

# Portland Screening Criteria & Security Deposits

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- Presenter is not an attorney
- Feel free to ask questions
- The opinions of the presenter do not represent the opinions of RPM Education or the Organization that sponsored this class.
- Please turn phones to silent mode
- Feel free to help me make these presentations better by pointing out any spelling or grammatical errors

## Screening Criteria

- Applications are screened on first come basis
  - Must record date / time
  - Must provide a receipt with date/time if requested
  - Must be materially complete to count
- 72-Hour Notice of Unit Availability
  - Open application period begins at least 72-hours after being advertised publicly
  - Applications received prior to open period are given an 8-hour penalty
  - Applications received by tenant with Disability status in first 8-hours of open period are given preference

*ALL  
BLANKS FILLED IN  
+ SCREEN FEE*



## Screening Criteria

- Notice of Unit Availability must specify:
  - When Open Application Period begins (min. 72hrs later)
  - Whether unit is considered "accessible" (Type A)
  - Screening fee amount
  - Screening criteria

# Screening Criteria

- Application must include:
  - Opportunity for tenant to affirm a Disability Status
  - Portland notice to applicants about right to request a reasonable modification or accommodation
  - Portland Notice referencing where to obtain the PHB Statement of Applicant Rights
  - Description of screening criteria and evaluation process
  - Opportunity to include supplemental evidence
  - Landlord can provide actual city notices or internet links

# Screening Criteria

## Screening Fee Limits

- All screening completed by screening company
  - Exact cost charged by company
- Some but not all by screening company
  - Cost plus 25%
- No use of screening company (All landlord)
  - Cost of what a screening company serving the Portland-Metro area charges plus 10%



## Screening Criteria

### When can a landlord refuse to process an application

- Applicant has committed at least 3 verifiable (documented) violations with same landlord in a 1-year period
  - Last violation occurred less than 365 days prior
  - None of violations were cured or dismissed
- Application is materially incomplete
- Doesn't include info concerning identification or income
- Applicant intentionally withholds or misrepresents required information

# Screening Criteria

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## Identification

- Landlord may not reject an application because they don't receive a SS# or proof of lawful presence in the US
- Landlord may not inquire about immigration status
- To verify name, date of birth, photo of applicant the landlord must accept any identification or combination of identifications that would permit a reasonable verification of identity



# Screening Criteria

## Income

- Applicants can choose who will be financially responsible
- If rent is less than what's considered affordable for households at 80% MFI then LL can require gross income of up to 2.5x rent amount
- If rent is more than what's considered affordable for households at 80% MFI then LL can require gross income of up to 2x rent amount
  - MFI = Median Family Income
  - Published annually at [portland.gov/phb/](http://portland.gov/phb/)

# Screening Criteria

## Income

- Include ALL sources of verifiable income
  - Landlord can choose to consider verifiable assistance from friends / family
- Rent amount used is rent – any rent subsidy
- If tenant income is not enough
  - Can ask for additional security deposit or
  - Require a co-signer / guarantor
  - Guarantor income requirement can be up to 3x rent

# Screening Criteria

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## Screening Criteria

- Landlord has two options
- City recommended "Low-Barrier" criteria
  - If denied for criminal history, consider supp. Evidence
  - If denied LL only needs to provide notice of denial with statement of criteria not met
  - Denial notice must be issued within 2 weeks of eval.



# Screening Criteria

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- Screening Criteria
- Landlord's custom criteria that is more restrictive
  - If tenant doesn't meet criteria LL must conduct an Individual Assessment & consider supp. evidence
  - If being denied LL must provide a written detailed explanation of why the supp. evidence did not negate the screening results
  - Denial must be issued within 2 weeks of eval.

# Screening Criteria

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## Appeals

- If applicant is denied LL is required to offer an opportunity to appeal for up to 30-days
- Gives tenant opportunity to correct, refute, or explain negative info that caused denial
- If LL approves an application appeal:
  - Tenant is approved for that LL's properties for 3 months
  - Waive screening fees if tenant applies for that LL's properties within 3 months

# Screening Criteria

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## Exemptions

- Affordable housing units regulated government for households that earn less than 80% median household income
- Units not rented to or advertised to the public
- Units share with LL when unit is LL's primary residence
- Duplex or ADU units where LL occupies the other unit as their primary residence



## Screening Criteria

If a landlord violates this law they are liable to applicant for up to \$250 per violation plus actual damages (includes reasonable attorney fees)

# Security Deposits

## How much can a landlord charge?

- If LL requires a Last Month's Rent deposit, then the max security deposit is 0.5 ( $\frac{1}{2}$ ) of monthly rent
- If LL doesn't require Last Month's Rent, then the max security deposit is equal to monthly rent
- If LL conditionally approves application then security deposit can be increased by 0.5 ( $\frac{1}{2}$ ) of monthly rent
  - Additional deposit can be paid in over 3 months

## Security Deposits

- Deposit and last month's rent must be held in a secure bank account
  - Must be separate from LL's personal and business acct.
  - Must be deposited within 2 weeks of receipt
  - If deposited in an interest-bearing account interest greater than 5% must be credited to tenant as part of their move out accounting
  - Once per year tenant can request a receipt of account and any interest earned
  - Lease must reflect name / address of bank and whether it is an interest-bearing account



# Security Deposits

## Condition Reports

- Tenant has 7 days after move-in to complete and submit to landlord
- If not completed, then LL has 17 days after move-in to complete and submit to tenant
- If disputed then then can get 3rd party validation
- LL must provide T with updated report whenever there is a repair or replacement

# Security Deposits

## Condition Reports

- LL must include in lease an itemized report describing condition and age of fixtures, appliances, equipment, and personal property
- Condition report should include photographs
- Within 1 week after move out LL shall conduct a walk-through to document any damage beyond normal wear and tear
- Tenant has the option to be present
- LL must give T 24-hr notice with date / time

# Security Deposits

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## Withholding Security Deposit Funds

- LL must provide T notice of SD rights
- LL can only charge tenant for damage beyond normal wear and tear caused by the Tenant's actions or inaction
- If LL charges personal labor costs greater than \$200 they must provide evidence that the labor charge is comparable to reasonable hourly rates in our area
- LL must use depreciation schedule published by PHB for applicable items



# Security Deposits

## Current Depreciation Schedule

- Appliances or Equipment – 15 years
- Carpets and Window Dressings – 10 years
- Fixtures – 20 years
- Personal Property – 20 years
- If no original purchase documentation exists, then LL must estimate ag and depreciated value using comparable items
- LL can provide reasonable documentation to demonstrate why a different depreciation value is justified

# Security Deposits

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## Rent Payment History

- LL must provide a rent payment history covering up to the last 2 years
- Must be provided within 5 days of receiving request from T or delivery of a termination notice

# Security Deposits

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If a LL violates any of these requirements, they are liable to tenant for 2x the amount of deposit, reasonable attorney fees, and costs



QUESTIONS?

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