

# Renters Guide

## **Where should I live?**

The first step of renting in Manhattan is deciding where you want to live. Manhattan is made up of vibrant neighborhoods and micro-neighborhoods, each one special and unique. Begin by doing some research into these different neighborhoods. Ask yourself what is important to you: proximity to transportation, accessibility to parks, a quiet residential neighborhood, bustling nightlife, being close to work?

Susan Singer can guide you through the process and help you decide what neighborhood is right for you.

## **When do I start to look?**

First decide when you need to move. Do you need to be settled in by a certain date to start a new job? Do you need to be out of your current lease by a certain date? What is your optimal move date?

Ideally you should start to look at apartments 30-45 days before you need to be in your new home. Vacant apartments are available immediately and occupied apartments are usually listed 30-45 days prior to vacancy. If you start looking too soon, the apartments may not be available for your ideal move date.

## **How much rent can I afford?**

You now need to determine your budget. A general guideline for many New Yorkers is to spend approximately 25%- 35% of their gross annual income on rent. For example, if you earn \$100,000 per year, you might end up spending around \$25,000 per year in rent, or about \$2,000 per month. Landlords generally require prospective tenants to make 40-50 times the rent and have a good credit score/rating.

## **Why working with a Real Estate Agent?**

One of the most important steps is finding a knowledgeable and professional representative that can help you through the process. There are thousands of apartments in Manhattan and very few vacancies. A real estate professional has access to numerous properties you may otherwise not come across and it is important to work with someone that can guide you and save you time and money. Susan Singer will discuss potential apartments that fit your needs based on neighborhood, size, budget and availability. She will also arrange access to the properties. Once you decide on the perfect home, Susan will help you secure the apartment. This involves an application process and approval that varies from landlord to landlord. Time is of the essence and Susan Singer and TOWN will make sure that you do everything possible to secure the apartment.

## What documentation do I need?

The following documentation for renting an apartment is standard, although landlords may require additional items. Whether you are applying for an apartment in a rental, condo or coop building, you usually will need:

- Application: Susan Singer will give you this form once you have identified a property. Some landlords have their own application and some will use the Town application.
- Letter of Employment: This letter should be on company letterhead with a current date. The letter should state job title, length of employment and income. It must be signed by a supervisor or person authorized to verify the information (\*please note offer and acceptance letters are usually not sufficient).
- If self-employed, a letter from a Certified Public Accountant on company letterhead verifying nature of the business and income amount for the last 2 years.
- Your 2 most recent pay stubs.
- Tax Returns: Most recent tax returns. You only need the 1st page and signature page unless you are applying for a condo or coop, in which case you will need the entire tax return for the board package.
- Bank Statements: 2 most recent statements with your name on the statement.
- Bank Account #'s: Often required on application forms.
- Landlord Reference Letters: This is not always required but can help in the process. If you are unable to obtain a letter, have a contact name, phone number and address readily available.
- Additional sources of income: If you receive income from other sources you will be required to verify the income through appropriate paperwork. In addition, if you are expecting a significant bonus, you will need documentation available stating the amount.
- Credit report: A credit check will be run by TOWN or by the landlord or management company. Credit reports obtained on your own are typically not accepted. Credit history and rating is a significant part of the decision process for a landlord or management company. Let Susan know in advance if you have credit issues so you can discuss options.

## The WHO, WHAT & WHEN for a Guarantor

A guarantor is someone who is willing to co-sign a lease on your behalf. They are responsible for all the terms of the lease. A guarantor can be a family member or an unrelated individual. However, they do have to qualify financially. In the event, you do not meet the financial or credit requirements, a guarantor is a good option. Most landlords require the guarantor to live in the tri-state area (New York, New Jersey and Connecticut) although there are exceptions. Landlords typically require that guarantors earn a gross income between 75-100 times the monthly rent. For example, if you are renting an apartment that is \$3,000/ month, the guarantor will need to make \$225,000 per year. They will be required to produce the same paperwork as a potential tenant.

If you think you will require a guarantor, speak with them in advance and confirm they are willing to sign as a guarantor and disclose their financial information along with the documents necessary to secure a lease.

### **APPLY for your new NYC home**

You've found the perfect apartment. Now what? Susan will guide you step by step through the application process. The first step is to fill out the landlord's application or a Town application. Susan will advise you of the necessary paperwork required for a specific owner to move forward. You will also be required to pay credit check fees and applications fees at this time. Once all of the appropriate paperwork is gathered, Susan will present your information to the landlord and oversee the approval process including any negotiations. The rental process moves fast so be prepared.

If you are renting in a cooperative (coop) or condominium (condo) you will need to prepare a board package. Please note coop's can take 30 days or longer and condos can take several weeks for the waiver of first right of refusal. Speak to Susan about the coop and condo approval process and the specific requirements.

### **SIGN a lease and secure your new NYC home**

Once your application is approved, a lease signing will be scheduled. At this point all funds are due in the form of certified checks. Susan will advise you on the appropriate fee amounts which, where applicable, typically include the first month's rent, a security deposit (i.e. one month's rent or more) and the broker's fee, all due at the lease signing.