



EMPLOYMENT AND SALARY VERIFICATION FORM & GUIDE

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1. Overview

Successful property management begins with good documentation, and most landlords start their leasing arrangements with rental applications. A rental application allows a landlord to organize and evaluate applicants for a piece of property, and to use the information provided to run credit and background checks on those individuals. Collectively, this information can be used to select tenants who will pay rent promptly and care well for the property. A landlord can also shield himself from claims that he selected applicants for improper and discriminatory reasons.

A key element of selecting new tenants is ensuring they have the ability to make the required rent payments. The enclosed document lets you obtain authorization to confirm the applicant's employment status and salary. In turn, the signed form allows that employer to provide you with essential information about the applicant's income and job stability.

As a landlord, you must be sure an applicant will be a good tenant, willing and able to make rent payments and to treat your property with the same care you do. The enclosed document, together with a reliable real estate lease, reduces your liability risk and helps protect your investment. It also builds a strong foundation for the ongoing relationship between you and your tenant. You will both be able to proceed with confidence of your mutual respect and trust, and start the rental off on the right foot.

2. Dos & Don'ts Checklist

- ☐ A rental application and its supplementary documents are not leases. You are not obligated to rent to an individual simply because he or she has completed these forms. Similarly, a potential tenant who has completed the necessary forms is not required to rent the property.
- ☐ You may never discriminate among your applicants on the basis of race, color, national origin, ancestry, sex (gender), sexual orientation, age, marital status, religion, military/veteran status, disability, receipt of public assistance or housing subsidy, or children (with certain limited exceptions). If you are asking one person to complete this form, you must ask all applicants to do so.
- ☐ A good way to evaluate whether an applicant will be able to pay the required rent is to calculate about 30% of his or her monthly salary. For example, imagine that you are asking for \$1,200 per month in rent. According to this formula, you should only consider candidates who are earning at least \$4,000 per month.
- ☐ Although it may seem like a mere formality, it is always a good idea to perform a thorough investigation of the applicant and his or her background. It may be tempting to take someone's word for their employment status or salary, but you are the one who will bear the cost if this reliance is misplaced.
- ☐ Requiring all prospective tenants to complete a rental application and supplementary forms can help insulate you from lawsuits alleging discrimination. If you are accused of rejecting someone's application based on race, religion, or another prohibited category, you will be able to show the applications that you received and have written documentation supporting your selection.

- ☐ Although you should feel free to customize the verification form to suit your needs, the information requested in the document may be helpful to you if you need to collect rent or seek late rent payments. As you are reviewing submitted applications, it's a good idea to consider this perspective. Does the prospective tenant have a stable income? Bonus opportunities? A shaky employment history? A little deliberation up front could save you time and money down the road.

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Form Sample

EMPLOYMENT AND SALARY VERIFICATION FORM

To Whom it May Concern:

We are in the process of verifying information provided by _____ [Tenant Name] who is applying for an apartment in our building. In order to complete the application process, we must verify the employment/income information that was provided by _____ [Tenant Name] on his/her application. Information contained on this form will be used in accordance with the Fair Credit Reporting Act. _____ [Tenant Name] has provided his/her consent for you to provide the information requested, as verified by his/her signature below.

APPLICANT INFORMATION <i>To be completed and signed by the applicant</i>				
Last Name	First Name	Middle Name	Social Security Number	
Current Address		City	State	Zip Code
CONSENT I hereby authorize my employer to provide employment and compensation information to the landlord or landlord's agent. I hold both the landlord and my employer harmless for any claims against them for filling out this form, commenting on the form, or any discussions regarding this form and its subject matter. Tenant Signature: _____ Date: _____				

EMPLOYMENT INFORMATION <i>To be completed and signed by the employer</i>
Employer Name