

# REAL ESTATE WEEKLY

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## Insurance program fills void in foreign rental market

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Foreign renters looking for an apartment in Manhattan face a unique problem as they do not have a U.S.-based credit history.

Due to the absence of this history, the only option many foreign professionals have to secure a lease is to give the landlord six months to 11 months of additional security rather than a more typical one month security.

The Insurent Lease Guaranty Program, the first and only institutional guarantor of residential leases in the nation, has helped numerous foreign renters without U.S.-based credit history to quickly secure the apartment they want.

The Program has assisted a senior IBM Corp. executive from France whose income was at 77 times the monthly rent to secure a \$9,000 a month apartment.

Another client was a young relocating insurance executive from England whose income was at 35 times the monthly rent and wanted to rent a \$3,600 a month apartment.

In most of those cases, these leases would not have closed without the Insurent Lease Guaranty Program.

In addition, foreign renters normally will not even have the option of being



able to find a U.S. co-signer — normally a father, mother or close relative — whose income is at 75 times to 90 times the monthly rent.

In many cases, foreign executives relocating from abroad,

and U.S. executives relocating within the U.S. may be reimbursed by their respective companies for the Insurent lease guaranty fee.

The requirement for foreign renters without U.S. based credit history to qualify under the Insurent Program is that their annual income be at least 35 times the monthly rent. Pricing for them is typically 95 percent to 110 percent of one month's rent.

On leases guaranteed under the Insurent Lease Guaranty Program, the landlord will require only the typical one month security and payment of the first month's rent. Pricing for parties with U.S. based credit history will typically approximate 80 percent of one month's rent.

Landlords representing 50,000 units now accept the Insurent Program.

Many of them now refer prospective tenants to the Insurent Program when the renter does not meet their qualifications, and in lieu of an individual co-signer, since it streamlines the process even if the renter had a qualified individual co-signer.

Renters complete applications online at [www.insurent.com](http://www.insurent.com) and are

qualified (or disqualified) within two hours on weekdays, evenings and weekends.

The total process from initial qualification of the renter to the issuance of the Insurent Guaranty to the landlord typically takes 24 hours to 40 hours, and can take as little as 3 hours.

In addition, many foreign buyers own condos in New York for investment purposes and rent them out on a perpetual basis.

The Insurent Program is also applicable to condo owners renting out their units.

The vetting process by condo managers and owners of these individuals renting these condos is particularly cumbersome, time consuming and normally requires the receipt of two years tax returns, net worth statements, bank statements and a credit report.

Condo owners and condo managers could "require" the use of the Insurent Guaranty to streamline the rental process, quickly rent the unit and to protect their rental income.

Signup under the Insurent Program for landlords and condo owners is simple and only requires the name of the owner of the condo unit, and the

address including zip code and unit number.

Headquartered in New York, Insurent Agency Corporation is the exclusive licensed general agent for the Insurent Lease Guaranty Program.

Insurent's shareholders consist of institutional investors,

and principals of private equity firms, investment banks, and real estate firms.

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. ■

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