

DHCR J-51 Registration and Rent-Revision Initiative

List of Buildings that may have been out of Compliance at Some Point(s) from 2012 to 2017 due to Listing Multiple Apartments as Permanently Exempt from Stabilization

The law requires that owners of buildings with J-51 tax benefits treat rental apartments in those buildings as rent stabilized and register those buildings and rental apartments with DHCR. Rental apartments in buildings with J-51 tax benefits cannot be deregulated or permanently exempt from rent stabilization based on high rent or for any other reason. While there are limited exceptions to the stabilization/registration requirement, the exceptions are few.

According to NYC Department of Finance records and/or other data, the buildings listed below received a J-51 tax benefit for one or more years between 2012 and 2017, yet registered at least 2 units in the subject build as permanently exempt from rent stabilization in the relevant year(s). The law requires that owners of buildings with J-51 tax benefits treat all rental apartments in those buildings as rent stabilized and register with DHCR accordingly.

To achieve more complete owner compliance and to alert tenants who may be affected, a list of addresses of buildings that appeared to be out of compliance with the above registration requirement, due to improperly treating multiple apartments as permanently exempt from rent stabilization between 2012 and 2017 is posted below.

While the list below was created to reasonably identify building that were out of compliance for at least one registration year between 2012 and 2017, it is expected that some of the buildings listed below were actually in compliance. Inaccuracies in the list may exist for a number of reasons including limitations of source information used to compile the list, discrepancies in building addresses/building identifiers or apartment numbers or identifiers, exemptions from stabilization/filing requirements, recent owner compliance, and other reasons.

If you are an owner of a building listed below and believe your building is improperly listed below as out of compliance, you must respond to DHCR with a detailed explanation, in writing,

by contacting DHCR's J51 Registration Enforcement Unit at 92-31 Union Hall Street, Jamaica, NY 11433 or by email at EnforcementUnit@nyshcr.org

If you are a tenant in a building listed below and believe your owner has either treated your apartment as inappropriately deregulated or otherwise not followed the rent stabilization law, you may wish to make further inquiry regarding your specific apartment. For apartment rent histories, please utilize one of the following, [form REC-1](#) or send an email to ORAreCORDS@nyshcr.org . For information on your rights and relevant complaint forms access this link <http://www.nyshcr.org/Rent/infobytopic.htm> and/or contact rentinfo@nyshcr.org

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List of Buildings that may have been out of Compliance at Some Point(s) from 2012 to 2017 due to Listing Multiple Apartments as Permanently Exempt from Stabilization

According to NYC Department of Finance records and/or other data, the building listed below received a J-51 tax benefit for one or more years between 2012 and 2017, yet registered at least 2 units in the subject build as permanently exempt from rent stabilization in the relevant year(s). The law requires that owners of buildings with J-51 tax benefits treat all rental apartments in those buildings as rent stabilized and register with DHCR accordingly. To correct this, owners are required to do the following:

- 1) If currently receiving J-51 benefits and have been treating an apartment as deregulated, amend the 2018 DHCR registration to correct the status of those apartments, reflecting the rent regulated status and reformed rent (see paragraph # 3) for all rental units. Include the new count of rent stabilized apartments in the Registration Summary Form. File your amended registration with the DHCR's Rent Registration Unit located at 92-31 Union Hall Street, Jamaica, NY 11433. Instructions on amending a previously submitted registration can be found at: www.nyshcr.org/Apps/RentReg/RestrictionsOnFilingRegistrationAmendments.pdf and http://www.nyshcr.org/Apps/RentReg/Registration_Add-On.pdf.

Note – For the purposes of this registration initiative, DHCR will only accept amendments and registrations add-ons for the 2018 registration year.

- 2) A copy of the 2018 apartment registration form, as amended, indicating the proper registration status and reformed rent must be served on the tenants of each unit. and prior to the expiration of the current lease, owner must provide the tenant with a rent stabilized lease renewal offer, reflecting the reformed rent, accompanied by required supporting documents.
- 3) Rent for each apartment improperly treated as deregulated must be reformed (adjusted to comply with the rent stabilization laws). The reformed rent must be calculated in accordance the law and cannot exceed the rent actually being paid by the tenant. The specific formula for calculating rent and rent overcharges remains the subject of significant litigation. On August 16, 2018, in *Matter of Regina Metropolitan Co., LLC v New York State Div. of Housing & Community Renewal*, 2018 NY Slip Op 05797, http://nycourts.gov/reporter/3dseries/2018/2018_05797.htm#7CASE , the Appellate Division 1st Department reversed a determination by DHCR that was consistent with DHCR's prior guidance. At the time of this notice, DHCR has sought further appellate review of this decision. You may wish to speak to an attorney for updates and clarification. However, the part of DHCR's guidance advising that units are subject to rent stabilization and that rents charged must be consistent with the Rent Stabilization Law, remains unchanged.

Additionally, appropriate rent refunds must be made to tenants currently or previously overcharged, in the last four years, due to improper deregulation or improper rent calculation.

Please note the following:

- 4) Even if the building no longer receives J-51 benefits, rental apartments may still be subject to rent regulation. If the building was subject to rent stabilization prior to the receipt of J-51 benefits, the building will continue to be subject to rent stabilization rules after the expiration. Future occupants are also entitled to all protections of rent stabilization unless those units subsequently become deregulated based on the rules applicable for all rent stabilized buildings.
- 5) Even if your building was subject rent stabilization solely due to the receipt of J-51 benefits and those J-51 benefits have expired, any tenant who was in occupancy during that J-51 benefit period is entitled to the continued protection of the rent stabilization for the duration of his or her tenancy (except under certain limited circumstances where apartment was deregulated prior to the receipt of such J-51 benefits and you provided the tenant now in occupancy with the appropriate lease notice to effect deregulation at the expiration of the J-51 benefit).

