



## Concerning Seasonal Rentals - by Thomas Kearns

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One of the ironies of the substantial changes made under New York State's 2019 Housing and Stability and Tenant Protection Act is that the provisions limiting security deposits to one month's rent negatively affected luxury seasonal rentals in the Hamptons and other vacation areas. Seasonal leases often required advance payment of at least half of the rent for the season. No exception for seasonal rentals appeared in the text of the 2019 statute and cautious practitioners tried various work arounds.

In September last year, New York's General Obligations Law Section 7-108 was amended to specifically exempt seasonal rentals from the one-month security deposit limit but with some caveats.

First, the property must be, and the lease must expressly state that the property is registered as a

seasonal-use dwelling unit and the lease must include the local or county government agency with which is registered. Not all jurisdictions have an agency accepting seasonal rental registrations. The towns of East Hampton, Southampton and Bedford, N.Y. appear to have rental registries. In a quick search, I did not find a seasonal rental registry for the Village of Rhinebeck or Dutchess County, for example. The new statute mentions a state registry, but I was not able to find any such registry. It's unclear as to the impact of the lack of such office under the new statute.

Second, the lease can't exceed a 120-day term, and the property can't be rented as a seasonal rental to anyone for more than 120 days per annum, and third, the tenant must have, and the lease must recite, the primary residence of the tenant that the tenant may return to after the lease expires.

All of this seems like a lot of legislative brain power and ultimately a lot of local government administrative headaches to combat a problem not well known to this author: Rich people being abused on their summer rental! Good luck to all trying to comply with these requirements.

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