

Rental Selection Criteria

University Lofts

Effective August 1, 2008

University Lofts evaluates each person applying to live at its community with a credit-risk scoring system that is provided by an independent consumer reporting agency and consistently applied to all of University Lofts applicants. This scoring system uses a statistical model to estimate the credit risk that an applicant may not satisfactorily fulfill his/her lease obligations. The statistical model was developed from data regarding actual residents and their payment performance of their lease obligations. Prior to final acceptance of each applicant, University Lofts will use this system to provide University Lofts with a numerical score that represents a relative measure of the credit risk associated with that applicant. Each applicant's credit-risk score will be compared to University Lofts acceptance policies to determine whether or not the applicant may be accepted. If your application is rejected based on your credit-risk score, or accepted with certain additional conditions, you will be advised what factors most adversely affected your score and you will be given the name, address, and telephone number of the consumer reporting agency that provided the credit-risk score to University Lofts. An applicant who is rejected based on his/her credit-risk score, or accepted with certain additional conditions, may obtain a copy of the consumer report(s) on which the credit-risk score was based, and may initiate an investigation to have any erroneous information contained in such reports corrected. The consumer reporting agency will advise you of the actions that you may take in order to do so.

A separate rental application must be processed on all prospective residents 18 years of age or older, and an application fee paid for each applicant. A valid form of legal identification is required at the time of application and move-in. All prospective residents will be qualified on the following criteria.

CREDIT HISTORY – The first step in the application process is a credit report which will be processed on each applicant. The credit report will be part of a scoring model of 0 to 1000 points used by Leasingdesk Screening. A score of **675** or higher must be obtained for the approval process to continue. If applicant takes exception with the credit findings, he or she is responsible for contacting the credit bureau.

INCOME – Applicant(s) must have a verifiable source of income that when combined the gross amount is equal to a minimum of 2.75 times the monthly rent. If retired or unemployed applicant must provide other sources of verifiable regular monthly income, (for example: investments, trust funds, child support, alimony, etc.) that cover 2.75 times the monthly rent for monthly income sources; or cover the entire amount of the lease term (for example: savings accounts).

EMPLOYMENT - When applying, it is the obligation of the applicant(s) to provide proof of employment through a copy of two (2) most current paycheck stubs; or if self employed the previous year's tax return or W-2; or job offer letter stating the start date and salary on company letterhead. Students must provide documentation of full-time student status (12 credit hours); if income cannot be verified, a Co-signer or additional deposit will be required.

RENTAL HISTORY – Applicants must provide at least 6 months of verifiable rental and/or payment history within the last 2 years from a landlord, apartment community or mortgage company, (including a prompt payment record and compliance with all community policies). Acceptable rental/payment history would include no more than three (3) late payments or returned checks per year of residency. Reference information from family members or friends will not be considered.

CONDITIONAL APPROVAL – An Additional Deposit equal to one month's rent or Co-signer will be required if the Leasingdesk Screening score is **481-674** or criteria for any one of Income, Employment or Rental History have not been met, or have only been partially met. All adverse action requirements will be combined when reviewing multiple applications.

Note: In the event a co-signer is required, he/she must complete an *Application for Residency* and meet all of the Rental Selection Criteria. A co-signer will be full responsible for the *Lease Agreement* if the occupying resident(s) default.

CRIMINAL BACKGROUND CHECK – A criminal background check obtained from Leasingdesk Screening will be used as part of the qualifying criteria at this community.

CORPORATE LEASES – An application can be submitted in the name of a company as long as the business entity has a valid Federal Tax ID number that is verifiable by the Colorado Secretary of State. A credit report will be accessed to determine the company's ability to make timely payments of rent. The company must provide a minimum of three (3) trade references that will be verified. A larger application fee or additional deposit may be required.

AUTOMATIC DENIAL FOR RESIDENCY - An Applicant will automatically be denied for the following reasons:

- Falsification of any information on the Rental Application
- Leasingdesk Screening Score of **480** or lower
- Anyone currently in the process of filing a bankruptcy
- Having been evicted by a previous landlord for cause
- Any unresolved debts to a landlord or mortgage holder, (unless debt is paid prior to approval of rental application).
- Rental applicants who have charges against them for one or more criminal offenses involving violence, sexual offenses, drug-related activity, injury to person or damage to property, including, without limitation, homicide, battery and assault, sexual assault, possession or sale of an illegal substance, burglary or theft, illegal possession or sale of weapons
- Rental applicants who have been convicted of one or more of such criminal offenses
- Rental applicants who have pleaded guilty or no contest to one or more of such criminal offenses
- Rental applicants who have had one or more of such criminal offenses disposed of other than by an acquittal or finding of "not guilty".

OCCUPANCY STANDARDS – the maximum number of occupants per apartment are as follows; 1 Bedroom – 2 persons; 1 Bedroom with Den or Loft* - 3 persons; 2 Bedroom – 4 persons; 2 Bedroom with Den or Loft* - 5 persons; 3 Bedroom – 6 persons. If for any reason the number of occupants exceeds the maximum number for that floor plan, resident may be able to transfer to the appropriate floor plan, (subject to availability of alternate floor plan types and resident's compliance with existing lease agreement), to comply with the occupancy limits, or vacate the apartment subject to the terms and conditions of the lease agreement and supporting addenda.

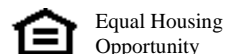
Note: for floor plans denoted with an *, the Den or Loft must include a closet and window in order to qualify for an added occupant.

This community does not discriminate on the basis of race, color, sex, religion, handicap, familial status, sexual orientation or national origin.

I/We have read the above and understand the criteria from which the application(s) will be approved or denied.

Applicant Signature/Date

Applicant Signature/Date



Applicant Signature/Date

Applicant Signature/Date

Applicant(s) must receive a copy of this receipt.