



PROPERTY GROUP

*HOUSING STABILITY AND TENANT PROTECTION  
ACT OF 2019*



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# Rent Growth Reforms

- There are 9 specific reforms aimed at eliminating any opportunity for a building owner to raise the rent on a unit that is currently regulated.

REGULATION	NEW LEGISLATION
IAI'S	CAPPED AT \$15,000 IN SPENDING, 1/168 AND 1/180 PENDING BUILDING SIZE
MCI'S	CAPPED AT 2% AND WILL EXPIRE AFTER 30 YEARS, EFFECTIVE AS OF 2012
HIGH INCOME DEREGULATION	ELIMINATED IN ENTIRETY
HIGH RENT DEREGULATION	ELIMINATED IN ENTIRETY
VACANCY BONUS	ELIMINATED IN ENTIRETY
LONGEVITY BONUS	ELIMINATED IN ENTIRETY
PREFERENTIAL RENTS	CANNOT EXERCISE LEGAL RENT ON CURRENT TENANT
RC UNITS INCREASES	CAPPED MCR INCREASES TO AVERAGE OF 5 YEAR'S OF RGB INCREASES
FUEL PASS ALONG CHARGE	ELIMINATED IN ENTIRETY

# Condo Conversions / Leasing / Legal Actions Against Tenants

- Any potential plan to circumvent rent regulation from a rental to condo conversion was prevented by amendments to existing legislation.

REGULATION	NEW LEGISLATION
CONDO BOOK APPROVAL	REQUIRES 51% OF OCCUPIED UNITS TO PURCHASE UNITS FROM 15%
EVICITION PLAN	ELIMINATED IN ENTIRETY

- Tenants will now have easier time leasing new apartments as a result to the 2 reforms below

REGULATION	NEW LEGISLATION
SECURITY DEPOSIT	LIMITED TO 1 MONTH'S RENT
TENANT BLACKLIST	OWNER'S CANNOT DISCRIMINATE AGAINST TENANTS ON SUCH A LIST

- Both owner's own use and non-payment actions have been material changed in favor of tenants

REGULATION	NEW LEGISLATION
NON-PAYMENT CASES	NUMEROUS PROCEEDURAL AND ADMINISTRATIVE CHANGES
OWNER'S OWN USE CASE	CRITERIA FOR OWNER TO RECLAIM A REGULATED FOR SELF-USE IS EXPANDED, LIMITED TO 1 UNIT, AND NUMEROUS NEW RESTRICTIONS

# Rent Overcharge & Administrative

- Increased liability, responsibility, and accountability placed on building owners to represent accurate rent charges.

REGULATION	NEW LEGISLATION
LOOK BACK PERIOD	INCREASED TO 6 YEARS
TREMBLE DAMAGES	TREMBLE DAMAGES ARE NOW MANDATORY
COURT OF JURISDICTION	CAN NOW BRING AN OVERCHARGE CASE IN ANY COURT

- All possible angles of a owner attempting to reclaim a unit are tightened. Opportunity to reverse these laws mitigated by removing the 4 year expiration.

REGULATION	NEW LEGISLATION
DHCR ANNUAL REPORTING	DHCR TO PROVIDE ANNUAL REPORT ON TPU AUDITS AND OVERCHARGE CLAIMS
SUNSET CLAUSE	4 YEAR EXPIRATION ELIMINATED, ALL LAWS REMAIN IN-PLACE INDEFINITELY
NON-PROFIT TENANCY	LEASE CANNOT BE TERMINATED AT WILL
GEOGRAPHIC REACH	ENABLE MUNICIPALITIES OUTSIDE OF NYC TO ENACT THEIR OWN RS LAWS

# The Company

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## What is STRATCO

STRATCO was formed in 2012 as a response to the glaring need in the market for a specialist who can provide white-glove service in the landlord-tenant relationship. Our clients are owners who don't have the time, resources, experience, and knowledge on how to navigate the dynamics of a building community and the rent regulatory laws. STRATCO functions as an intermediary between property owners and tenants in re-creating a community established on harmony, respect, transparency, and trust. For further information on STRATCO, please go to [www.stratcoproperty.com](http://www.stratcoproperty.com)

## Disclosure of Services

STRATCO does not serve as an attorney and does not provide legal advice. STRATCO functions as a management consultant on executing highly complex business strategies. STRATCO functions as an intermediary with client's legal counsel in order to effectuate risk mitigation and regulatory compliance.

## How STRATCO Can Help You

STRATCO can provide your office with greater detail on how to navigate the enclosed and other opportunities within the industry. For more information, please contact 646-760-9723 or email [robert@stratcoproperty.com](mailto:robert@stratcoproperty.com)

## List of Services

Rent Regulatory Consultancy  
Property Management  
IAI Documentation

Tenant Buyouts  
Tenant Association Mediation  
CONH Data Gathering