

## INSIDE RSA

### Another Standing-Room-Only Seminar

#### *Panelists Address Tenant Screening and the Lease-Up Process*

On March 15<sup>th</sup>, RSA held a seminar/webinar as part of its ongoing series, Managing Rent Regulated Property. This program, Tenant Screening & the Lease-Up Process, was co-sponsored by the New York County Lawyers Association (NYCLA). Over 100 RSA members and attorneys attended the live seminar and an additional 50 participants viewed the program online. The panelists included: Howard Stern, Esq, Administrator of the RSA Legal Plan; Renee A. Digrugilliers, Esq., of Horing, Welikson & Rosen; Ronald Hariri, Esq. of Crispo & Hariri; John Noak from Transunion and Paraag Sarva from Rhino. The seminar was moderated by RSA General Counsel Mitchell Posilkin and RSA Deputy Counsel Robin Bernstein.

Howard Stern discussed the lease application process, focusing on the importance of obtaining original documentation to establish the identities and income of prospective tenants. Mr. Stern also discussed some best practices, including photographing the apartment on lease-up to document the condition of the apartment, as well as safeguarding and/or shredding tenant documents to protect tenants from identity theft. Mr. Stern also discussed reasons to obtain guarantors for tenants and the importance of requiring tenants to obtain renters' insurance policies.

John Noak from Transunion, a credit reporting agency, spoke about credit reports and Transunion's screening models which are specifically designed to determine whether applicants have the ability to pay the rent. He also discussed the various types of reports available from Transunion, including criminal background checks and eviction reports, in addition to credit reports.

Renee Digrugilliers presented an overview of the anti-discrimination laws which apply to renting apartments, including



*The seminar panel included Ronald Hariri, Renee A. Digrugilliers, Howard Stern, Robin Bernstein, Paraag Sarva, Mitch Posilkin and John Noak.*

the City's source of income law. She cautioned that State and local laws prohibit refusing to rent to certain classes of tenants and she advised owners to seek the advice of counsel when potential discrimination issues arise, such as when the prospective tenant intends to use rental subsidies or has a criminal history.

Paraag Sarva discussed the insurance policy available through Rhino that provides an alternative to a traditional security deposit. Under the Rhino approach, the tenant pays a small monthly insurance premium and the policy covers the owner if the tenant fails to pay at the end of the lease or there is property damage.

Finally, Ron Hariri spoke about the lease-up process in the context of the City's pet law, as well and the prohibition on short-term rentals such as Airbnb.

Information regarding how to view the seminar on demand via the Internet or on DVD will be available in the very near future. ■