

KNOW YOUR TENANT RIGHTS

Preferential Rents are Now Permanent

Learn about your rights and 2019 rent laws

What is a preferential rent?

Many tenants have leases allowing them to pay a preferential rent that is less than the maximum the landlord can charge under rent stabilization laws. These leases show two rents: a higher "legal rent" or "LRR," and a lower preferential rent that the tenant pays.

Under recent rent laws, your landlord can no longer end your preferential rent:

Your renewal lease rent must be based on the preferential rent, and your landlord can only charge the preferential rent plus the applicable increases set by the City's Rent Guidelines Board. As of October 2019, your rent can be increased 1.5% and 2.5% for one- and two-year renewal leases.

Your preferential rent continues for family:

Your preferential rent continues when a family member (or family-like person) living with you takes over ("succeeds to") your tenancy.

Preferential rent doesn't continue to a new tenancy:

If no one takes over your tenancy when you leave, the landlord can charge the next tenant the higher Legal Regulated Rent, unless you leave due to the landlord's failure to make repairs. This gives the landlord a reason to try to push out tenants who have preferential rents.

The 2019 rent laws apply to leases in effect on June 17, 2019 and to renewals after that date:

Under the old law, a landlord could take away your preferential rent at the end of your lease, unless your lease said it continued throughout your tenancy. That let landlords push out tenants by charging sudden large rent increases when leases expired. Landlord also imposed these increases to punish tenants for demanding repairs.

If you have a preferential rent and your landlord is trying to take it away or evict you because of it, contact Legal Services NYC at 917-661-4500, or make a complaint to DHCR at 718-739-6400.