# N.J. Stat. Title 2A, Subtit. 6, Ch. 42, Art. 5

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## Article 5. Rent Control

## History

L. 1951 (1st SS), c. 344.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-14

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## §§ 2A:42-14 to 2A:42-73. [Expired]

## History

L. 1951 (1st SS), c. 344.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-74

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-74. Legislative findings

The Legislature finds:

**(a)** Many citizens of the State of New Jersey are required to reside in multiple dwelling units which fail to meet minimum standards of safety and sanitation and are compelled to pay rents disproportionate to the value of the facilities and services received;

**(b)** It is essential to the health, safety and general welfare of the people of the State that owners of substandard multiple dwelling units be encouraged to provide safe and sanitary housing accommodations for the public to whom such accommodations are offered;

**(c)** It is necessary, in order to insure the improvement of substandard multiple dwelling units, to authorize the governing bodies of municipalities to enact and impose rent controls on substandard multiple dwelling units until such dwelling units satisfy minimum standards of safety and sanitation.

## History

L. 1966, c. 168, 1, eff. June 18, 1966.

Annotations

## Research References & Practice Aids

**Cross References:**

Definitions, see *2A:42-86*.

Applicability of municipal rent control ordinances, see *2A:42-84.2*.

Exemptions from rent control, leveling, stabilization; legislative intent, see *2A:42-84.5*.

Rules, regulations concerning admissions to housing project, see *40A:12A-20*.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-75

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-75. Definitions

The following terms whenever used or referred to in this act shall have the following respective meanings for the purposes of this act, unless a different meaning clearly appears from the context.

**(a)** "Public officer" shall mean the officer, officers, board or body who is or are authorized by ordinances adopted hereunder to exercise the powers prescribed by such ordinances and by this act.

**(b)** "Owner" shall mean the holder or holders of the title in fee simple.

**(c)** "Parties in interest" shall mean all individuals, associations and corporations who have interests of record in a multiple dwelling, and who are in actual possession thereof and any person authorized to receive rents payable for housing space in a multiple dwelling.

**(d)** "Multiple dwelling" means and includes any building or structure and land appurtenant thereto containing 3 or more apartments or rented or offered for rent to 3 or more tenants or family units.

**(e)** "Housing space" means that portion of a multiple dwelling rented or offered for rent for living or dwelling purposes in which cooking equipment is supplied, and includes all privileges, services, furnishings, furniture, equipment, facilities, and improvements connected with the use or occupancy of such portion of the property. The term shall not mean or include public housing or dwelling space in any hotel, motel or established guest house, commonly regarded as a hotel, motel or established guest house, as the case may be, in the community in which it is located.

**(f)** "Bureau of Housing" means the Bureau of Housing in the State Department of Conservation and Economic Development.

**(g)** "Substandard multiple dwelling" means any multiple dwelling determined to be substandard by the public officer.

## History

L. 1966, c. 168, 2.

Annotations

## CASE NOTES

**Governments: Local Governments: Employees & Officials**

The designation of a public officer for the administration of rent control was invalid because he was designated by a resolution of the city council rather than by an ordinance of the council as required by *N.J. Stat. Ann. § 2A:42-75(a)*. *Kessler v. Passaic, 113 N.J. Super. 59, 272 A.2d 570, 1971 N.J. Super. LEXIS 661 (Law Div. 1971)*.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-76

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-76. Promulgation of state housing code; scope of standards

Within 60 days following the effective date of this act the Bureau of Housing shall promulgate a State Housing Code which shall be effective in any municipality adopting an ordinance under this act. Said code shall set standards consistent with minimum health and safety requirements and covering, but not limited to, matters such as water supply, plumbing, garbage storage, lighting, ventilation, heating, egress, maintenance and use and occupancy.

## History

L. 1966, c. 168, 3.

Annotations

## Research References & Practice Aids

**Administrative Code:**

*N.J.A.C. 5:28* (2013), CHAPTER NEW JERSEY STATE HOUSING CODE, 5, Chapter 28 — Chapter Notes.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-77

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-77. Authority to adopt ordinance regulating rents and possession of space in substandard multiple dwellings; provisions

Whenever the governing body of a municipality finds that the health and safety of residents of that municipality are impaired or threatened by the existence of substandard multiple dwellings, it may adopt an ordinance setting forth such a finding and providing for the regulation of rents and the possession of rental space in substandard multiple dwellings. Such ordinance shall include in its provisions that:

**(a)** A public officer be designated or appointed to exercise the powers prescribed by the ordinance.

**(b)** Whenever it appears by preliminary investigation that a multiple dwelling is substandard the public officer shall cause a complaint to be served upon the owner of and parties in interest in such multiple dwelling, stating the reasons why said multiple dwelling is deemed to be substandard and setting a time and place for hearing before the public officer. The owners and parties in interest shall be given the right to file an answer and to appear and give testimony. The rules of evidence shall not be controlling in hearings before the public officer.

**(c)** If, after notice and hearing, the public officer determines the multiple dwelling under consideration is substandard he shall state his findings in writing and shall issue and cause to be served upon the owner or other person entitled to receive said rents an order requiring that such repairs, alterations or improvements necessary to bring such property up to minimum standards be made within a reasonable time.

**(d)** Failure to complete such repairs, alterations or improvements within a reasonable time as fixed by the public officer shall be cause to impose rent control on the substandard multiple dwelling.

**(e)** In establishing maximum rents which may be charged for housing space in a multiple dwelling subject to rent control, the permissible rents shall be sufficient to provide the owner or other person entitled to receive said rents with a fair net operating income from the multiple dwelling. The net operating income shall not be considered less than fair if it is 20% or more of the annual income in the case of a multiple dwelling containing less than 5 dwelling units or is 15% or more in the case of a multiple dwelling containing 5 or more dwelling units. In determining the fair net operating income, the public officer shall consider the following items of expense: heating fuel, utilities, payroll, janitorial materials, real estate taxes, insurance, interior painting and decorating, depreciation, and repairs and replacements and additions to furniture and furnishings which expenses shall be deducted from the annual income derived from the multiple dwelling. All items of expense and the amount of annual income shall be certified by the owner or other person entitled to receive said rents on forms provided by the public officer.

**(f)** The imposition of rent control on any substandard multiple dwelling shall not operate to impair leases existing at the time of the adoption of an ordinance under this act, but shall take effect at the expiration of the term of any such lease and shall remain in effect thereafter so long as the multiple dwelling is subject to rent control.

**(g)** It shall be unlawful for any person to demand or receive any rent in excess of the maximum rent established for housing space in multiple dwelling subject to rent control or to demand possession of the space or evict a tenant for refusal to pay rent in excess of the established maximum rent. The owner or other person entitled to receive said rents shall not be prevented, however, from exercising his rights to obtain possession of housing space from a tenant as a result of the tenant's violation of law or contract and the owner or other person entitled to receive said rents shall be provided reasonable grounds to obtain possession of premises for his own personal use and occupancy and for purposes of substantially altering, remodeling or demolishing the multiple dwelling.

**(h)** Whenever the public officer finds that a multiple dwelling subject to rent control is no longer substandard, he shall so inform the governing body and rent control on said multiple dwelling shall be removed.

## History

L. 1966, c. 168, 4.

Annotations

## CASE NOTES

**Governments: Local Governments: Ordinances & Regulations**

**Real Property Law: Landlord & Tenant: Rent Regulation: General Overview**

**Governments: Local Governments: Ordinances & Regulations**

Ordinance providing that owners of multi-residential apartments with six or more rented units must refund 75 percent of any successful tax appeal judgments to their tenants was not authorized by *N.J. Stat. Ann. § 2A:42-77*, because under *N.J. Stat. Ann. § 2A:42-77*, a municipality is empowered to adopt rent control only when it finds that the health and safety of residents are impaired or threatened by the existence of substandard multiple dwellings and, as the township allowed rent control to expire, the governing body had not found that present housing conditions constituted an emergency. *Property Owners & Managers Ass'n v. Parsippany-Troy Hills, 264 N.J. Super. 523, 624 A.2d 1372, 1993 N.J. Super. LEXIS 180 (App.Div. 1993)*.

**Real Property Law: Landlord & Tenant: Rent Regulation: General Overview**

Ordinance providing that owners of multi-residential apartments with six or more rented units must refund 75 percent of any successful tax appeal judgments to their tenants was not authorized by *N.J. Stat. Ann. § 2A:42-77*, because under *N.J. Stat. Ann. § 2A:42-77*, a municipality is empowered to adopt rent control only when it finds that the health and safety of residents are impaired or threatened by the existence of substandard multiple dwellings and, as the township allowed rent control to expire, the governing body had not found that present housing conditions constituted an emergency. *Property Owners & Managers Ass'n v. Parsippany-Troy Hills, 264 N.J. Super. 523, 624 A.2d 1372, 1993 N.J. Super. LEXIS 180 (App.Div. 1993)*.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

§ 2A:42-77. Authority to adopt ordinance regulating rents and possession of space in substandard multiple dwellings; provisions

End of Document

# N.J. Stat. § 2A:42-78

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-78. Registration of owners and management of multiple dwellings

Any ordinance adopted under this act may provide for the registration of the owners and management of every multiple dwelling in the municipality. Such registration shall be with the clerk of the municipality upon forms prescribed by and furnished by the municipality. Every such registration form shall include the name and address of the owner and the name and address of an agent in charge of the premises residing in the municipality.

## History

L. 1966, c. 168, 5.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-79

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-79. Repealed by P.L. 2003 c. 295, § 32 effective July 12, 2004.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# *N.J. Stat. § 2A:42-80*

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-80. Repealed by L. *2003 c. 295*, § 32 effective July 12, 2004.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-81

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-81. Repealed by L. 2003 c. 295, § 32 effective July 12, 2004.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# *N.J. Stat. § 2A:42-82*

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-82. Repealed by L. *2003 c. 295*, § 32 effective July 12, 2004.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-83

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-83. Repealed by L. *2003 c. 295*, § 32 effective July 12, 2004.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# *N.J. Stat. § 2A:42-84*

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-84. Repealed by L. *2003 c. 295* § 32 effective July 12, 2004.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# *N.J. Stat. § 2A:42-84.1*

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-84.1. Definitions

As used in this act:

**a.** "Completion of construction" means issuance of a certificate of occupancy pursuant to section 15 of the "State Uniform Construction Code Act," P.L. 1975, c. 217 (*C. 52:27D-133*);

**b.** "Constructed" means constructed, erected or converted but excludes rehabilitation of premises rented previously for residential purposes without an intervening use for other purposes for a period of at least two years prior to conversion. Mere vacancy shall not be considered an intervening use for the purposes of this subsection;

**c.** "Constructed after the effective date of this act" means constructed pursuant to a construction permit issued on or after the effective date of this act;

**d.** "Constructed for senior citizens" means constructed under a governmental program restricting occupancy of at least 90% of the dwelling units to senior citizens and any members of their immediate households or their occupant surviving spouses, or constructed as a retirement subdivision or retirement community as defined in the "Retirement Community Full Disclosure Act," P.L. 1969, c. 215 (*C. 45:22A-1* et seq.);

**e.** "Multiple dwelling" means any building or structure and land appurtenant thereto containing four or more dwelling units, other than dwelling units constructed for occupation by senior citizens, rented or offered for rent to four or more tenants or family units;

**f.** "Period of amortization" means the time during which the principal amount of the mortgage loan and interest thereon would be paid entirely through periodic payments, whether or not the term of the mortgage loan is for a shorter period concluding with a balloon payment; and

**g.** "Senior citizens" means persons 62 years of age or older.

## History

L. 1987, c. 153, 1.

Annotations

## CASE NOTES

**Administrative Law: Judicial Review: Standards of Review: Arbitrary & Capricious Review**

**Real Property Law: Common Interest Communities: Condominiums: Conversions**

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

**Administrative Law: Judicial Review: Standards of Review: Arbitrary & Capricious Review**

Statutory exemption set forth in the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, runs with the land, not with the owner, therefore, the conversion of a building's units to condominiums does not effect the building's status as a "multiple dwelling" and, in fact, enhances the property's marketability, in accordance with the legislative intent of N.J. Stat. Ann. §§ 2A:42-84(b) and -84.6. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

In an action in lieu of prerogative writs brought by a property owner, the action of a city's rent stabilization board in determining that the property owner's conversion of rental apartments into condominiums nullified its statutory exemption from rent control ordinances was arbitrary, capricious, and unreasonable and was in excess of the board's authority as the clear and plain language of the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, established that the exemption ran with the land, not with the owner. Therefore, the conversion of the building's units to condominiums did not effect the building's status as a "multiple dwelling" and, in fact, enhanced the property's marketability, in accordance with the legislative intent of the Act. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

**Real Property Law: Common Interest Communities: Condominiums: Conversions**

Conversion of a building's rental apartments into condominiums did not nullify the owner's exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5, as the conversion did not effect the building's status as a "multiple dwelling," and in fact enhanced its marketability, in accord with the intent of N.J. Stat. Ann. §§ 2A:42-84.5(b) and 2A:42-84.6. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

Conversion of a building's rental apartments into condominiums did not nullify the owner's exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5, as the conversion did not effect the building's status as a "multiple dwelling," and in fact enhanced its marketability, in accord with the intent of N.J. Stat. Ann. §§ 2A:42-84.5(b) and 2A:42-84.6. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

Statutory exemption set forth in the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, runs with the land, not with the owner, therefore, the conversion of a building's units to condominiums does not effect the building's status as a "multiple dwelling" and, in fact, enhances the property's marketability, in accordance with the legislative intent of N.J. Stat. Ann. §§ 2A:42-84(b) and -84.6. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

In an action in lieu of prerogative writs brought by a property owner, the action of a city's rent stabilization board in determining that the property owner's conversion of rental apartments into condominiums nullified its statutory exemption from rent control ordinances was arbitrary, capricious, and unreasonable and was in excess of the board's authority as the clear and plain language of the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, established that the exemption ran with the land, not with the owner. Therefore, the conversion of the building's units to condominiums did not effect the building's status as a "multiple dwelling" and, in fact, enhanced the property's marketability, in accordance with the legislative intent of the Act. Block 268 LLC v. City of Hoboken

*Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006)*, aff'd, *401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

## Research References & Practice Aids

**Cross References:**

Exemptions from rent control, leveling, stabilization; legislative intent, see *2A:42-84.5*.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

**End of Document**

# N.J. Stat. § 2A:42-84.2

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-84.2. Applicability of municipal rent control ordinances

**a.** In any municipality which has enacted or which hereafter enacts a rent control or rent leveling ordinance, other than under the authority of P.L.1966, c.168 (*C.2A:42-74* et seq.), those provisions of the ordinance which limit the periodic or regular increases in base rentals of dwelling units shall not apply to multiple dwellings constructed after the effective date of this act, for a period of time not to exceed the period of amortization of any initial mortgage loan obtained for the multiple dwelling, or for 30 years following completion of construction, whichever is less.

**b.** In the event that there is no initial mortgage financing, the period of exemption from a rent control or rent leveling ordinance shall be 30 years from the completion of construction.

## History

L. 1987, c. 153, § 2; amended *1999, c. 291*, § 1, eff. Dec. 23, 1999.

Annotations

## Notes

**Effective Dates:**

Section 3 of L. *1999, c. 291* provides: “This act shall take effect immediately and shall be applicable to all multiple dwellings or portions of multiple dwellings for which construction was completed prior to the effective date of this act, provided that the owner of the multiple dwellings has fully complied with the requirements of section 4 of P.L.1987, c.153 (*C.2A:42-84.4*).” Chapter 291, L. 1999, was approved on December 23, 1999.

## CASE NOTES

**Administrative Law: Judicial Review: Standards of Review: Arbitrary & Capricious Review**

**Real Property Law: Financing: Mortgages & Other Security Instruments: General Overview**

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

**Administrative Law: Judicial Review: Standards of Review: Arbitrary & Capricious Review**

Statutory exemption set forth in the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, runs with the land, not with the owner, therefore, the conversion of a building's units to condominiums does not effect the building's status as a "multiple dwelling" and, in fact, enhances the property's marketability, in accordance with the legislative intent of N.J. Stat. Ann. §§ 2A:42-84(b) and -84.6. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

In an action in lieu of prerogative writs brought by a property owner, the action of a city's rent stabilization board in determining that the property owner's conversion of rental apartments into condominiums nullified its statutory exemption from rent control ordinances was arbitrary, capricious, and unreasonable and was in excess of the board's authority as the clear and plain language of the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, established that the exemption ran with the land, not with the owner. Therefore, the conversion of the building's units to condominiums did not effect the building's status as a "multiple dwelling" and, in fact, enhanced the property's marketability, in accordance with the legislative intent of the Act. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

**Real Property Law: Financing: Mortgages & Other Security Instruments: General Overview**

Owner's failure to provide mortgage information to the city when claiming an exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5 did not affect the exemption's validity, only its duration. Under N.J. Stat. Ann. § 2A:42-84.2(a) and (b), the duration of the exemption is the lesser of two periods: (1) the period of amortization, or (2) 30 years from completion of construction. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

Owner's failure to provide mortgage information to the city when claiming an exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5 did not affect the exemption's validity, only its duration. Under N.J. Stat. Ann. § 2A:42-84.2(a) and (b), the duration of the exemption is the lesser of two periods: (1) the period of amortization, or (2) 30 years from completion of construction. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

Statutory exemption set forth in the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, runs with the land, not with the owner, therefore, the conversion of a building's units to condominiums does not effect the building's status as a "multiple dwelling" and, in fact, enhances the property's marketability, in accordance with the legislative intent of N.J. Stat. Ann. §§ 2A:42-84(b) and -84.6. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

In an action in lieu of prerogative writs brought by a property owner, the action of a city's rent stabilization board in determining that the property owner's conversion of rental apartments into condominiums nullified its statutory exemption from rent control ordinances was arbitrary, capricious, and unreasonable and was in excess of the board's authority as the clear and plain language of the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, established that the exemption ran with the land, not with the owner. Therefore, the conversion of the building's units to condominiums did not effect the building's status as a "multiple dwelling" and, in fact, enhanced the property's marketability, in accordance with the legislative intent of the Act. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

## Research References & Practice Aids

**Cross References:**

Exemptions from rent control, leveling, stabilization; legislative intent, see *2A:42-84.5*.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-84.3

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-84.3. Notice of exemption to tenants

The owner of any multiple dwelling exempted from a rent control or rent leveling ordinance pursuant to this act, shall, prior to entering into any lease with a person for tenancy of any premises located in the multiple dwelling, furnish the prospective tenant with a written statement that the multiple dwelling in which the premises is located is exempt from rent control or rent leveling for such time as may remain in the exemption period. Each lease offered to a prospective tenant for any dwelling unit therein during the period the multiple dwelling is so exempted shall contain a provision notifying the tenant of the exemption.

## History

L. 1987, c. 153, 3.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-84.4

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-84.4. Filing of owner's claim of exemption

The owner of any multiple dwelling claiming an exemption from a rent control or rent leveling ordinance pursuant to this act shall file with the municipal construction official, at least 30 days prior to the issuance of a certificate of occupancy for the newly constructed multiple dwelling, a written statement of the owner's claim of exemption from an ordinance under this act, including therein a statement of the date upon which the exemption period so claimed shall commence, such information as may be necessary to effectively locate and identify the multiple dwelling for which the exemption is claimed, and a statement of the number of rental dwelling units in the multiple dwelling for which the exemption is claimed. The owner shall, at least 30 days prior to the date of the termination of the exemption period afforded pursuant to this act, file with the municipal construction official a notice of the date of termination of the exemption period for the affected multiple dwelling.

## History

L. 1987, c. 153, 4.

Annotations

## CASE NOTES

**Real Property Law: Financing: Mortgages & Other Security Instruments: General Overview**

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

**Real Property Law: Landlord & Tenant: Rent Regulation: Rent Control Statutes**

**Real Property Law: Financing: Mortgages & Other Security Instruments: General Overview**

Owner's failure to provide mortgage information to the city when claiming an exemption from rent control under *N.J. Stat. Ann. § 2A:42-84.5* did not affect the exemption's validity, only its duration. Under *N.J. Stat. Ann. § 2A:42-84.2(a)* and (b), the duration of the exemption was the lesser of two periods: (1) the period of amortization, or (2) 30 years from completion of construction. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

Owner's failure to provide mortgage information to the city when claiming an exemption from rent control under *N.J. Stat. Ann. § 2A:42-84.5* did not affect the exemption's validity, only its duration. Under *N.J. Stat. Ann. § 2A:42-84.2(a)* and (b), the duration of the exemption was the lesser of two periods: (1) the period of amortization, or (2) 30 years from completion of construction. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

Original letter to a city construction official claiming an exemption from rent control under *N.J. Stat. Ann. § 2A:42-84.5* satisfied the filing requirements of *N.J. Stat. Ann. § 2A:42-84.4*. Although the letter did not directly indicate the author's relationship with the owner, it was reasonably clear the author was the owner or was claiming the exemption on the owner's behalf. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

**Real Property Law: Landlord & Tenant: Rent Regulation: Rent Control Statutes**

Original letter to a city construction official claiming an exemption from rent control under *N.J. Stat. Ann. § 2A:42-84.5* satisfied the filing requirements of *N.J. Stat. Ann. § 2A:42-84.4*. Although the letter did not directly indicate the author's relationship with the owner, it was reasonably clear the author was the owner or was claiming the exemption on the owner's behalf. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document

# N.J. Stat. § 2A:42-84.5

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-84.5. Exemptions from rent control, leveling, stabilization; legislative intent

**a.** It is the intent of P.L.1987, c.153 (*C.2A:42-84.1* et seq.), that the exemption from rent control or rent leveling ordinances afforded under P.L.1987, c.153 (*C.2A:42-84.1* et seq.) shall apply to any form of rent control, rent leveling or rent stabilization, whether adopted now or in the future, and by whatever name or title adopted, which would limit in any manner the periodic or regular increases in base rentals of dwelling units of multiple dwellings constructed after the effective date of P.L.1987, c.153 (*C.2A:42-84.1* et seq.). No municipality, county or other political subdivision of the State, or agency or instrumentality thereof, shall adopt any ordinance, resolution, or rule or regulation, or take any other action, to limit, diminish, alter or impair any exemption afforded pursuant to P.L.1987, c.153 (*C.2A:42-84.1* et seq.).

**b.** The Legislature deems it to be necessary for the public welfare to increase the supply of newly constructed rental housing to meet the need for such housing in New Jersey. In an effort to promote this new construction, the Legislature enacted P.L.1987, c.153 (*C.2A:42-84.1* et seq.), the purpose of which was to exempt new construction of rental multiple dwelling units from municipal rent control so that the municipal rent control or rent leveling ordinances would not deter the new construction. Although this legislation was initially made effective only for a temporary five-year period, it was expanded for a second five-year period by *P.L.1992, c.206* until 1997, and then in that year made permanent by *P.L.1997, c.56*. At the time P.L.1987, c.153 (*C.2A:42-84.1* et seq.) was introduced, the uniform method of financing construction of new apartments was through project-based mortgage loans. There was little, if any, new construction financed in any other way. Recently, however, there has been increased utilization of Real Estate Investment Trusts (REITs) and other public companies which could potentially be an important new source of construction of rental housing in New Jersey. These entities generally do not utilize project-based mortgages but instead obtain comprehensive financing not secured by individual mortgages as a more efficient and lower cost means of financing new construction. There has been confusion as to whether new construction undertaken by REITs and other such entities would be exempted from municipal rent control under the terms of section 2 of P.L.1987, c.153 (*C.2A:42-84.2*) when there is no initial mortgage financing. To eliminate any confusion and to facilitate the construction of new rental units for which there is no initial mortgage financing, section 1 of *P.L.1999, c.291* amends section 2 of P.L.1987, c.153 (*C.2A:42-84.2*) to add a subsection b. to that section in order to clarify the Legislature's intent of providing an exemption from municipal rent control ordinances, except those adopted under the authority of P.L.1966, c.168 (*C.2A:42-74* et seq.), by specifying that the period of time for exemption from rent control in such instances shall be 30 years following completion of construction.

## History

L. 1987, c. 153, § 5; amended *1999, c. 291*, § 2, eff. Dec. 23, 1999.

Annotations

## Notes

**Effective Dates:**

Section 3 of L. *1999, c. 291* provides: "This act shall take effect immediately and shall be applicable to all multiple dwellings or portions of multiple dwellings for which construction was completed prior to the effective date of this act, provided that the owner of the multiple dwellings has fully complied with the requirements of section 4 of P.L.1987, c.153 (*C.2A:42-84.4*)." Chapter 291, L. 1999, was approved on December 23, 1999.

## CASE NOTES

**Administrative Law: Judicial Review: Standards of Review: Arbitrary & Capricious Review**

**Real Property Law: Common Interest Communities: Condominiums: Conversions**

**Real Property Law: Financing: Mortgages & Other Security Instruments: General Overview**

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

**Real Property Law: Landlord & Tenant: Rent Regulation: Rent Control Statutes**

**Administrative Law: Judicial Review: Standards of Review: Arbitrary & Capricious Review**

Statutory exemption set forth in the Rent Control Exemption Act, *N.J. Stat. Ann. §§ 2A:42-84.1* to -84.6, runs with the land, not with the owner, therefore, the conversion of a building's units to condominiums does not effect the building's status as a "multiple dwelling" and, in fact, enhances the property's marketability, in accordance with the legislative intent of *N.J. Stat. Ann. §§ 2A:42-84(b)* and -84.6. *Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006)*, aff'd, *401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

In an action in lieu of prerogative writs brought by a property owner, the action of a city's rent stabilization board in determining that the property owner's conversion of rental apartments into condominiums nullified its statutory exemption from rent control ordinances was arbitrary, capricious, and unreasonable and was in excess of the board's authority as the clear and plain language of the Rent Control Exemption Act, *N.J. Stat. Ann. §§ 2A:42-84.1* to -84.6, established that the exemption ran with the land, not with the owner. Therefore, the conversion of the building's units to condominiums did not effect the building's status as a "multiple dwelling" and, in fact, enhanced the property's marketability, in accordance with the legislative intent of the Act. *Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006)*, aff'd, *401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

**Real Property Law: Common Interest Communities: Condominiums: Conversions**

Conversion of a building's rental apartments into condominiums did not nullify the owner's exemption from rent control under *N.J. Stat. Ann. § 2A:42-84.5*, as the conversion did not effect the building's status as a "multiple dwelling," and in fact enhanced its marketability, in accord with the intent of *N.J. Stat. Ann. §§ 2A:42-84.5(b)* and *2A:42-84.6*. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

**Real Property Law: Financing: Mortgages & Other Security Instruments: General Overview**

Owner's failure to provide mortgage information to the city when claiming an exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5 did not affect the exemption's validity, only its duration. Under N.J. Stat. Ann. § 2A:42-84.2(a) and (b), the duration of the exemption was the lesser of two periods: (1) the period of amortization, or (2) 30 years from completion of construction. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

Original letter to a city construction official claiming an exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5 satisfied the filing requirements of N.J. Stat. Ann. § 2A:42-84.4. Although the letter did not directly indicate the author's relationship with the owner, it was reasonably clear the author was the owner or was claiming the exemption on the owner's behalf. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

Owner's failure to provide mortgage information to the city when claiming an exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5 did not affect the exemption's validity, only its duration. Under N.J. Stat. Ann. § 2A:42-84.2(a) and (b), the duration of the exemption was the lesser of two periods: (1) the period of amortization, or (2) 30 years from completion of construction. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

Conversion of a building's rental apartments into condominiums did not nullify the owner's exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5, as the conversion did not effect the building's status as a "multiple dwelling," and in fact enhanced its marketability, in accord with the intent of N.J. Stat. Ann. §§ 2A:42-84.5(b) and 2A:42-84.6. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

Transfer of title to a building to a new owner did not nullify the owner's exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5, as the statutory exemption ran with the land, not with the owner. Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

Statutory exemption set forth in the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, runs with the land, not with the owner, therefore, the conversion of a building's units to condominiums does not effect the building's status as a "multiple dwelling" and, in fact, enhances the property's marketability, in accordance with the legislative intent of N.J. Stat. Ann. §§ 2A:42-84(b) and -84.6. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

In an action in lieu of prerogative writs brought by a property owner, the action of a city's rent stabilization board in determining that the property owner's conversion of rental apartments into condominiums nullified its statutory exemption from rent control ordinances was arbitrary, capricious, and unreasonable and was in excess of the board's authority as the clear and plain language of the Rent Control Exemption Act, N.J. Stat. Ann. §§ 2A:42-84.1 to -84.6, established that the exemption ran with the land, not with the owner. Therefore, the conversion of the building's units to condominiums did not effect the building's status as a "multiple dwelling" and, in fact, enhanced the property's marketability, in accordance with the legislative intent of the Act. Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006), aff'd, 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008).

**Real Property Law: Landlord & Tenant: Rent Regulation: Rent Control Statutes**

Original letter to a city construction official claiming an exemption from rent control under N.J. Stat. Ann. § 2A:42-84.5 satisfied the filing requirements of N.J. Stat. Ann. § 2A:42-84.4. Although the letter did not directly indicate the

author's relationship with the owner, it was reasonably clear the author was the owner or was claiming the exemption on the owner's behalf. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

Transfer of title to a building to a new owner did not nullify the owner's exemption from rent control under *N.J. Stat. Ann. § 2A:42-84.5*, as the statutory exemption ran with the land, not with the owner. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

**End of Document**

# N.J. Stat. § 2A:42-84.6

Current through New Jersey 221st Second Annual Session, L. 2025, c. 152 and J.R. 11

***LexisNexis® New Jersey Annotated Statutes > Title 2A. Administration of Civil and Criminal Justice (Subts. 1 — 12) > Subtitle 6. Specific Civil Actions (Chs. 22 — 65) > Chapter 42. Landlord and Tenant; Housing (Arts. 1 — 11) > Article 5. Rent Control (§§ 42-14 — 2A:42-84.6)***

## § 2A:42-84.6. Construction of multiple dwellings encouraged

It is the intent of this act to establish an experimental program whereby the construction of multiple dwellings in this State shall be encouraged, and the marketability of those multiple dwellings shall be maintained, to the greatest extent economically possible, through the exemption by law of newly constructed multiple dwellings from rent control, rent leveling and rent stabilization ordinances. The Legislature, therefore, declares it to be public policy of this State that, within the limitations imposed by this act, the exemptions granted under this act shall not be limited, diminished, altered, or impaired during the period of exemption afforded, in order to maintain in this respect a predictable environment within which the financing, construction and marketing of new multiple dwellings can occur, and to permit the Legislature to evaluate the results of the experimental program after a specified period of time during which the program shall have been given a fair opportunity for success, and during which the coherence of the statutory scheme establishing the program has been preserved.

## History

L. 1987, c. 153, 6.

Annotations

## CASE NOTES

**Administrative Law: Judicial Review: Standards of Review: Arbitrary & Capricious Review**

**Real Property Law: Common Interest Communities: Condominiums: Conversions**

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

**Administrative Law: Judicial Review: Standards of Review: Arbitrary & Capricious Review**

Statutory exemption set forth in the Rent Control Exemption Act, *N.J. Stat. Ann. §§ 2A:42-84.1* to -84.6, runs with the land, not with the owner, therefore, the conversion of a building's units to condominiums does not effect the building's status as a "multiple dwelling" and, in fact, enhances the property's marketability, in accordance with the legislative intent of *N.J. Stat. Ann. §§ 2A:42-84(b)* and -84.6. *Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006)*, aff'd, *401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

In an action in lieu of prerogative writs brought by a property owner, the action of a city's rent stabilization board in determining that the property owner's conversion of rental apartments into condominiums nullified its statutory exemption from rent control ordinances was arbitrary, capricious, and unreasonable and was in excess of the board's authority as the clear and plain language of the Rent Control Exemption Act, *N.J. Stat. Ann. §§ 2A:42-84.1* to -84.6, established that the exemption ran with the land, not with the owner. Therefore, the conversion of the building's units to condominiums did not effect the building's status as a "multiple dwelling" and, in fact, enhanced the property's marketability, in accordance with the legislative intent of the Act. *Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006)*, aff'd, *401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

**Real Property Law: Common Interest Communities: Condominiums: Conversions**

Conversion of a building's rental apartments into condominiums did not nullify the owner's exemption from rent control under *N.J. Stat. Ann. § 2A:42-84.5*, as the conversion did not effect the building's status as a "multiple dwelling," and in fact enhanced its marketability, in accord with the intent of *N.J. Stat. Ann. §§ 2A:42-84.5(b)* and *2A:42-84.6*. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

**Real Property Law: Landlord & Tenant: Rent Regulation: Exemptions**

Conversion of a building's rental apartments into condominiums did not nullify the owner's exemption from rent control under *N.J. Stat. Ann. § 2A:42-84.5*, as the conversion did not effect the building's status as a "multiple dwelling," and in fact enhanced its marketability, in accord with the intent of *N.J. Stat. Ann. §§ 2A:42-84.5(b)* and *2A:42-84.6*. *Block 268, LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

Statutory exemption set forth in the Rent Control Exemption Act, *N.J. Stat. Ann. §§ 2A:42-84.1* to -84.6, runs with the land, not with the owner, therefore, the conversion of a building's units to condominiums does not effect the building's status as a "multiple dwelling" and, in fact, enhances the property's marketability, in accordance with the legislative intent of *N.J. Stat. Ann. §§ 2A:42-84(b)* and -84.6. *Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006)*, aff'd, *401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

In an action in lieu of prerogative writs brought by a property owner, the action of a city's rent stabilization board in determining that the property owner's conversion of rental apartments into condominiums nullified its statutory exemption from rent control ordinances was arbitrary, capricious, and unreasonable and was in excess of the board's authority as the clear and plain language of the Rent Control Exemption Act, *N.J. Stat. Ann. §§ 2A:42-84.1* to -84.6, established that the exemption ran with the land, not with the owner. Therefore, the conversion of the building's units to condominiums did not effect the building's status as a "multiple dwelling" and, in fact, enhanced the property's marketability, in accordance with the legislative intent of the Act. *Block 268 LLC v. City of Hoboken Rent Leveling & Stabilization Bd., 401 N.J. Super. 544, 951 A.2d 1098, 2006 N.J. Super. LEXIS 364 (Law Div. 2006)*, aff'd, *401 N.J. Super. 563, 952 A.2d 473, 2008 N.J. Super. LEXIS 140 (App.Div. 2008)*.

LexisNexis® New Jersey Annotated Statutes
Copyright © 2026 All rights reserved.

End of Document