

Legal Alert: New York State Disclosure Form for Landlord and Tenant

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In light of the recent Department of State "guidance" on brokers fees, we suggest that all owners require their brokers to utilize the "New York State Disclosure Form for Landlord and Tenant," available at: <https://www.dos.ny.gov/forms/licensing/1735-a.pdf>.

This form should be completed indicating the broker is acting in the interest of the tenant and is the tenant's agent. This form may be used as evidence of the fact that the broker was acting in the capacity of an agent on behalf of the tenant, and not the landlord in the event of a challenge as to who is responsible for the broker's fee.

In addition to advising your brokers to use this form, you should explicitly instruct your broker of the following: The unit listings are open, non-exclusive listings. You have not been hired by, nor do you represent, the owner. In order to show any of the units listed, you must enter into a written agreement with the prospective tenant that provides that you are being hired by said prospective renter in connection with viewing and/or applying for any unit listed. The tenant should also agree in writing that that if the broker brings about the meeting of the minds between the tenant and the owner, the tenant will solely be responsible to pay all broker fees.

We will continue to provide updates on this issue as additional information becomes available.