



Policy Statement 91-1 (January 23, 1991)

***Demolition Costs Associated
With Individual Apartment Improvements***

This policy statement is being issued to explain the instances when an owner may recover the cost of removal or demolition associated with an individual apartment improvement.

In accordance with Section 2522.4(a)(1) and (4) of the New York City Rent Stabilization Code, an owner is entitled to a rent increase when there has been a substantial increase of dwelling space; an increase in the services provided by the owner; improvements installed in the tenant's housing accommodation; or new furniture or furnishings that are provided by the owner. If there is a tenant in residence when the improvements are made, the written consent of the tenant is required. Consent is not required if the improvements are made while the housing unit is vacant. The allowable increase in the monthly stabilization rent for these improvements is one fortieth (1/40th) of the total cost including installation.

The cost associated with the removal or demolition of the item(s) being replaced can be included in the calculation for determining the allowable rent adjustment for an individual apartment improvement only when this removal or demolition is necessary and is performed contemporaneously with the completion of the work.

Any removal or demolition work performed by the owner or an employee of the owner during the course of assigned duties (i.e. removal of a refrigerator or rubbish) does not constitute an expenditure that can be included in the calculation of the rent adjustment for the individual apartment improvement.

Elliot G. Sander
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for Rent Administration*

This document is being reissued for informational purposes only.

The original document which contains signatures of authorization is on file at DHCR's Office of Rent Administration.

