



Trade group and nonprofit open mortgage brokerage

Association formed by Rent Stabilization Association and Housing Partnership

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The Rent Stabilization Association trade group, in conjunction with another nonprofit, is launching a mortgage brokerage aimed at serving the city's smaller landlords.

Called RSA Mortgage Brokerage, the new entity is a joint venture between the Rent Stabilization Association and the Housing Partnership, a nonprofit that arranges financing for moderate-income affordable-housing projects.

The brokerage should have no shortage of customers. Smaller landlords typically struggle to secure financing and have trouble getting loans from traditional lenders, according to Crain's.

"The smaller members (of the association) were having difficulty obtaining mortgage financing," John McCarthy, who will serve as chief executive of the new association, told Crain's. "He noted that despite landlords' creditworthiness, lenders and brokerages have largely ignored this market segment in favor of larger landlords, since there is more money to be made."

The new brokerage will aid in financing purchases, and otherwise serve as the middle-man between banks and owners looking to secure mortgages for capital improvements and maintenance. McCarthy told Crain's that he could not yet give an estimate on the volume of financing that the startup will arrange. *[Crain's] — Julie Strickland*