

# Tenant Screening Companies Profit from Eviction Records, Driving Housing Insecurity

*Sealing eviction records at the point of filing is an urgent step toward dismantling harmful tenant screening practices.*

By **Tinuola Dada** and **Natasha Duarte** - July 19, 2022



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State and local governments have put **at least** \$13.77 billion in discretionary COVID relief funds toward housing more people. In theory, that funding should help people experiencing homelessness or struggling to afford housing. But in reality, having enough money to pay rent is not enough to secure housing. Many people with vouchers or other income in hand get turned away because they have past eviction histories that surface when their prospective landlord purchases a tenant screening report.

Tenant screening companies aggressively market their services to landlords as indispensable tools for choosing a tenant. The misleadingly named National Tenant Network (NTN) says its reports include **"everything you need to make a sound rental decision."** These reports often include three-digit scores or risk assessments prompting landlords to accept or reject tenants.

While landlords might think these companies are using sophisticated data analysis to assess tenants, they're mostly just repackaging credit, criminal, and eviction records. For example, SafeRent tells landlords that it uses **"key rental data"** (which SafeRent lists on its website as credit history, rental history, and rent-to-income ratio) to identify "tenants who are more likely to pay rent on time, treat the property with care, and stay for longer periods of time."

In particular, tenant screening companies sell the idea that an eviction record is a major red flag for a potential tenant. By repackaging eviction records and selling them to landlords as "key" to finding good renters, tenant screening companies have helped entrench eviction records as a ubiquitous and enduring barrier to housing.

This business model is fueled by eviction records, which are publicly available in most jurisdictions. **Data brokers** collect eviction records from court websites and store them in proprietary databases, where they can be added to tenant screening reports and haunt people for years or even decades. As eviction filings **rise sharply** across the country, millions

of renters not only face the immediate threat of displacement, but also a potentially permanent stain on their housing record that could lock them out of quality housing for years—even if they are not ultimately evicted.

Tenant screening companies knowingly mislead landlords about what eviction records represent. NTN provides a [sample report](#) in which the hypothetical tenant receives a failing score on the basis of an eviction record. On a second page, after the end of the report, fine print warns that eviction records may be inaccurate or may not represent a lease violation.

But tenant screening has more than just an accuracy problem. Even when eviction records accurately indicate a judgment against the tenant, they reflect systematic power imbalances in the housing system that disproportionately impact low-income people of color, including a summary eviction process that [prioritizes landlords' property rights above all else](#).

Cutting off tenant screening companies' access to eviction records is critical to preventing these records from being used in housing decisions.

Landlords often defer to tenant screening companies for their rental decisions, and they regularly reject potential tenants who have *any* eviction history, regardless of the nature or disposition of their case. Tenant screening companies intentionally market and design their products to encourage this reliance. CoreLogic has sold tenant screening reports that simply conclude ["disqualifying records found."](#)

Some tenant screening companies falsely claim that eviction records can help landlords predict whether a tenant will cause property damage or uphold their lease agreement. There is no basis for this. The vast majority of eviction filings are for missed payments, and eviction records don't indicate whether a tenant did anything wrong. Few eviction filings result in a judgment against the tenant and even fewer result in the tenant's removal. [In Washington, D.C.](#), 69 percent of eviction filings for nonpayment were dismissed in 2018 and only 5.5 percent were ultimately executed (meaning the tenant was legally forced to move out). Eviction filings are merely unproven allegations and have no legitimate value in rental decisions.

Eviction records are also unreliable proxies for whether a tenant can pay rent. Eviction records often reflect temporary financial hardships and do not account for a tenant's current financial situation, which landlords can (and often do) evaluate based on income, [including vouchers](#).

Eviction filings often don't even give a clear view of the past. Tenants with eviction records may have been lawfully withholding rent due to poor living conditions, or making consistent but technically late payments every month because they got paid or received financial aid after rent was due.

Tenant screening reports [punish tenants for years](#) for temporary financial setbacks or [in](#) [ended](#) allegations. Most importantly, using eviction records to screen tenants deepens

housing insecurity, discrimination, and conditions of poverty.

Tenant screening companies are the main vehicle by which landlords access eviction records. As a result, curbing these companies' access to records is key to limiting the role of eviction records in housing decisions.

While a **number of jurisdictions** have enacted eviction record sealing laws, tenant screening companies' data collection practices threaten to undermine the effectiveness of those policies. Data brokers often collect eviction records from online court databases as soon as they become available, usually right after a landlord files for eviction. Even if the record is later sealed, it might remain in a company's database and **be reflected in tenant screening reports**. Once an eviction record becomes publicly available, it is practically impossible to effectively suppress it.

**Sealing eviction records at the point of filing**—before they ever become public—is a step toward dismantling harmful tenant screening practices. This policy suppresses eviction records at their source and starves tenant screening companies of the information that fuels their business model. Sealing eviction records acknowledges that they are products of injustice and shouldn't be used to make decisions about people.

California **seals** eviction records at the point of filing, and in recent years support for this approach has grown. A **Connecticut bill** came close to passing in 2020, and recently the Washington, D.C., **Council Office of Racial Equity (CORE)** and the **American Bar Association** have called for sealing at the point of filing. Specifically, DC CORE concluded that sealing eviction records post-filing would merely maintain the status quo of racial inequity, and that records would need to be sealed immediately upon filing to improve racial equity in rental housing decisions.

Eviction is a consequence of an unaffordable housing system that prioritizes the interests of investors and owners and is built on a history of segregation and discrimination. In a world in which evictions persist, sealing eviction records not only lessens the impact of evictions on tenants, but also delegitimizes the tenant screening industry and its claims that these records can or should be used to predict tenancy outcomes. Restricting access to eviction records also helps shift the power relationship between landlords and tenants by limiting landlords' ability to threaten tenants' future housing access.

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