

# The New York Times

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## Q & A

By JAY ROMANO

### Rules for Checking Buyers' Finances

*Q As a member of the screening committee of our co-op, I am concerned that we are not asking pertinent questions or using consistent rules when interviewing potential buyers. For example, shouldn't we have a set ratio between the applicant's debt and income? If so, what is a reasonable ratio? And what about escrow accounts? Is there a standard amount a board should hold in escrow to cover maintenance charges?*

**A** "Most co-op boards do not have hard-and-fast formulas or ratios, but retain the flexibility of looking at each applicant on a case-by-case basis," said Aaron Shmulewitz, a [Manhattan](#) co-op and condominium lawyer. "And for those boards that do have set ratios, there is no 'standard' ratio that is used." Generally, he added, each board establishes its own criteria based on specifically applicable factors. For example, he said, a co-op on Fifth Avenue is likely to have more stringent financial criteria than a co-op in the outer boroughs. "Many boards do require maintenance escrow accounts as a condition for closing, and that is becoming more common," Mr. Shmulewitz said, adding that escrow accounts also are typically established on a case-by-case basis.

### Storage Unit Access Affected by Storm

*Q I have been renting space in a storage facility damaged by [Hurricane Sandy](#). My space is on an upper floor that suffered no damage, but the elevator is not expected to be working for quite some time, so adding or removing heavy items is difficult. Is there any law or guideline about what a storage facility with reduced services can charge?*

**A** "I am not aware of any law or guideline about what a storage facility with impaired services can charge," said Daniel Susselnsky, a Manhattan real estate lawyer. "This should be governed by the rental agreement between the tenant and the letter writer." Mr. Susselnsky added, however, that it is likely the agreement contains a provision that b



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in the event of a “force majeure” — a occurrence beyond the control of the parties, like Hurricane Sandy.

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### **Tenant Forced Out by Bedbugs**

*Q I have had to move out of my rent-stabilized apartment because it is overrun with bedbugs coming from another tenant's apartment. Resolving the problem in the other apartment is proving to be a long process. At what point can I break my lease?*

**A** Glenn H. Spiegel, a Manhattan real estate lawyer, said that under the state's “Warranty of Habitability,” a landlord of a residential building is required to ensure that all apartments are free of dangerous or unsafe conditions. “That would include a bedbug infestation,” Mr. Spiegel said. In addition to receiving a rent reduction or “abatement” for as long as the condition remains uncorrected, he said, a tenant forced to leave by the severity of the infestation could claim that he had been “constructively evicted.” If a judge agreed, that would effectively terminate the tenancy and release the tenant from any continuing obligation to pay the rent. Practically speaking, Mr. Spiegel said, if a landlord could get a higher rent from a new tenant — as a result of individual apartment improvements and vacancy increases permitted by law — it would be unlikely that the landlord would object to the writer's desire to break the lease.

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