

NEW YORK LANDLORD ALERT

July 2019, Vol. 9

NEW YORK STATE SLAMS LANDLORDS WITH ANTI-LANDLORD LEGISLATION

The anticipated enactment of the recently legislative of legislation targeted at landlords set a record for the most anti-landlord law ever passed in New York other than the Emergency Tenant Protection Act. Moreover it strikes a serious blow to landlords of not only tenants in apartments subject to regulation, but free market tenants – even those landlords who own only one or two luxury condominium apartments in New York City renting for thousands or tens of thousands of dollars in rent each month.

Every eviction in New York State will now take **ONE FULL MONTH LONGER** to process, at least. In addition to all of the normal systemic delay, the law will now add an additional month to all evictions. The State has accomplished this delay by **raising the required time in any rent demand to fourteen days (from three days) and the required delay from the service of the warrant of eviction to fourteen days (from three days)**. Thus every eviction for non-payment will now cost the landlord at least one additional month's rent. The philosophy behind this change is unknown other than placating tenants who already have substantial time to remedy a non-payment situation up to and including the date of eviction.

Other major changes impacting ALL landlords include the following (note that the details of many of these items are even more onerous):

- Landlord must serve a notice to tenant that rent was not received if rent unpaid for five days after due, predicate to summary proceeding.
- Fourteen day demand for rent predicate to summary proceeding, increased from three days.
- Fourteen days for eviction from service of warrant to evict, increased from seventy-two hours.
- Late charges may not exceed the lesser of \$50.00 or 5% of the monthly rent.
- Landlord may NOT recover legal fees on a default judgment against a tenant.
- Adjournments at request of tenant increased from maximum of ten to minimum of fourteen days.
- No "Additional Rent" for trial may be the basis of a summary proceeding.
- Landlord may not refuse to rent to a potential tenant on the basis of prior landlord-tenant court actions.

- Limits security deposits to one month's rent.
- Extends the discretionary stay of any eviction to twelve months (from six months).
- AFTER a lease is signed tenant **must** be given an opportunity to inspect the unit and if so inspects the Landlord and Tenant **must** enter into a written agreement as to the condition of the premises.
- PRIOR to termination of the tenancy the Landlord **must** give the Tenant an opportunity to be present for an inspection and if so Landlord **must** provide a written itemized statement of proposed repairs.
- Within 14 days of tenant vacating Landlord must provide an itemized statement of any amount of security to be retained and must refund the balance. Failure to do so renders the Landlord unable to retain any of the security deposit.
- Landlord must provide tenant with:
 - Thirty days notice of rent increase above 5% or of non-renewal of tenancy for tenancies less than one year;
 - Sixty days notice of rent increase above 5% or of non-renewal of tenancy for tenancies more than one year and less than two years;
 - Ninety days notice of rent increase above 5% or of non-renewal of tenancy for tenancies at least two years
- Landlord cannot terminate a month to month tenancy outside of New York City (it not clear how this change will be interpreted vis a vis the above).



Finger & Finger, A Professional Corporation

Attorneys at Law

(914) 949-0308 ext. 2

www.FingerandFinger.com ~ carl@FingerandFinger.com

Attorney Advertising ~ Prior results do not guarantee a similar outcome

NEW YORK LANDLORD ALERT

July 2019, Vol. 9

New York Landlord Alert is sponsored by:

Finger & Finger, A Professional Corporation

Attorneys at Law

(914) 949-0308 ext. 2

www.FingerandFinger.com ~ carl@FingerandFinger.com

As far as regulated tenants (Rent Stabilization Law or Emergency Tenant Protection Act) the rents will now remain regulated and as low as possible based on the changes to the statute. No apartments can be removed from regulation due to vacancy and/or high rent/income. The main way to remove apartments from regulation was high rent vacancy decontrol (rent for the apartment over \$2750.00). Rents will be kept as low as possible by the following changes adopted:

- **Eliminated statutory vacancy increases.**
- **Eliminated Rent Guidelines Board vacancy increases.**
- **Eliminated long term vacancy increases.**
- **Eliminated high income decontrol.**
- **Eliminated Rent Guidelines Board ability to set increases based on current rental value such as extremely low rents.**
- **Eliminated Landlord right to remove preferential rent upon renewal of lease.**
- **Capped major capital improvement increases to two percent in Westchester.**
- **Reduced some previously granted major capital improvement increases to two percent (this really hurts landlords who previously performed work and received approval) and renders the increase temporary for 30 years.**
- **Capped Individual Apartment Improvements at \$15,000.00 over 15 years for no more than three improvements and renders the increase temporary for 30 years.**
- **Major Capital Improvements and Individual Apartment Improvements rent increase calculated at 1/168 for buildings of 35 units or less and 1/180 for buildings of more than 35 units.**
- **No MCI for buildings with less than 25% regulated units.**
- **Extended "look back" for rent calculation to six years from four years and essentially requires perpetual record keeping by Landlords.**
- **Eliminated eviction conversion plans.**

- **Required 51% approval by tenants for non-eviction conversion plans (other than new construction).**

Consultation with counsel is recommended.



Currently Finger & Finger represents Landlords with free market, Section 8, HUD, ETPA, and other regulated properties throughout Westchester County. The firm processes numerous cases and appears regularly in all of the City Courts and many of the justice courts in Westchester County. Finger & Finger also represents housing authorities and firm drafts notices to cure, notices to terminate, combined notices, three day demands, holdover petitions, non-payment petitions, leases, and other landlord tenant related documents on a consistent basis. Most important to clients is the regular and effective communication system in place at Finger & Finger, which includes not only contact with clients upon a change in status of any case, but a weekly update listing all pending cases and the status of each. Further, the firm is counsel to the Builder's Institute of Westchester County and its subsidiary, the Apartment Owners Advisory Council. The attorneys work daily on issues involving all areas of rent regulation and Landlord-Tenant work. Finger & Finger practices in all aspects of real estate law, including all matters relating to landlord tenant law such as the drafting and negotiation of leases for commercial, retail, office, and residential premises.

PLEASE CONTACT US WITH ANY QUESTIONS ABOUT THESE LEGISLATIVE CHANGES.

Finger & Finger, A Professional Corporation

Attorneys at Law

(914) 949-0308 ext. 2

www.FingerandFinger.com ~ carl@FingerandFinger.com

Attorney Advertising ~ Prior results do not guarantee a similar outcome