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Tenant Vetting & Screening Guide

Introduction

Selecting the correct Tenant is a critical component of rental risk management. Proper vetting protects income continuity, reduces the likelihood of arrears, safeguards the condition of the property, and limits exposure to costly legal disputes. Tenant screening must therefore be approached as a structured legal and financial due diligence process rather than an informal assessment.

NR Nagel Attorneys Inc conducts comprehensive tenant vetting for both Managed Rentals and Procurement (Tenant Placement) Mandates. Whether we manage the property on an ongoing basis or are appointed solely to source and place a suitable Tenant, the same disciplined screening standards are applied to ensure responsible and sustainable tenancies.

Rental Application Process

The vetting process commences with the completion of a formal written Rental Application. No property is reserved and no lease is prepared until a fully completed and signed application has been submitted together with all required supporting documentation.

Applicants are required to provide verified proof of identity, proof of current residential address, recent payslips or financial statements, employment confirmation, and bank statements. Where the applicant is a juristic entity, company or trust registration documents and authorised signatory resolutions are required. Where appropriate, surety information is also requested.

An application fee may be charged to cover the administrative and third-party costs associated with credit bureau checks, background screening and verification procedures. This fee is non-refundable and does not constitute a holding deposit or guarantee of approval.

Screening Searches and Legal Checks

Upon receipt of the completed application, formal screening searches are conducted. These include credit bureau reports, payment profile analysis, and default listings. Public record searches may also be conducted to identify judgments, administration orders, debt review status, sequestration proceedings or other legal impairments.

The objective of these searches is to assess financial conduct, repayment behaviour and overall credit risk. Screening results are evaluated holistically. While isolated historical issues may be considered in context, recurring defaults, excessive indebtedness or legal impairments materially increase risk and are treated accordingly.

Affordability Assessment

Affordability is assessed by evaluating the applicant's net income relative to the proposed rental amount and existing financial obligations. Sustainable rental ratios are applied to ensure that the tenancy is financially realistic over the duration of the lease term.

Employment stability, length of service and income consistency are carefully considered. In the case of self-employed applicants, business financial statements and bank account analysis are used to determine income reliability and cash flow sustainability.

This financial due diligence reduces the likelihood of rental arrears and promotes long-term tenancy stability.

Reference Verification

Reference checks form an essential part of the vetting process. Previous Landlords or managing agents are contacted to confirm payment history, compliance with lease terms, care of the property and overall conduct.

Employment references are independently verified to confirm job position, duration of employment and income details. Where appropriate, additional supporting references may be requested to corroborate the applicant's reliability.

This stage ensures that the information disclosed in the application is accurate and that the applicant has demonstrated responsible conduct in prior rental arrangements.

Approval and Lease Preparation

Once screening, affordability and reference verification have been satisfactorily concluded, provisional approval may be granted. Approval remains subject to the signing of a formal Lease Agreement and payment of the required deposit and first month's rental.

In both Managed Rental and Procurement mandates, a comprehensive Lease Agreement is prepared to regulate the rights and obligations of the parties. The lease addresses rental terms, escalation provisions, deposit handling, maintenance obligations, inspection procedures and default remedies in accordance with applicable legislation.

No Tenant is permitted to take occupation without a properly executed lease and confirmed receipt of all required funds.

Inspections and Deposit Compliance

An ongoing inspection is conducted prior to occupation and is properly documented. This inspection records the condition of the property and forms the benchmark for the exit inspection at termination.

Deposits are handled in strict compliance with applicable legislation and are subject to a structured reconciliation process at the end of the lease term.

Conclusion

Comprehensive tenant vetting is a cornerstone of prudent property management and responsible rental procurement. Whether acting under a full Managed Rental Mandate or a Tenant Procurement Mandate, NR Nagel Attorneys Inc applies the same structured screening methodology to ensure legal compliance, financial sustainability and asset protection.

Contact us TODAY!



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