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**Apartment & Loft Order #29**

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June 23, 1997

**Order Number 29 - Apartments and Lofts**, rent levels for leases commencing October 1, 1997 through September 30, 1998

NOTICE IS HEREBY GIVEN PURSUANT TO THE AUTHORITY VESTED IN THE NEW YORK CITY RENT GUIDELINES BOARD BY THE RENT STABILIZATION LAW OF 1969, as amended, and the Emergency Tenant Protection Act of 1974, as amended, implemented by Resolution No 276 of 1974 of the New York City Council and extended by the Rent Regulation Reform Act of 1997, and in accordance with the requirements of Section 1043 of the New York City Charter, that the Rent Guidelines Board hereby adopts the following levels of fair rent increases over lawful rents charged and paid on September 30, 1997. These rent adjustments will apply to rent stabilized apartments with leases commencing on or after October 1, 1997 and through September 30, 1998. Rent guidelines for loft units subject to Section 286 subdivision 7 of the Multiple Dwelling Law are also included in this order.

ADJUSTMENT FOR RENEWAL LEASES (APARTMENTS)

Together with such further adjustments as may be authorized by law, the annual adjustment for renewal leases for apartments shall be:

For a one year renewal lease commencing on or after October 1, 1997 and on or before September 30, 1998: 2%

For a two year renewal lease commencing on or after October 1, 1997 and on or before September 30, 1998: 4%

These two adjustments shall also apply to dwelling units in a structure subject to the partial tax exemption program under Section 421a of the Real Property Tax Law, or in a structure subject to Section 423 of the Real Property Tax Law as a Redevelopment Project.

PROPOSED VACANCY ALLOWANCE FOR APARTMENTS

No vacancy allowance is permitted except as provided by sections 19 and 20 of the Rent Regulation Reform Act of 1997.

SUPPLEMENTARY ADJUSTMENT OF UP TO \$15 PER MONTH FOR RENEWAL LEASES FOR APARTMENTS RENTING FOR \$400 OR LESS ON SEPTEMBER 30, 1997

For a renewal lease on a dwelling unit with a lawful rent of \$400 or less per month on September 30, 1997 the levels of rent increase for renewal leases commencing October 1, 1997 through September 30, 1998 are the same as those set forth hereinabove plus a \$15 per month supplementary adjustment provided the monthly rent resulting from application of this level of increase or any portion thereof does not exceed \$415.

ADDITIONAL ADJUSTMENT FOR RENT STABILIZED APARTMENTS SUBLET UNDER SECTION 2525.6 OF THE RENT STABILIZATION CODE

In the event of a sublease governed by subdivision (e) of section 2525.6 of the Rent Stabilization Code, the allowance authorized by such subdivision shall be 5%, provided, however, that this charge shall not be in addition to other sublet adjustments that may otherwise be allowed by law.

PROPOSED ADJUSTMENTS FOR LOFTS (UNITS IN THE CATEGORY OF BUILDINGS COVERED BY ARTICLE 7-C OF THE MULTIPLE DWELLING LAW)

The Rent Guidelines Board proposes the following levels of rent increase above the "base rent", as defined in Section 286, subdivision 4, of the Multiple Dwelling Law, for units where residential renewal leases are offered pursuant to Section 286, subdivision 3:

--For one year renewal leases commencing on or after October 1, 1997 and on or before September 30, 1998:           2%

--For two year renewal leases commencing on or after October 1, 1997 and on or before September 30, 1998:           4%

For a renewal lease on a dwelling unit with a lawful rent of \$400 or less per month on September 30, 1997 the levels of rent increase for renewal leases commencing October 1, 1997 through September 30, 1998 are the same as those set forth hereinabove plus \$15 per month provided the monthly rent resulting from application of this level of increase or any portion thereof does not exceed \$415.

LEASES ON VACANT LOFT UNITS

No Vacancy Allowance is permitted under this Order. Therefore, except as

otherwise provided in Section 286, subdivision 6, of the Multiple Dwelling Law, or by other law, the rent charged to any tenant for a vacancy lease commencing on or after October 1, 1997 and on or before September 30, 1998 may not exceed the "base rent" referenced above plus the level of adjustment permitted above for renewal leases and the supplementary adjustment of \$15, if applicable.

#### FRACTIONAL TERMS

For the purposes of these guidelines any lease or tenancy for a period up to and including one year shall be deemed a one year lease or tenancy, and any period over one year and up to and including two years shall be deemed a two year lease.

#### ESCALATOR CLAUSES

Where a lease for a dwelling unit in effect on May 31, 1968 or where a lease in effect on June 30, 1974 for a dwelling unit which became subject to the Rent Stabilization Law of 1969, by virtue of the Emergency Tenant Protection Act of 1974 and Resolution Number 276 of the New York City Council, contained an escalator clause for the increased costs of operation and such clause is still in effect, the lawful rent on September 30, 1997 over which the fair rent under this Order is computed shall include the increased rental, if any, due under such clause except those charges which accrued within one year of the commencement of the renewal lease. Moreover, where a lease contained an escalator clause that the owner may validly renew under the Code, unless the owner elects or has elected in writing to delete such clause, effective no later than October 1, 1997 from the existing lease and all subsequent leases for such dwelling unit, the increased rental, if any, due under such escalator clause shall be offset against the amount of increase authorized under this Order.

#### SPECIAL ADJUSTMENTS UNDER PRIOR ORDERS

All rent adjustments lawfully implemented and maintained under previous apartment orders and included in the base rent in effect on September 30, 1997 shall continue to be included in the base rent for the purpose of computing subsequent rents adjusted pursuant to this Order.

#### SPECIAL GUIDELINE

Under Section 26-513(b)(1) of the New York City Administrative Code, and Section 9(e) of the Emergency Tenant Protection Act of 1974, the Rent Guidelines Board is obligated to promulgate special guidelines to aid the State Division of Housing and Community Renewal in its determination of initial legal regulated rents for housing accommodations previously subject to the City Rent and Rehabilitation Law which are the subject of a tenant application for adjustment. The Rent Guidelines Board hereby adopts the following Special Guidelines:

- For dwelling units subject to the Rent and Rehabilitation Law on September 30, 1997, which become vacant after September 30, 1997, the special guideline shall be the greater of 40% above the maximum base rent as it existed or would have existed, or 50% above the maximum collectible rent paid by the prior tenant plus the allowable fuel cost adjustment.

#### DECONTROLLED UNITS

The permissible increase for decontrolled units as referenced in Order 3a which become decontrolled after September 30, 1997, shall not exceed the greater of 40% above the maximum base rent as it existed or would have existed, or 50% above the maximum collectible rent paid by the prior tenant plus the allowable fuel cost adjustment.

#### CREDITS

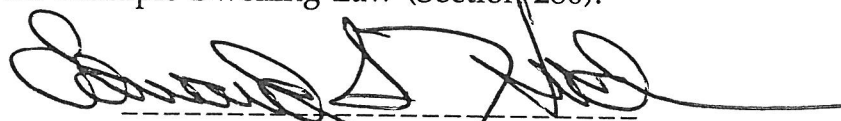
Rentals charged and paid in excess of the levels of rent increase established by this Order shall be fully credited against the next month's rent.

#### STATEMENT OF BASIS AND PURPOSE

The Rent Guidelines Board is authorized to promulgate rent guidelines governing apartment units subject to the Rent Stabilization Law of 1969, as amended, and the Emergency Tenant Protection Act of 1974, as amended. The purpose of these guidelines is to implement the public policy set forth in Findings and Declaration of Emergency of the Rent Stabilization Law of 1969 (§26-501 of the N.Y.C. Administrative Code) and in the Legislative Finding contained in the Emergency Tenant Protection Act of 1974 (L.1974 c. 576, §4 [§2]).

The Rent Guidelines Board is also authorized to promulgate rent guidelines for loft units subject to Section 286 subdivision 7 of the Multiple Dwelling Law. The purpose of the loft guideline is to implement the public policy set forth in the Legislative Findings of Article 7-C of the Multiple Dwelling Law (Section 280).

Dated: June 23, 1997

  
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Edward S. Hochman, Esq.  
Chairman  
Rent Guidelines Board