



34 DAYS TO MTA DISASTER

Only 34 days remain for the state Senate to back a responsible plan to hold down MTA fare increases, preserve service and finance a capital plan. Contact your state senator to urge support of the Ravitch plan.

See Crain's April 20 "Viewpoint" @ www.craigslist.com/mta

LETTERS TO THE EDITOR

It was part of the deal

GROUND RENT INCREASES in Battery Park City should surprise no one ("Taking a huge hit while they're down," April 20). As a real estate lawyer, I can assure you, that's how ground leases work.

Instead of buying the land, the developer leases it. Later, the developer (and then condo buyers) must pay ground rent—rising over time, by contract, to protect the landowner from inflation. Those increases often depend on relatively infrequent third-party appraisals, hence can seem shocking.

In exchange for bearing the ground rent burden, buyers pay less for their apartments. It's a trade-off with full disclosure. If the landlord or the Legislature



TROUBLE IN PARADISE: Ground rent increases have Battery Park tenants up in arms.

were to "do something" about the ground rent increases, this would create condos that are more valuable than the ones the condo owners actually bought.

Co-ops held under ground leases have the same issue. Here too ground rent will periodically

reset, often accompanied by excitement and litigation. But the co-op owners have no more basis to object than do the Battery Park City condo owners. *Crain's* was incorrect in saying that this issue is limited to Battery Park City.

—JOSHUA STEIN

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