

New rental lease eliminates late paying loophole for tenants

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Famous for his tenant representation, the document is still one of Adam Leitman Bailey's "proudest accomplishments"

Although lawyer Adam Leitman Bailey is quick to note that he represents just as many landlords in his practice, there's no question he has developed a reputation for defending tenants.

He famously took on the builder of a shoddy condo building in Brooklyn to win buyers back the money they shelled out for what turned out to be decrepit units. Currently he's fighting to win six holdout tenants, including the Harlem architect Victor Body-Lawson, in a commercial building at 125th Street and Frederick Douglass Boulevard better recompense from the property's new owner, who is planning to raze the stout building in order to build a residential tower. He's also representing the restaurant Crave, a tenant in the townhouse that was destroyed in the deadly crane collapse on 51st Street in March that killed seven.

But a new residential lease that Bailey played a central role in drafting will be something that landlords thank him for. The new document eliminates an annoying loophole for landlords, in which market rate tenants who habitually pay their rent late can head off eviction by settling their tab before the court proceedings begin.

"Once a landlord began eviction process, the prior lease documents allowed a period in which the tenant could pay up and then the problem would be cured as far as the courts were concerned," Bailey said. "This was problematic for landlords because it essentially allowed tenants to pay late, to pay whenever they wanted as long as it was before the eviction date. Meanwhile the landlord would end up having to pointlessly pay for a lawyer to start the suit, not to mention forgo receiving their rent on time."

The new lease is structured so that landlords can continue their eviction efforts even if a tenant does eventually cough up the cash. Bailey said that the lease will be offered by Blumberg Excelsior, the firm that provides the legal industry with a host of legal documents, contracts and forms and that it will make prior tenant contracts obsolete.

Although its new protections seem obvious, Bailey said that it took years to draft the new document because its language and stipulations had to derive from past rulings in order to assure that it will be acceptable to the courts.

"You can put together a document that says anything," Bailey said. "The question is whether the courts will uphold it. And to do that it needs to conform to precedents."

"I think this is one of my proudest accomplishments," Bailey said. "Now my parents can go into a stationary store, find the form and actually see my name on something."