



# Looking to upgrade to a nicer NYC rental during Covid? A guarantor can help



**Insurent, an institutional guarantor, can help if you don't meet NYC landlords' steep income requirements.**

**N**ew York City has seen a record number of vacant apartments during the pandemic—especially in high-end rental buildings. If you're already a New York City renter, you'll never find a better time to upgrade to a

bigger space with the amenities and the neighborhood you have always wanted. And if your goal is to finally move here and become a New Yorker, now is definitely your time to get your rental apartment.

But even though there is a major opportunity to rent here and get many of the things on your wish list, you may be feeling concerned that you've lost some income or that your assets have declined this year. And you're probably aware that with a more expensive rental comes more pressure on your earnings: Even in the pandemic, landlords are still looking for renters who have an annual salary of 40 to 45 times the monthly rent, whether you're pooling your resources with a roommate or renting alone.

That's why even renters who are going for an upgrade may need to turn to a guarantor to help them stretch securely into a better rental.

## Why you might need a guarantor

Guarantors have been helping renters for years, but even more so just prior to the pandemic. Changes to New York State's rent laws in 2019 took away the ability for renters to offer a larger security deposit or pay additional rent upfront if they didn't meet the landlord's income requirements. Now landlords are only permitted to accept one month of security with no prepaid rent. So renters today have more reasons to turn to a guarantor.

## **Who qualifies as a guarantor?**

You can use a family member as a guarantor if they are willing to be responsible for the balance of your lease if you can't pay. To qualify with a landlord as a guarantor, they need to be a tri-state resident who earns annually at least 80 times the monthly rent. (Why so high? The thinking is they need the ability to cover their own living expenses in addition to yours, if necessary.) A personal guarantor also needs to have good credit. If you don't have someone who is willing to be a personal guarantor, you can hire Insurent to be your guarantor. Insurent is an institutional guarantor that is accepted in over 5,000 buildings in the New York area, representing over 525,000 apartments. Some landlords may even offer to cover the expense. (<http://www.insurent.com/>)

## **How Insurent works for renters and for landlords**

You qualify with Insurent if you earn 27.5 times the monthly rent in annual salary, whether you have decent or no credit. Alternatively, if you have 45 to 50 times the rent in bank or brokerage accounts with decent or no credit, you can also qualify. You can also use family or family friends to help you qualify if they earn 50 times the rent in annual income or they have 80 times the rent in bank or brokerage accounts. Family will solely be signatories on Insurent's agreement, and have nothing to do with the lease, meaning the landlord cannot hold them responsible.

## **How much Insurent costs**

With Insurent, typically U.S. citizens and permanent residents pay 60 to 90 percent of one month's gross rent for a 12 to 15 month lease. International renters without a credit history in the U.S. normally pay 90 to 110 percent of one month's rent for a 12 to 15 month lease.

## **Why Insurent?**

Building owners like Insurent because it puts you in the apartment fast, eliminating empty apartments, and taking away the risk that rent won't be paid.

And Insurent makes it easy for you: You can pay with your debit or credit card, or by wire. Insurent can underwrite leases for up to two years and the online application process takes just a few minutes. A guaranty is usually issued within 24 hours.

Insurent operates 24/7 and you can get answers to your questions by emailing [underwriting@insurent.com](mailto:underwriting@insurent.com).