

NYC Broker Fee Changes: What the FARE Act Means for Renters

On November 13, 2024, the New York City Council passed the [FARE Act](#), with 42 out of 51 council members voting “Yes.” Mayor Eric Adams did not sign or veto the bill, so it automatically became law after 30 days. **The law went into effect June 11, 2025** — 180 days after it became law.

The passage of the FARE Act is a relief for NYC renters, who pay an average of \$12,951 in upfront costs — including broker fees — to move into a rental, according to StreetEasy data. StreetEasy® and Zillow® believe this legislation will result in positive changes for all sides of the market, and will make the renting process in NYC more fair, affordable, and transparent.

If you’re a renter wondering how this affects you, we’re here to explain what the FARE Act is, how it will impact NYC renters, and why we believe it’s good for everyone involved.

What is the FARE Act?

The Fairness in Apartment Rental Expenses (FARE) Act makes broker fees the responsibility of the party who hires the broker — which, in most cases, is the property manager. It requires property managers or their brokers to disclose and advertise any fees a tenant must pay on their rental listings and in rental agreements, or else risk a penalty, including fines and risk of lawsuit. It also gives

renters the choice of hiring a broker to represent them, and ensures tenants aren't forced to pay a broker fee as a condition of signing a lease agreement.

When will the FARE Act go into effect?

The FARE Act was passed by the New York City Council and automatically became law after Mayor Adams failed to sign or veto it within the allotted 30 days.

The changes required by this legislation went into effect 180 days (about 6 months) after it was enacted into law. Therefore, **the law is in effect as of June 11, 2025.**

How will the changes impact NYC renters?

As of June 11, 2025, a broker can no longer require you to pay them a fee if they've listed an apartment on behalf of a property manager. You can still [hire your own broker](#) to represent you and help you find a rental, in which case you'd pay them a broker fee for the services you hired them to do. But the FARE Act ensures NYC renters only pay a broker fee when they explicitly hire the broker to represent them.

Any fees you, as a renter, are asked to pay must also be clearly disclosed upfront, including in StreetEasy listings.

We believe these changes are good for NYC renters and will improve fairness, affordability, and transparency in the renting process. The FARE Act will

significantly lower your upfront costs when signing a lease, and ensure you clearly understand any fees you'll be asked to pay — with no surprises later on.