

ADVERSE ACTION LETTERS & FCRA RIGHTS

Forms C, C-1

Quick Description: These forms will inform an applicant that you have taken an adverse action, and it will provide them with information on how to obtain a copy of their report(s).

Required

Optional

Alterations Acceptable

What is it?

These forms are used to notify a prospective tenant that based on the information you received, you will be taking an adverse action. This includes informing the applicant that his or her application has been declined (Form C), that you will be asking for a cosigner/guarantor (Form C-1), a security deposit or a larger security deposit that you otherwise would ask for (Form C-1), or you will be asking for a higher rent payment (Form C-1) based on information you received from a Consumer Reporting Agency. The information in these forms is required to be communicated to the prospective tenant pursuant to federal law. All prospective tenants who are the subject of an adverse action should also receive a copy of “A Summary of Your Rights Under the Fair Credit Reporting Act” at the time they are notified of the adverse action.

Who should use it?

Any person who utilizes Tenant Data must use these formal adverse action letters and the Fair Credit Reporting Act (FCRA) attachment. You may copy the letter onto your own stationery/letterhead, but do not change the language.

When should it be used?

Once you have obtained a report from Tenant Data and you have determined that an adverse action will be taken, complete the applicable adverse action letter. Check the appropriate source(s) of information that contributed to your decision. Keep a copy for your records and either mail or hand-deliver the letter. You may notify the applicant by phone, but **always** follow it with the adverse action letter and “A Summary of Your Rights Under the Fair Credit Reporting Act.” In the case of married couples or roommates, each applicant should receive a letter in his or her name.

Why should it be used?

Tenant Data and the federal FCRA **require** the issuance of adverse action letters. Such letters provide the applicant with information on where to obtain a copy of his or her report(s). The adverse action letter also is an excellent method of record keeping for Fair Housing purposes.

How should it be used?

You do not have an obligation to show the applicant his or her background information report or discuss any details of the report with the applicant **other than providing the applicant with certain information about his or her credit score as required by federal law. Please note that the key factors that adversely affect an applicant’s credit score vary among Experian, and Trans Union, and will be included along with the credit score; only the top four factors can be listed in the letter—unless number of enquiries is one of the factors and then five factors can be listed in the letter.** We would recommend that you let applicants know that they can contact Tenant Data to receive a free copy of their report or to file a dispute about an inaccuracy on any of their reports.



Date: _____

Name: _____

Street: _____

City: _____ State: _____ Zip: _____

Thank you for your recent application to rent _____. As you know, you authorized and we requested and received information about you from Tenant Data Services, Inc. (Tenant Data), who provided us with information regarding your tenant history, credit history, check writing history, and criminal history. We regret to inform you that based in whole or in part on that information we must decline your application.

We are solely responsible for the decision to decline your application. Tenant Data did not make the adverse decision and cannot explain why the decision was made. Tenant Data received the information it provided to us from the source(s) listed below:

CREDIT HISTORY REPORT (received through Tenant Data from):

- Experian
- Trans Union

CREDIT SCORE (received through Tenant Data from):

We also obtained your credit score from Tenant Data who obtained it from:

- Experian
- Trans Union
- Tenant Data tried to obtain your credit score from the source checked above but no credit score was available.**

We used your credit score in making our decision. Your credit score is a number that reflects the information in your credit report. Your credit score can change, depending on how the information in your credit report changes.

Your credit score: _____ Date score was created: _____

- Scores range from a low of 300 to a high of 850.
- Scores range from a low of 1000 to a high of 0

The top key factors that adversely affected your credit score:

- _____
- _____
- _____
- _____
- _____

Only use this line if number of inquiries is one of the factors

RENTAL HISTORY

Tenant Data Services, Inc. • PO Box 5404 • Lincoln, NE 68505-0404 (800) 228-1837

CRIMINAL HISTORY REPORT (received through Tenant Data from):

Tenant Data Services, Inc. • PO Box 5404 • Lincoln, NE 68505-0404 (800) 228-1837

All of the indicated reports have been provided to us by Tenant Data. You have the right to inspect and receive a copy of the report(s) from the source(s) checked above through Tenant Data. There is no charge for a copy of your report, if your request is made within sixty (60) days of receiving this notice. . **You have the right to dispute the accuracy or completeness of any information contained in any report provided to us by Tenant Data by contacting Tenant Data at PO Box 5404, Lincoln NE 68505 or 1-800-228-1837.** A copy of *A Summary of Your Rights Under the Fair Credit Reporting Act* is included with this letter for your review.

Thank You,

Date: _____

Name: _____

Street: _____

City: _____ State: _____ Zip: _____

Thank you for your recent application to rent _____.
As you know, you authorized and we requested and received information about you from Tenant Data Services, Inc. (Tenant Data), who provided us with information regarding your tenant history, credit history, check writing history, and criminal history. We regret to inform you that based in whole or in part on that information we will have to:

(insert adverse action, i.e.: request cosigner/guarantor, additional deposit, etc.)

We are solely responsible for the above decision concerning your application. Tenant Data did not make the adverse decision and cannot explain why the decision was made. Tenant Data received the information it provided to us from the source(s) listed below:

CREDIT HISTORY REPORT (received through Tenant Data from):

- Experian • 701 Experian Prkwy • Allen, TX 75013 • www.experian.com/reportaccess
- Trans Union • PO Box 1000 • Chester, PA 19022 • www.transunion.com (800) 888-4213
- CSC Equifax • PO Box 740241 • Atlanta, GA 30374 • www.equifax.com (800) 685-1111

CREDIT SCORE (received through Tenant Data from):

We also obtained your credit score from Tenant Data who obtained it from:

- Experian • 701 Experian Prkwy • Allen, TX 75013 • www.experian.com/reportaccess (888) 397-3742
- Trans Union • PO Box 1000 • Chester, PA 19022 • www.transunion.com (800) 888-4213
- CSC Equifax • PO Box 740241 • Atlanta, GA 30374 • www.equifax.com (800) 685-1111
- Tenant Data tried to obtain your credit score from the source checked above but no credit score was available.**

We used your credit score in making our decision. Your credit score is a number that reflects the information in your credit report. Your credit score can change, depending on how the information in your credit report changes.

Your credit score: _____ Date score was created: _____

- Scores range from a low of 300 to a high of 850.
- Scores range from a low of 1000 to a high of 0

The top key factors that adversely affected your credit score:

- _____
- _____
- _____
- _____
- _____

Only use this line if number of enquiries is one of the factors

RENTAL HISTORY

Tenant Data Services, Inc. • PO Box 5404 • Lincoln, NE 68505-0404 (800) 228-1837

Name, address & phone number

CRIMINAL HISTORY REPORT (received through Tenant Data from):

A report containing criminal history from _____
Name, address & phone number

All of the indicated reports have been provided to us by Tenant Data. You have the right to inspect and receive a copy of the report(s) from the source(s) checked above through Tenant Data. There is no charge for a copy of your report, if your request is made within sixty (60) days of receiving this notice. . **You have the right to dispute the accuracy or completeness of any information contained in any report provided to us by Tenant Data by contacting Tenant Data at PO Box 5404, Lincoln NE 68505 or 1-800-228-1837.** A copy of *A Summary of Your Rights Under the Fair Credit Reporting Act* is included with this letter for your review.

Thank You,

Para informacion en espanol, visite www.ftc.gov/credit o escribe a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N. W., Washington, D.C. 20580.

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to www.ftc.gov/credit or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
 - a person has taken adverse action against you because of information in your credit report;
 - you are the victim of identify theft and place a fraud alert in your file;
 - your file contains inaccurate information as a result of fraud;
 - you are on public assistance;
 - you are unemployed but expect to apply for employment within 60 days.In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.ftc.gov/credit for additional information.
- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See www.ftc.gov/credit for an explanation of dispute procedures.
- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to www.ftc.gov/credit.
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.** For more information, visit www.ftc.gov/credit.

States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. Federal enforcers are:

TYPE OF BUSINESS:	CONTACT:
Consumer reporting agencies, creditors and others not listed below	Federal Trade Commission: Consumer Response Center - FCRA Washington, DC 20580 877-382-4357
National banks, federal branches/agencies of foreign banks (word 'National' or initials 'N.A.' appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word 'Federal' or initials 'F.S.B.' appear in federal institution's name)	Office of Thrift Supervision Consumer Complaints Washington, DC 20552 800-842-6929
Federal credit unions (words 'Federal Credit Union' appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, Virginia 22314 703-519-4600
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Consumer Response Center, 2345 Grand Avenue, Suite 100 Kansas City, Missouri 641 08-2638 1-877-275-3342
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation , Office of Financial Management Washington, DC 20590 202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator - GIPSA Washington, DC 20250 202-720-7051