

# WELCOME TO OUR SCREENING PROCESS WEBINAR

THIS WEBINAR WILL BEGIN AT 1:00 PM

## HOUSEKEEPING ITEMS:

- To avoid disruptions, all participants will be muted and the ability to “Join with Video” will be disabled.
- Participants will receive a copy of the presentation & certificate of completion via email.
- Presenter will take questions at the end of the course, should time allow.
- Submit questions via the Q&A button located on the toolbar at the bottom of your screen.



Chat



Raise Hand



Q&A



# The Screening Process



How to develop procedures & train your screening committee.

# Defining the Role

Evaluate Authority in Governing Documents

Recognize Special Circumstances

Follow a Time Line

Communicate Process



# Special Circumstances

- Military Service
  - Section 83.683(2), Florida Statutes – the association must respond to a rental application submitted by a service member within 7 days.
- Reasonable Accommodation
  - Additional documentation or materials requested in connection with a request for accommodation (i.e. service or emotional support animal).
- Reasonable Modification
  - Additional materials to evaluate request to modify common elements.

# Time Line

Verify Application Complete & Note Intake Date



Order Consumer Report

Schedule Interview



Notify Member & Applicant



# Fees

Screening/Investigation

Security Deposit

Estoppel

Mortgage (HUD)

Questionnaire

Move in/Move Out

Elevator Preparation

Deposit v. Fee



The 2 Midtown condo association charges tenants and buyers \$550 dollars in transfer fees. It's one of many South Florida condo associations ripping off consumers. State law limits such fees to \$100 per applicant. **PATRICK FARRELL** - pfarrell@miamiherald.com

REAL ESTATE NEWS

JUNE 03, 2016 6:00 AM

## South Florida condo boards rip off consumers with high application fees



BY NICHOLAS NEHAMAS  
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Condo associations across South Florida are ripping off consumers with high application fees in violation of state law, a Miami Herald investigation has found.

Associations are allowed to charge people applying to buy or rent a unit a maximum of \$100 per person. The nonrefundable fees cover the costs of interviews, background and credit checks. But many buildings gouge tenants and buyers with fees anywhere between \$125 and \$625, according to lease and purchase applications reviewed by the Herald.

Some associations also tack on moving-in and other charges that run into the hundreds of dollars. At a few condos that allow pets, even residents' furry friends have to cough up fees of \$100 or more.

# Contents of Application

Number and Names of Persons to Occupy;

Intended Use of Unit;

Vehicles (number & type);

References (income & personal);

Residency History;

Consent to Obtain Consumer Report;

Required Documents;

Animals/Pets &

Track Use Restrictions

**THIS FORM HAS BEEN APPROVED BY THE FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR**

**Contract For Sale And Purchase**  
FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR

1\* PARTIES: \_\_\_\_\_ ("Seller"),  
2\* and \_\_\_\_\_ ("Buyer"),  
3 hereby agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal Property (collectively "Property")  
4 pursuant to the terms and conditions of this Contract for Sale and Purchase and any riders and addenda ("Contract").

5 I. DESCRIPTION:  
6\* (a) Legal description of the Real Property located in \_\_\_\_\_ County, Florida: \_\_\_\_\_  
7\* \_\_\_\_\_  
8\* (b) Street address, city, zip, of the Property: \_\_\_\_\_  
9 (c) Personal Property includes existing range(s), refrigerator(s), dishwasher(s), ceiling fan(s), light fixture(s), and window treatment(s) unless  
10 specifically excluded below.  
11\* Other items included are: \_\_\_\_\_  
12\* \_\_\_\_\_  
13\* Items of Personal Property (and leased items, if any) excluded are: \_\_\_\_\_  
14\* \_\_\_\_\_

15\* II. PURCHASE PRICE (U.S. currency): ..... \$ \_\_\_\_\_  
16  
17\* PAYMENT:  
18\* (a) Deposit held in escrow by \_\_\_\_\_ ("Escrow Agent") in the amount of (checks subject to clearance) \$ \_\_\_\_\_  
19\* Escrow Agent's address: \_\_\_\_\_ Phone: \_\_\_\_\_  
20\* (b) Additional escrow deposit to be made to Escrow Agent within \_\_\_\_\_ days after Effective Date in the amount of ..... \$ \_\_\_\_\_  
21\* (c) Financing in the amount of ("Loan Amount") see Paragraph IV below ..... \$ \_\_\_\_\_  
22\* (d) Other ..... \$ \_\_\_\_\_  
23\* (e) Balance to close by cash, wire transfer or LOCALLY DRAWN cashier's or official bank check(s), subject  
24 to adjustments or prorations ..... \$ \_\_\_\_\_

25 III. TIME FOR ACCEPTANCE OF OFFER AND COUNTEROFFERS; EFFECTIVE DATE:  
26\* (a) If this offer is not executed by and delivered to all parties OR FACT OF EXECUTION communicated in writing between the parties on or  
27 before \_\_\_\_\_, the deposit(s) will, at Buyer's option, be returned and this offer withdrawn. **Unless other-**  
28 **wise stated, the time for acceptance of any counteroffers shall be 2 days from the date the counteroffer is delivered.**  
29 (b) The date of Contract ("Effective Date") will be the date when the last one of the Buyer and Seller has signed or initiated this offer or the  
30 final counteroffer. If such date is not otherwise set forth in this Contract, then the "Effective Date" shall be the date determined above for  
31 acceptance of this offer or, if applicable, the final counteroffer.

32\* IV. FINANCING:  
33\*  (a) This is a cash transaction with no contingencies for financing;  
34\*  (b) This Contract is contingent on Buyer obtaining written loan commitment which confirms underwriting loan approval for a loan to purchase  
35\* the Property ("Loan Approval") within \_\_\_\_\_ days (if blank, then 30 days) after Effective Date ("Loan Approval Date") for (CHECK ONLY  
36\* ONE):  a fixed;  an adjustable; or  a fixed or adjustable rate loan, in the Loan Amount (See Paragraph II.(c)) at an initial interest rate not to  
37 exceed \_\_\_\_\_%, and for a term of \_\_\_\_\_ years. Buyer will make application within \_\_\_\_\_ days (if blank, then 5 days) after Effective Date.  
38 **BUYER:** Buyer shall use reasonable diligence to: obtain Loan Approval; **notify Seller in writing of receipt of Loan Approval by Loan Approval**  
39 **Date;** satisfy terms of the Loan Approval; and close the loan. Loan Approval which requires a condition related to the sale of other property shall  
40 not be deemed Loan Approval for purposes of this subparagraph. Buyer shall pay all loan expenses. Buyer authorizes the mortgage broker(s) and  
41 lender(s) to disclose information regarding the conditions, status, and progress of loan application and Loan Approval to Seller, Seller's attorney,  
42 real estate licensee(s), and Closing Agent.  
43 **SELLER:** If Buyer does not deliver to Seller written notice of Loan Approval by Loan Approval Date, Seller may thereafter cancel this Contract by  
44 delivering written notice ("Seller's Cancellation Notice") to Buyer, but not later than seven (7) days prior to Closing. Seller's Cancellation Notice shall  
45 notify Buyer that Buyer has three (3) days to deliver to Seller written notice waiving this Financing contingency, or the Contract shall be cancelled.  
46 **DEPOSIT(S) (for purposes of this Financing Paragraph IV(b) only):** If Buyer has used reasonable diligence but does not obtain Loan Approval  
by Loan Approval Date, and thereafter either party elects to cancel this Contract, the deposit(s) shall be returned to Buyer. If Buyer obtains Loan

# Interview

- Formal appointment to Interview Committee
- Parameters on who may be present for Interview
- Interview Notes/Comments
- Avoid Fair Housing Pitfalls
  - Relationship or Marital Status
  - Age (Unless HOPA)
  - Residency Status
  - Accommodation Issues
- References from Previous Association Leaders





# Fair Housing Notice



EQUAL HOUSING OPPORTUNITY

## We Believe in Fair Housing!

We welcome qualified tenants without regard to race, color, religion, sex, national origin, familial status, disability, marital status, age, gender identity or expression, or sexual orientation.

We do business in accordance with the Federal Fair Housing Act and the Palm Beach County Fair Housing Ordinance.

- ◆ We gladly receive rental inquiries from all.
- ◆ We apply fair and equitable criteria when evaluating applicants.
- ◆ We provide accessible housing and accommodations for persons with disabilities as required by law.
- ◆ We enforce our rules equally and without discrimination.
- ◆ We set rents, deposits and fees without discrimination.
- ◆ We respond to repair requests and other tenant concerns equally.

***If you feel that you have experienced unlawful housing discrimination, you may file a fair housing complaint***

For housing within Palm Beach County

Contact:

Palm Beach County  
Office of Equal Opportunity  
301 N. Olive Avenue, 10th Floor  
West Palm Beach, FL 33401  
(561) 355-4883  
(561) 355-1517 (TTY)  
(561) 355-4932 (FAX)

[www.pbcgov.com/equalopportunity](http://www.pbcgov.com/equalopportunity)

For housing located elsewhere

Contact:

U.S. Department of Housing  
& Urban Development  
Southeast/Caribbean Office of Fair Housing  
and Equal Opportunity  
40 Marietta Street, 16th Floor  
Atlanta, GA 30303-2806  
(404) 331-5140  
(800) 440-8091 (Toll Free)  
(561) 355-4932 (TTY)

# Allowable Options

- Is the transaction a
  - Sale
  - Lease
  - Gift; or
  - by Operation of Law?
- Lease/License/Share Economy
- Guest/Relative/Gratuitous Use
- Exceptions (Mortgagee)

## Approve

Transaction Proceeds as Contemplated

## Reject

Owner/Member Demand Substitute  
Failure to Facially Qualify for Membership/Residency

## Obligations

Right of First Refusal  
Right of Substitution  
"Good cause" to Reject

# Notice to Applicant

Broward County Human Rights Ordinance & Miami-Dade County Ordinance require notice to the applicant of reason for denial within 45 days of receipt of application, regardless of language in governing documents.



# Additional Obligations

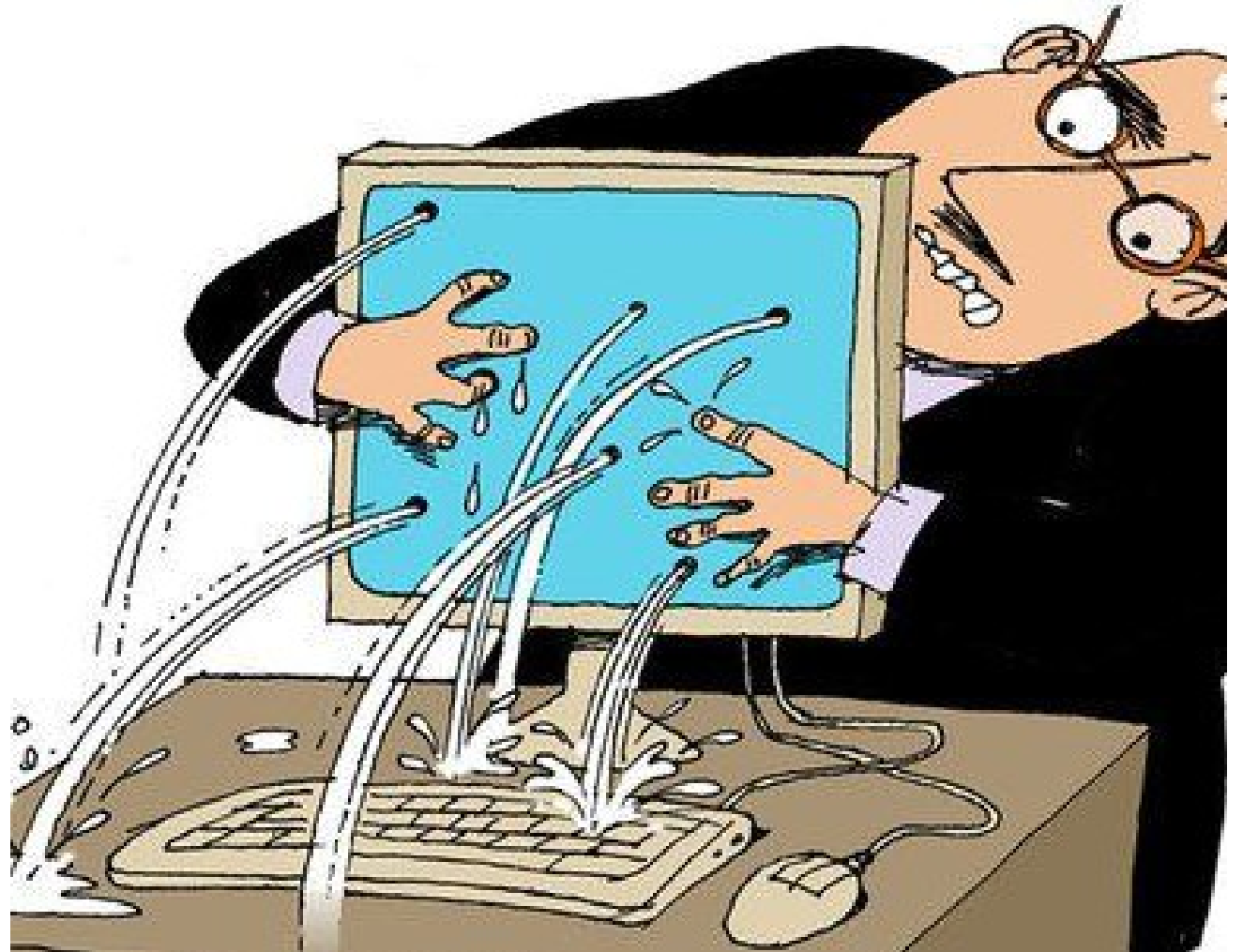


- Adverse Action Notice
  - Must be in Writing (Electronic Permitted)
  - Name, Address and Toll-Free Phone for Credit Reporting Agency (CRA)
  - Notice CRA did not make Decision
  - Notice of Consumer Rights
    - Obtain Free Consumer Report
    - Dispute Accuracy of Information

# Additional Obligations Cont.

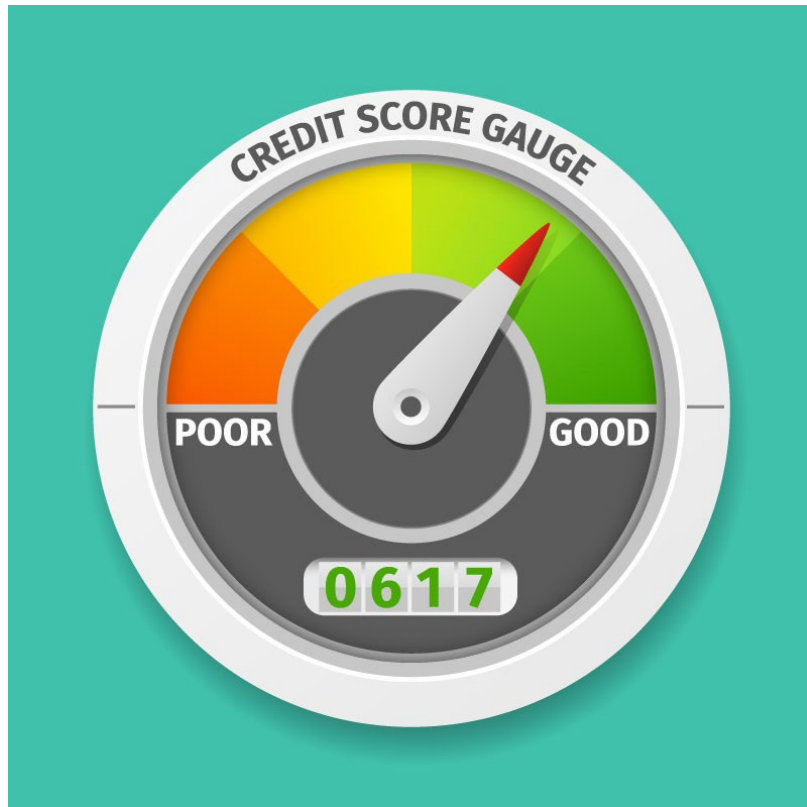
## Document Management:

- ❑ FCRA: Retention & Disposal of Consumer Reports
- ❑ Section 718.111(12), FS
- ❑ Section 501.171, FS
  - ❑ Internal/External Costs



# Rejecting Transfer for “Good Cause”

Resolution/Policy



- Criminal History / Violent Crime
  - HUD Guidance Memo
- Financial History / Credit Score
- Conflict with Covenants
  - Intended Use Inconsistent
  - Failure of Condition Precedent
  - Evidence of Previous Conduct

# Hot Topic / Transient Use

- Share Economy Presents Additional Considerations
  - Lease v. License
  - Rulings Not “Commercial” or “Business” Use
  - Defining Transient Use
  - Restrictions Against Advertising
  - Local Codes/Registration Requirements
  - ADA Considerations



# Certificate of Approval



- Identify Approved Buyer
  - Buyer assignment at closing to corporate entity
- Delegate Signing Authority
- Waive Right of First Refusal
- Follow Up:
  - Request/Obtain Deed
  - Protect Sensitive Documents from Disclosure
  - Calendar Eligibility for Lease
  - Verify Occupancy





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# Questions?



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