

REAL ESTATE WEEKLY

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PROPERTY MANAGEMENT

Insurent sees surge of activity from NY landlords

Offering the first-ever institutional guarantor of residential leases, Insurent Agency Corporation launched the Insurent Lease Guaranty Program this week, and has begun to sign New York's residential landlords to its Program. The Insurent Program increases occupancies, eliminates rent loss, and streamlines the leasing process, all at no cost to the landlord. Jeffrey L. Geller, vice chairman & chief operating officer of Insurent Agency Corporation, made the announcement.

"Insurent is a unique solution to expedite lease closings and solve problems for landlords, brokers and renters," Mr. Geller said.

The Insurent Lease Guaranty Program guarantees full payment of rent under residential leases to landlords. The Program is underwritten by a highly rated insurance company, A- (Excellent) by A.M. Best. Already, The Icon Group and Cape Advisors have signed on to accept the Insurent Lease Guaranty Program in their properties.

"Empty apartments are the #1 source of rent loss for owners, and the Insurent Lease Guaranty Program is a process whose time has come," said Todd Cohen, principal of The Icon Group, one of the early adopters of the Insurent Lease Guaranty Program and owners of over 1,000 rental apartments on the Upper East Side, in Greenwich Village, Chelsea and on the Lower East Side of Manhattan. "Icon is dedicated to providing the highest levels of service and management for our apartments, and the Insurent Program will enhance our

ability to streamline the rental process, increase occupancy and avoid rent loss due to delays in qualifying credit-worthy tenants."

As many as one quarter of prospective renters entering the New York market each year do not meet the minimum financial requirements of landlords. These renters include recent college and professional school graduates entering the workforce, creditworthy non-U.S. executives relocating to the U.S. without any U.S. credit history, self-employed professionals and non-salaried high net worth individuals – all of whom require some type of credit enhancement such as co-signers or additional security deposits to qualify. Insurent eliminates the risk of rent loss by replacing the cumbersome system of individual parent/co-signer guaranty pledges, additional security, or prepaid rent with an institutional guarantor.

With Insurent, the prospective tenant applies and, if qualified, the landlord receives a policy that guarantees payment under the lease. The landlord is the insured and beneficiary of the policy. The tenant pays a one-time fee typically representing less than one month's rent. Renters now have an alternative to the current practice of providing significant additional security or finding "qualified" co-signers.

To expedite the leasing process, prospective renters can pre-apply for an Insurent Lease Guaranty and, if qualified, receive an Insurent Qualification Certificate to present to brokers or landlords prior to the lease execution.



Pictured L to R are Insurent's Steven Czark, chief risk officer, Jeffrey Geller, chief operating officer, Robert Rosenberg, CEO, and Charles Schoenau, managing director.

The Insurent Lease Guaranty Program was launched by a team of experienced professionals in the insurance, real estate, credit and corporate finance industries. The Insurent Program will be available in other major markets including Washington, D.C., Boston, Chicago, San Francisco, Los Angeles and Miami within the next 12-24 months.

"We've spent years creating a product

that would make this common and necessary business transaction easier—and more secure—for everyone involved," commented Robert Rosenberg, president and CEO of Insurent Agency Corporation.

"Insurent will become a 'seal-of-approval' valued by both landlords and renters. It is incredible to think this product was never available before." ■

BOMA energy challenge gains new momentum

The Building Owners and Managers Association (BOMA) International's

of the plan include decreasing energy consumption by 30 percent across port-