

# Rental Application Fee

**Do I have to pay a rental application fee?** An application fee is not required, but many landlords won't consider your rental application without it. The fee is to pay the landlord's cost of running a background check on a prospective tenant. Application fees are paid at the time of application and are generally nonrefundable (an exception is noted below). Most fees are between \$15 - \$50; there is no cap on the amount. Large apartment complexes will usually require both an application fee and an application deposit to hold the property. Some smaller private landlords may not require a fee or a background check at all. Sublets, house sharing arrangements and roommate situations usually don't involve an application fee or background check.

**Can a landlord legally reject my rental application?** Under federal and state law, landlords cannot refuse to lease solely on the basis of race, sex, religion, disability, ethnicity or familial status (for example, having children under 18). *Local city ordinances* may also prevent landlords from refusing to lease to persons with Section 8 vouchers or on other grounds, such as age, marital status or status as a student.

Landlords *can* reject your rental application for other reasons, including:

- Criminal history;
- Previous rental history;
- Current income;
- Credit history;
- Failure to provide accurate or complete information on the application form, or
- Any other reason that does not violate the law.

Different rules apply to public housing, Section 8, low income housing, tax credit apartments and other programs that receive government funds.

**Can I find out if I'll be rejected before I pay the fee?** Texas law gives you the right to review the landlord's *written tenant selection criteria* before you pay any money so you'll know whether your application is likely to be rejected. The landlord must give you *notice* that the selection criteria is available for you to review and it must state the grounds for which your application might be rejected. The *notice* of your right to review is usually contained within the rental application and must be underlined or in bold type. A typical notice may state:

“Signing this acknowledgment indicates that you have had the opportunity to review the landlord's tenant selection criteria. The tenant selection criteria may include factors such as criminal history, credit history, current income, and rental history. If you do not meet the selection criteria, or if you provide inaccurate or incomplete information, your application may be rejected and your application fee will not be refunded.”

Ask the landlord to allow you to review the selection criteria before signing the acknowledgement. If you don't meet the selection criteria (for example, applicants with a felony conviction or those with low credit ratings don't qualify under the selection criteria) then you can save the expense of an application fee and background check because you know in advance your application is likely to be rejected.

**Is the application fee refundable?** If the landlord rejects your application and did not provide you notice of your right to review the tenant selection criteria when you applied, the landlord must return the application fee and any application deposit. The notice cannot be waived by the landlord. It is required by law.

**How do I get the landlord to refund my fee?** Send the landlord a letter by first class and certified mail demanding a refund of all money paid. Refer to Tex.Prop.Code Sec.92.3515. Include an address of where to send the refund. State that if the money is not returned within 10 days from the date of receipt, you will pursue legal remedies. If you can show that the landlord acted in bad faith, the landlord is liable for \$100 plus three times the amount of money they wrongfully retained, and your reasonable attorney's fees if you hired an attorney.