



NOTICE OF 421-a (16) APARTMENT MARKET RATE THRESHOLD EXEMPTION - 2025

MAILING ADDRESS OF TENANT:

MAILING ADDRESS OF OWNER/AGENT:

Name: _____	Name: _____
Number/Street : _____ Apt. No.: _____	Number/Street: _____
City State, Zip Code: _____	City State, Zip Code: _____
	Telephone Number: () _____

1. Reason for Exemption:

Market Rate Vacancy - The rent for the subject rent stabilized apartment has been lawfully raised to an amount equal to or greater than the Market Rate Threshold. The Market Rate Threshold for 2025 in New York City is \$3,123.69.

2. Last Legal Regulated Rent: \$ _____

The last legal rent may be verified by the tenant by contacting DHCR. The tenant can contact the DHCR and request that a registered apartment rent history be mailed to his or her apartment or complete a Request for Records Access (Form REC-1) and submit it to the attention of the Records Access Officer at the address listed above.

3. Calculation of the rent that qualifies for exemption:

3.1 Last Legal Regulated Rent (same as # 2) \$ _____

3.2 Guideline for use in a vacancy lease (_____ %) \$ _____

3.3 Individual Apartment Improvements (IAI) Costs

Before completing this section, refer to DHCR Operational Bulletin 2024-2.

A. Bathroom Renovation (check all applicable items)

Complete Renovation (if this box is checked you are not required to check individual items)

OR

Individual Items (check all applicable items)

- Sink
- Shower Body
- Toilet
- Tub
- Plumbing
- Cabinets
- Vanity
- Floors and/or Wall Tiles
- Other (describe) _____

Total Costs for Parts and Labor _____

(A)

B. Kitchen Renovation (check all applicable items)

Complete Renovation (if this box is checked you are not required to check individual items)

OR

Individual Items (check all applicable items)

- Sink
- Stove
- Refrigerator
- Dishwasher
- Cabinets
- Plumbing
- Floors and/or Wall Tiles
- Countertops
- Other (describe) _____

Total Costs for Parts and Labor _____

(B)

C. Other (check all applicable items)

- Doors
- Windows
- Radiators
- Light Fixtures
- Electrical Work
- Sheetrock
- Other (describe) _____

Total Costs for Parts and Labor _____

(C)

\$ _____

**Total IAI Cost
(Sum of (A), (B) and (C))**

Before completing Line 4, please refer to DHCR Operational Bulletin 2024-2, which details IAI tiers, amortization rates, and limits on rent increases.

4. Rent Increase Based on IAI \$ _____
Total IAI Rent Increase

5. New Rent - Qualifying for Exemption (sum of 3.1, 3.2 and 4) \$ _____
(must be equal to or greater than the Market Rate Threshold)

6. Actual Rent Paid \$ _____

I certify that the information provided in this notice is accurate and complete to the best of my knowledge and that I am complying with the requirements of the registrations cited in this notice and attached information and instructions.

Print Name of Owner or Owner's Agent

Signature and Date

Information and Instructions

- Relevant Code Sections

Rent Stabilization Code 2520.11(u)

- This notice is required to be served, by the owner, on the first tenant of the 421-a (16) housing accommodation after the rent stabilized unit becomes exempt/deregulated from the rent laws. Although this form is promulgated by DHCR, the regulations do not require DHCR to review the accuracy of the contents of the completed form and the form is not required to be served on DHCR. However, DHCR on its own initiative may conduct audits of these notices.
- This notice is required to be sent by **certified mail** to the tenant, within 30 days after the tenancy commenced or after the signing of the lease by both parties, whichever occurs first, or shall be delivered to the tenant at the signing of the lease.
- In addition, the owner shall send and certify to the tenant a copy of a **registration** statement for such housing accommodation filed with DHCR indicating the exempt/deregulated status and the last legal regulated rent. It shall be sent within 30 days after the tenancy commences or the filing of said registration, whichever occurs later.
- The tenant may challenge the deregulation by filing an Overcharge complaint with DHCR within six years of the commencement date of the lease.
- The tenant has the right to file a Request for Records Access (Form REC-1) seeking access to the IAI Notification Form RN-19N and related photographs filed by the owner that pertain to the improvements made in the apartment, which were the basis for a rent increase.
- For additional information on IAIs, see DHCR Operational Bulletin 2024-2 and Fact Sheet #26.
- In 421-a (16) buildings, apartments initially rented at an amount at or above the Market Rate Threshold qualify for permanent exemption from Rent Stabilization. In this situation, the filing of this form is not required. However, the registration statement referenced above does need to be served on the tenant.
- The Housing Stability and Tenant Protection Act (HSTPA) of 2019, with the exception of 421-a (16) apartments, eliminated High-Rent Vacancy Deregulation.