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No Rent Increase for Leases Signed Between October 1, 2010 to September 30, 2011 in Westchester County

As you may know, the Emergency Tenant Protection Act ("ETPA") applies to most buildings of six or more units which were built prior to 1974. If ETPA applies, the State of New York Division of Housing and Community Renewal ("DHCR") regulates, among other things, rent

Each year, the Westchester Rent Guidelines Board (hereinafter, the "Board") weighs concerns of local landlords, tenants and their representatives and specifies the legally regulated rent increases permitted in Westchester County. At a meeting held on June 15, 2010 the Board decided that there will be **no allowable rent increases** for leases renewed between October 1, 2010 and September 30, 2011. (Please note that this applies to both one-year and two-year lease renewals).

Landlords and landlords representatives addressed the Board regarding higher taxes and water fees, increasing repair and maintenance costs, costly EPA lead paint regulations, the mandatory Section 8 Source of Income County law, new labor contracts and higher management costs, all of which create a financial hardship to landlords without rent increases. Despite these concerns identified by the landlords, the Board ruled in favor of the tenants and approved the zero increase.

Generally, when the Board approves an increase of rent, landlords may increase tenants' rents based on the applicable percentage increase from the prior year's rents (percentages which are calculated based on whether the landlord gives a one-year or a two-year lease renewal). However, landlords must timely offer lease renewal forms (in Westchester County, between 90 and 120 days before the current lease is set to expire) and give notice to the tenants of the increases via certified mail in order to collect the applicable increase under DHCR regulations. Despite the fact that no increases were passed for leases signed between October 1, 2010 and September 30, 2011, we recommend that landlords still send out the lease renewals to their tenants to maintain complete records and to ensure the tenants know that they are still responsible under the terms of their lease.

Please remember a landlord's failure to timely file a current apartment registration with DHCR bars the collection of any guidelines increase. If you need help filing registrations, please contact our office for more information.

For your own protection, please take this opportunity to review your current leases. Do your leases contain the following important clauses: a "late fee" clause, a "right to collect bounced check fees" clause, a "no pet" clause, a "no washer & dryer" clause, and obligation to carpet 80% of apartment clause and so on? There are various clauses which should be in leases to protect landlords. If you would like a copy of our recommended apartment lease rider and/or would like to discuss the proper way to amend the terms of the existing lease, please contact James G. Dibbini & Associates, P.C. today.

Our office also provides legal services in the areas of: Commercial & Residential Real Estate Closings, Landlord-Tenant Law, Civil Litigation, General Business Law, Tax Certiorari, DHCR Representation and Zoning Matters

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