

HSP SIDE DEALS ARE ILLEGAL

Some landlords in the Housing Stability Plus (HSP) program ask tenants to make “side agreements” to pay more than the lease rent. These agreements are illegal. Tenants do not have to pay the landlord more than the amount set according to family size stated in the lease submitted to DHS.

- These side deals are prohibited by the DHS Program Rules for HSP, which are posted on the DHS web site at www.nyc.gov/html/dhs
- Charging more than the rent stated in the lease is also prohibited by the Statement of Understanding signed and sworn to by the landlord and required by DHS. Landlords charging more in violation of this Statement are defrauding the government and are committing a crime.
- Tenants who have signed agreements with the landlord to pay more than the rent amount do not have to pay this additional amount. These agreements are unconscionable contracts and will not be enforced in court.
- Tenants who have already paid additional money in side deals with the landlord may be able to recover this money, either by making a counter-claim to an eviction proceeding in Housing Court or by suing the landlord in Small Claims Court.
- Side deals and requests for side deals should be reported to DHS at (212) 607-5310.
- Tenants should be aware that landlords may retaliate against people who do not pay a “side deal” amount. Some of the steps a landlord might take, like harassing a tenant or refusing to make repairs, are illegal. Other steps, like refusing to renew a lease in an unregulated building when it expires, might be legal. Tenants can call numbers below to try to obtain legal representation.
- Tenants should also be aware that if they are sued in Housing Court, even if they win, they may end up on a landlords’ “blacklist” on undesirable tenants, which could make it harder to find an apartment in the future.

If you have legal questions regarding a side-deal, you can call David Robinson at Legal Services for New York City at (646) 442-3596
or
Joshua Goldfein at The Legal Aid Society at (212) 577-3414.