



THE CHICAGO LANDLORD'S GUIDE TO TENANT SCREENING

How to Find Great Tenants, Avoid Costly Mistakes,
and Protect Your Investment

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About This Guide

If you own a rental property in Chicago, tenant screening is the single most important thing you'll do. One bad tenant can cost you \$10,000 to \$50,000 or more — unpaid rent, property damage, attorney fees, and court costs all add up fast.

This guide walks you through every step of the screening process — from writing your criteria to making the final call. It's written for small landlords with 1 to 10 units, house hackers, and anyone renting a Chicago property for the first time.

Proper screening takes 2 to 4 hours per applicant. That time investment can protect you from months of headaches. Worth every minute.

— *Catalin Maticiuc, Crosstown Chicago*

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Step 1: Set Your Criteria Before You Advertise

Before you post your listing, write your screening criteria down in writing. Not in your head. On paper. This is the first thing you do — and it protects you legally from day one.

What You're Legally Allowed to Require

- Minimum credit score (recommended: 620 or higher)
- Income threshold — typically 2.5 to 3x the monthly rent in gross income
- Clean rental history — no evictions in the last 5 years
- Verifiable employment or documented income

What You Cannot Discriminate On

Under federal Fair Housing law and Chicago/Cook County ordinances, you cannot reject an applicant based on:

- Race, color, religion, sex, national origin
- Familial status (having children)
- Disability
- Source of income — this includes housing vouchers (Section 8 / HCV) in Chicago and Cook County. You cannot have a blanket "no vouchers" policy.

■ Cook County Just Housing Ordinance — Criminal History

You CANNOT automatically reject applicants because they have a criminal record.

You must conduct an individualized assessment for each case.

Full details are covered in Step 4 of this guide.

Document your reasoning in writing whenever criminal history factors into a decision.

■ What this means for you:

Consistency is your best legal protection. Apply the exact same criteria to every applicant. If you bend the rules for one person and not another, you are exposed to a Fair Housing complaint. Same standards. Every time. No exceptions.

Step 2: The Application

Never screen anyone based on a verbal conversation. Use a formal written application for every applicant, every time. This creates a paper trail and ensures you're collecting the same information from everyone.

What to Collect on Every Application

- **Full legal name, date of birth, Social Security Number** — For identity verification and background check
- **Current address + all addresses for the last 5 years** — To pull eviction history and check landlord references
- **Current employer, position, supervisor name and phone** — For employment verification
- **Gross monthly income** — To check the 2.5–3x income rule
- **Names and ages of all occupants** — Required — Fair Housing covers familial status
- **Previous landlord names and contact information** — For landlord reference verification
- **Personal references (non-family)** — Secondary contacts if other verification fails

The Application Fee

Charge a non-refundable application fee of \$25 to \$75. This covers your screening costs and filters out anyone who isn't serious.

■ Illinois law — unused screening fees

If you collect an application fee but do NOT actually run a screening on that applicant, you are required to return the fee.

Only keep the fee if you perform the screening. Document which screenings you ran and when.

Screening Platforms

These platforms run credit, criminal, and eviction checks in one place. You can have the applicant pay directly — which means you never handle their SSN on paper.

Platform	What It Includes	Who Pays	Approx. Cost
TransUnion SmartMove	Credit, criminal, eviction	Applicant or landlord	\$25–\$40
RentSpree	Credit, criminal, eviction	Applicant	\$30–\$45

Tenant Turner	Credit, background, eviction	Landlord or applicant	\$35-\$45
MyRental	Credit, criminal, eviction	Applicant or landlord	\$25-\$35

Step 3: Credit Check

A credit check shows you how an applicant manages money. It's one of the most reliable predictors of whether they'll pay you on time. Every applicant should have one — no exceptions.

What a Credit Report Shows

- Payment history on all accounts (on-time vs. late vs. missed)
- Open accounts, credit limits, and outstanding balances
- Collections — accounts sent to debt collectors
- Charge-offs — debt the creditor has given up trying to collect
- Judgments — court orders to pay money owed
- Bankruptcies and when they were filed

Credit Score Ranges

Score Range	What It Means	Risk Level
740+	Excellent — very low risk	Low
670–739	Good — solid risk profile	Low–Moderate
620–669	Fair — proceed carefully	Moderate
580–619	Below standard — higher risk	High
300–579	High risk — red flag	Very High

What to Look For

Set your minimum at 620. Below that, the risk of payment problems rises sharply. But don't just look at the number — look at the pattern.

One missed payment two years ago is very different from five accounts in collections right now. A bankruptcy from 6 years ago with a perfect record since tells a different story than a bankruptcy from 18 months ago.

Red flags on a credit report:

- Multiple collections or charge-offs in the last 2 years
- Unpaid judgments — especially from prior landlords
- Bankruptcy filed in the last 5 years
- Recent eviction showing on the credit report

- Pattern of late payments across multiple accounts

■ **Illinois Adverse Action Notice — Required by Law**

If you deny an applicant based on their credit report, you **MUST** send an Adverse Action Notice.

This letter tells them: you were denied, what report was used, and their right to dispute it.

The screening platform will usually generate this automatically.

Keep a copy on file. Failure to send this notice can expose you to legal liability.

Step 4: Background Check — Criminal History

■ Cook County Just Housing Ordinance

You CANNOT do a blanket rejection of applicants with a criminal record.

A policy that says "no felonies" or "no criminal history" is illegal in Cook County.

You are required to conduct an individualized assessment for each case.

What "Individualized Assessment" Means in Practice

You must look at each criminal history on its own merits. Ask yourself three questions before making a decision:

- How long ago did the offense occur?
- What was the nature of the offense — and how does it relate to being a tenant?
- Has the person demonstrated rehabilitation or positive history since?

A DUI conviction from 10 years ago is not the same as a recent assault. Drug possession from 8 years ago with no other history is not grounds for automatic rejection. A recent violent offense or a crime directly related to property destruction — those are legitimate concerns.

■ What this means for you:

You can still decline applicants based on criminal history — but you must be able to explain your reasoning in writing, tied specifically to how that offense is relevant to tenancy. "I just don't feel comfortable" is not a documented reason. "Recent conviction for arson — directly relevant to property safety" is.

■ Always Document Your Reasoning

Write a one- or two-sentence note explaining why you approved or declined based on criminal history.

Keep it factual and specific: what offense, how recent, why it's relevant.

If you face a Fair Housing complaint, that documentation is your defense.

Step 5: Eviction History

Eviction history is the number one red flag in tenant screening. Anyone can have a rough financial patch. But someone who was formally evicted — meaning a landlord went to court to remove them — has a documented history of failing their rental obligations.

How to Check

- The screening platforms (SmartMove, RentSpree, etc.) include eviction history searches
- Cook County court records are also searchable at cookcountycourt.org
- Run both — platform databases sometimes miss recent filings

What to Look For

- Filed evictions — even dismissed ones. A filing means there was a serious dispute.
- Money judgments from prior landlords — this means they went to court and lost
- Multiple filings across different addresses — a clear pattern

■ Practical Rule for Eviction History

One eviction in the last 5 years: require a qualified co-signer, or decline.

Two or more evictions: decline.

This is the most defensible standard, and it keeps you out of trouble.

Step 6: Income Verification

The rule: gross monthly income must be at least 2.5 to 3 times the monthly rent. Gross income means before taxes — not take-home pay.

Example: Rent is \$2,000/month. You need to document \$5,000 to \$6,000/month in gross income. Anything less and rent becomes a stretch — especially when life happens.

Employment Type	Documents Required
W-2 Employee	2 most recent pay stubs + last 2 months bank statements
Self-Employed	Last 2 years tax returns + 3 months bank statements
Gig / 1099 Contractor	1099 forms + bank statements showing consistent deposits
Social Security / Pension	Award letter + bank statements showing regular deposits

Disability Income	Award letter + bank statements
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■ The Income Fraud Red Flag

Stated income that doesn't match documented income is a serious warning sign.

Example: Applicant claims \$5,500/month income. Tax return shows \$2,172/month.

That's not a rounding error — that's misrepresentation.

Never approve based on stated income alone. Verify every dollar with documents.

Step 7: Employment Verification

Pay stubs can be faked. A reference from a friend posing as an employer is easy to arrange. Call the employer directly — every time.

What to Verify

- Dates of employment — are they actually currently employed?
- Employment status — full-time, part-time, probationary, or seasonal?
- Job title and position — does it match what they wrote on the application?

Just ask: "Can you confirm that [Name] is currently employed with you as [position]?" HR departments can confirm basic employment facts without violating privacy.

For Self-Employed Applicants

Verify the business actually exists before approving anything. Anyone can write "self-employed" on an application.

- Google the business name
- Check Illinois Secretary of State business search at ilsos.gov
- Look for a BBB listing, Google reviews, or website

■ Red Flag: Applicant Lists Themselves as Their Own Supervisor

This is a classic self-employment verification problem.

It means there's no independent third party to confirm their income claims.

Request additional documentation: business filings, client contracts,

3+ months of bank statements showing consistent business income.

Step 8: Landlord Reference Verification

Call previous landlords — not just the current one. Here's why: a current landlord who wants a problem tenant out might give a glowing reference just to get rid of them. The landlord from 2 years ago has nothing to gain from lying.

Questions to Ask Every Previous Landlord

- Did they pay rent on time, consistently?
- Did they take care of the property?

- Were there complaints from neighbors or other tenants?
- Why are they leaving?
- Would you rent to them again? (Most important — listen for hesitation)

Red Flags in Landlord References

- You can't reach the previous landlord at all
- The "landlord" contact turns out to be a friend or family member
- The landlord is vague or gives non-answers — "they were fine" with nothing else
- Sudden changes in the story when you ask follow-up questions

■ Pro Tip: Verify Ownership

Cross-check the landlord's name against Cook County property records.

Go to cookcountyassessor.com and look up the address the applicant gave.

If the "landlord" doesn't match the owner of record, investigate further.

This takes 60 seconds and can save you from a coordinated reference fraud.

Step 9: Identity Verification

Always verify a government-issued photo ID before approving any applicant. Compare the name on the ID to the name on the application, and cross-reference with the Social Security Number they provided.

What to Check

- Does the photo on the ID match the person in front of you?
- Does the name exactly match the application?
- Are there any signs of alteration — blurry text, inconsistent fonts, pixelated areas?
- Does the SSN match a real person via the credit report?

■ Tools for Automated ID Verification

TrustSwiftly and IDology can verify government IDs digitally.

IDology is used by Listing2Leasing, a Chicago-based leasing company.

These tools flag altered documents and confirm identity against public records.

Worth using if you're processing high volume or want an extra layer of protection.

■ What this means for you:

Any inconsistency between the ID and the application should be explained — name changes, aliases, or clerical errors all have innocent explanations. But get the explanation in writing, and document whatever they tell you.

Step 10: Pet Screening

If you allow pets, don't just ask "do you have any pets" on the application. Run a formal pet screening — it takes 10 minutes and protects your property.

What to Collect

- Pet application — breed, weight, age
- Photo of the pet
- Current vaccination records (rabies is required in Chicago)
- Veterinarian name and contact for verification

What to Charge

- Pet deposit: \$200–\$500 one-time, refundable if no pet damage
- Pet rent: \$50–\$100/month per pet, non-refundable and ongoing

■ Emotional Support Animals Are NOT Pets Under Illinois Law

ESAs are covered by the Fair Housing Act, not pet policies.

You CANNOT charge a pet deposit or pet rent for an ESA.

You CAN request documentation from a licensed healthcare provider confirming the ESA status.

You CANNOT ask about the tenant's specific diagnosis or disability.

If a tenant provides proper ESA documentation, you must accommodate — even in no-pet buildings.

Step 11: Putting It All Together: Making the Decision

Once you've screened all applicants, score each one using the same objective criteria. This keeps it professional, documented, and defensible.

The Scoring Sheet

Category	Max Points	What Earns Full Points
Credit score & history	25 pts	700+, no collections, no judgments
Income ratio (vs. rent)	25 pts	3x+ rent, fully documented
Rental history / evictions	25 pts	No evictions, strong references
Employment stability	25 pts	Same employer 2+ years, verifiable
TOTAL	100 pts	Highest scorer gets the unit

Run every applicant through the same sheet. Take the highest-scoring qualified applicant. Don't make it personal. Don't go with your gut over the data.

Documentation Rules

- Keep all application materials, screening reports, and notes for at least 3 years
- Write a brief note for every decision — approved and denied — with your reasons
- If you deny based on credit: send the Adverse Action Notice (required by Illinois law)
- If you deny for other reasons: document specific reasons in writing

■ What this means for you:

If you ever face a Fair Housing complaint, your documentation is your defense. "I applied consistent, objective criteria to every applicant" is a strong position — but only if you can prove it with paper.

■ The Goal

Find someone who pays on time, takes care of your property, and follows the rules.

Use the process. Trust the data. Document everything.

That's how you build a rental property that runs smoothly for years.

Quick Reference: Red Flags to Watch For

One red flag might not be disqualifying — but it always warrants more investigation. Two or more red flags together should make you very cautious. Document your reasoning whenever you decide to overlook a flag.

■ Credit score below 580	High statistical likelihood of payment problems
■ Prior eviction in last 5 years	Documented history of failing rental obligations
■ Income < 2.5x rent	Rent will likely be a financial stretch
■ Multiple collections in last 2 yrs	Pattern of not paying debts
■ Can't verify employment	Income claims are unverified
■ Previous landlord won't recommend	Prior landlord relationships ended badly
■ Inconsistent info on application	Possible misrepresentation or fraud
■ Extreme urgency to move in	May be actively being evicted elsewhere
■ Mortgage 120+ days delinquent	Pattern of not paying major obligations

Key Numbers to Remember

620+	2.5–3x	\$25–\$75	5 yrs
Minimum credit score to consider	Income ratio required vs. rent	Application fee (keep if screened)	Eviction lookback period

This guide is for informational purposes only and does not constitute legal advice. Fair housing laws are complex and subject to change. Consult a qualified real estate attorney for advice specific to your situation.



Have Questions About Your Rental Property? Let's Talk.

Book a Free Consultation with Catalin

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