REAL ESTATE WEEKLY

RSA partners with housing group to offer mortgage service

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By Konrad Putzier

The Rent Stabilization Association and the NYC Housing Partnership have teamed in a joint venture to provide commercial mortgage brokerage services to owners of mid-tier and smaller multifamily apartment buildings across the five boroughs.

The venture — RSA Mortgage Brokerage LLC (RSAMB) — hopes to ease landlords' access to credit.
Owners of smaller multifamily buildings often struggle to secure bank loans.

RSAMB's CEO John McCarthy, a former banking executive, explained that the company will help landlords with the paperwork required by banks and act as an intermediary, adding that small landlords often lack the staff and knowledge to effectively apply for loans. "One reason why we believe this will grow is that one of our joint-venture partners, the RSA, is a trade association representing landlords who own over half all apartment buildings in the city," McCarthy said. "Banks are interested in getting access to this large customer class."

John McCarthy
CEO
RSA Mortgage Brokerage

McCarthy explained that RSAMB will initially only work with banks, but he is open to building relationships with non-bank lenders such as insurance companies.
Joseph Strasburg, president of the Rent Stabilization Association, said that easier access to credit for multifamily landlords would benefit the city as a whole.

"These buildings are the core of the City's housing stock, especially in Brooklyn, The Bronx and Queens," he said. "They are workforce housing, affordable to the City's middle class employment base. These buildings must continue to house most New Yorkers since very little new housing is being added to this stock. New construction is mostly at the luxury level because of the high cost of land acquisition and construction. The financial stability of this irreplaceable middle class housing requires efficient flows of necessary financing to the small business people who own and manage these buildings."