

Rental MasterClass

RENTAL APPLICATIONS

21 May 2021

presented by

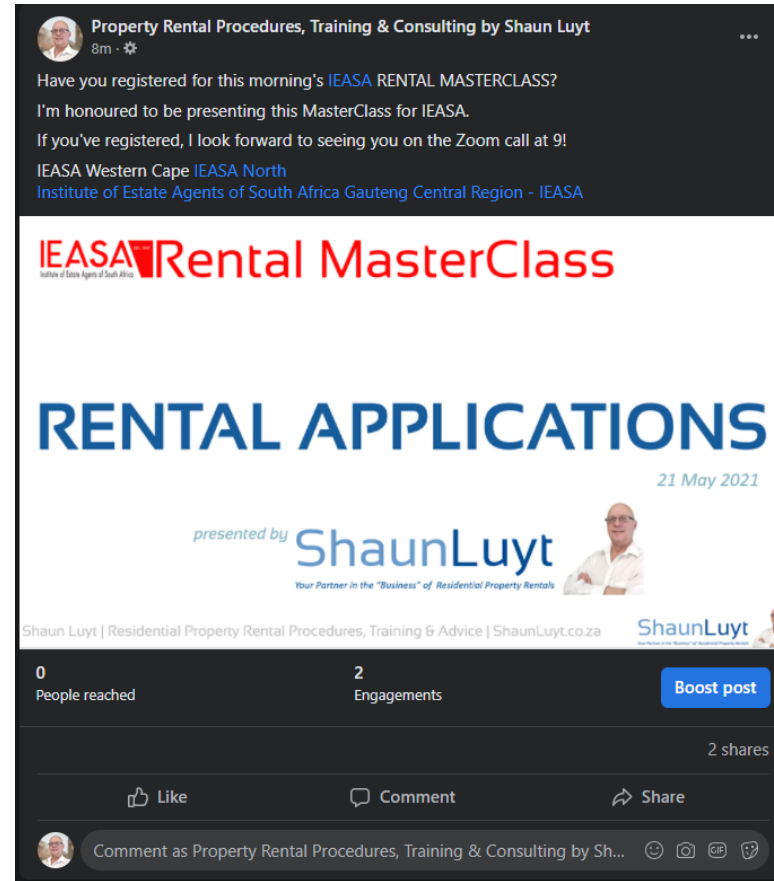
ShaunLuyt

Your Partner in the "Business" of Residential Property Rentals





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Your Partner in the “Business” of Residential Property Rentals



Overview

- Information you should be gathering with your Application Form & why
- Clauses that should be in your Rental Application Form
- Best Practice Tenant Vetting
- Providing the Landlord with the right information to make an informed decision

Rental Agent's Role

Rental Agent's Role

Find the BEST possible tenant for the Landlord's rental property

NOT

Helping the tenant find a suitable rental property



Rental Agent's Role

FIND THE BEST POSSIBLE TENANT FOR THE LANDLORD

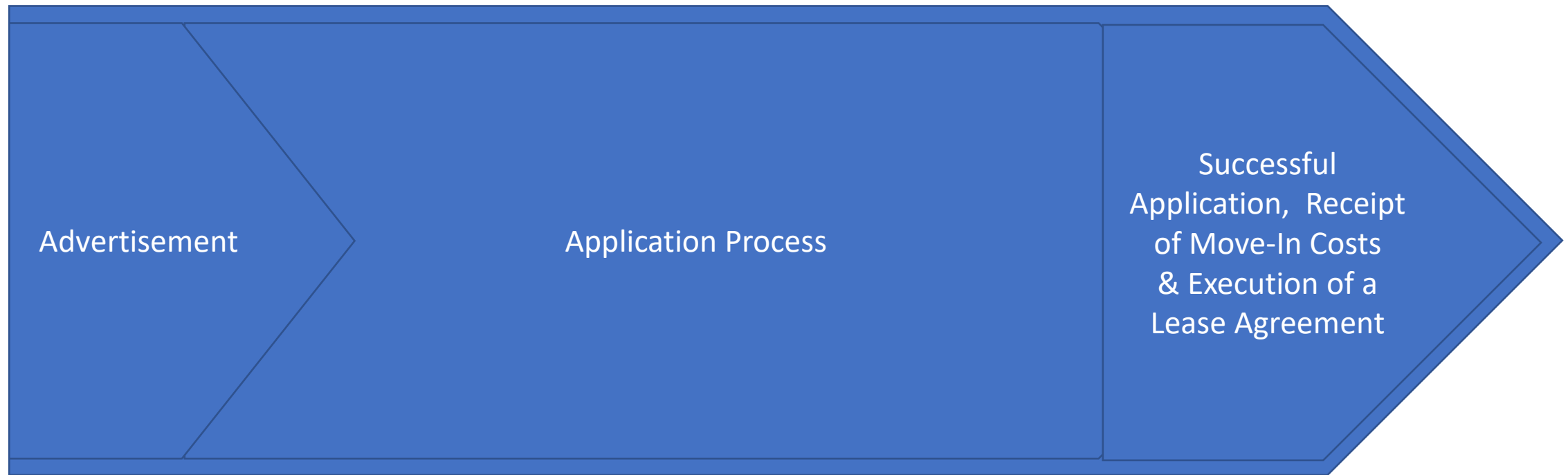
NOT

House the Nation

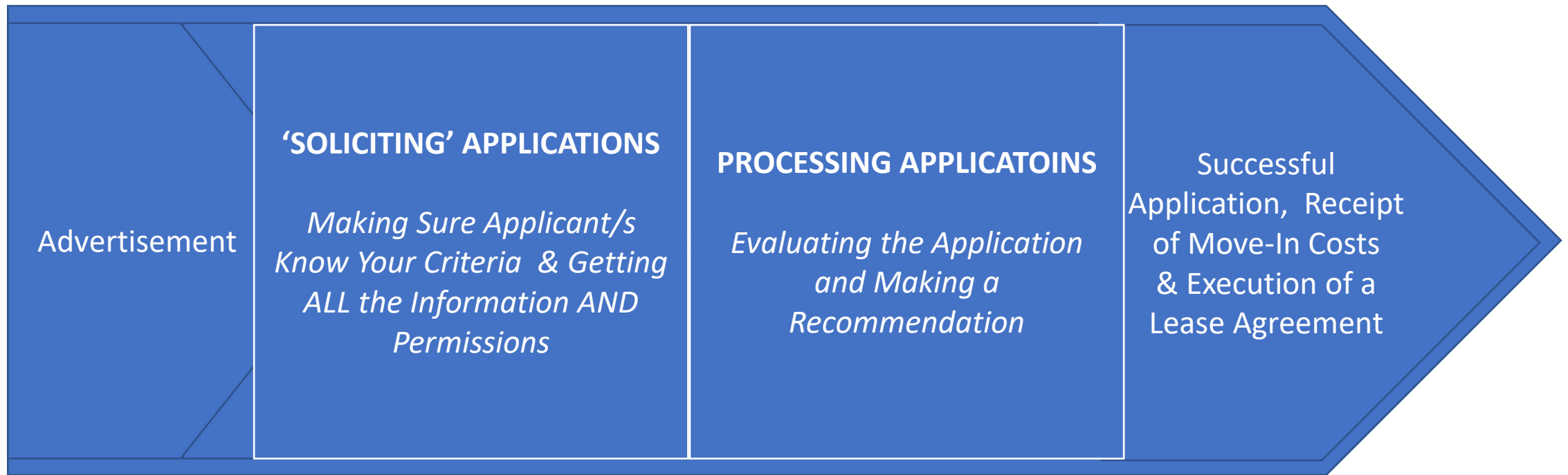


Rental Application Process Overview

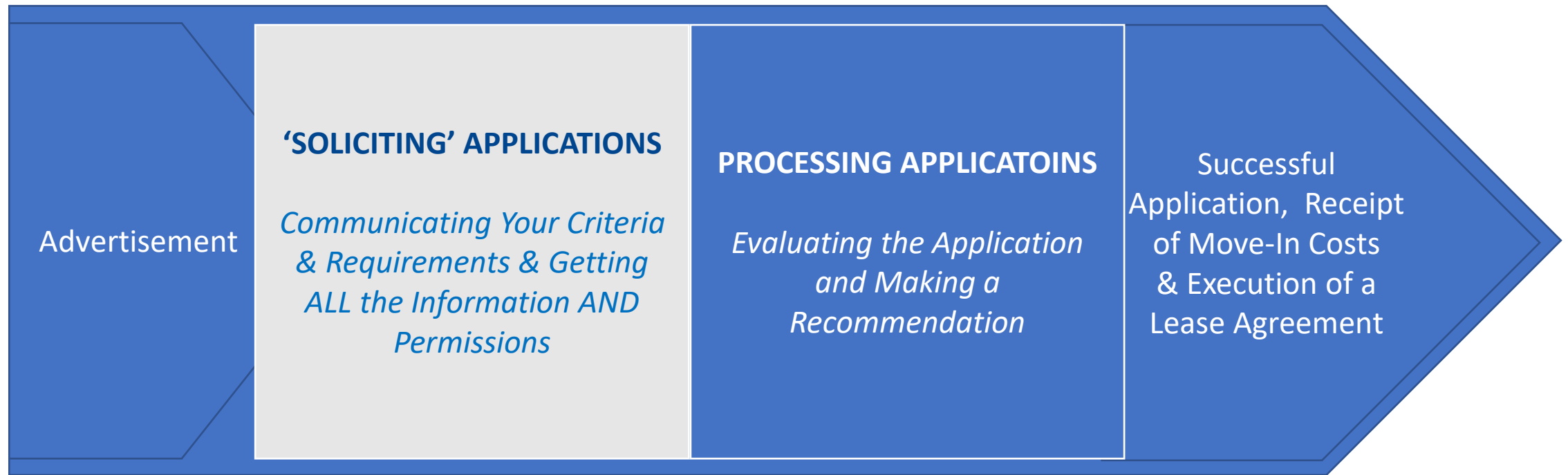
Rental Application Process Overview



Rental Application Process Overview



Rental Application Process Overview



'Soliciting' Applications



Soliciting Applications

- Make sure that applicants know your expectations / requirements
- Make sure that you get for as much information as possible to enable you to do a thorough screening
- Make sure you have permission to do the checks you need to do

The Rental Application Guidelines

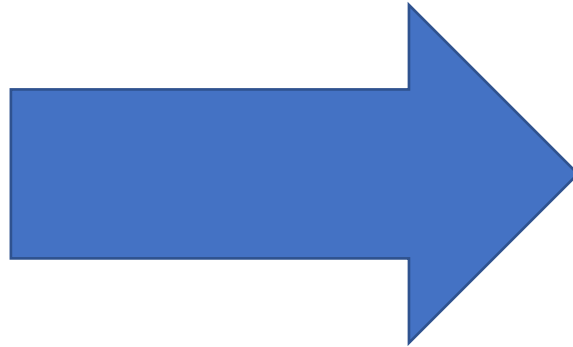
Rental Application Guidelines

- Who needs to complete the form
- Supporting documentation required
- The importance of providing all information
- Need to initial and sign the form
- Move-in and / or application costs
- Information about your evaluation criteria and procedures / process

Who should complete the application?



Application



Lease

Who should complete the application?

~~Who should be on the application form?~~

Who should be on the lease?

No one should be a signatory to the lease if they have not been included on the application form and checked

Rental Application Guidelines

RENTAL APPLICATION FOR RESIDENTIAL PREMISES (TF001NP)

Property Address _____
Monthly Rental R_____ Occupation Date _____ Duration _____ months

GUIDELINES FOR COMPLETING AND SUBMITTING THIS APPLICATION

- Each person to be a signatory to the lease agreement needs to complete ALL information requested in this application form and provide ALL the required supporting documentation. If there are more than two applicants, then an additional applicant information page/s needs to be completed and submitted for each additional applicant. This includes spouses and persons sharing. **Please note: Our company policy requires that at least one of the signatories to the lease must intend to reside at the property.**
- Copies of the following supporting documentation for each applicant must be submitted together with the completed application:
 - o RSA ID Document / Passport
 - o Proof of current address (not older than 3 months)
 - o Payslips for the last 3 months
 - o Bank statements for the last 3 months, if employed. If self-employed, or earning commission, then 6 months' bank statements are required.
- **ID and proof of residential address are a FICA requirement and we MAY NOT process your application without these documents.**
- Please note: If your remuneration is purely commission, or includes an element of commission, or you are self-employed, you need to provide 6 months' payslips or proof of income and bank statements. In addition, self-employed persons may be requested to provide financial accounts prepared and/or signed by an accountant.



Rental Application Guidelines

Copies of the following supporting documentation for each additional resident must be submitted together with the completed application:

- o RSA ID Document / Passport

IMPORTANT: No applications will be evaluated unless fully completed, initialled, signed and all required supporting documentation received.

Originals of the supporting documentation are to be provided and sighted on approval of the application – prior to you signing any lease agreement.

Upon approval of this application, the successful applicant/s will be required to pay the following move-in costs in full and upfront before the lease agreement will be prepared:

- | | | |
|--------------------------------|---|--|
| o Damages Deposit | - | 2 month's rent (non-negotiable) |
| o 1 st Months' Rent | - | 1 month's rent |
| o Lease Fee | - | R[insert amount] (Including VAT) |
| o Utilities Deposit | - | Property Dependant (refer to the advertisement, or ask the rental agent) |
| o [Other] | - | [Insert any other costs required] |

Rental Application Guidelines

To find out more about applying for a rental property through [insert company name], as well as our evaluation criteria and process, visit [insert web-address]

For any other queries, please contact the advertised rental agent for the property.

<https://maynard.harcourts.co.za/Home/Tenants/Applying-for-a-Rental-Property>



Rental Application Process & Criteria

Browse

[Properties for Rent](#)

Applying for a Rental Property

[STEP 1 - You View the Rental Property](#)

[STEP 2 - You Submit a Rental Application](#)

[STEP 3 - We Evaluate Your Rental Application](#)

[STEP 4 - We Consult with Our Landlord Client](#)

[STEP 5 - You Are Advised of the Outcome of Your Application](#)

[Paying Your Rent & Other Amounts Due](#)

[Rent & Other Arrears](#)

[Ensuring the Full Refund of Your Damage Deposit](#)

Applying for a Rental Property Through Harcourts Maynard Burgoyne

To fulfil our obligation to our landlord clients, we are required to thoroughly evaluate all rental applications.

We know that this is a very stressful time for applicants and we will always endeavour to complete the process as speedily as possible, with the understanding that we cannot in anyway compromise our processes.

Our goal is to process all rental applications within 1 business day, but we are dependant on speaking to third parties and contacting them is sometimes difficult. All rental applicants should, however, be informed of the outcome of their application within 2 business days at the latest.

Our evaluation process includes confirming their identity and fulfilling the 'know your client' [FICA \(Financial Intelligence Centre Act 38 of 2001\)](#) requirements, as well as evaluating their ability to afford the property (to minimise the risk of them falling into arrears). We also follow up with previous landlord/agent references to ascertain their previous rental history and behaviour, and last we need to check their credit history to make sure they are financially sound and responsible.

To find out more about the process we follow in processing rental property applications, click on the links below . . .

- [STEP 1 - View the Rental Property](#)
- [STEP 2 - Submit Your Rental Application](#)
- [STEP 3 - We Evaluate Your Rental Application](#)
- [STEP 4 - We Consult with Our Landlord Client](#)
- [STEP 5 - We Advise Applicant/s of the Outcome of their Rental Application](#)

If you have any further questions regarding our rental application process, please [contact a rental agent](#) at one of [our offices](#) directly.

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The Rental Application Evaluation

STEP 3 - We Evaluate Rental Applications

Once we have received a completed application with all supporting documentation, our application processing team takes over and thoroughly evaluates the application.

If you would like to know more about the checks that are included in the prospective tenant evaluation process, you are welcome to view our [Rental Application Checklist](#).

The first check is usually the applicant/s financial affordability. Our minimum affordability criteria is that the total net (after tax) income of applicants must be at least three (3) times the monthly rental amount.

Once applicant/s meet FICA and affordability criteria we diligently follow up on all references, including previous landlords/agents and employers, to confirm the information provided in the application form, and the applicant/s rental history. Interviewing the applicant/s previous landlords/agents to get feedback on their previous behaviour as a tenant, provides us with critical information for our decision making process. In this regard, we don't like to solely rely on information from the applicant/s current landlord/agent only - we also require contact information for previous landlords/agents so that we can speak with them too.

If the applicant/s references are positive and pass our criteria, then the last step in the process is a check of their credit history through a recognised credit bureau. This information includes not only their history with respect to renting, but also with respect to their current financial obligations and any issues that may have cropped up in the past with respect to credit and repayment issues.

Rental Application Process & Criteria

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The Rental Application Form



The Rental Application Form

Residential History

Current Residential Address _____

Post Code _____

****Copy of ID & proof of residential address, not older than three months, and reflecting your name and residential address must accompany this application. Original to be sighted on approval of the application, prior to signing the lease***

Are you the owner of this property? YES/NO – If NO, please provide the following information:

Rent Paid R _____ per month – How long have you rented there _____ mths _____ yrs

Rental Agent/Landlord: Name _____

Work No. _____ Mobile _____ Email _____



The Rental Application Form

Previous Residential Address _____

_____ Post Code _____

Were you the owner of this property? YES/NO – If No, please provide the following information:

Rent Paid R _____ per month – How long did you rent there _____ yrs _____ mths

Rental Agent/Landlord: Name _____

Work No. _____ Mobile _____ Email _____



The Rental Application Form

APPLICANT 1 / contd.

FICA Risk Assessment Questionnaire

In terms of our FICA Risk Management and Compliance Programme we require you to please complete the following questionnaire:

Please indicate whether you and/or any members of your family, or any of your close associates, currently hold, or have held, any of the following positions:

Positions in the Republic of South Africa	
Positions in the Republic of South Africa	Y / N
President or Deputy President of South Africa	
Cabinet Minister or Deputy Minister	
Premier of a Province	
Member of Executive Council of a Province	
Mayor of a Municipality	
Leader of a Political Party	
Member of a Royal Family or Senior Traditional Leader	
Head, Accounting Officer or Chief Financial Officer (CFO) of a National or Provincial Department	
Manager or CFO of a Municipality	
Chairperson, Chief Executive Officer, Accounting Authority CFO or Chief Investment Officer of a Public Entity	
A prominent Judge in the Constitutional Court, Supreme Court of Appeal or the High Court or any equivalent Court	
Ambassador, High Commissioner or Senior Representative of a foreign country who is based in South Africa	
Person Occupying any of the following positions in a company that sells goods or services to the government worth more than (an amount to yet be gazetted) – a) Chairperson of the board of directors; b) Chairperson of the Audit Committee; c) Executive Officer; or d) CFO	
Positions in a Foreign Country	
Member of Royal Family	
Member of Cabinet or similar structure	
Senior Member or Leader of a political party	
Senior Judicial Officer	
Senior Executive of a State-owned entity	
High-ranking Military Officer	

If you answer to any of the above questions is 'Y', please provide further details



The Rental Application Form

OTHER RESIDENTS/OCCUPANTS

Please provide the following information for all other persons (adults and/or children) that will be residing at the premises:
Copies of ID for each additional resident to be submitted with this application.

<i>Name</i>	<i>Relationship</i> (e.g. partner, child, etc.)	<i>ID No.</i>

The Rental Application Form

Special Conditions

If any representations were made to you regarding the property that are important to your rental decision these should be included in the lease as special conditions as this is the only way to make them binding. Please list any special conditions you would like included in the lease agreement here so they can be considered as part of your rental application:

The Rental Application Form

Requests for Changes to the Standard Lease Terms and Conditions

You were provided with a copy of our standard Lease Terms and conditions together with this application form. Any approval of this application will be conditional on you accepting and signing these terms and conditions, unless you request changes to the Standard Terms and Conditions, and these are approved. Please note your requested changes here so that they can be considered as part of your rental application:



The Rental Application Form

Upon acceptance by the landlord, I/we agree to pay the move-in costs, as set out on page 1 of this application, immediately and in full. I/We understand that the agent is not authorised to enter into any payment arrangements regarding these costs. I/We understand that the lease agreement will only be prepared once full payment has been received in the agent's trust account.



The Rental Application Form

I/we acknowledge that I/we have been provided a copy of the agents' lease terms and conditions. I/we understand that these lease terms and conditions are the only lease terms and conditions that the agent is authorised to enter into on behalf of the landlord. This application will be processed on the understanding that I/we accept the standard lease terms and conditions of the agent. We also understand that NO requests for changes to the Lease terms & Conditions will be considered after approval of any application, save for my/our requested changes as detailed in this application. I/we understand that requests for changes to the agents' standard lease terms and conditions form part of this application and are subject to approval by the landlord.



The Rental Application Form

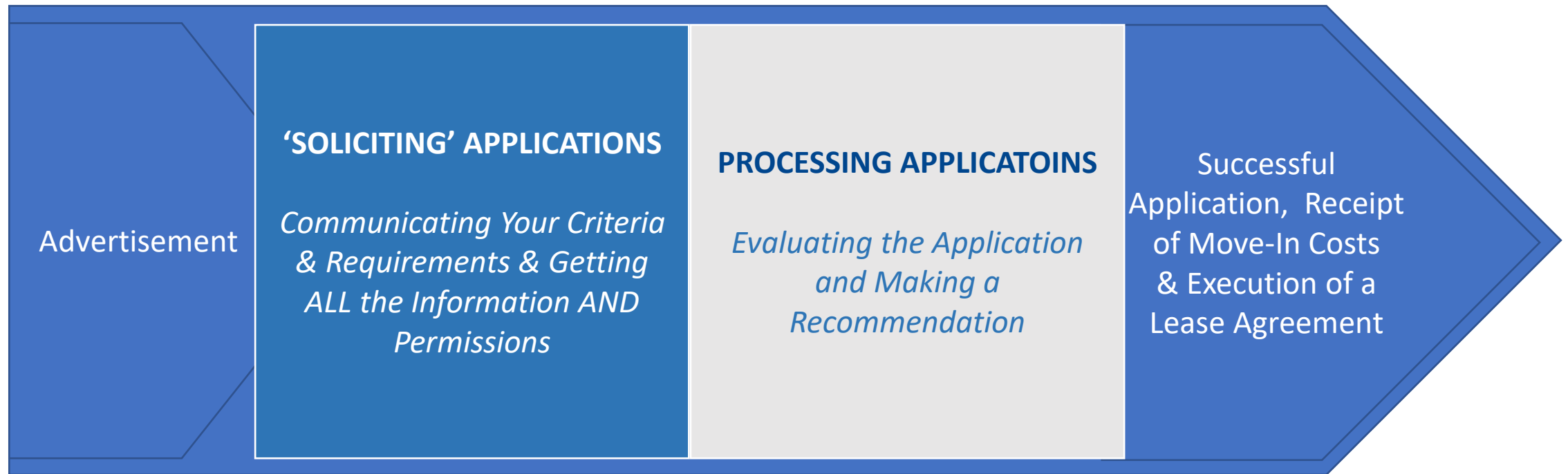
I/we hereby consent and authorise the landlord and/or agent, as the case may be, to **at all times:**

- contact, request and obtain information from my/our current and/or past landlord/s and/or agent/s concerning my/our behaviour profiles, payment patterns, indebtedness, and any other information that the landlord/agent may deem appropriate, pertaining to our dealings with them;
- contact, request and obtain information from my/our employer/s to confirm my/our employment details, employment history and/or gross earnings;
- contact, request and obtain information from any credit or service provider (or potential credit or service provider) or registered credit bureau relevant to an assessment of my/our behaviour, profile, payment patterns, indebtedness, whereabouts, and creditworthiness;
- furnish information concerning my/our behaviour, profile, payment patterns, indebtedness, whereabouts, and creditworthiness to any registered credit bureau or to any credit or service provider (or potential credit or service provider) seeking a trade reference regarding my/our dealings with the landlord.



Rental Application Processing

Rental Application Process Overview



Rental Mandate & Application Processing



Rental Mandate & Application Processing

3. PROCUREMENT RIGHTS AND DUTIES (See 1.12.1)

- 3.1. The Agent is tasked with finding a suitable Tenant to lease the Premises from the Landlord. In so doing the Agent is responsible for the following:
- 3.1.1. Advertising, marketing and otherwise exposing the Premises to potential Tenants including the use of the internet, telecommunications and general advertising and marketing strategy;
 - 3.1.2. Arranging for potential Tenants to view the Premises by making arrangements with the Landlord or current occupant of the Premises to have access to the Premises at all reasonable times for this purpose;
 - 3.1.3. Negotiating the subsequent Lease Agreement with potential Tenants and ensuring all suspensive and resolutive legal formalities pertaining to the Lease Agreement are complied with;
 - 3.1.4. Performing all vetting, including but not limited to credit, employment and other references checks on potential Tenants who have applied to lease the Premises;
 - 3.1.5. Informing the Tenant of all rights and duties in terms of the Lease Agreement including the Tenant's duties to pay Rental on time and to look after the Premises;
 - 3.1.6. Initiating and performing the incoming inspection or initial inspection of the Premises and recording all existing damages or existing defects to the Premises;
 - 3.1.7. Informing the Tenant that the Landlord will be the contact person once the Lease Agreement is signed regarding any matters concerning the Premises;
 - 3.1.8. Explaining to the Tenant that the Tenant may be asked by the Agent to pay a portion of the Rental directly to the Agent if the Landlord does not pay the Agent a portion or the full amount of Commission due to the Agent;
 - 3.1.9. Ensuring that the specific requirements in respect of a potential Tenant have been met and that a Tenant that does not meet those specific requirements such Tenant does not take occupation of the Premises; and
 - 3.1.10. Ensuring that the Tenant can afford the required Rental as per the Schedule.
- 3.2. The Agent cannot be held liable to the Landlord (provided that the Tenant has been correctly screened and placed by the Agent) for any liabilities, such as the Tenant not paying Rental, vacating the Premises before the Lease Agreement expires, and the like.



Rental Mandate & Application Processing

3. PROCUREMENT RIGHTS & DUTIES

3.1. The Agent is tasked with finding a suitable Tenant to lease the Premises from the Landlord. In so doing the Agent is responsible for the following:

Rental Mandate & Application Processing

3.1.4. Performing all vetting, including but not limited to credit, employment and other reference checks on potential Tenants who have applied to lease the Premises;

Rental Mandate & Application Processing

3.1.9. Ensuring that
the specific requirements in respect of a potential Tenant have
been met
and that
a Tenant that does not meet those specific requirements does
not take occupation of the Premises;

Rental Mandate & Application Processing

3.1.10. Ensuring that the Tenant can afford the required Rental as per the Schedule.

Rental Mandate & Application Processing

3.2. The Agent cannot be held liable to the Landlord
(provided that the Tenant has been correctly screened and
placed by the Agent)
for any liabilities, such as the Tenant not paying Rental,
vacating the Premises before the lease agreement expires, and
the like



Rental Mandate & Application Processing

The Agent ~~cannot~~ may be held liable to the Landlord
(~~provided that if the Tenant has been~~ was not correctly
screened by the Agent)

for any liabilities, such as the Tenant not paying Rental,
vacating the Premises before the lease agreement expires, and
the like



Screening Requirements to Avoid Liability

- Perform vetting
 - Including but not limited to credit, employment and other reference checks on potential tenants
 - Ensure that any specific requirements in respect of a potential tenant have been met
 - Ensure that the tenant can afford the required rental



Rental Application Vetting Process

Application Vetting Checklist



CHECKLIST - RENTAL APPLICATION SCREENING (PC004-V2)

Property Address _____

Applicant/s _____

Rental Best Practice: Rental Applications

1. Landlords should be notified immediately upon receipt of an application.
2. Landlords and tenants should be updated daily on progress with the application.
3. Rental Agents should not screen their own applications.
4. All screening actions should be carried out diligently and without fear or favour.
5. A recommendation to approve should be emailed to the Landlord with details of the screening activities.
6. The Landlord has the final say and their written approval should be required before conveying approval to the applicant/s.
7. Approval of an application should only be conveyed in writing using the companies standard application approval template, and is always subject to the specific performance and conditions.
8. Never give an unsuccessful applicant reasons for the application being unsuccessful.
9. Screening of applications should be completed within 1 business day.

Step#	Action	Ref#	Responsible Person	Done (Initial)
1	Acknowledge receipt of application: <i>T049 – Rental Application</i>	<i>T049</i>	Admin	

Online Training

Advanced Training - MasterClasses

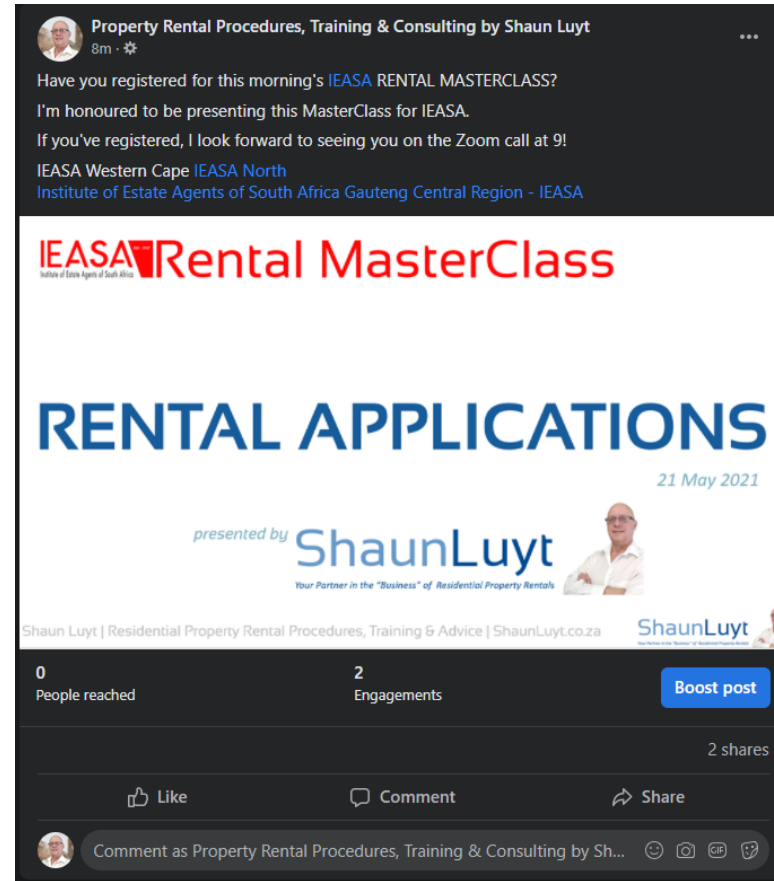
- <https://shaunluyt.co.za/online-courses/>



Best Practice RentPacks

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- WhatsApp Groups: Rental Leaders
<https://chat.whatsapp.com/JS88t7xNqKzODkmGjh0FjQ> Rental Professionals
Rental Professionals
<https://chat.whatsapp.com/K5LJL1LwPtR6EaIO2xKI2r>

