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## Q & A

By JAY ROMANO

### Adding Term Limits to Board Members

*Q Can a co-op add term limits for board members to its bylaws? Without limits, and with boards having great control over proxy voting at elections, it is virtually impossible to elect new members.*

**A** Tracey L. Daniels, a [Manhattan](#) lawyer who represents co-ops and condominiums, said that a co-op could amend its bylaws to include term limits if such an amendment is approved by the shareholders. Amendments to the bylaws must be approved by at least a majority of the shareholders. The co-op's governing documents often require an even greater percentage, or supermajority, which is typically two-thirds to three-quarters of the votes cast.

### A Co-op Board Rejects Buyers

*Q I have a co-op in [Queens](#) that I have been trying to sell since 2007. I have presented the board with a total of four buyers, and all four have been rejected, and the board will not give a reason. I have lowered my selling price again and again. And my lawyer says the board has the right to do this. What can I do?*

**A** Eric D. Sherman, a Manhattan real estate lawyer, says that co-op boards in New York generally are not required to provide reasons for rejecting a buyer. And, unless a rejection is based upon unlawful discrimination, their decisions will not be second-guessed by a court under the "business judgment rule." He said that in trying to determine the reason for the board's rejections, the writer should ask the real estate agents who prepared the board applications whether they are aware of any weaknesses in the applications. The writer might also ask the managing agent for suggestions concerning the qualifications of buyers. One thing that might be making the board skittish is that the writer has been lowering the sale price. "That alone could be the basis for rejection, as boards often seek to ensure that appraised values of other apartments in their buildings are not compromised by below-

market sale prices,” Mr. Sherman said. The only other option for the writer is to sue the board. Such lawsuits are difficult to win, as courts tend to give deference to board decisions.

## **Rules for Roommates of Regulated Tenants**

*Q I have heard that in a rent-regulated apartment a roommate can be charged only a “proportionate share” of the total rent. I have also been told that the law applies only to rent-stabilized apartments. Can you clarify this?*

**A** “The law applies only to rent-stabilized tenants,” said Jamie Heiberger-Jacobson, a Manhattan lawyer who specializes in landlord-tenant law. “There is no such proportionate-rent rule for rent-controlled tenants.” But, Ms. Heiberger-Jacobson said, judges have long disapproved of “profiteering” by rent-regulated tenants, which is when a subtenant or roommate is charged an amount of rent that is well in excess of the total, legal rent. Current case law states that while a rent-stabilized or a rent-controlled tenant who charges a roommate a disproportionate share of the rent will not be subject to eviction by the landlord, he or she may be subject to an overcharge complaint by the roommate before the New York State Division of Housing and Community Renewal. And if the overcharge is deemed willful, the tenant could end up paying the roommate three times the amount of the overcharge.

*Email questions to [realestateqa@nytimes.com](mailto:realestateqa@nytimes.com). Answers can be given only through the column.*