



Rental Guide

Rental Property Types

There are three types of categories of buildings in which you can rent: a rental building, a cooperative, or a condominium. Each property has its own rules and regulations affecting the time frame in which a tenant will be able to move into the apartment.

Rental Buildings:

These are buildings owned by 1 owner, which usually is managed by themselves or through a management company. There are 2 types of rentals buildings, *rent stabilized* and *non-stabilized*. In a rent stabilized building, the landlord is limited to a small, state sanctioned increases (usually 2%-3%). Non-stabilized apartment landlords are free to raise the rent any way they feel necessary.

Once you've submitted an application to the management agent or landlord, the approval process can take 1-12 days. They will approve your application based on a credit check (\$50-\$75) and financial documents. Prior to moving, you are required to pay the first's month rent and deposit –typically 1-2 months rent.

Co-operatives (Co-ops):

Coops are buildings that are structured as a corporation. An owner of the coop unit owns shares according to the size of the apartment instead of owning the apartment out right. Coops rentals have many restrictions on the lease length, roommates, pets, etc. The approval process can take up to 1 month.

Prospective tenants must submit extensive personal and financial information, and interview with the Co-op board. Application fee tends to be in the higher side, \$100 and up. Security deposit may exceed one month's rent. International tenants or newly hire employee who has not established a credit history can find getting into a coop rental difficult.

Condominiums (Condo):

In a condominium, individual people own the actual apartment unit. Owners of the condo are free to establish the rent and lease terms, with an approval process ranging from 1-4 weeks. The owner will typically ask for an application fee and move-in fee. Depends on your credit report and financial documents you give to the owner, the security deposit is normally 1 month's rent

Rental Process

We advised that you do not begin your search any sooner than 4 weeks before you are ready to move. If you begin your search sooner, some of the apartments you preview will not be available at the time you are ready to sign the lease.

It is essential that you prepare the necessary funds before coming on your home-search trip. We suggest bringing funds equal to one month's rent and a month's security deposit in the form of traveler's checks or enough credit line on a credit card to be converted into certified or bank checks at a local bank.

You should also bring enough funds to cover a Credit Check fee of \$25-100 dollars and building application fees that may range from \$150 - \$500 and possibly even more. These may be paid by personal check.

The broker's fee is due at the time of lease signing, and it should be in the form of certified check, bank check, money order or traveler check. Brokerage firms in Manhattan normally charge up to 15% of the first annual rent for leases of 1 year or more and a fee of 1 month's rent for short term leases. Be aware that brokerage fees are always to be made payable to the brokerage firm, not to an individual agent.

Presenting this information in a timely manner can qualify you as a potentially strong applicant and hopefully give you the advantage in multiple bid situations for the same apartment.

Guarantors

If the prospective tenant does not meet certain financial condition, landlord can request a lease guarantor. A guarantor is an individual that is qualified to guarantee the performance of the tenant. Landlords will require the guarantor to be a family member who lives in the New York City vicinity with an annual income as much as 100 times the monthly rent. The guarantor will be required to proof their financial documents.

Internationals

Prospective renters who have not establish credit because they do not live in the Unites States can still get an apartment in NYC. Some landlords will accept financial document from other countries as long as they are translated and notarized. They may also require 3 months or more of security deposit.

Documents Requirements

Landlords and building managements normally require the following documents:

- Tax returns and Pay stubs.
They will normally want the latest 1-month paystub and the latest 2 years tax return. Most landlords require prospective tenants to earn an annual income of 40-50 times the rent.
- Letter of Employment.
This is a statement from the employer stating the position held, time of employment, annual salary and bonuses. The letter needs to be on the company's letterhead.
- Financial Statement.
Landlords will typical ask the latest statement of your liquid and non-liquid asset. For prospective foreign tenants, financial statements need to be translated and notarized.
- Bank Reference letter.
A letter from your banker stating the date you open your bank account(s), balance and account status.
- Letter from Current Landlord
A reference letter from current landlord stating your good standing as a tenant.
- Good Credit
Landlord will run a credit report and they will not want to see too many charge offs, bankruptcies and late payments on the report.
- Business letters of references
Landlords typically require 2 references from a business colleague or someone who knows you professionally.
- Personal Identification
- Typical ID will be a passport or driver license.