

## How to Find a Cosigner for Your New Apartment



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Updated on December 20, 2017

You probably know by now that your credit history, or lack of one, affects your ability to borrow money. But there are other surprising ways your credit affects everyday life — like your ability to rent an apartment.

Not having good credit and a steady income could force you to find an apartment cosigner for your lease. Ahead of your first (or next) lease signing, let's review why you might need a cosigner in the first place.

### **Why you might need an apartment cosigner**

When looking for an apartment, you'll start to see a common theme among application requests. Prospective landlords might request to see your most recent credit report, pay stubs, and bank statements.

They might also ask for a letter of recommendation, plus contact information for references who can vouch for you.

Your credit score could disqualify you from renting an apartment, as can your income. In New York City, for example, renters are typically expected to have a salary that is 40 times the monthly cost of rent, according to [StreetEasy](#). So, you'd need to earn \$80,000 per year to live in a \$2,000 monthly rental.

To qualify for a rental, you might consider asking one of your references to be your apartment cosigner — also known as a guarantor — if you fail to meet the landlord's requirements for renters.

As with a cosigner on a student loan, when someone is cosigning an apartment lease for you, they will be held responsible for rent if you don't pay up.

During the rental application process, an apartment cosigner is held to a higher standard than you are. They might be required to earn 80 times your monthly rent — that's \$160,000 for your \$2,000 rental.

The thresholds are high for individual renters. Still, consider whether the apartment you want is one you can afford. It's smart to ask yourself whether you're stretching yourself too thin before worrying about how to get a cosigner for an apartment.

## **3 ways to get an apartment cosigner**

Finding an apartment is one of the [financial steps to becoming an adult](#). But many adults need help cosigning an apartment lease.

Depending on your relationship with your potential cosigners, it might take considerable effort to reel one in. You'll likely have to show you can afford your rent despite falling short of a landlord's requirements. Your cosigner will want to know you're prepared to take care of your living expenses without their help.

If you're wondering how to get a cosigner for an apartment, here are three possible solutions.

### **1. Ask a creditworthy family member or friend**

Your parents are probably your first option when it comes to finding a cosigner. They're probably the most logical fit too, especially if you're a recent college graduate just beginning to work toward financial independence.

If your parents aren't an option, other family members or close friends might be. Like [finding a non-parent cosigner for a student loan](#), your potential cosigner could be a sibling or an uncle or aunt. There's no requirement saying that they must be a relative, let alone someone with the same last name.

But don't just scan your family tree. You'll want to ask someone with whom you enjoy a close relationship, whether that's a friend or mentor. After all, you'll need to prod them about their credit score and salary to ensure they're qualified to be cosigning an apartment lease.

## **2. Get a roommate who earns the big bucks**

Your close friend or family member might end up being your roommate. If you're applying to live in a place beyond your means, it's possible that a high-income and creditworthy roomie could be the solution.

Be aware, however, that your roommate would need to be the cosigner for the entire lease, not just your half of it. They might earn enough to secure their half of the rent, for example, but maybe not enough to cosign yours, too.

There's one possible workaround that won't require a cosigner. If your landlord and local government allow it, your roommate could sublet you a bedroom. Better yet, a leaseholder who trusts you to pay your dues could sublet you an entire apartment.

## **3. Hire a company that charges a fee**

Short of a traditional cosigner or a well-off housemate, you could consider paying for an apartment cosigner service.

Companies like [Insurent](#) and [TheGuarantors](#) can serve as a cosigner by working directly with your landlord or building owner. They typically benefit renters with at least average credit who are penalized for having low or no income.

Instead of having to prove you earn 40 times the monthly rent, a company like Insurent would only require you to make about 28 times the monthly cost of your apartment.

In return, you would pay Insurent a one-time fee of 75 to 90 percent of one month's rent, while non-U.S. citizens would be expected to pay a fee of as much as 110 percent. Other companies, such as TheGuarantors, charge a smaller percentage of your annual rent.

Interestingly, some services offer a cosigner for your cosigner. Say you don't meet TheGuarantors' minimum credit score (630) or minimum salary (27 times the monthly rent)

requirements. The company can instead use the finances of a “Responsible Party,” such as a relative who makes 45 times the monthly rent, when determining your eligibility for its service.

Before signing on with an apartment cosigner service, ensure your prospective landlord is OK with the arrangement. Also, do a background check on the company. You might review its Better Business Bureau rating or request to speak with landlords or tenants who’ve used their service in the past.

## **Find the right apartment cosigner**

Whether you turn a family member, roommate, or company into your cosigner, it’s best to settle on a candidate before filling out your lease paperwork. If you’re not sure how to move forward, talk to your prospective landlord about your options.

Landlords could be willing to work out an atypical arrangement. If you’re in between jobs but have plenty of savings stashed away, for example, providing multiple months of rent in advance could be a solution. Be careful about offering a significantly larger security deposit, as a landlord could withhold it for damages when you’re moving out.

Now that you know how to get a cosigner for an apartment, ensure the cosigner is someone that both you and your landlord can trust. Once you’re all moved in, you can steadily improve your credit and increase your income. That way, you can later release your cosigner from the lease and thank them for their support.