



National Association of Residential Property Managers

May 30, 2023

Federal Trade Commission,
Office of the Secretary
600 Pennsylvania Avenue NW
Suite CC-5610 (Annex B)
Washington, DC 20580

TO WHOM IT MAY CONCERN:

Please accept these comments on behalf of the National Association of Residential Property Managers (NARPM®) in response to the FTC Tenant Screening Request for Information (FTC-2023-0024).

We appreciate the opportunity to be a part of the conversation and share our perspective. By way of background, the National Association of Residential Property Managers is an association of real estate professionals who know first-hand the unique problems and challenges of managing single-family and small residential properties.

Founded in 1988, NARPM provides a permanent trade organization for the residential property management industry. It continues to be the premier professional association of residential property managers, currently representing more than 6,000 members comprised of real estate agents, brokers, managers, and their employees.

Our organization promotes a high standard of business ethics, professionalism, and fair housing practice. NARPM also certifies its members in the standards and practices of the residential property management industry and promotes continuing professional education.

Our members focus on managing single-family and small residential properties, an asset class with a significant number of small, mom-and-pop landlords.

We appreciate the FTC and CFPB's efforts to learn more about the tenant screening process. As an association that represents professional property managers, we believe that a fair, balanced, transparent screening process serves the best interests of both landlords and tenants. Proper tenant screening serves an important role in the housing process in that it ensures tenants are placed in properties they can afford, property owners are at less risk of nonpayment, and property owners and neighbors are better protected from tenants who could pose a potential physical threat to others or the property itself.

As a trade association, we recognize that our members will differ in the way they conduct tenant screening. That is a function of multiple factors, including but not limited to location, price point, and prevailing local regulatory policies. With that stated, we would share the following thoughts about the tenant screening process:

All tenant screening policies should be within the metes and bounds of the Fair

Housing Act. This should go without saying, but we believe we cannot say this enough. As an organization and an industry, we are committed in word, deed, and spirit to the principle of fair housing. In no uncertain terms, we condemn those who would discriminate in the provision of housing and housing-related services. Those who violate this sacred trust should be prosecuted to the fullest extent of the law.

Income verification and credit history are key components of a fair screening

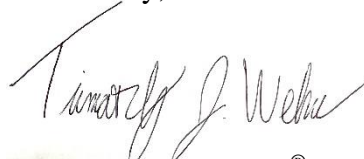
process. Property managers are duty bound by law to protect the financial interests of those they represent. This means that they must reasonably screen tenants to ensure that there is a high likelihood the tenant can afford the property (income verification) and that they will pay (credit history).

Criminal background checks based on reasonable policies are necessary. Property managers need to know that they are approving tenants who will not be a physical threat to other residents or to the property itself. While we acknowledge that criminal background screening policies should serve a clear, legitimate business interest, we also know that property managers do need to be able use criminal history in a manner consistent with that policy to protect the interests of other residents and the property owner. To that end, we stand ready to work with regulators and others to build consensus among stakeholders on what such balanced policies should contain.

Again, thank you for the opportunity to share our views. If you have any questions, please feel free to reach out to our Governmental Affairs Director Troy Garrett at tgarrett@narpm.org or at (202) 918-1134.

With kind regards, I am

Sincerely,



Tim Wehner, MPM® RMP®
NARPM® President