PROPOSED ORDER

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In the Matter of the Application of	
mune maner er une y appreauen er	Loft Board Order No.:
	Docket No.: LE-0755 and RG-0226
	RE: 163-165 North 6 Street
	Brooklyn, New York
	IMD No. 30148

ORDER

The New York City Loft Board ("Loft Board") grants the application for the final rent order and removal of the building located at 163-165 North 6 Street, Brooklyn, New York ("Building") from the Loft Board's jurisdiction.

I. BACKGROUND

On February 1, 2024, the New York City Department of Buildings issued a residential certificate of occupancy for Building under certificate number 3062095-0000012. Pursuant to Title 29 of the Rules of the City of New York ("29 RCNY") §§ 2-01(i)(1) and (2), after issuance of a residential certificate of occupancy, an owner may apply for the percentage rent increases ("RGB Increases") established by the Rent Guidelines Board ("RGB") and rent adjustments based on the necessary and reasonable costs of code compliance.

On February 29, 2024, ("Owner"), owner of the Building filed a Notice of RGB Increase Filing ("RGB Filing") pursuant to 29 RCNY § 2-01(i) seeking RGB increases. The RGB Filing was docketed as RG-0226. Owner did not waive its right to rent adjustment based on code compliance costs. Owner served Notices of RGB Increase ("RGB Notice") on the following units:

Unit	Occupant
A7	
A9	
B6	
A11	
B4	
C5	

On April 5, 2024, the tenant in unit A7 filed a Tenant Response Form ("TRF") disputing the rent listed on the RGB Notice.

On May 17, 2024, Owner filed an application for removal from the Loft Board's jurisdiction. The Loft Board docketed the application as LE-0755.

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II. ANALYSIS

A. Registration, Coverage, and Code Compliance Pursuant to Multiple Dwelling Law § 284

On December 24, 2020, Owner registered the Building and fifteen ("15") residential units: seven residential units on each the first and second floors and one residential unit on the third floor pursuant to Multiple Dwelling Law ("MDL") § 281(6). On February 16, 2021, the Loft Board issued registration number 30148 for the Building.

On March 3, 2025, Owner amended the registration to include unit B5 on the second floor as an Interim Multiple Dwelling ("IMD") unit for a total of sixteen IMD units.

On February 1, 2024, the New York City Department of Buildings ("DOB") issued a residential certificate of occupancy ("C of O") for the Building under certificate number 3062095-0000012. The final certificate of occupancy lists ninety-two (92) residential units.

Owner has obtained a residential certificate of occupancy that accounts for all IMD units, thus Owner is in compliance with MDL § 284(1). See Loft Bd. Order No. 585 (Apr. 30, 1987).

B. Rent Regulatory Status of the IMD Units

i) Units A1, A3, A14, A16, B3, B8, B9, B10 and B12 are Not Subject to Rent Regulation Pursuant to Article 7-C.

Loft Board's records show that sales pursuant to MDL §§ 281(6) and 281(12) were executed, as follows:

Unit Number	Tenant	Date of Sale
A1		April 27, 2021
A3		April 15, 2021
A14		June 30, 2023
A16		November 21, 2022
B3		August 1, 2023
B8		August 1, 2023
B9		February 9, 2021
B10		February 15, 2021
B12		February 1, 2024

Consequently, pursuant to 29 RCNY § 2-10(d)(2), the Loft Board finds that, solely with respect to Article 7-C, units A1, A3, A14, A16, B3, B8, B9, B10, and B12 are not subject to rent regulation.

Units A7, A9, A11, B4, B5, B6, and C5 remain subject to rent regulation, and the initial regulated rents are set forth below.

C. Initial Legal Regulated Rents for Units A7, A9, A11, B4, B5, B6 and C5

Code Compliance Costs and Calculating the Initial Legal Regulated Rent

On the RGB Notice, Owner did not waive its right to seek a rent adjustment based on the costs of code compliance. However, pursuant to 29 RCNY § 2-01(i)(2)(i), an application for rent

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adjustment based on code compliance costs must be filed within nine months from the issuance of the residential certificate of occupancy. If an owner fails to timely file for the rent adjustment, the right to seek the rent adjustment is deemed waived. *Id.* Here, the DOB issued the certificate of occupancy on February 1, 2024. Nine months from the issuance of residential certificate of occupancy was November 1, 2024. Because Owner failed to seek the rent adjustment prior to November 1, 2024, we deem Owner's right to file for rent adjustments based on code compliance costs waived by operation of law.

Pursuant to 29 RCNY § 2-01(m), if the rent adjustment based on code compliance is waived, the Loft Board may establish the initial legal regulated rent for an IMD unit based on the RGB Filing, or if there is no RGB Filing, by evidence contained in the Loft Board's records, documents submitted by affected parties, and testimony of witnesses.

Pursuant to 29 RCNY § 2-01(i)(1)(i), the RGB Increases take effect on the first day of the first month following the day an owner submits an RGB Filing to the Loft Board. An RGB Increase is equal to the percentage rent increase established by the RGB as of the filing date of the Notice of RGB Filing and the percentage rent increase established by the RGB on each one or two-year anniversary thereafter. See 29 RCNY § 2-01(i)(1)(i).

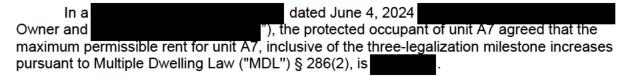
Within forty-five (45) calendar days of the mailing date of the RGB Notice, a tenant may confirm or dispute the maximum permissible rent stated in the RGB Notice and elect RGB Increases applicable to one or two years. See 29 RCNY § 2-01(i)(1)(iii)-(iv). Tenants who do not timely dispute the maximum permissible rent set forth in the RGB Notice are deemed to have accepted the amount of rent claimed by the owner in the RGB Notice. *Id.* Tenants who do not make a timely election of RGB Increases applicable to either one- or two-year leases are deemed to have elected RGB Increases applicable to one-year leases.

On February 29, 2024, Owner filed the RGB Filing. Therefore, Owner became entitled to receive RGB increases on March 1, 2024.

2. RGB Increases and the Rent Regulated Rents

Unit A7

a. Initial Legal Regulated Rent for Unit A7



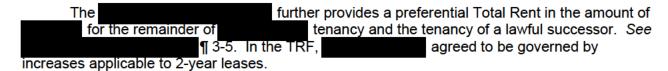
In the TRF, chose rent increases applicable to two-year leases. The RGB Increase applicable to two-year leases in effect on March 1, 2024 was 2.75% for the first year of the two-year lease and 3.20% for the second year of the two-year lease. See NYC RGB 2023 Apartment/Loft Order No. 55.

The following table includes the calculation of the initial legal regulated rent:

Date of Increase	Maximum Permissible I	Rent RGB Percentage Increase ¹	Increase Amount	New Rent	
3/1/2024 - 2/28/2025		2.75%			
3/1/2025 - 2/28/2026		3.20%			

Pursuant to 29 RCNY § 2-01(i)(1)(i), the initial legal regulated rent for Unit A7 as of March 1, 2025 is The period for this rent level is March 1, 2025, through February 28, 2026.

b. Initial Preferential Regulated Rent in Unit A7



The following table includes a calculation of the initial preferential regulated rent for unit A7:

Date of increase	Preferential Total Rent	Milestone 1 @ 3%	Rent	Milestone 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB Increase	New Rent
3/1/2024 - 2/28/2025								(2.75%)	
3/1/2025 - 2/28/2026		-	-	-	-	-	-	(3.20%)	

The initial preferential regulated rent for Unit A7 as of March 1, 2025 is period for this rent level is March 1, 2025, through February 28, 2026.

Unit A9

Initial Legal Regulated Rent for Unit A9

In a dated February 4, 2025 "), Owner and ") agreed that the total rent for unit A9, not inclusive of the three-legalization milestone increases pursuant to Multiple Dwelling Law ("MDL") § 286(2), is The Loft Board did not receive a TRF for unit A9. Therefore, pursuant to 29 RCNY § 2-01(i)(1)(iii), the tenant of unit A9 is deemed to have elected to be governed by rent increases applicable to a one-year lease. The RGB Increase applicable to one-year leases in effect on March 1, 2024 was 3%. See NYC RGB 2023 Apartment/Loft Order No. 55. The RGB Increase applicable to one-year leases in effect on March 1, 2025 was 2.75%. See NYC RGB 2024 Apartment/Loft Order No. 56.

The following table includes the calculation of the initial legal regulated rent for unit A9:

Date of increase	Total Rent	Milestone 1 @ 3%	Rent	Milestone 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB Increase	New Rent
3/1/2024 - 2/28/2025								(3%)	
3/1/2025 - 2/28/2026	-	-	-	-	-	-		(2.75%)	

	Pursuant to 29	RCNY § 2-01(i)(1)(i), the initial legal regulated rent for Unit A9 as of Marc	:h
1,	2025 is	. The period for this rent level is March 1, 2025 through February 28, 2026	i.

¹ These are the percentage increases for a two-year lease are found in RGB Order No. 55.

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c. Initial Preferential Regulated Rent for Unit A9

The further provides for a preferential Total Rent of unit A9 for the remainder of tenancy and the tenancy of a lawful successor. Loft Board did not receive a TRF for unit A9. Therefore, pursuant to 29 RCNY § 2-01(i)(1)(iii), the tenant of unit A9 is deemed to have elected to be governed by rent increases applicable to a one-year lease.

The following is the calculation of the initial preferential regulated rent for unit A9:

Date of	Preferential	Milestone	Rent	Milestone	Rent	Milestone	Rent	RGB	New Rent
increase	Total Rent	1 @ 3%_		2 @ 3%_		3 @ 6%		Increase	
3/1/2024 -									
2/28/2025								(3%)	
3/1/2025 -	-	-	-	-	-	-			
2/28/2026								(2.75%)	

The initial preferential regulated rent for Unit A9 as of March 1, 2025 is period for this rent level is March 1, 2025 through February 28, 2026.

<u>Unit A11</u>

Initial Legal Regulated Rent for Unit A11

Owner and agreed that the total rent, as defined in 29 RCNY § 2-06.3(b)(3) for unit A11, not inclusive of the three-legalization milestone increases pursuant to Multiple Dwelling Law ("MDL") § 286(2), is The Loft Board did not receive a TRF for unit A11. Therefore, pursuant to 29 RCNY § 2-01(i)(1)(iii), is deemed to have elected to be governed by rent increases applicable to a one-year lease. The RGB Increase applicable to one-year leases in effect on March 1, 2024 was 3%. See NYC RGB 2023 Apartment/Loft Order No. 55. The RGB Increase applicable to one-year leases in effect on March 1, 2025 was 2.75%. See NYC RGB 2024 Apartment/Loft Order No. 56.

The following table includes the calculation of the initial legal regulated rent:

Date of increase	Total Rent	Milestone 1 @ 3%	Rent	Milestone 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB Increase	New Rent
3/1/2024 -									
2/28/2025								(3%)	
3/1/2025 -		-	-	-	-	-			
2/28/2026								(2.75%)	

Pursuant to 29 RCNY § 2-01(i)(1)(i), the initial legal regulated rent for Unit A11 as of March 1, 2025 is The period for this rent level is March 1, 2025 through February 28, 2026.

b. Initial Preferential Regulated Rent for Unit A11

In the amount of for unit A11 for the remainder of lawful successor. Loft Board did not receive a TRF for unit A11. Therefore, pursuant to 29 RCNY § 2-01(i)(1)(iii), is deemed to have elected to be governed by rent increases applicable to a one-year lease.

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The following is the calculation of the initial preferential regulated rent for unit A11:

Date of increase	Preferential Total Rent	Milestone 1 @ 3%	Rent	Milestone 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB	New Rent
3/1/2024 - 2/28/2025								(3%)	
3/1/2025 - 2/28/2026	-	-	-	-	-	-		(2.75%)	

The initial preferential regulated rent for Unit A11 as of March 1, 2025 is period for this rent level is March 1, 2025 through February 28, 2026.

Unit B4

Initial Legal Regulated Rent for Unit B4

In a dated February 4, 2025 (*), Owner and (*) agreed that the total rent as defined by 29 RCNY § 2-06.3(b)(5)(3) for unit B4 is Loft Board did not receive a TRF for unit B4. Therefore, pursuant to 29 RCNY § 2-01(i)(1)(iii), the tenant of unit A11 is deemed to have elected to be governed by rent increases applicable to a one-year lease. The RGB Increase applicable to one-year leases in effect on March 1, 2024 was 3%. See NYC RGB 2023 Apartment/Loft Order No. 55. The RGB Increase applicable to one-year leases in effect on March 1, 2025 was 2.75%. See NYC RGB 2024 Apartment/Loft Order No. 56.

The following table includes the calculation of the initial legal regulated rent for unit B4:

Date of	Total Rent	Milestone	Rent	Milestone	Rent	Milestone	Rent	RGB	New Rent
increase		1 @ 3%		2 @ 3%	_	3 @ 6%_		Increase	
3/1/2024 -									
2/28/2025								(3%)	
3/1/2025 -	-	-	-	-	-	-			
2/28/2026								(2.75%)	

Pursuant to 29 RCNY § 2-01(i)(1)(i), the initial legal regulated rent for unit B4 as of March 1, 2025 is The period for this rent level is March 1, 2025 through February 28, 2026.

Initial Preferential Regulated Rent for Unit B4

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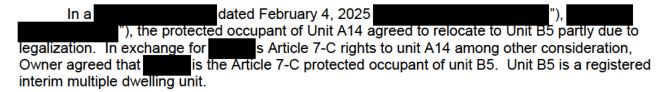
The following is the calculation of the initial preferential regulated rent for unit B4:

Γ	Date of	Preferential	Milestone	Rent	Milestone	Rent	Milestone	Rent	RGB %	New Rent
	increase	Total Rent	1 @ 3%_		2 @ 3%_		3 @ 6%_			
Г	3/1/2024 -									
L	2/28/2025								(3%)	
Γ	3/1/2025 -	-	-	-	-	-	-			
L	2/28/2026								(2.75%)	

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The initial preferential regulated rent for Unit B4 as of March 1, 2025 is period for this rent level is March 1, 2025 through February 28, 2026.

Unit B5



Inclusive of the three-legalization milestone increases pursuant to MDL § 286(2), the maximum permissible rent for unit B5 is the Loft Board did not receive a TRF for unit B5. The RGB Increase applicable to one-year leases in effect on March 1, 2024 was 3%. See NYC RGB 2023 Apartment/Loft Order No. 55. The RGB Increase applicable to one-year leases in effect on March 1, 2025 was 2.75%. See NYC RGB 2023 Apartment/Loft Order No. 56.

The following table includes the calculation of the initial legal regulated rent for unit B5:

Date of increase	Total Rent	Milestone 1 @ 3%	Rent	Mileston e 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB %	New Rent
3/1/2024 - 2/28/2025						(3%)		(3%)	
3/1/2025 - 2/28/2026	-	-	-	-	-	-		(2.75%)	

The initial legal regulated rent for unit B5 as of March 1, 2025 is The period for this rent level is March 1, 2025 through February 28, 2026.

b. Initial Preferential Regulated Rent for Unit B5

In the inclusive of the legalization milestone increases pursuant to MDL § 286(2), for the remainder of tenancy and the tenancy of a lawful successor. Loft Board did not receive a TRF for unit B5. Therefore, pursuant to 29 RCNY § 2-01(i)(1)(iii), is deemed to have elected to be governed by rent increases applicable to a one-year lease. The RGB Increase applicable to one-year leases in effect on March 1, 2024 was 3%. See NYC RGB 2023 Apartment/Loft Order No. 55. The RGB Increase applicable to one-year leases in effect on March 1, 2025 was 2.75%. See NYC RGB 2024 Apartment/Loft Order No. 56.

The following is the calculation of the initial preferential regulated rent for unit B5:

Date of RGB Increase	Maximun nissible F	-	RGB Inc	rease	New Rent		
3/1/2024 - 2/28/2025				(3%)			
3/1/2025 - 2/28/2026			(2.75%)			

The initial preferential regulated rent for Unit B5 as of March 1, 2025 is period for this rent level is March 1, 2025 through February 28, 2026.

Unit B6

Initial Legal Regulated Rent for Unit B6

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In a dated February 4, 2025 (" "),
Owner and ") agreed that the total rent as defined by 29 RCNY § 206.3(b)(5)(3) for unit B4 is Loft Board did not receive a TRF for unit B6. The RGB Increase applicable to one-year leases in effect on March 1, 2024 was 3%. See NYC RGB 2023
Apartment/Loft Order No. 55. The RGB Increase applicable to one-year leases in effect on March 1, 2025 was 2.75%. See NYC RGB 2024 Apartment/Loft Order No. 56.

The following table includes the calculation of the initial legal regulated rent:

_	ate of crease	Total Rent	Milestone 1 @ 3%	Rent	Milestone 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB %	New Rent
	/2024 - 28/2025								(3%)	
	/2025 - 28/2026	-	-	-	-	-	-		(2.75%)	

The initial legal regulated rent for unit B6 as of March 1, 2025 is this rent level is March 1, 2025 through February 28, 2026.

b. Initial Preferential Regulated Rent for Unit B6

In the provide a preferential regulated rent of the remainder of tenancy and a lawful successor. Loft Board did not receive a TRF for unit B6. Therefore, pursuant to 29 RCNY § 2-01(i)(1)(iii), the tenant of unit B6 is deemed to have elected to be governed by rent increases applicable to a one-year lease.

The following is the calculation of the initial regulated preferential rent for a lin unit B6:

Date of increase	Preferential Total Rent	Milestone 1 @ 3%	Rent	Milestone 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB	New Rent
3/1/2024 - 2/28/2025								(3%)	
3/1/2025 - 2/28/2026	-	-	-	-	-	-		(2.75%)	

The initial preferential regulated rent for Unit B6 as of March 1, 2025 is period for this rent level is March 1, 2025 through February 28, 2026.

Unit C5

a. Initial Legal Regulated Rent for Unit C5

In a dated February 4, 2025 (*** 2025), the protected occupant of Unit C5 agreed that the total rent as defined by 29 RCNY § 2-06.3(b)(5)(3) for unit C5 is . The Loft Board did not receive a TRF for unit C5. The RGB Increase applicable to one-year leases in effect on March 1, 2024 was 3%. See NYC RGB 2023 Apartment/Loft Order No. 55. The RGB Increase applicable to one-year leases in effect on March 1, 2025 was 2.75%. See NYC RGB 2024 Apartment/Loft Order No. 56.

The following table includes the calculation of the initial legal regulated rent:

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Date of increase	Total Rent	Milestone 1 @ 3%	Rent	Milestone 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB	New Rent
3/1/2024 - 2/28/2025								(3%)	
3/1/2025 - 2/28/2026	-	-	ı	-	1	-		(2.75%)	

b. Initial Preferential Regulated Rent for Unit C5

In the agreed to a total preferential rent of agreed and his lawful successors. Loft Board did not receive a TRF from unit C5. Therefore, pursuant to 29 RCNY § 2-01(i)(1)(iii), unit C5 is deemed to have elected RGB increases applicable to a one-year lease.

The following calculation of the initial preferential regulated rent:

Date of increase	Preferential Total Rent	Milestone 1 @ 3%	Rent	Milestone 2 @ 3%	Rent	Milestone 3 @ 6%	Rent	RGB 3%	New Rent
3/1/2024 - 2/28/2025								(3%)	
3/1/2025 - 2/28/2026	-	-	-	-	-	-		(2.75%)	

The initial preferential regulated rent for unit C5 as of March 1, 2025 is period for this rent level is March 1, 2025 through February 28, 2026.

III. CONCLUSION

The Loft Board finds that Owner is in compliance with MDL § 284(1).

Pursuant to 29 RCNY § 2-01(m), the Loft Board directs Owner to register:

- 1. The Building as a multiple dwelling with the New York City Department of Housing Preservation and Development ("HPD"); and,
- 2. Units A7, A9, A11, B4, B5, B6 and C5 as rent stabilized units with the New York State Homes and Community Renewal ("DHCR") or any succeeding regulatory agency. See, MDL § 286(3).

Furthermore, Owner is directed to provide the occupants of units A7, A9, A11, B4, B5, B6 and C5 with residential leases subject to the provisions of this Order, the Emergency Tenant Protection Act of 1974, the Rent Stabilization Law and Code, except to the extent that the provisions of Article 7-C are inconsistent. See, MDL § 286(3) and 29 RCNY § 2-01(m).

Effective thirty-five (35) days from the mailing date of this Order, the Building is no longer an IMD and is no longer under the jurisdiction of the Loft Board.

Dated: April 17, 2025		
	Guillermo Patino	
	Chairperson	
Board Members Concurring:		
Board Members Dissenting:		

DATE LOFT BOARD ORDER MAILED: