the entire household (including adult dependents) will be verified and combined to determine income eligibility. Annual household income cannot exceed the **maximum** allowable income as determined by the affordable housing guidelines and the most recent AMI (Area Medium Income) charts. Housing vouchers, such as Section 8 vouchers will be accepted.

The **minimum** standard income for the home must equal no less than 2 times the monthly rental rate of the apartment. The gross monthly income for all Leaseholders will be combined and considered jointly.

In the event that the income criteria is not met for the minimum standard, a guarantor or an additional deposit may be required.

CREDIT HISTORY. Transunion credit reporting agency evaluates credit and rental history against indicators of future rent payment performance. An unsatisfactory rental score finding below 556 may result in the requirement of an additional deposit, guarantor, or denial. Your application may be denied for the following credit-related items, to include but not limited to:

- You have an outstanding balance over \$250 to another apartment community not under an existing payment plan. However, COVID-19 rental debt (as defined by California Law) will not be a factor in determining your approval status at the community.
- Utility collection (Electricity, Gas, Water, Trash, Phone and Internet) over \$250.
- Open Bankruptcy/Dismissed Bankruptcy within the last 12 months.
- Open Tax Lien.
- Any rental collection debt within last 2 years must be repaid with proof of payment.
- Open Repossession.
 - Applicants with a rental score of 650 and higher will be approved for credit.
 - Applicants with a rental score between 556-649 may be approved with an additional deposit equal to one month's rent.
 - Applicants with a rental score of 556 or under will be disqualified.



Applicants disqualified with a rental score below 556 may submit documentation to the secure link mentioned above, that meets one of the following mitigating circumstances:

- 1) An applicant's recent payment history: 24 months from the date of the application of on-time payments for bills and credit accounts.
- 2) An applicant's timely rent payment history: 24 months from the date of the application of on-time rent payments of equal or greater value to the proposed rent for the BMR rental home.
- 3) Alternate forms of credit history such as rent payments, utilities and childcare paid on time, especially in the case where an individual has no credit.

Applicants who are approved after the consideration of mitigating circumstances will require an additional deposit equal to one month's rent. Applicants who are disqualified after the consideration of the mitigating circumstances may appeal to the Mayor's Office of Housing and Community Development (MOHCD) for consideration. MOHCD will make the final decisions on all appeals.

RENTAL HISTORY. Our screening company will review your rental history for the past 2 years and will consider eviction filings and judgements as an indicator of future rental payment performance. Denials may result for the following (but may not be limited to):

- Any rental collection debt within last 2 years must be repaid with proof of payment.
- Adjudicated eviction within 2 years.
- Under current eviction.

Applicants will have an opportunity to present any mitigating circumstances before we issue a denial.

CRIMINAL HISTORY. Criminal history may only be run after all other qualifications for affordable housing are finalized in compliance with the San Francisco Police Code Article 49- Fair Chance Ordinance (FCO). Applicants disqualified based on criminal background history will have fourteen (14) calendar days from the date of the disqualification letter to appeal to Quarterra in accordance with the San Francisco Police Code Article 49- Fair Chance Ordinance (FCO).

In the event your name appears on the OFAC list (Office of Foreign Assets Control), your application will be denied in accordance with federal law. Any preliminary approval based on your screening is conditional. Final approval is subject to the OFAC screen, and any other requirements listed in the Residency Standards.

GUARANTORS. If an applicant does not meet the income requirements, a qualified guarantor must be obtained, or the applicant may be denied. The guarantor must pay an application processing fee of \$49.00 and complete a Guarantor application. Once approved the Guarantor will also be required to sign a Guarantor Lease Addendum. The gross monthly income of a Guarantor must be equal to or more than three (3) times the monthly market rental rate of the apartment. The above-mentioned income verification will also apply to guarantors.

- A Guarantor living outside of the US must have a Social Security Number, a US bank account, and meet all credit and income requirements.
- A Guarantor must have an approved rental score above or equal to 650.

OCCUPANCY GUIDELINES. We follow the California Department Fair Employment & Housing Guideline, maximum of 2 persons per bedroom, plus one additional person for the unit, unless otherwise affected by federal, state, or local law. Children under the age of six (6) do not count towards maximum occupancy.

APPEALS PROCESS. MOHCD will work to respond to an appeal for reconsideration within five (5) business days from the date of receipt of the appeal request. Quarterra will hold one appropriately -sized BMR Rental Unit for the disqualified Household during the five (5) business day appeal however, we are not required to hold the applicant's preferred BMR Rental Unit. Once MOHCD has decided on an appeal request, that decision is final.

FAIR HOUSING STATEMENT. Quarterra and the Owner are committed to compliance with all federal, state,



and local fair housing laws. It is our policy to comply with all laws prohibiting discrimination, including those that prohibit discrimination based on race, color, religion, national origin, sex, familial status, handicap, disability, marital status, age, ancestry, source of income, sexual orientation, gender, gender identity, gender expression, medical condition, genetic information, citizenship, immigration status, primary language spoken, veteran and/or military status, any arbitrary basis, or any other basis protected by applicable federal, state, or local laws.

ADA STATEMENT. Quarterra and the Owner are committed to compliance with the fair housing laws regarding modifications and accommodations for persons with disabilities. We will handle any requests for modifications and/or accommodations in accordance with relevant fair housing laws.

PETS and ANIMALS. We love pets and animals and want them to be happy in their new home. There is a maximum of 2 pets per home. We have breed restrictions for pets which include full and mixed canines of the following breeds: Pit-Bull Terrier, Pit-Bull mix, Rottweiler, Rottweiler mix, Doberman, Doberman mix, German Shepherd, Presa Canario, Wolf-Hybrid, Mastiff, Cane Corso, Great Dane, Alaskan Malamute and Staffordshire Terrier. Exotic pets are not permitted, and illegal pets are not allowed. Any and all pets are required to have written approval from the Property Management Company prior to the pet being in the home. Assistance animals for persons with disabilities and emotional support animals are not considered to be pets but do require advance written approval. We will administrate all requests for accommodation, including requests for assistance and ESA, in accordance with fair housing laws.

FRAUD ALERT. In the event there is a Social Security Number warning or alert of any kind because of the background screening, we will require proof of a Social Security number, plus one other valid government-issued Identification card. **If we discover evidence of suspected fraud (such as identity theft) in the application process, we will report the suspected fraud to local police and will fully cooperate with any subsequent investigation and/or prosecution.**

DENIAL OF APPLICATION. You understand that if you do not meet our rental selection criteria, or if you fail to answer any question or give false information, we may reject your application, retain application fees if we run a background check. In the event your application fee, deposit, or any other upfront fee is returned as an "NSF", your application and residency will be denied, and the balance will be reported to the credit agency. Providing falsified or fraudulent information, and if your upfront fees/deposits were returned as an NSF, you will be disqualified from reapplying at an Quarterra community for a minimum of one year following the denied application.

REFUND OF DEPOSIT. Applicant(s) have 24 hours from the date of the reservation to cancel and receive a full refund of the paid deposit. After 24 hours, you will be charged the daily rental value from the deposit for the number of days that the home was kept off the market up to the maximum of the holding deposit. Deposits will be refunded if the application is declined or if you are approved with conditions and you choose not to accept the conditions. Application fees are non-refundable if we run a background check.

ADDITION OF APPLICANT AFTER INITIAL APPLICATION. The addition of an applicant after the initial application for residency may only be completed at annual recertification unless a qualifying exception occurs. Qualifying exceptions include adoption, birth, marriage, or domestic partnership.

BMR INCLUSIONARY MANUAL. In the event the criteria set forth in the Residency Standards conflict with the BMR Inclusionary Manual, the BMR Inclusionary Manual will override.

Acknowledgment and Consent

You declare that all your statements on the Application are true and complete. You authorize us to verify same through any means, including consumer reporting agencies and other rental housing owners. You acknowledge that you had an opportunity to review our rental selection criteria, which include reasons your application may be denied, such as criminal history, credit history, current income, and rental history. You understand that if you do not meet our rental selection criteria or if you fail to answer any question or give false information, we may reject the application, retain all application fees, administrative fees, and deposits as liquidated damages for our time and expense, and terminate your right of occupancy. Giving false information is a serious criminal offense. In lawsuits relating to the application or Lease Contract, the prevailing party may recover from the non-prevailing party all attorneys' fees and litigation costs. We may at any time furnish information to consumer reporting agencies and other rental housing owners



regarding your performance of your legal obligations, including both favorable and unfavorable information about your compliance with the Lease Contract, the rules, and financial obligations. Fax signatures are legally binding. You acknowledge that our privacy policy is available to you.

Signature of Applicant: Date

Signature of Applicant: Date

Signature of Applicant: Date

Quarterra Representative/Agent for Owner: Date