

## Do We Need Landlord Licensing in NYC?



📅 November 17, 2016 (<https://rentlogic.com/blog/need-landlord-licensing-nyc/>) 👤

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📁 Tenants vs. Landlords (<https://rentlogic.com/blog/category/tenants-vs-landlords/>)

In New York City, you need a license to style hair, serve food, or do manicures. But you don't need a license to put up apartments for rent in NYC. Anyone with the money to do it can buy up a building in Williamsburg, Washington Heights, or the West Village, and manage it pretty much as they please.

That's why notorious slumlords like Steven Croman, who racked up over \$1 million in outstanding fines (<https://rentlogic.com/blog/much-bad-landlording-cost-nyc/>) for running his buildings in Brooklyn and Manhattan's East Village into the ground, can harass and abuse their tenants for so long without recourse — even as renters go months without utilities, while paying out the nose.

### Unlicensed Landlord Cost Renters Big

New York is an expensive city. For every New York City apartment finder wondering, "how much rent can I afford," there's someone out there wondering, "how much rent can I charge" — and then charging it.

According to an October MNS Real Impact Real Estate report ([http://www.mns.com/pdf/manhattan\\_market\\_report\\_oct\\_16.pdf](http://www.mns.com/pdf/manhattan_market_report_oct_16.pdf)), a one-bedroom apartment for rent in Harlem would cost you **\$2,366** per month, and that's in what's supposed to be the cheapest neighborhood for apartments in Manhattan. In other words, New Yorkers are paying way, way too much money for quality they can't trust. When it comes to housing in NYC, "trust" is in short supply (<http://www.villagevoice.com/news/lets-play-whos-my-landlord-6429691>); landlords will ask for pretty much anything from would-be tenants, but that playing field is far from level.

Renters looking for apartments for rent in New York often have to hand over everything (<http://www.nytimes.com/2016/09/25/realestate/why-isnt-there-a-landlord-blacklist.html>) from employment info to credit scores, but most New York tenants have no idea who their landlord even is. Even this basic information about who owns our homes is nowhere to be found, except for on Rentlogic (<https://www.dnainfo.com/new-york/20160726/new-york-city/apartment-ratings-rent-nyc>).

The good news is, licensing isn't a total fantasy. Even if landlords don't need a license to put up apartments for rent in New York City, the NYC real estate market isn't completely lawless. Brokers in New York State are required to have a real estate salespersons license. Becoming a licensed broker in New York City can take up to several years of real estate experience; only then can they conduct real estate transactions legally in NYC.

### **Licensing Helps Hazardous Illegal Apartments**

However, there are always cases when even the best in the business are at the behest of bad landlords who fail to follow safety codes. In 2013, *The New York Times* reported (<http://www.nytimes.com/2013/04/30/nyregion/agents-now-face-fines-for-listing-illegal-apartments.html>) on how two big-name brokerage agencies — Douglas Elliman and Halstead Property — were investigated by the NYC Department of Buildings for showing illegal properties.

Using craigslist NYC, the NYC DOB investigators went undercover to view the illegal apartments for rent in basements, cellars, or garages, all without the necessary safety measures in place. Because these apartments have not been submitted to inspections, regulations, or checks, those illegal units — often hastily renovated one-bedrooms, shabby studios, and converted closet spaces — are huge hazards to residents (<https://rentlogic.com/blog/nyc-housing-explainer-nyc-hpd-nyc-dob/>), but the City is slow to respond.

Still, licensing has made a big dent in the number of cases like those. Brokers who violate the laws in place will lose their licenses, and their businesses will plummet. It's the nature of the game; by rewarding good behavior and discouraging foul play, licensing adds an incentive for putting tenants first, no matter how aggressively slumlords demand that brokers cut corners.

The evidence on licensing suggests that licensing works. It works with tattoo parlors, restaurants, body shops, and just about any other industry where public health and safety is an issue. There's impressive precedent for requiring inspections before licensing, and public

health professionals are strongly in favor of moves that increase their capacity to ensure quality, healthy housing. Licensing is the only mechanism available to ensure that tenants get protected the way they deserve, and that New York renters are paying for actually *livable* living places.





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