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Int. No. 888-A

By Council Members Hudson, Brewer, Hanif, Williams, Louis, Ossé, Joseph, Schulman, Farías, Narcisse, Gutiérrez, Rivera, Bottcher, Hanks, Gennaro, Banks and the Public Advocate (Mr. Williams)

A Local Law to amend the administrative code of the city of New York, in relation to requiring unsolicited offers to purchase certain residential properties to include disclosures of market value

Be it enacted by the Council as follows:

Section 1. Title 22 of the administrative code of the city of New York is amended by adding a new chapter 14 to read as follows:

CHAPTER 14

DISCLOSURE OF MARKET VALUE IN UNSOLICITED OFFERS TO PURCHASE RESIDENTIAL PROPERTY

§ 22-1401 Definitions. As used in this chapter, the following terms have the following meanings:

Market value. The term "market value" means the amount listed as such on the most recent final assessment roll delivered by the department of finance to the city council pursuant to section 11-218.

Owner. The term "owner" means a natural person who has an interest in the title to a residential property.

Purchaser. The term "purchaser" means a person who submits an offer to acquire a residential property.

Residential property. The term "residential property" means 1-, 2- or 3-family residential real property classified as class 1 pursuant to subdivision 1 of section 1802 of the real property tax law.

Unsolicited offer. The term "unsolicited offer" means an offer to purchase an owner's fractional or full interest in a residential property where such owner has not solicited an offer, has not advertised such property

for sale, and has not otherwise indicated an intent to sell such property absent such offer.

§ 22-1402 Market value disclosure required. a. A purchaser making an unsolicited offer to an owner or such owner's agent must disclose to such owner or agent the market value of the residential property for which such offer is being submitted.

b. A purchaser making an unsolicited offer to an owner or such owner's agent must also disclose to such owner or agent the right of such owner or agent to acquire an independent appraisal of the value of the residential property.

c. If such offer is submitted in writing, the disclosure required by subdivisions a and b of this section must be included in a clear and conspicuous location in such writing, of the same font size as the offer, and printed in a color that sharply contrasts with the print surrounding it. If such offer is submitted orally, the purchaser submitting such offer must provide a written document to the owner or such owner's agent that clearly and conspicuously contains the information required by subdivisions a and b of this section, with the same font and color requirements set forth in this subdivision.

d. The provisions of this chapter may be enforced by the city sheriff no later than 1 year from the date of a violation of this chapter.

§ 22-1403 Penalties. a. Violations of this section may be adjudicated in a proceeding before the office of administrative trials and hearings pursuant to chapter 45-A of the charter and may be adjudicated by any division or tribunal designated by such office.

b. Any purchaser who violates any provision of this chapter or any rule promulgated thereunder is liable for a civil penalty of not more than $500 for a first violation and not more than $1,000 for a second or subsequent violation.

c. Each offer that violates any provision of this chapter or any rule promulgated thereunder constitutes a separate violation.

d. Where more than 1 offer that violates any provision of this chapter is submitted to the same owner or

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to such owner's agent, each such submission shall constitute a separate violation.

§ 22-1404 Private right of action. a. Any person alleging a violation of the provisions of this chapter may commence a civil action in any court of competent jurisdiction to seek compensatory damages, including, but not limited to, injunctive and declaratory relief, attorney's fees and costs, and such other relief as the court deems appropriate. Such civil action shall be commenced within 1 year of the date the person knew or should have known of the alleged violation.

b. The provision of this chapter shall not limit or abrogate any claim or cause of action a person has under common law or by statute. The provisions of this chapter are in addition to any such common law and statutory remedies.

c. Nothing contained in this chapter shall be construed as creating any private right of action against the city or any agency or employee thereof.

§ 22-1405 Defense. It shall be an affirmative defense in any adjudication pursuant to this chapter that an unsolicited offer was submitted to an owner by a person who has an interest in the residential property for which such offer was submitted.

§ 2. This local law takes effect 120 days after it becomes law.

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