If you're selling tenant-occupied multifamily buildings in New York's Capital Region, the topic of Good Cause Eviction laws keeps popping up. But let's be honest — these laws are complex, and most buyers and agents don't want a legal lecture. They want a clear, plain English explanation that cuts through the noise and gets to what really matters.

After 11 years working with tenant-occupied sales and enough attorney calls to spot where deals blow up, I've learned how to talk about Good Cause in a straightforward way. This post pulls from resources like McDonald Real Estate Company and the New York State Association of Realtors (NYSAR), but you'll always want to remind clients: this is general info, and for specifics, consult a landlord-tenant attorney.

What Is Good Cause Eviction, Really?

In plain English, Good Cause Eviction laws require landlords to have a valid, legal reason ("good cause") to evict a tenant once their lease term ends. This is different from the old "no-fault" model where building owners could end leases or not renew contracts for almost any reason.

Why does this matter to buyers? Because if you're selling a building, the tenants have more protections. The buyer needs to understand that eviction isn't simple anymore — it must meet specific grounds defined by the law.

Municipal Opt-In Reality

Good Cause laws don't apply everywhere in New York State. Many municipalities have *opted in* to adopt these rules — meaning it depends on the city or town where the property is located. For example:

- Albany and Buffalo have adopted Good Cause Eviction laws, though details differ
- Townships outside these cities may not be subject to the law

The key here: *always check local municipal regulations before telling buyers it applies.* Misreading the law or assuming it universally applies can cause deal-breakers later.

Common Exemptions — And Why They Get Misread

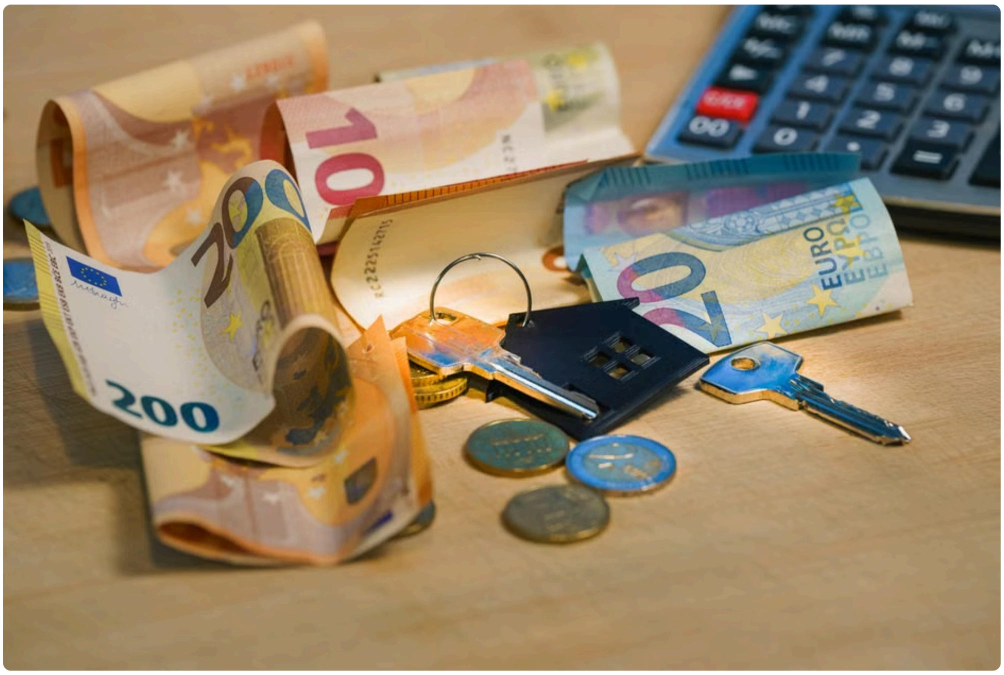
Owners often hear “exemptions” and assume their building qualifies without digging deeper. Here are the main categories of exemptions often confused:

- **Owner-occupied units:** In many areas, if the owner or a family member lives in one of the units, eviction protections may not apply. But the occupancy rules are strict — some towns require the owner to live on-site year-round.
- **Single-family homes:** Usually exempt, but multifamily buildings with 3+ units generally are not.
- **Newly constructed buildings:** Some local Good Cause laws exempt recent construction under a certain age, e.g., 10 years.

When sellers or buyers misread exemptions, they underestimate the risk the buyer is taking on. I always sanity-check exemptions with the actual ordinance, not just Facebook posts or hearsay.

Rent Cap Math and CPI-Based Ceilings — Keeping It Real

Most Good Cause ordinances tie rent increases to a cap based on the Consumer Price Index (CPI). Here’s what that means in everyday terms:



Imagine the CPI is running at 3%. The law says the landlord can only raise rent by up to that 3% annually unless there is a special “hardship” or “improvement” adjustment approved by a local board.

So the “math” looks like this:

Year Current Rent Allowed Increase (CPI %) New Rent 1 £1,000 3% £1,030 2 £1,030 2.5% £1,055.75 3 £1,055.75 3.1% £1,089.40

This limits rent growth over time — and it often surprises buyers used to annual market-driven resets. Break it down for buyers like this to defang the mystery:

1. The rent isn’t just what the market *might* bear — it’s capped.
2. The annual increase is limited to inflation, plus maybe a little extra for capital improvements approved by a commission or board.
3. Understanding the rent cap is crucial for anyone doing cash flow and cap rate math.

Buyer Pool Shift: Owner-Occupants and Flippers Exit

What does Good Cause mean for the type of buyers you'll see?

- **Owner-occupants:** Many who want to live onsite and manage the property themselves decide these laws add complexity and risk.
- **Flippers:** Those chasing quick profit by evicting tenants or gutting buildings face steep hurdles.
- **Long-term investors:** Tend to focus on cash flow and stable tenants — they see Good Cause as part of the landscape.

This shifts your buyer pool. When speaking realtytimes.com with buyers, explain how the laws create barriers for the quick-turn crowd but add predictability for steady landlords.

How to Talk About Good Cause Without Sounding Like a Lawyer

Here are some tips to keep your conversations engaging and clear:

- **Use everyday language:** Avoid legal jargon. Say "landlords need a good reason to evict" instead of "statutory cause requirements."
- **Focus on impact:** Explain how the law affects rent increases, evictions, and tenant stability, not the legal text.
- **Sanity-check rent caps:** Always run numbers and don't rely on vague "market soft" claims.
- **Highlight location:** Remember to specify if Good Cause applies based on municipal opt-in — it's not state-wide.
- **Share resources:** Point buyers to trusted sources like McDonald Real Estate Company or NYSAR for more info.
- **Always include a disclaimer:** "This is general info and not legal advice. For your unique situation, please consult an attorney."

What I Wish Every Agent Knew

Some deal-killing missteps I've seen:

- Pricing tenant-occupied multifamilies like single-family homes — ignoring rent stabilization laws or caps.
- Hand-wavy claims like "market is soft" without showing actual rent roll data or CPI tracks.
- Encouraging buyers to engage in pretext evictions, which often backfire legally and reputationally.
- Skipping deposit and tenant history documentation, which comes back to haunt transactions.

Be thorough, transparent, and remember the golden rule: your buyers want straight talk, not hype or scare tactics.

Wrapping Up

Good Cause Eviction laws and their related rent caps are a reality for many multifamily buildings in New York. As an agent or landlord, your role is to demystify the topic with plain English explanations that inform your buyers without turning the conversation into a legal briefing.

Keep it factual, municipality-specific, and data-driven. Point them to attorney advice for final word. With clear communication, you not only prevent deal blow-ups but also build trust that lasts beyond a single sale.

For more detailed guides and updates, visit McDonald Real Estate Company and NYSAR.