



NATIONAL TENANT NETWORK

Federal Fair Credit Reporting Act

The existing federal Fair Credit Reporting Act (FCRA) has always required credit-reporting agencies and tenant-screening companies to make every responsible effort to verify that customers who wish to purchase retail credit reports have a legitimate purpose for doing so. Both the credit bureaus and companies who are resellers of the bureaus' data are responsible for compliance.

Recently, however, the nation's three major retail credit bureaus -- Experian, TransUnion and Equifax -- independently instituted their own more stringent regulations in regard to qualifying customers who wish to receive retail credit reports or information from these reports from tenant-screening companies and other data resellers. The new requirements are intended to help combat credit fraud and identity theft.

The entire tenant screening industry is responsible for enforcing these new rules. All companies which sell retail credit reports are required to qualify customers and any company not in compliance with the new rules will be denied access to retail credit reports.

Fortunately, the rules do not restrict credit report access to any specific real estate owner, investors or managers, nor do they govern access to anything other than retail credit reports. All other types of screening reports remain available to customers. Screening companies also may continue to resell credit reports and credit-report-based information, but only to those qualified under the new regulations.

All three bureaus have certain requirements in common for qualification and while the specific requirements of each bureau vary, two main similarities may be summarized as follows:

On-site Inspections

Real estate owners, investors and managers who wish to continue to receive applicants' credit reports must undergo an on-site inspection of the location where reports are accessed and stored. Experian, TransUnion and Equifax all require an independent inspection company, approved by the bureau, to conduct the inspection. For subscribers that operate their businesses out of a separate location, the inspection is required once. For subscribers that operate out of a home office, the inspection may be required annually. To pass the inspection, subscribers must have a locked door for the premises where retail credit reports are accessed and stored, a locked filing cabinet to safeguard the reports, and a shredder to destroy reports no longer needed. Retail credit bureaus also require assurance that subscribers are not involved in any side businesses that may not be approved for the handling of credit reports (e.g., internet locator services, bail bond companies, credit repair agencies or credit clinics).

As part of NTN's effort to provide convenient, quality service to its subscribers, NTN procedures have been established that qualify subscribers to receive credit reports from all three bureaus for a single, one-time fee.

Additional Paperwork

The qualifying process also includes credentialing of all new and current subscribers. This involves, among other things, confirming the identity of the subscriber, which includes obtaining a copy of an individual subscriber's driver's license, or a copy of a business subscriber's business license. Proof of ownership of rental property must be verified. For incorporated businesses, articles of incorporation may be required. For sole proprietors or partnerships, an assumed business name filing, or individual retail report may be required. A subscriber's status as a real estate owner or manager may be verified by examining a reputable directory. Currently, the credentialing process is required to be performed only once for each subscriber.

As a subscriber to a resident-screening service, if you do not qualify under the credit bureaus' new rules or, if you simply choose not to undergo the required on-site

inspection(s), you will no longer be allowed to receive the retail credit report of any applicant.

The NTN Solution

Subscribers who wish to continue to receive retail-credit-based information about their applicants still will be required to submit paperwork. However, in an effort to improve our services, National Tenant Network, has created a new report - **NTN DecisionPoint** .

NTN DecisionPoint: Resident Screening - Redefined

NTN DecisionPoint reviews an applicants background and produces an overall score, much like a credit score, and a corresponding rental recommendation, both of which are based on a thorough and objective analysis of both the applicant's credit record, and his history of evictions and/or lease violations. NTN DecisionPoint also takes into account longevity of employment, and residence, ensuring a higher probability of overall resident retention. The NTN DecisionPoint report is accompanied by a comprehensive NTN tenant-performance profile, a detailed eviction and lease violation history, a SSN check, landlord identification and terrorist search.

NTN DecisionPoint provides subscribers with:

- Verification of information on the rental application
- Proprietary NTN default standards to fully evaluate the applicant
- A fair and meaningful score
- The ability to customize credit and tenant-performance settings to meet your own acceptance criteria
- A rental recommendation
- A rejection letter, fully compliant with the FCRA laws, if applicable
- Alerts which emphasize areas of possible concern
- A messages section to aid understanding of the reports results

What you get

All the information you need to make a sound rental decision, in a clear, easy-to-understand format, comprehensive, objective and in plain English.

What you avoid

- Bureau-required on-site inspections and fees
- Potential inconsistent decision making, which may lead to claims under federal fair housing laws
- The task of reading and understanding complex credit reports
- The potential of sensitive consumer data falling into the wrong hands

NTN subscribers who do not meet the criteria of the bureaus' new rules and who also decide against the use of NTN DecisionPoint may continue to order and receive all other types of NTN reports, including criminal background checks.

NTN DecisionPoint Plus

Those who have submitted the required paperwork and passed the on-site inspection may ask their local NTN office about the NTN DecisionPoint Plus report. It provides all the benefits of NTN DecisionPoint and a copy of the applicants retail credit report.

You may visit our [Resident Screening Packages](#) section of the NTN site to view a copy of the report. Subscribers who use NTNOnline.com to screen their applicants will also find a copy of the NTN DecisionPoint report in the Training Guides section after logging in.

NTN