

NYC Real Estate Industry Grapples With Broker Fees, Commercial Rent Control

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Leni Cummins comments on the impact of the Department of State's (DOS) issued guidance on tenant-paid broker fees in the *Commercial Observer*. The DOS issued the policy based on the new rent laws passed in June. However, members of the real estate industry filed a complaint against the agency and successfully obtained a temporary restraining order that rendered the guidance moot until a hearing in March.

According to Leni, "The temporary restraining order was an indicator that the judge would rule in favor of the real estate industry and that the DOS guidance would be overturned."

"The Department of State usurped the role of the legislature," she added. "If the agency makes a rule they have to comply with SAPA [state agency rule-making procedures]. This was an illegal rule-making."

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