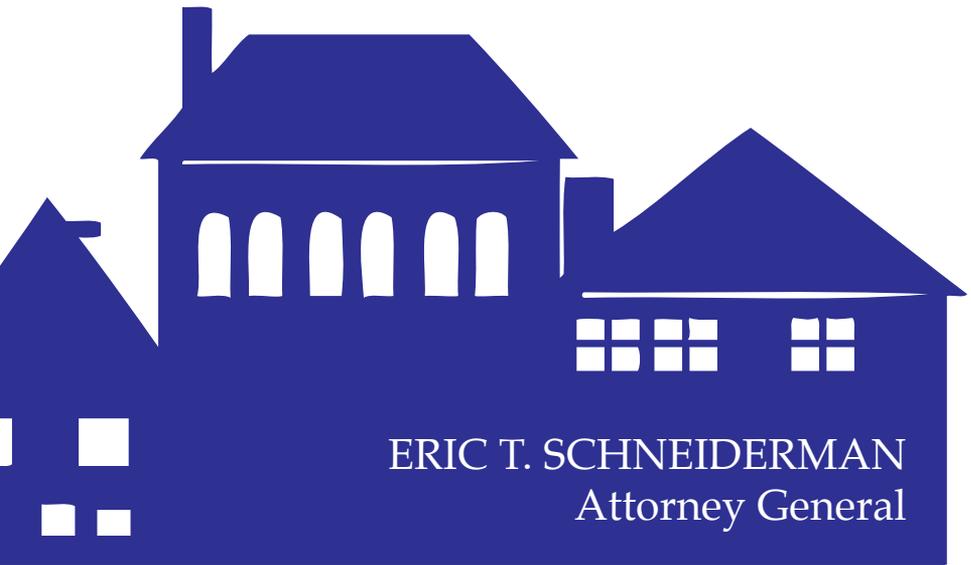


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COOPERATIVE  
& CONDOMINIUM  
CONVERSION HANDBOOK

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ERIC T. SCHNEIDERMAN  
Attorney General



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# ERIC T. SCHNEIDERMAN

## Attorney General



Dear New Yorker:

Converting a rental apartment building to a cooperative or condominium is a technical and complex process. While New York State generally provides many protections for tenants, laws and regulations can differ by region or municipality. This handbook can help tenants better understand the process they are facing.

It's a good idea for tenants whose buildings are being converted to consult a lawyer to ensure that their rights are protected. An attorney familiar with the conversion process will be able to explain it completely and objectively, and may be retained to represent the tenants in their negotiations with the building owner.

If you are considering buying your apartment, you should also consult a lawyer and an accountant, just as you would if you were buying a house. An accountant will aid you in understanding the financial statements contained in the offering plan you receive before purchasing.

This purchase may be one of the most important financial transaction of your life, and you should have all the facts needed to make a well-informed decision.

Sincerely,

A handwritten signature in black ink that reads "Eric Schneiderman". The signature is fluid and cursive, with the first name "Eric" being larger and more prominent than the last name "Schneiderman".

Eric T. Schneiderman

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## **Contact**

**If you need copies of regulations and other materials  
related to cooperative and condominium conversions,  
please contact:**

**Office of the Attorney General  
Real Estate Financing Bureau  
120 Broadway, 23rd floor  
New York, N.Y. 10271  
212-416-8122  
[www.ag.ny.gov/bureau/real-estate-finance-bureau](http://www.ag.ny.gov/bureau/real-estate-finance-bureau)**

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# Section 1

## Terms to Know

*As you become familiar with the co-op and condominium conversion process, you may run into unfamiliar terms or usages. Here are some useful definitions.*

**Acceptance For Filing:** The formal act by which the Attorney General authorizes the public offering of interests in a plan for a cooperative, condominium or homeowners associations.

**Black Book:** The offering plan accepted for filing by the Attorney General and used by the sponsor as the sales document for a cooperative, condominium or homeowner's association.

**By-laws:** The framework of rules and regulations adopted by a cooperative corporation or condominium board of managers which governs the meetings and internal operations of the board of directors or managers.

**Closing Date:** In a condominium, the date on which title to the unit passes from the sponsor to the purchaser. In the case of most cooperatives, the date on which title passes from the sponsor to the cooperative corporation, and also the approximate date the shares are issued to the individual purchasers.

**Condominium Declaration:** The document which legally establishes a condominium. The declaration contains the by-laws, which provide for the use and disposition of property within the framework of the New York State Condominium Act.

**Declaring the Plan Effective:** The sponsor's statement that purchase agreements for required number of apartments have been obtained to permit the conversion. An amendment disclosing or confirming the effectiveness of the plan must usually be accepted for filing by the Attorney General and presented to the tenants before any closing may occur, except in buildings with five or fewer units.

**Eviction Plan:** A plan for converting residential property to cooperative or condominium ownership which provides that non-purchasing tenants will be subject to eviction after the expiration of specific time periods set by law.

**Maintenance Charges:** Monthly payments made by tenant-shareholders in a cooperative corporation for the expenses of operating the building, including real estate taxes, underlying mortgage payments, fuel

and employee salaries.

**Non-Eviction Plan:** A plan for converting a residential property to a cooperative or condominium ownership which provides that tenants may not be evicted for failure to buy their apartments.

**Presentation of the Plan:** The date on which the final offering plan or black book is given to the tenants by the sponsor.

**Proprietary Lease:** The agreement between a cooperative tenant-shareholder and the cooperative corporation which defines the rights and obligations of each party regarding use and occupancy of the apartment.

**Red Herring:** The proposed (or preliminary) offering plan of cooperative or condominium ownership, submitted by the sponsor to the Attorney General and to tenants, and which is subject to modification.

**Reserve or Working Capital Fund:** A fund set aside by the sponsor from apartment sales for use by the cooperative corporation or condominium for future capital improvements or expenses.

**Sponsor:** The individual, partnership, corporation or other legal entity that offers the sale of interests in a cooperative, condominium, time-share or homeowners associations.

**Subscription Agreement or Purchase Agreement:** The contract in which a purchaser agrees to buy a condominium unit or shares of stock in a cooperative corporation.

## Section 2

### Types of Housing Ownership

#### Cooperatives (Co-ops)

When a building is converted to cooperative ownership, legal title to the building is transferred to an apartment corporation which has been formed to own and operate the building. The residents of a cooperative do not actually buy their individual apartments. Rather, they buy shares in the cooperative corporation based on, for example, the size and location of the apartment, and receive a proprietary lease from the co-op to the apartment in which they reside.

The long-term proprietary lease for the apartment defines the buyer's rights and obligations with respect to the possession and use of the apartment.

The cooperative corporation that owns the building pays the building's expenses, including the building's mortgages, utilities, taxes, insurance, and payroll. Referred to as "maintenance charges," these expenses are paid by each shareholder and are calculated on "per share" basis. Maintenance charges will usually increase over the course of time, and reflect increased costs of taxes, services or repairs to the building.

An apartment buyer can finance the purchase of the co-op shares with a loan from a bank. If a buyer finances the purchase of the co-op shares, the total carrying costs are the loan payment and maintenance charges.

Apartment buyers may be able to claim income tax deductions for the portion of maintenance charges used to pay interest on the building's mortgage and its real estate taxes. In addition, the interest (but not the principal) paid on a loan to purchase co-op shares is usually tax deductible.

**Each offering plan must explain the income tax deductions available to shareholders. The tax laws are complex and the Attorney General advises purchasers to consult an attorney or accountant.**

The cooperative corporation is governed by a board of directors, elected by the co-op's shareholders. The board's powers and responsibilities, as well as the rights and obligations of the co-op's shareholders, are set forth in the by-laws and in the proprietary lease. A copy of these documents are included in the offering plan.

## **Condominiums**

When a building is converted to condominium ownership, the purchaser buys the actual apartment (or unit) and, together with the other unit owners, an "undivided interest" in the common elements of the building or development. Common elements include the building's land, the lobby, public halls, driveways, shared amenities, access roads and parking areas, and the utilities systems.

Condominium purchasers own and receive deeds for their individual units, and consent to have the condominium's affairs be operated by its board of managers. Each unit owner is responsible for paying a proportionate share of the building's fuel costs, building employee salaries, and other expenses of operation. These costs are referred to as "common charges."

Additionally, each unit owner pays real estate taxes, separately assessed against each unit, and the cost of any mortgage obtained to finance the original purchase of the unit. The unit owner may deduct these tax payments and the payments of interest (but not principal) on the mortgage, from taxable income.

The condominium is governed by a board of managers elected by the unit owners. The board's authority is explained in the condominium declaration and by-laws, which are included in the offering plan. These provide rules and procedures for conducting the affairs of the condominium and define the rights and obligations of unit owners.

## Section 3

### Basic New York Laws

*Different laws apply in various parts of New York State to the conversion of rental apartment buildings to cooperatives and condominiums.*

#### **The Martin Act**

Martin Act (Article 23-A of the General Business Law) applies to the public offering of cooperative interests in realty, including co-op shares, condo units, timeshares, or interests in homeowners associations. The law requires that the sponsor of these kinds of real estate offerings fully disclose all the material terms in an offering plan. No advertising or sales may take place unless the offering plan or prospectus, containing all the detailed information necessary for a purchaser to make a reasoned judgment about the decision to buy or not to buy, has been accepted for filing by the Attorney General.

One section of the Martin Act (352-eeee) governs the conversion of residential apartment buildings in New York City. A second (352-eee) applies to those cities, towns and villages in the counties of Nassau, Rockland and Westchester that have passed resolutions adopting the coverage of the law. A third (352-e(2a)) protects senior citizens and disabled tenants in the municipalities throughout the state that have adopted the law.

These laws provide specific protection for tenants living in buildings undergoing conversion, and require that offering plans include explanations of the rights and obligations of both purchasers and non-purchasers. These protections are explained further in Section 5.

#### **The Rent Stabilization Law and Code and The Rent Control Law**

The Rent Stabilization Law and Code and the Rent Control Law offer additional protection for New York City tenants living in rent-stabilized and rent-controlled apartments undergoing conversion.

## **The Emergency Tenant Protection Act and The Emergency Housing Rent Control Law**

The Emergency Tenant Protection Act (ETPA) and the Emergency Housing Rent Control Law (EHRC) provide certain rights to tenants living in buildings outside New York City that are covered by these laws.

## **The Condominium Act**

The Condominium Act details requirements for condominiums throughout the state (Article 9-B of the Real Property Law).

**The laws in effect in the particular area of the state where the building is located must be explained in the offering plan. See Section 5 for details.**

## Section 4

### The Conversion Process: Step By Step

#### Proposed Offering Plans or “Red Herrings”

Before an owner or “sponsor” may convert a rental apartment building into a condo or co-op, they must present a proposed offering plan to each tenant and to the Attorney General. This is a preliminary prospectus of the proposed conversion. It is referred to as a “Red Herring” because the legend on its cover must be printed in bold red lettering.

Apartments cannot be sold on the basis of the Red Herring. The information is subject to review and may be supplemented or changed as determined by the Attorney General. The sponsor may also change the terms of the Red Herring. Until the review is completed, and the final version, called the “Black Book,” is accepted for filing, no sales or advertisements are permitted.

#### The Role of the Attorney General

Before accepting the Black Book for filing, the Attorney General’s office reviews its contents and supporting documents submitted by the sponsor to determine whether the sponsor has complied with tenant protection laws and whether the plan appears to disclose all of the information required by law. By accepting a plan for filing, the Attorney General is indicating only that the sponsor appears to have made the required disclosures and followed proper procedures for the offering. Responsibility for full compliance lies with the sponsor.

Accepting the plan does not constitute a value judgment on the plan. It does not mean the Attorney General has approved the financial terms, the price, the description of the building’s condition or any other aspect of the plan. ***Prospective purchasers are strongly encouraged to consult an attorney or accountant to determine if purchasing is right for them.***

#### Tenants’ Independent Evaluation

The “Red Herring” review period gives tenants an opportunity to gather information to help them make well-informed decisions about buying

their apartment. Tenants often organize and hire professionals, such as attorneys and engineers, to help them evaluate the plan and assess the condition of the building.

Tenants in New York City and the three suburban counties of Nassau, Rockland and Westchester must be informed by the sponsor of their right to have the building inspected by registered architects or professional engineers at any time after a Red Herring is submitted to the Attorney General. The inspection must be made during normal business hours, upon written request to the sponsor.

Tenants or their attorney should notify the Attorney General of important facts they believe may have been omitted or differ from the Red Herring. If there are significant differences between the information submitted by the sponsor and that submitted by the tenants, the Attorney General may require further disclosure.

### **Time Frame for Review**

When the Attorney General's office determines that all of the material facts concerning the building appear to have been adequately disclosed, and makes all the findings required by law, the offering plan is accepted for filing. This is called the Black Book. In the case of buildings occupied for residential purposes, the Attorney General may not accept the plan in less than four months after its submission. In no more than six months, the sponsor must be informed that the plan is either accepted for filing or is deficient and must be modified.

### **Eviction and Non-Eviction Plans**

The sponsor may choose to convert the building under either an eviction plan or a noneviction plan. A sponsor who presents the tenants with an eviction plan may subsequently change it to a non-eviction plan. Such a change might occur, for example, if the number of tenants who agree to purchase their apartments is below the minimum required to put an eviction plan into effect. However, a plan which is initially presented as a non-eviction plan may not be changed to an eviction plan.

**Under an eviction plan**, a non-purchasing tenant may be evicted from an apartment by the purchaser or the sponsor after a certain period of time. However, the conditions governing an eviction plan differ according to the location of the building and laws and regulations in effect in that community.

**Under a non-eviction plan**, non-purchasing tenants may not be evicted for failure to buy their apartments; they may continue to occupy them as rental tenants.

### *Laws Vary by Community*

*The rights of nonpurchasing tenants vary depending upon where the building is located. For more specific information about your rights under both eviction and non-eviction plans, see Section 5.*

## **Special Protections for Senior Citizens and Disabled Persons in Eviction Plans**

Senior citizens in New York City, in the Nassau, Rockland and Westchester County municipalities that have adopted the conversion laws, and in municipalities elsewhere in the state that have adopted the senior citizen and disabled tenant protection law, are protected against eviction if they choose not to purchase their apartments.

### **Senior Citizens**

To be eligible for this protection, a senior citizen, or his or her spouse, must be renting an apartment in New York City, or in a municipality that has adopted the law, and must be at least 62 years old on the date the plan is accepted for filing by the Attorney General. The senior citizen must complete a special exemption form and submit it to the sponsor or the sponsor's representative (not to the Attorney General) within 60 days of having received the final offering plan. In municipalities described above, a blank exemption form must be contained in the copies of the plan distributed to tenants by the sponsor.

In municipalities who have adopted the law in Nassau, Rockland and Westchester counties, protection against eviction is automatic for senior citizens which have adopted the law who are 62 years old on the date the plan is declared effective. Although not required to submit an

exemption form, they are strongly advised to do so to ensure that the sponsor knows they are protected against eviction.

***Contact the municipality in which the building is located to determine which laws apply.***

Eligible senior citizens who have filed an extension form may change their minds and become purchasers. They can purchase at the price offered to other tenants in the building at the time they inform the sponsor of their decision to buy.

A senior citizen may stay in the apartment after the building is converted, as long as their rent and other obligations are met. The apartment may be sold, in which case the buyer becomes the senior citizen's new landlord, with all of the responsibilities of the previous landlord to repair and paint the apartment. If the apartment was covered by rent control, rent stabilization or ETPA before the conversion, that law continues to apply after the conversion.

### **Disabled Persons**

To be eligible for protection against eviction, a disabled person must satisfy all four of the following conditions as of the date the offering plan is accepted for filing by the Attorney General:

1. The tenant or spouse must have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling or any controlled substance, which is demonstrable by medically acceptable clinical and laboratory diagnostic techniques; and
2. The impairment must be expected to be permanent; and
3. The impairment must prevent the tenant from engaging in any substantial gainful employment; and
4. The tenant or spouse must elect not to purchase the apartment by completing a special form distributed by the sponsor in the final offering plan. The completed form must be given to the sponsor within 60 days of the presentation of the plan.

Tenants who first become disabled after the plan is accepted for filing may still qualify, subject to certain legal conditions. They must complete the appropriate forms within 60 days following the onset of the disability.

If a disabled tenant remains in their apartment, it still may be sold. The buyer becomes the new landlord, with all of the responsibilities of the previous landlord. If the apartment was covered by rent control, rent stabilization or ETPA before the conversion, that law continues to apply after the conversion.

Within 30 days of receiving an exemption form, a sponsor who contests this status must inform the Attorney General that he or she disputes the eligibility of a person claiming senior citizen or disabled status. After reviewing the relevant documentation, the Attorney General will issue a determination as to the individual's eligibility.

### **The Final Offering Plan or “Black Book”**

A black book is a final offering plan for a co-op or condo that has been accepted for filing by the Attorney General's office. In place of the red legend on the cover of the Red Herring, this plan will have a statement in black lettering. This indicates that the Black Book, which tenants will receive from the sponsor, constitutes the offer to sell units on the terms and conditions set forth in the plan. The date of the Attorney General's acceptance of the plan for filing will be shown on the cover.

Acceptance of the plan by the Attorney General does not automatically mean that the building will be converted. A specified number of apartments must be purchased before the plan can be declared effective and the building actually converted. The sponsor may also choose to abandon the plan and continue to operate the building as a rental property.

### **Rights of Tenants to Purchase**

For 90 days from the date the Black Book is presented to them, tenants who were in occupancy on the date the offering plan was accepted for filing, including, but not limited to, rent-controlled and rent-stabilized

tenants, have the exclusive right to purchase their apartments or the corresponding shares. During this time, the tenant's apartment may not be shown to a prospective buyer unless the tenant has, in writing, waived the right to purchase.

For six months following the expiration of the 90-day exclusive purchase period, tenants facing eviction plans in New York City, as well as Nassau, Rockland and Westchester Counties may still purchase their apartments, but they must be willing to do so on the same terms as non-tenants. Sponsors who sell an apartment to an outside purchaser during this six-month period must notify the tenant that a contract has been signed for its sale; the tenant then has 15 days to match the terms of the contract and purchase the apartment.

Tenants of apartments covered by the state rent control law also have the right to match an outside offer for purchase of their apartments.

**Even if the minimum number of subscription agreements is signed before the end of the 90-day exclusive buying period, the remaining tenants still have the right to buy until the end of the period.**

### **Changes in Plan Extend Buying Period**

The addition of a "substantial" amendment to the offering plan (such as an increase in the reserve fund or a change from an eviction plan to a noneviction plan) requires that the original exclusive buying period be extended for another 30 days. An amendment will never cut short the original exclusive buying period; it will only extend it. If the amendment is presented after the 90 day period has expired, tenants are given an additional 30-day exclusive period.

If a sponsor in New York City, or in electing localities of Nassau, Rockland and Westchester Counties substitutes a non-eviction plan for an eviction plan, any tenant who purchased under the original eviction plan has 30 days from the date the amended plan is received in which to rescind the purchase agreement. Tenants elsewhere in the state have at least 15 days to rescind.

## **Required Postings**

In New York City and areas covered by the conversion laws, the sponsor must post the percentage of tenants who have signed subscription agreements in a prominent place in the building. This must be done every 30 days until the plan is either declared effective or abandoned. This list must also be filed with the Attorney General. However, no posting is required in areas not covered by the conversion laws.

## **Vacant Apartments**

Apartments unsold at the time a plan is declared effective remain the property of the sponsor, who may sell them for whatever the market will bear.

Building owners may be tempted to “warehouse” apartments by not renting them as they become vacant if they are contemplating a conversion plan. In New York City, Nassau, Rockland and Westchester Counties, this practice is restricted; a conversion plan may be rejected by the Attorney General if he finds that excessive warehousing has occurred.

Specifically, if the Attorney General determines that for more than the five months immediately preceding submission of the Red Herring, the number of vacant apartments has exceeded 10% of the total number of rental units in the building, and if that rate is more than double the “normal” average vacancy rate for the previous two calendar years the plan will not be accepted for filing. Apartments that first become vacant less than five months before the Red Herring is submitted are not considered “warehoused” units.

## **Protections Against Harassment**

The conversion laws in New York City and Nassau, Rockland and Westchester Counties specifically prohibit any person from interrupting, discontinuing or interfering with any essential service which substantially disturbs the comfort or peace and quiet of any tenant who uses or occupies an apartment. The tenant, or the Attorney General, may take legal action to restrain such conduct.

## **Section 5.**

### **Tenants Rights**

#### **New York City**

##### **Eviction Plan**

For an eviction plan to be declared effective, 51% of the bona fide tenants in occupancy (excluding from the calculation eligible senior citizen and disabled tenants) of all the dwelling units on the date the Attorney General accepts the offering plan for filing (the “acceptance date”) must sign written purchase agreements.

The terms of the offering must be stated in good faith without fraud and with no discriminatory repurchase agreement or other discriminatory inducement. If the sponsor does not obtain the required percentage of purchase agreements within 15 months from the acceptance date, the conversion plan is considered abandoned, and no new conversion plan may be submitted to the Attorney General for at least one year.

##### *Bona Fide Tenants*

Apartments purchased by the sponsors or their principals will not be counted toward the 51% needed to declare the plan effective, unless they can be proven to be bona fide tenants. Principal’s include a sponsor’s or selling agent’s relative by blood, marriage or adoption; an employee, shareholder, limited partner or business associate

##### **Protected Occupancy for Non-Purchasers**

Non-purchasing tenants may not be evicted for a minimum of three years from the date an eviction plan is declared effective. Eligible senior citizen and disabled tenants may not be evicted at any time unless they breach their leases. Rent-stabilized tenants whose leases expire less than three years after the date the plan is declared effective are entitled to renewals, extending the lease to the end of the full three-year period. Rent-stabilized tenants whose leases already extend beyond three-year period may not be evicted until their leases expire.

## **Rights of Non-Purchasing Tenants**

The building's management must provide all services and facilities required by law to purchasing and non-purchasing tenants on a non-discriminatory basis. The sponsor is responsible for seeing that these services are provided until the co-op or condominium unit owners assume control of the board of directors or board of managers.

Apartments subject to government regulation continue to be covered by those laws until the tenant moves out or until government regulation of the apartment ends. However, even in the case of apartments that are not subject to government regulation, owners may not charge unconscionable rents, that is, charge beyond ordinary rentals for comparable apartments.

Non-purchasing tenants may be subject to eviction for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of obligations under the rental agreement. However, the apartment's owner may not evict a non-purchasing tenant merely because the owner or the owner's family wishes to occupy the apartment.

## **Non-Eviction Plans**

For a non-eviction plan to be declared effective, at least 15% of the dwelling units must be sold to bona fide tenants or non-tenant purchasers who intend, or whose family members intend to occupy the unit when it becomes vacant. The percentage may include sales of vacant and occupied apartments. However, an outside purchaser of an occupied apartment may not evict the tenant living in the apartment. The tenant may continue in occupancy as a rent-stabilized or rent-controlled tenant, paying rent to the outside purchaser or the sponsor, who must provide all the services required under applicable laws.

## **Nassau, Rockland and Westchester Counties**

*Cities, towns and villages in Nassau, Rockland and Westchester Counties are permitted by law to adopt General Business Law Section 352-eee and the Emergency Tenant Protection Act (ETPA), the suburban rent-stabilization program. Contact the municipality in which the building is located to determine which laws apply.*

The state rent control program is in effect in a small number of municipalities in the three suburban counties, and other communities have adopted the special senior citizen and disabled tenant protection law. This section is applicable only to those cities, towns and villages in Nassau, Rockland and Westchester Counties that have adopted General Business Law Section 352-eee.

Rent-controlled tenants should also see the next section for a discussion of the rights of tenants living in suburban municipalities that have not adopted Section 352-eee.

### **Eviction Plans**

For an eviction plan to be declared effective, the sponsor must have obtained signed purchase agreements from: (A) 51% of the bona fide tenants in occupancy on the acceptance date, excluding from the percentage calculation the apartments of eligible senior citizen and disabled tenants; and (B) 35% of the bona fide tenants in occupancy on the acceptance date, including the apartments of eligible senior citizen and disabled tenants.

The terms of the offering must be set forth in good faith. Fraud, discriminatory repurchase agreements, and other discriminatory inducements are prohibited. If the sponsor fails to obtain the required percentage of purchase agreements within one year from the acceptance date, the plan is considered abandoned, and no new conversion plan may be submitted to the Attorney General for at least 15 months.

### *Bona Fide Tenants*

The sponsor or a principal of the sponsor who purchases an apartment will not be counted toward the percentages needed to declare the plan effective. A sponsor's or selling agent's relative by blood, marriage or adoption; an employee, shareholder, limited partner or business associate of the sponsor or the selling agent; or the selling agent will not be counted towards those percentages unless the sponsor can prove that they are bona fide tenants of the building.

### **Protected Occupancy For Non-Purchasers**

Non-purchasing tenants may not be evicted for a minimum of three years from the date an eviction plan is declared effective. Eligible senior citizens and disabled persons may not be evicted any time unless they breach their leases. The tenant of an apartment covered by ETPA, and for which the lease expires less than three years after the effective date of the plan, is entitled to a renewal extending the lease, subject to ETPA. Thereafter, the tenant may be evicted upon 90-days notice by a purchaser.

The tenant of a non-ETPA apartment is not entitled to a renewal lease, but may not be evicted before the end of the three-year period. So long as the tenant remains in the apartment the rent may not be increased unconscionably.

### **Rights of Non-Purchasing Tenants**

The building management must provide all services and facilities required by law to purchasing and non-purchasing tenants on a non-discriminatory basis. The sponsor is responsible for seeing that these services are provided until the co-op or condominium unit owners assume control of the board of directors or board of managers.

Apartments subject to government regulation continue to be covered by those laws until the tenant moves out or until government regulation of the apartment ends. However, even in the case of apartments not subject to government regulation, owners may not charge unconscionable rents, that is, rent beyond ordinary rentals for comparable apartments.

Non-purchasing tenants may be subject to eviction for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of obligations under the rental agreement. However, the apartment's owner may not evict a non-purchasing tenant merely because the owner or the owner's family wishes to occupy the apartment.

### ***Non-Eviction Plans***

For a non-eviction plan to be declared effective, at least 15% of the bona fide tenants in occupancy must sign written purchase agreements. The calculation of the percentage may include tenants who move into the building after the black book is presented.

Non-purchasing tenants who choose not to buy may not be evicted for that reason. They may continue in occupancy as rent-controlled or ETPA tenants, if applicable.

## **Municipalities that have not adopted the Cooperative & Condominium Conversion Act**

(General Business Law Section 352-eee)

### **Upstate New York and Nassau, Rockland, Suffolk and Westchester Counties**

Several complex and overlapping laws and regulations govern the rights of tenants in areas of New York State not covered by General Business Law Section 352-eee or Section 352-eee. This discussion explains the rights of:

- Tenants living in apartments in Nassau, Rockland and Westchester County communities that have adopted the Emergency Tenant Protection (ETPA) but have not adopted Section 352-eee;
- Tenants living in apartments covered by the state rent control program;
- Tenants living in municipalities that have adopted the law protecting senior citizens and disabled tenants.

**NOTE:** Contact the municipality in which the building is located to determine which laws apply

### **Eviction Plans**

Before an eviction plan may be declared effective, the sponsor must have obtained signed purchase agreements for at least 15% of the units in the building from bona fide tenants, or from purchasers who intend, or whose families intend, to occupy the building. If the sponsor has failed to obtain purchase agreements for the requisite number of rent-controlled tenants within six months after the date the black book has been presented, the plan is considered abandoned with respect to the rent-controlled apartments in the building, and those tenants may continue in occupancy indefinitely.

During the first 90 days after the plan is presented, tenants have an exclusive right to purchase their apartments. If the plan is declared effective, rent-controlled tenants have an additional 30-day period during which they have the exclusive right to purchase their apartments under the original terms.

There is no time limit for obtaining the required number of purchase agreements for apartments not covered by rent control.

### **Rights of Possession Under An Eviction Plan**

Generally, non-purchasing tenants may not be evicted from their apartments before the expiration of their leases or rental agreements. However, an ETPA tenant's lease may contain a clause permitting its termination by the purchaser of the apartment, once the plan has been declared effective on 90-days notice.

### **Rights of Senior Citizens and Disabled Tenants**

Some senior citizens and disabled tenants are entitled to greater protections than other nonpurchasing tenants faced with eviction plans. If a city, town or village adopts the law that became effective on July 29, 1983, tenants 62 years of age or older and disabled tenants who do not purchase their apartments may not be evicted for that reason. They may remain in their apartments as long as they do not breach their leases. A

list of the municipalities that have adopted the law is on page 21-23, and an updated list is maintained by the Attorney General's Real Estate Financing Bureau. Tenants who wish to claim the protection of the law should follow the procedures described in the offering plan.

**Non-Eviction Plans**

At least 15% of all units in the building must be sold to bona fide tenants or purchasers who intend that they or a family member will live in the apartment. Non-purchasing tenants may not be evicted, although their apartments or shares corresponding to their apartments may be sold. Tenants whose apartments are subject to ETPA or rent control may continue in occupancy as ETPA or rent-controlled tenants, paying rent to the purchaser of the apartment. Tenants whose apartments are not rent regulated may remain in their apartments, and they may not be charged unconscionable rents.

# Technical Assistance Resources for Cooperatives and Condominiums

## **National Association of Housing Cooperatives**

1444 I Street, NW Suite 700,  
Washington, D.C. 20005-6542  
202-737-0797

[www.coophousing.org](http://www.coophousing.org)

Email: [info@nahc.coop](mailto:info@nahc.coop)

A nonprofit national federation of housing cooperatives, mutual housing associations, member associations, other resident-owned or controlled housing.

## **Council of New York Cooperatives and Condominiums (CNYC)**

250 West 57th Street, Suite 730  
New York, NY 10107-0730  
212-496-7400

[www.cnyc.com](http://www.cnyc.com)

Email: [info@cnyc.coop](mailto:info@cnyc.coop)

A not-for-profit membership organization for housing cooperatives and condominiums in the New York area.

## **Urban Homesteading Assistance Board**

120 Wall Street, 20th Floor  
New York, NY 10005  
212-479-3300

[www.uhab.org](http://www.uhab.org)

Email: [help@uhab.org](mailto:help@uhab.org)

UHAB supports self-help housing and community building in low-income neighborhoods by training, organizing, developing, and assisting resident controlled, limited-equity housing cooperatives.

# ATTORNEY REFERRAL RESOURCE GUIDE FOR NEW YORK STATE

## Bar Associations

New York State Bar Association  
1 Elk Street Albany, NY 12207  
518-463-3200  
Attorney Referrals:  
800-342-3661  
Email: [lr@nysba.org](mailto:lr@nysba.org)  
[www.nysba.org](http://www.nysba.org)

New York City Bar Association  
42 West 44th Street  
New York, NY 10036  
212-382-6600  
Attorney Referrals:  
English Speaking: 212 -626-7373  
Spanish speaking: 212-626-7374  
[www.nycbar.org](http://www.nycbar.org)

Brooklyn Bar Association  
123 Remsen Street,  
Brooklyn, NY 11201  
718-624-0675  
Attorney Referrals:  
718-624-0843  
[www.brooklynbar.org](http://www.brooklynbar.org)

Nassau County Bar Association  
15th & West Street  
Mineola, NY 11501  
516-747-4070  
Attorney Referrals  
516-747-4832 or  
[lawyerreferral@nassaubar.org](mailto:lawyerreferral@nassaubar.org)  
[www.nassaubar.org](http://www.nassaubar.org)

Suffolk County Bar Association  
560 Wheeler Road  
Hauppauge, New York 11788  
631-234-5511  
Attorney Referrals  
631-234-5577  
Email: [scba@scba.com](mailto:scba@scba.com)  
[www.scba.org](http://www.scba.org)

Bronx County Bar Association  
NYS Supreme Court Building  
851 Grand Concourse,  
Bronx, New York 10451-2937  
718-293-2227  
Attorney Referrals: 718-293-5600  
[www.bronxbar.com](http://www.bronxbar.com)

Queens County Bar Association  
90-35 148th Street  
Jamaica, NY 11435-4097  
718-291-4500  
Attorney Referrals:  
[lrs@qcba.org](mailto:lrs@qcba.org)  
[www.qcba.com](http://www.qcba.com)

Richmond County Bar Association  
152 Stuyvesant Place  
Staten Island, NY 10314 - 0593  
718-442-4500  
[www.thercba.com](http://www.thercba.com)

Westchester County Bar Association  
One North Broadway, Suite 512  
White Plains, NY 10601  
914-761 - 3707  
Attorney Referral  
914-761-5151  
[www.wcbany.org](http://www.wcbany.org)  
585-546-7430

