

Legal Reasons You Can Eliminate Prospective Tenants

by Don Conrad

Finding good quality tenants is like anything else, you have to separate the wheat (quality tenants) from the chaff (non-quality tenants). The simplest way to do this is to interview each tenant prospect and eliminate them if there is reason to do so.

Keep this in mind, when eliminating prospects; remember not to violate anything covered in the Fair Housing Act.

To help you better understand what is covered, I have included an exact duplicate of the list from the Fair Housing booklet in regards to renting property. It reads as follows:

What is prohibited in the sale and rental of Fair Housing. *No one may take any of the following actions based on race, color, national origin, religion, sex, familial status, or handicap (disability):*

- a) Refuse to rent or sell housing
- b) Refuse to negotiate for housing
- c) Make housing unavailable
- d) Deny a dwelling
- e) Set different terms, conditions or privileges for sale or rental of a dwelling
- f) Provide different housing services or facilities
- g) Falsely deny that housing is available for inspection, sale or rental
- h) For profit, persuade owners to sell or rent (blockbusting) or
- i) Deny anyone access to or membership in a facility or service (such as multiple listing service) related to the sale or rental of housing

In addition: it is illegal for anyone to:

- j) Threaten, coerce, intimidate, or interfere with anyone exercising a fair housing right or assisting others who exercise that right
- k) Advertise or make any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familiar status or handicap (disability). This prohibition against discriminatory advertising applies to single family housing that is otherwise exempt from the Fair Housing Act.

The best way to stay on the right side of this law is to keep these two thoughts in mind:

- The Fair Housing Act protects people from being discriminated against on personal levels. It protects their right for equality among all humans. Never discriminate against this right.
- As a landlord, you want to *discriminate against things or habits (not individuals) that can, do or could effect the profit and safety of your landlording business and if taken to court, would be recognized as such.*

There are many areas that one could use as a reason to eliminate tenant prospects. Please make sure your reasons for eliminating a tenant prospect fall within the above guidelines. Below is a list of legitimate reasons for eliminating prospects. Please learn them and apply them correctly when separating the "wheat" from the "chaff".

- False application
- Too many occupants
- Pets
- Lack of income to pay rent
- Doesn't pay bills
- Turned over for collection
- Record of past due rent
- Bankruptcies
- Applicant has judgment or suit liens
- Using, selling, purchasing, manufacturing, or distributing illegal drugs
- Selling or representing prostitution
- Possession of stolen property
- Possession of illegal firearms
- Negative previous landlord comments
- Damage to previous dwelling
- Heavy drinking/smoking
- Disruptive activities

In closing, know what reasons you can and cannot use for eliminating the less desirable tenant prospects. Knowing and applying this knowledge correctly can make a world of difference in your landlording career. *I am not a lawyer; therefore, if you have any legal concerns with anything in this article, please contact the appropriate legal counsel.*

If you would like further information on this topic, please purchase my book [How to Find That Quality Tenant](#). Ask your local bookstore or visit my website at www.findthatqualitytenant.com.