

Enhanced Resident Screening with Rental Payment History

By Mike Lapsley, president and CEO of RentGrow, Inc.

The best resident screening solutions should continually evolve and incorporate the latest and best applicant data to improve the screening process. In today's market you need the right tools to help you accept the best applicants, avoiding skips and evictions. One of the most powerful pieces of applicant information is past rental payment history, but historically the multifamily industry has not had a coordinated and consistent database for consolidating rental payment information - until now. We are excited to announce a new partnership between RentGrow and RentBureau, which allows us to offer rental payment history records through our TotalScreen product. The result: our customers can make even better rental decisions!

What is RentBureau Rental Payment History Data?

RentBureau is the nation's first and only consumer reporting agency designed specifically for the multifamily industry. They have created the National Rental Data Exchange (NRDE), the nation's only secure, up-to-date database of rental payment history. RentBureau collects rental payment history directly from participating property management companies who volunteer to furnish their data (at no charge). The information is updated every 24 hours, directly from property management software, such as Yardi, AMSI, OneSite, and MRI, without disruption to I.T. or property operations. Although fairly new to the marketplace, RentBureau's database already contains detailed rental payment history records on millions of individuals. The database is rapidly growing and becoming a great tool for evaluating past rental payment performance.

How Does RentBureau Data Fit into the Resident Screening Process?

RentBureau rental payment history complements the traditional sources of applicant background information such as credit reports, criminal records, and landlord and tenant civil records. "The greatest predictor of a resident's likelihood to pay rent is their rental payment history. But surprisingly, rental payments have never been a part of a traditional credit score," said Eric Hartz, RentBureau's President and CEO. "RentBureau is changing that. We are proud to now be incorporated into RentGrow's TotalScreen product to make it easier for RentGrow clients to monitor, confirm and predict a resident's rent payments."

RentBureau records are available instantly online within RentGrow's TotalScreen product, and display clear month-by-month rental payment history and timely collections activity. This reliable, instantly available data can augment or take the place of landlord phone references.

How Rental Payment Data Can Benefit Your Resident Screening:

- **Increases knowledge.** Renters' payment history is an ideal way to predict the probability of rental payment behavior.
- **Lays out the facts.** If an applicant writes a bad check, defaults on a lease, or even damages property, you have a fact finder that provides straight forward, accurate, updated, unbiased information, keeping you in the know. Most importantly it eliminates human subjectivity on how "good" a renter has been and only delivers the facts.
- **Saves time.** The industry is moving away from phone references and fax verifications on applicants. Rental payment history offers a more objective and a timely way to verify residence history, and in many instances can take the place of a landlord phone reference.
- **Updated daily.** The collection and rental payment information in the database is updated daily, so it can pick up collection or payment issues that do not appear on an applicant's credit report.
- **Expands credit threshold.** For applicants with little or no credit, rental history gives you an avenue to evaluate credit history; it's an accurate way to determine if the applicant is a qualified renter. What's more, rental history offers a sound solution for screening applicants with thin credit, while creating opportunity for higher occupancy rates and increased revenue.
- **Prevents skips.** Management companies that opt to furnish their data to RentBureau will have an automatic system that tracks and prevents serial skippers from popping up at more than one of their properties.

Having a reliable source to track rental payments is a major advantage for the Multifamily industry. When this data is integrated into your resident screening solution, it delivers a seamless and easy to use solution for exceptional intelligence, visibility and decision-making for property managers.

Mike Lapsley is president and CEO of RentGrow, Inc., the resident screening experts (www.rentgrow.com). He can be reached at lapsley@rentgrow.com. RentGrow and RentBureau recently partnered to integrated RentBureau rental payment history data through our TotalScreen screening solution.