

ADVERSE ACTION LETTERS & FCRA RIGHTS

Quick Description: These forms will inform an applicant that you have taken an adverse action, and it will provide them with information on how to obtain a copy of their report(s).

Required

Optional

Alterations Acceptable

What is it?

These forms are used to notify a prospective tenant that based on the information you received, you will be taking an adverse action. This includes informing the applicant that his or her application will be accepted on conditional terms, or has been declined and for what reason(s). The information in these forms is required to be communicated to the prospective tenant pursuant to federal law. All prospective tenants who are the subject of an adverse action should also receive a copy of "A Summary of Your Rights Under the Fair Credit Reporting Act" at the time they are notified of the adverse action.

Who should use it?

Any person who utilizes Tenant Patrol must use formal adverse action letters and the Fair Credit Reporting Act (FCRA) attachment. You may copy the letter onto your own stationery/letterhead, but do not change the language.

When should it be used?

Once you have obtained a report from Tenant Patrol and you have determined that an adverse action will be taken, complete the applicable adverse action letter. Check the appropriate source(s) of information that contributed to your decision. Keep a copy for your records and either mail or hand-deliver the letter. You may notify the applicant by phone, but **always** follow it with the adverse action letter and Summary of FCRA Rights. In the case of married couples or roommates, each applicant should receive a letter in his or her name.

Why should it be used?

Tenant Patrol and the federal Fair Credit Reporting Act **require** the issuance of adverse action letters. Such letters provide the applicant with information on where to obtain a copy of his or her report(s). The adverse action letter also is an excellent method of record keeping for Fair Housing purposes.

You do not have an obligation to show the applicant his or her background information report or discuss any details of the report with the applicant. We would recommend that you let applicants know that they can contact Experian or any other actual source of the information (as indicated on the form) to receive a free copy of their report. You can tell them that you received the information from Tenant Patrol, but that Tenant Patrol received the information from another source. Technically, a dispute can be made to either Tenant Patrol or the agency (e.g., Experian), but since Tenant Patrol is not the source of the information the applicant will be better served by being directed to the agency.

DEMO ACCOUNT

ADVERSE ACTION NOTICE

CONFIDENTIAL TO BE OPENED BY ADDRESSEE ONLY

SALLY TESTER
15 MAIN
ANYWHERE, RI 02919

July 23, 2007

Dear SALLY TESTER,

Thank you for your recent rental application. After a review of the provided information, we find that we are unable to accept your rental application at this time. Principle reason(s) for denial:

- Temporary or irregular employment
- Unable to verify employment
- Unable to verify income
- Length of residence
- No credit file
- Delinquent past or present credit obligations with others
- Other:
- Delinquent past or present rental obligations
- Garnishment, attachment, foreclosure, repossession, collection action, or judgment
- Bankruptcy
- Criminal Record
- Eviction filing or judgment

This decision for denial was based in whole or in part on the information provided us in a *Consumer Report* or *Investigative Consumer Report* prepared for us by a consumer-reporting agency. Their mailing address and phone number are listed below:

TENANT PATROL
6 Alcazar Avenue
Johnston RI 02919
(V) 877-490-2202
(F) 866-493-5111

Tenant Patrol plays no part in the decision to take any action on your rental application and is unable to provide you with specific reason(s) for not accepting your application.

You have the right to a free copy of the report within 60 days of receipt of this notice and to dispute the completeness or accuracy of any information in the consumer report issued by the agency.

Sincerely,
Property Manager

DEMO ACCOUNT

ADVERSE ACTION NOTICE

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15 MAIN
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Sincerely,
Property Manager

DEMO ACCOUNT

ADVERSE IMPACT NOTICE

CONFIDENTIAL TO BE OPENED BY ADDRESSEE ONLY

SALLY TESTER
15 MAIN
ANYWHERE, RI 02919

July 23, 2007

Dear SALLY TESTER,

Thank you for your recent rental application. After a review of the provided information, we find that we are only able to accept your rental application with:

(conditional terms here)

This decision for denial was based in whole or in part on the information provided us in a *Consumer Report* or *Investigative Consumer Report* prepared for us by a consumer-reporting agency. Their mailing address and phone number are listed below:

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Johnston RI 02919
(V) 877-490-2202
(F) 866-493-5111

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You have the right to a free copy of the report within 60 days of receipt of this notice and to dispute the completeness or accuracy of any information in the consumer report issued by the agency.

Sincerely,
Property Manager