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Real Estate Q&A

Expert Advice for Owners and Renters



No Guarantees on Code Compliance

By JAY ROMANO

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Q. *Is there a law in New York City that requires a seller to give a prospective buyer a certificate of occupancy that indicates the property is in compliance with local codes?*

A. “There is no such requirement,” said **Adam Leitman Bailey**, a Manhattan real estate lawyer. “For better or worse, ‘let the buyer beware’ continues to be the guiding principle.” He said that although the state’s Property Condition Disclosure Act requires the seller of a house (but not a co-op or condo apartment) to provide a buyer with a statement detailing the condition of the property, the penalty for failing to provide the statement is only \$500. “So most sellers never provide the disclosure statement and give the buyer a \$500 credit at the closing,” **Mr. Bailey** said.