

EXCLUSIVE: 'Tenant relocater' put out of business by AG Eric Schneiderman

BY GREG B. SMITH

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Michel Pimienta agreed to pay a \$40,000 fine and give up his efforts to 'relocate' rent-controlled tenants out of their buildings.

On the frontlines of New York City gentrification, tenants of rent-controlled apartments view 'tenant relocater' Michel Pimienta as a hired gun.

They say he threatens eviction, accuses them of illegal sub-letting — anything to get them out so the landlord can start collecting hefty market rate rent in gentrifying neighborhoods.

Over the last decade, he's been accused of following tenants to work and questioning their colleagues about the tenants' living situations. He's allegedly told tenants the decrepit conditions they endure won't be fixed anytime soon, so they might as well just get out.

And as of this week, he's out of business.

Pimienta is the first casualty in state Attorney General Eric Schneiderman's new campaign to end the scorched-earth tactics of so-called 'tenant relocators.' Fielding dozens of complaints from frightened tenants, Schneiderman last week got Pimienta to agree to pay a \$40,000 fine and give up his 'relocation' efforts.

'This agreement will help ensure that lawful tenants are not harassed or pressured into giving up their homes by an unlicensed and unscrupulous tenant relocater,' Schneiderman said.

In signing the agreement, Pimienta — who lives in a Midtown high-rise with concierge, pool and health club that boasts 'an unparalleled level of white glove service' — neither admitted nor denied the charges.



Attorney General Eric Schneiderman is working to end the scourge of so-called 'tenant relocators.' (JAMES KEIVOM/NEW YORK DAILY NEWS)

On Friday Pimienta declined comment, saying he would have his lawyer respond. The lawyer never did.

Schneiderman says tenant relocators like Pimienta are increasingly common as working class neighborhoods filled with rent-stabilized apartments find themselves transformed by gentrification. The AG recently accused another tenant relocater, an ex-cop named Anthony Falconite, of harassing tenants. That matter is pending.

Some landlords use aggressive tactics to clear buildings of what they call low-rent tenants. BSD Equities, a real estate management company that has employed Pimienta, is up-front about this.

An ever increasing number of first time developers are entering the market and need expert assistance with the process of relocating sub-market tenants in order to achieve their assets full potential, BSD's website states. Landlords have contracted with us to vacate buildings that are for sale or set for development.

BSD did not respond to a request for comment.

Schneiderman says Pimienta harassed tenants on the Lower East Side and in Gowanus, Brooklyn — both neighborhoods with raging real estate prices.

He alleges that for years, Pimienta operated illegally without the required brokers license in more than 60 rent-regulated buildings in Manhattan, Brooklyn and the Bronx.

Tenants who've faced Pimienta are breathing a sigh of relief after years of alleged abuse. As far back as 2005, Pimienta was red-tagged by state regulators after harassing a tenant in the East Village by accusing him of running a brothel.

To settle that complaint, the tenants' landlord agreed to terminate Pimienta.

But he didn't go away.

We're surprised at how brazen this guy is, said Brandon Kielbasa, tenant organizer with the nonprofit Cooper Square Committee.

There was behavior that was clearly intimidating, like constant calls coming in. He'd say 'The building is a mess, you should just get out.' He's just there to use every possible inroad to get these people to give up their apartments.



Pimienta lives in this pricey Midtown high-rise on E. 57 St. (ANDREW SAVULICH/NEW YORK DAILY NEWS)

At a Ludlow St. building on the Lower East Side, the rationale for replacing rent-stabilized units – which averaged \$1,200 a month – with market rate apartments – which could easily fetch \$4,000 a month – was obvious.

One tenant who didn't want her name used recalled how Pimienta repeatedly pressed her to accept a buyout even after she told him in vain.

It was about two months of the knocks and the creepiness, she said. He would knock on my door without warning. He would be hanging outside in the lobby.

At some point, he told her, the landlord has some information on me, but he said that was between us, like he was trying to be my friend.

At that point I was starting to get really scared, she said.

Then he called and said, I know you don't live there. I was standing in my living room. He said he was going to come over and show me a file proving I didn't live in my apartment and he was going to show it to the landlord.

When he arrived, he immediately turned around and fled when she began to tape the meeting. The next day he offered yet another buyout.

She declined.

Mary Ellen Bizzarri, 34, ran into Pimienta in 2012 after her Ludlow St. building was purchased by a new owner. She says his threats were subtle. He kept putting off providing her with paperwork for a lease renewal, and when she declined a buyout offer, he told her not to worry, nobody will touch you.

When he finally said he had renewal documents, he said he would come to my apartment.

She insisted they meet outside.

He said it felt strange that I wouldn't let him into the apartment because it seemed like I was hiding something, she recalled.

I was just really nervous that I would somehow lose my apartment because I couldn't get my lease renewal.

In January, with a lawyer's assistance, she negotiated a buyout and moved out.



This is the high-rise tower where Pimienta, alleged 'tenant relocater,' lives. (ANDREW SAVULICH/NEW YORK DAILY NEWS)

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