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Real Estate Q&A

Expert Advice for Owners and Renters



Putting a Time Limit on Rent Stabilization

By JAY ROMANO

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Q. *For the last 30 years I've lived in a "J-51" rental building and have been informed that my rent-stabilization status will expire in a number of years. Is this legal?*

A. **Adam Leitman Bailey**, a Manhattan real estate lawyer, said that under New York City's J-51 program, building owners agree to be subject to rent stabilization in exchange for certain tax benefits on new construction projects or the rehabilitation of multiple-dwelling rental buildings. The time period can be either 34 years — generally for "affordable housing" buildings — or 14 years. "As long as the leases and renewals warn the tenants that the benefits are going to expire at a particular time," **Mr. Bailey** said, "the landlord is allowed to take an apartment out of rent stabilization at the end of that period." He notes that if a lease or renewal does not contain the warning, the tenant can remain rent-stabilized for as long as he or she occupies the apartment. "But even then," he said, "the next tenant would normally be unregulated."