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Real Estate Q&A

Expert Advice for Owners and Renters



What to Expect After Deregulation

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Q. *My rent-stabilized apartment in New York City has just become deregulated as a result of high rent/high income deregulation. Is the landlord legally required to give me first consideration on a new lease at market rate, and must that new rate be reasonable and legally fair?*

A. According to **Dov Treiman**, a Manhattan lawyer, when the owner obtains an order decontrolling an apartment for high rent/high income, the owner must offer the tenant a first lease at a rent not in excess of the market rent. “The tenant should therefore investigate what similar apartments in the area are going for,” **Mr. Treiman** said. “The law does not specify the length of the first lease,” he continued — only that it must be what would have been stipulated in an ordinary transaction. **Mr. Treiman** noted that he had seen successful challenges to leases under this provision of the law, when the first lease after the deregulation order was for less than a year. However, he also said that any lease after the first one had almost no legal constraints at all.