

# BRICK UNDERGROUND

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## BrickUnderground's 6-step guide to renting a NYC apartment with roommates

by Teri Karush Rogers & Marjorie Cohen



[Room Dividers NY](#)

Temporary walls like this one make it easy to configure an apartment into a roommate-friendly space--if your landlord allows it.

New York City's famously tight and expensive rental market is gearing up for its annual summer frenzy, when thousands of brand-new renters join the perennial crowd of natives hunting for an affordable rental. One of the best ways to ensure a fruitful search in a city with a vacancy rate of around 1% is to go forth and multiply the number of occupants--and the amount of rent--you can plunk down on an apartment.

In a typical scenario, says [real estate agent Adam Mariucci of Platinum Properties](#), he'll get a call from someone who wants to find his or her own Manhattan studio for \$1,600. Such options being few and far between, he suggests they share a flex or convertible one-bedroom in a building loaded with amenities for around the same amount of rent each.

[Real estate agent Rory Bolger](#) of Citi Habitats says she recently found a one-bedroom apartment for two couples in a high rise on the far west side of Manhattan. The four renters divided their corner unit with a wall that has a closet in it. They're thrilled with the layout, the balcony, the building amenities and the \$3,600 rent that is divided 4 ways.

If it's your first time to the roommate rodeo, here are a few pointers to keep in mind.

### 1. Managing your search with roommates

When two, three or four people are looking for an apartment to share, there are lots of moving parts to coordinate.

It is best for one person to take the lead on the actual search and be the one who talks to the broker if you are using one. And because decent apartments tend to rent with the speed of light, all roommates should be present at showings unless they've delegated decision-making power--and all essential application information. To every showing, bring all essential application information for all renters (and your guarantor if you plan to use one). This may include employment information and employment verification letters, prior landlord contact information, several recent monthly bank statements, last two years' tax returns, and photo ID.

If you don't have a potential roommate lined up yet--or need to recruit another to make the numbers work--you might try dropping in on a [Speed Roommating](#) evening which takes place every other week. The free mixer events at a Midtown Manhattan bar are put on every other week by [SpareRoom.com](#), a website that helps people find or advertise shares in existing apartment.

"Most people come looking for a room, but as there are always more people looking than rooms available, people will often hit it off and decide to rent an apartment together," says Matt Hutchinson of [SpareRoom.com](#). "Sometimes they'll come back to the next event looking for a third or fourth roommate."

Similarly, Bolger of Citi Habitats and his colleague, [Sophia Corradini](#), sometimes organize mixers for people who are looking for roommates to share flex space.

## **2. How to find the flex-friendly buildings**

Not all buildings are "flex-friendly." Some landlords and management companies are opposed to the extra wear and tear on both the apartment and--when repeated on a widespread scale--on the building itself that occurs when, say, four adults squeeze into a space intended as a bachelor pad for one. Others are wary of their building taking on a post-college dorm atmosphere.

One indication of whether a building looks favorably on roommates is its policy on the use of temporary walls to subdivide and reconfigure a space. (More on temporary walls below and [here](#).)

Neighborhood-wise, the Financial District of Manhattan is among those with a more roommate-friendly reputation. Specific buildings there include [63 and 67 Wall Street](#) and [The Ocean](#), across from Battery Park City, says Mariucci of Platinum Properties.

In general, "high rises are often more amenable to sharing than walk-ups. That said, certain management companies, like [Glenwood](#), are out of the picture because they won't allow temporary walls," says Phil Lang, the co-founder of Suitey--a referral network of high-quality real estate agents assembled by Lang and fellow Yale graduate David Walker in response to the post-graduate apartment search travails of their own classmates.

In addition to the Financial District, the Murray Hill/Gramercy areas are among the best to find roommate-friendly buildings, says Lang, whose agents, like other experienced rental brokers, curate lists of management companies and buildings amenable to shares.

([BrickUndergrounders](#) can [sign up here](#) to take advantage of Suitey's low corporate rate on rental broker fees--usually around 10% of a year's rent versus the standard 12-15%.)

## **3. Finding the right layout -- and figuring out The Wall Thing**

Some layouts are more flex-friendly than others, so it's important to understand the differences.

A Junior 1 is a studio with a sleeping alcove. A Junior 4 is a one-bedroom plus a dining area that can be converted into a makeshift bedroom with a [temporary \(and potentially illegal\) wall](#). A flex- or 'convertible'-two

bedroom has enough space somewhere to carve out an extra bedroom with a temporary wall--usually in the living room. A 'true' two-bedroom has two distinct separate bedrooms that require no temporary wall alchemy.

As for old-fashioned "railroad" style apartments--which can be among the most affordable as they're typically found in modest tenement-style walk-up buildings--keep in mind that you typically have to walk through one of the bedrooms to get to the bathroom.

Once you've found the flex or convertible space you want, the rules and policies governing how you can subdivide have gotten trickier ever since the city began aggressively enforcing a rule requiring approval from the building department for temporary walls.

As a result, temporary walls (also known as "pressurized" walls) that stretch from floor to ceiling and side to side and include a door (or even fancy French doors and/or windows) may not be permitted.

Instead, you may find that the dividing "wall" can only go up to within one foot of the ceiling, or that you may need to use a bookcase or piece of furniture as a divider. Rules vary from building to building. (For more info, see [The Insider's Guide to Temporary Walls.](#))

Keep in mind that only the management company can give permission for a true floor to ceiling wall so do not rely simply on your broker's word for this; your broker may be misinformed or, if he or she is unscrupulous, intentionally misleading you.

#### **4. Income requirements and guarantors**

Most landlords require that renters earn an annual income of at least 40-45 times the monthly rent. On a \$4,000/month apartment, for instance, your total annual income will need to be in the \$160,000 - \$180,000 range. Usually, roommates are allowed to combine their incomes to satisfy the requirement.

Here's the rub: If you fall short, most landlords will accept only one guarantor to be responsible for the timely payment of the rent. So if there are four roommates, a single guarantor (who lives in the Tri-state area) must be found who is willing to guarantee the rent payments of all roommates--and whose annual income is 80 times the monthly rent.

If you can't find a guarantor willing or able to do that, you may be able to offer a larger security deposit of around 4 to 6 months rent instead. Alternatively, many buildings these days accept [Insurent.com](#), an institutional guarantor who can guarantee the entire lease for a fee of around one month's rent. (For a list of buildings that accept Insurent, [click here.](#))

Finally, note that some landlords will only accept a maximum of two names on the lease. That will affect your ability to combine incomes to meet the income requirement. Also, since legally speaking only the two lease signers are responsible for paying the rent, all roommates should separately sign an agreement that binds them to the terms of the lease and sets out the portion of the rent for which each person is responsible.

#### **5. The application, credit check, broker's fee, and security deposit**

Landlords or managing agents are going to run a credit check for every roommate--even if your name is not going to be on the lease.

Sometimes one person's bad credit will hurt everyone. This happens often, particularly to would-be renters with student loans to pay off, so you would be wise to run your own credit report well in advance of your search in order to clear up any hiccups.

Occasionally, a landlord/manager will be willing to work around the problem of bad credit by asking for a larger security deposit than usual or a prepayment of rent--up to 6 months extra is a possibility, according to Mariucci.

Most roommates divide the security deposit and broker's fee equally, no matter how they are divvying up the rent. The security fee is paid in one check. If one of the original roommates leaves, the person who takes the spot should "buy out" the original roomie's security deposit to be most fair. Finally, for a sensible guide to how to divide up the rent, take a look at [these suggestions](#).

## **6. Living happily ever afterward**

After living with at least three other roommates for the past five years, it didn't take long for Christopher Toppino to realize how annoying it is to have to collect rent shares from each roommate and then get one rent check to the building management.

He and one of his roommates, Ian Halpern, came up with a frictionless way to get it done and turned their idea into [RentShare.com](#).

Open an account, pay your share of the rent with credit cards and RentShare puts it all together and sends one check to the owner/manager.

RentShare also has a feature called ExpenseShare to take the hassle out of dividing other shared expenses like utilities, food, toilet paper.

"It's simple," says Toppino. "If I pay a \$15 cable bill one month, my rent share goes down by \$15 and my roommates' go up proportionally."

Sign up is free; there's a small fee for transferring payments.