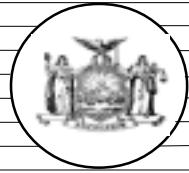


# FACT SHEET



Andrew M. Cuomo, Governor

A PUBLICATION OF NEW YORK STATE  
DIVISION OF HOUSING AND COMMUNITY RENEWAL  
OFFICE OF RENT ADMINISTRATION

## #35 Collectibility of Major Capital Improvement (MCI) and/or Owner Individual (OI) Rent Increases Where the Rent is Reduced Because of Diminution of Services

Section 2523.4 of the Rent Stabilization Code (RSC) authorizes tenants to apply to the DHCR for a reduction of the legal regulated rent to the level in effect prior to the most recent guidelines adjustment, and provides that such order reducing the rent bars the owner from applying for or collecting any further rent increases until the services are restored. The issuance of a rent restoration order results in the prospective elimination of this sanction.

Section 2503.4 of the Tenant Protection Regulations also authorizes tenants to apply to the Division for a reduction of the legal regulated rent to the level in effect prior to the most recent adjustment.

Similarly, sections 2202.16 and 2102.4 of the City and State Rent and Eviction Regulations, respectively, provide authority for the Administrator to order decreases in rent controlled maximum rents, by a specific dollar amount, upon a showing of reduction in services.

Where an MCI rent increase application was granted and collection of the increase commenced prior to the issuance of a rent reduction order, the owner will be permitted to continue to collect the MCI increase even if the effective date of the rent reduction order is prior to the effective date of the order granting the MCI increase.

Similarly, the effective date of a rent reduction order will not affect the continued collection of an OI increase, if collection of the increase began prior to the issuance of the order.

However, no other rent increases may be collected after the effective date of the rent

reduction order, until a rent restoration order is issued.

*For more information or assistance, call the DHCR Rent Infoline, or visit your Borough or County Rent Office.*

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