



HUDSON MERCER
REAL ESTATE BROKERAGE

NEW YORK CITY BROKER FEE DISCLOSURE

Fairness in Apartment Rental Expenses (FARE) Act

Effective Date: August 6, 2026

Overview of the FARE Act

Local Law 119 of 2024, known as the Fairness in Apartment Rental Expenses (FARE) Act, took effect June 11, 2025 and governs how broker fees may be charged in connection with the rental of apartments in New York City. The FARE Act amends Chapter 4 of Title 20 of the New York City Administrative Code by adding Subchapter 15, "Rental Real Estate Agreements."

Hudson Mercer currently conducts business outside New York City. This disclosure is published in anticipation of Hudson Mercer offering rental brokerage services within New York City and will govern any such transactions from that point forward.

Who Pays the Broker Fee

Under the FARE Act, the party who hires a broker is responsible for that broker's compensation.

- If a landlord hires Hudson Mercer to list, market, or show an apartment, Hudson Mercer's fee is the landlord's responsibility. Hudson Mercer will not charge that fee to a prospective tenant.
- If a prospective tenant independently hires Hudson Mercer to search for or negotiate an apartment on the tenant's behalf, the tenant remains responsible for Hudson Mercer's fee for those services.
- No prospective tenant will be required, as a condition of viewing or renting an apartment, to hire a broker, including a dual agent.

A rebuttable presumption applies under the FARE Act: any listing published by a broker is presumed to have been made with the landlord's permission, and the landlord may be held responsible for fees improperly charged in connection with that listing.

Fee Disclosure Requirements

In all advertisements and listings, Hudson Mercer will not include any unlawful broker fee, and all fees a prospective tenant must pay to rent an apartment will be disclosed clearly and conspicuously.

Before a tenant signs a lease, Hudson Mercer will provide an itemized written disclosure of all fees the tenant must pay to the landlord, or to any person at the landlord's direction, to rent the apartment. This disclosure will include a written description of each fee and must be signed by the tenant before the lease is signed. Hudson Mercer will retain the signed disclosure for a minimum of three years and provide a copy to the tenant.

This disclosure requirement does not apply to background check or credit check fees charged directly by the landlord in accordance with New York Real Property Law § 238-a(1).

Filing a Complaint

A prospective tenant who believes a broker fee was charged in violation of the FARE Act may file a complaint with the New York City Department of Consumer and Worker Protection (DCWP) at www.nyc.gov/dcwp or by calling 311. The FARE Act also creates a private right of action allowing individuals to bring a claim in civil court.

This disclosure summarizes obligations under Local Law 119 of 2024 (NYC Admin. Code §§ 20-699.21–20-699.24) and does not apply to transactions outside New York City.