## 4. Additional Information

**International Applicants**
Most landlords do not accept credit reports or tax documents from outside the US, so international applicants may need to provide a US guarantor.

**Pets**
Pet policy varies by building. Every building has different rules when it comes to owning a pet so communicating specifics about your pet, such as weight and breed, to your Compass agent will help you to find the buildings that best fit you and your pet's needs. New York's recent rent reforms prohibit landlords from charging more than one month's rent for a security deposit, which eliminates additional security deposits if you have a pet. They require landlords to accept, and prevent them from charging fees for service animals and ESA.

**Roommates**
Landlords typically require all roommates and guarantors to fill out a full application, submit personal documentation, and sign the lease.



# What is a broker and why do you need one?

**Licensed Agents and Brokers**
Licensed agents and brokers are state-licensed real estate professionals who help you search, provide advice and guide you through the application process. Agents not only save you time and help you secure a fair price, but also ensure that your application puts you in the best light possible so that landlords are more likely to approve you.

**Co-Brokers**
Agents can either represent specific apartments, specific customers or both at once. When one broker represents you - the applicant - and another broker represents the apartment, we call this a "co-broke". In these situations, the two brokers will split the broker's commission between them.

**Why work with a Compass agent?**
Our exceptional agents use best-in-class technology to make the process of renting a home intelligent and seamless. They partner with you throughout your home search, providing their expertise and deep knowledge of the New York City real estate market to act, negotiate, advise, and ensure your best interests are met in finding the perfect home.

Compass is a licensed real estate broker and abides by Equal Housing Opportunity laws. All material presented herein is intended for informational purposes only. Information is compiled from sources deemed reliable but is subject to errors, omissions, changes in price, condition, sale, or withdrawal without notice. No statement is made as to the accuracy of any description. All measurements and square footages are approximate. This is not intended to solicit property already listed. Nothing herein shall be construed as legal, accounting or other professional advice outside the realm of real estate brokerage.



COMPASS

# Renter's Guide

New York City

# How to Rent a Home

**New York City**

## 1. The Search Process

**When to start looking**
You should start your search around 30-45 days before your ideal move-in date; however, most landlords will want prospective tenants to start their leases for vacant units within two weeks of the application date. That being said, the more you look, the more knowledgeable you will become, enabling you to make quick decisions in the moment.

**What to Prepare**
Apartments rent quickly in New York City, and having your documents in order will help you act quickly when you've found the right place. Make sure you have the following at the ready before you start looking:

- Letter of employment verification: proof of employment letter printed on company letterhead and signed by a company representative stating position, start date, length of employment, salary, and opportunities for bonuses. If self-employed, a CPA letter stating annual income and source of income for current tax year and previous tax year.
- Last two consecutive pay stubs
- Last two years' tax returns
- Last two years' W-2s
- Two most recent bank statements for all accounts: these statements should be recent, consecutive and show your current name and address.



- Photo ID: must be government-issued and not expired, including a driver's license or passport.
- Landlord application: provided by the landlord's representative, this form usually allows the landlord's representative or your Compass agent to run a credit check on you.
  - The tenant can also provide their own credit/background check so long as it's not more than 30 days old, however a landlord can still request their own.

**Financial Requirements**
Landlords typically require tenants' combined annual salaries to equal or exceed 40x–60x the monthly rent. If you do not meet this requirement, many landlords accept guarantors, a third party who is willing to guarantee the entire rent and other provisions in the lease in case the tenants are unable to fulfill their obligation. Guarantors need to provide the same application support documents as you do. It is usually expected that guarantors are US citizens and earn an annual salary of at least 80x the monthly rent.

## 2. The Application Process

**Rental Apartments**
Allow 24-48 hours for the landlord to review your applications. If you are approved, lease signings typically occur within the next 24 to 48 hours at either the broker or management company's office.

**Condos**
Applications are a two-step process; approval from both the apartment owner and the condo board must be granted. The entire condo application process, from initial application to final board approval, can take anywhere from 2-4 weeks and, in some cases, may require an in-person interview. Rent, security, and broker commission are paid upfront, and returned if the applicant is rejected.

**Co-ops**
Applications take a minimum of 30 days, at times longer, from the submission of the completed package. Rent, security, and broker commission are paid upfront, and returned if the applicant is rejected.





## 3. Approval & Payment

Once you are approved, you must secure the apartment by signing the lease and paying the applicable fees. Payment at lease signing, in the form of a certified check or money order is typical.

**No-Fee Buildings**
- Only a small amount of the New York City market is made up of no-fee apartments. In this case, the landlord pays the broker commission instead of the renter.
- If a tenant is being represented by a broker and it is a no-fee listing, the broker can collect their own fee directly from the tenant (these are called CYOF, or collect your own fee listings).

**Rental Apartments**
- $20 application/processing fee
- First month's rent
- Security deposit equal to 1 month's rent
- Broker and/or co-broker's fee

**Condos and Co-ops**
These fees are generally higher than the fees for a rental building. In addition to the rent, security and broker fee amounts stated above, condo and co-ops fees may include:

- Move-in fee of $1000
  (This is often refundable after move-in)
- Application fee of $250 - 300
- Managing agent fee of $250 - 400