



Department of  
Housing Preservation  
& Development



## Enroll in New York City's Security Deposit Alternatives Program

Our new pilot program enables owners and managing agents of HPD- and HDC-assisted housing to offer their tenants an alternative to traditional lump-sum security deposits.

**Offer more flexibility without compromising security.** Security deposit alternatives are financial products that allow renters to pay a portion of their security deposit value instead of the full amount at the time of lease up, in order to reimburse their landlord for any damage or unpaid rent at the end of a lease term.

These products allow renters to pay a portion of the cost of a security deposit rather than a lump-sum, eliminating a significant barrier to housing access. HPD and HDC have pre-qualified three experienced providers you can work with to offer this benefit to your tenants.

### Learn about the benefits of security deposit alternatives

---

#### For Owners/Managing Agents

**Insure claims for property damage or unpaid rent.** Seamlessly submit claims and quickly receive determinations.

**Manage security deposit payments easily online.** Providers offer easy to use online platforms for set up and administration. Tenants enroll directly with the provider.

**Provide tenants with more options.** Offering a security deposit alternative could speed up move-ins by reducing the number of applicants who drop out after approval.

---

#### For Tenants

**Eliminate the upfront, lump-sum cost of a traditional security deposit.** Access affordable housing without the added barrier of coming up with the traditional, lump-sum security deposit.

**Enjoy greater flexibility.** Tenants can choose between paying a small proportion of the security deposit upfront or the full amount over time.

---

### How to enroll your property

Learn more about the security deposit alternative providers on the next page and connect with them to get started. Eligible properties include any HPD- and/or HDC-financed multifamily rental properties going through the marketing process for the first time.

To inquire about offering a security deposit alternative product at your property, use the contact information below to send a request to the selected Pre-Qualified Provider.

#### Insurance Office of America

- Indemnity insurance product offered by full-service insurance agency
- Assures protection for owners from defaults associated with unit damage, unpaid rent
- Coverage can be portable if tenant moves to another HPD- or HDC-financed unit

Contact: Jeffrey Mann

- [vasp@ioausa.com](mailto:vasp@ioausa.com)

Website: [ioausa.com](http://ioausa.com)

#### Qira

- Cash-backed security deposit alternative
- Properties receive up to 2x coverage on security deposits, claims processed in 48 hours, and electronic settlements are issued the next day
- Offers residents convenient repayment plans upon default

Contact: Dina Ufberg

- [dina@qira.com](mailto:dina@qira.com)

Website: [qira.com](http://qira.com)

#### Rhino

- Replaces cash security deposit with smart, affordable insurance
- Asset insured for lost rent, excessive damages, and late fees through lease term
- On average, Rhino renters pay as low as \$4 a month for \$1k in coverage

Contact: Jordan Stein

- [jordan@sayrhino.com](mailto:jordan@sayrhino.com)

Website: [sayrhino.com](http://sayrhino.com)

## FAQ

Why is HPD/HDC doing this?

Security deposit alternative products are tools that can help to reduce barriers to mobility and allow renters to use the money that would be spent on security deposits for other critical needs. A number of providers are already offering these products at some market rate developments in the city. Security deposit alternative providers and their products are regulated by state insurance authorities.

What do the pre-qualified providers do? How were they selected?

The pre-qualified providers offer financial products that are alternatives to a traditional security deposit. The City released a Request for Expressions of Interest (RFEI) in 2021 to identify products that would be most appropriate to offer to low- and moderate-income renters. The three pre-qualified providers meet the criteria outlined in the RFEI, including not requiring total payment in excess of one month of rent over a resident's tenancy, allowing renters to pay a small proportion of the security deposit upfront or the full amount over time, and insuring owners' claims for property damage.

What are the administrative requirements for owners/managing agents?

The pre-qualified providers offer easily accessible online platforms for setup and ongoing administration. Once the product is set up at a property, owners/managing agents can file claims via the online platform. Tenants can manage their enrollment directly with the security deposit alternative provider. HPD and HDC do not require anything further from owners/managing agents in order to participate in the pilot.

Additional questions?

Questions for HPD/HDC may be sent to [securitydeposits@hpd.nyc.gov](mailto:securitydeposits@hpd.nyc.gov).