

## APARTMENT RESERVATION DEPOSIT AGREEMENT

**Name of Applicant:** \_\_\_\_\_

**Apartment (address/unit):** \_\_\_\_\_

**Deposit Amount: \$** \_\_\_\_\_

**Date:** \_\_\_\_\_

The undersigned person(s) (individually or, if more than one, collectively, the “Applicant”) has voluntarily paid to the owner, manager and/or agent of the apartment identified above (such owner, manager and/or agent, the “Manager”) the sum set forth above (the “Deposit”) as a good-faith reservation deposit for the residential apartment identified in Applicant’s rental application (the “Apartment”). Applicant has represented that, if approved, Applicant intends to execute a lease for the Apartment, and has asked Manager to hold the Apartment off the rental market pending Manager’s review of Applicant’s application. The Deposit evidences Applicant’s good-faith interest in the Apartment, subject to the terms below.

**1. Voluntary deposit; not a condition; not a fee.** The Deposit is offered voluntarily by Applicant. It is not demanded by Manager and is not a condition of the submission, processing, review, or acceptance of Applicant’s application, of the rental of the Apartment, or of the tenancy. Applicant’s application will be processed, and Applicant remains eligible to rent the Apartment, whether or not the Deposit is paid. The Deposit is not a payment, fee, or charge for the processing, review, or acceptance of the application or for any other service, and is not consideration for the rental of the Apartment.

**2. Fully refundable; no forfeiture.** The Deposit is fully refundable under all circumstances. If a lease for the Apartment is not executed by both Applicant and the landlord for any reason — including, without limitation, where the application is declined, where Applicant elects not to proceed, or where the Apartment otherwise becomes unavailable — Manager shall return the entire Deposit to Applicant without deduction, set-off, condition, or retention of any portion as a fee, penalty, or liquidated damages. No portion of the Deposit shall be forfeited under any circumstance, and no act or omission of Applicant shall result in forfeiture.

**3. Escrow; timing and method of refund.** Pending execution of a lease or refund, Manager shall hold the Deposit in a segregated, non-interest-bearing account, shall not commingle the Deposit with Manager’s own funds, and shall not apply the Deposit for any purpose other than as expressly permitted by Section 4. Any refund due under Section 2 shall be made within fourteen (14) days after the earlier of (a) the date the application is declined, (b) the date Applicant notifies Manager that Applicant elects not to proceed, or (c) the date the Apartment otherwise becomes unavailable, by check or by the same method by which the Deposit was paid, to Applicant at the address or account designated by Applicant.

**4. Application of Deposit upon lease execution.** If Applicant and the landlord execute a lease for the Apartment, the Deposit shall, at Manager's option and with Applicant's consent, be applied toward the first month's rent and/or the security deposit for the Apartment, provided that the total security deposit collected shall not exceed one (1) month's rent. Any portion of the Deposit not so applied shall be returned to Applicant in accordance with Section 3.

**5. No broker fee charged to Applicant.** No broker, agent, listing, or similar fee is being charged to, or collected from, Applicant by Manager or by any agent acting on the landlord's behalf (including any agent who listed the Apartment with the landlord's permission) in connection with the rental of the Apartment.

**6. Background and credit checks.** In connection with reviewing Applicant's application, Manager may process, or cause to be processed, a background check and/or credit check on Applicant, Applicant's prospective roommate(s), and/or Applicant's guarantor(s). Any fee charged for such check(s) shall not exceed the actual cost of the check(s) or \$20, whichever is less, and shall be waived if Applicant provides a copy of a background or credit check conducted within the preceding thirty (30) days. Upon collecting any such fee, Manager shall provide Applicant with a copy of the results of the inquiry.

**7. No waiver of statutory protections.** Nothing in this Agreement shall be construed to waive, modify, or limit any protection afforded to Applicant under New York Real Property Law § 238-a, New York General Obligations Law § 7-108, or the New York City Fairness in Apartment Rental Expenses (FARE) Act, and any provision purporting to do so is void.

**8. Severability.** If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall remain in full force and effect, and the invalid provision shall be deemed modified to the minimum extent necessary to comply with applicable law. In no event shall this Agreement be construed to require any payment, or to impose any forfeiture, prohibited by law.

**9. Governing law and venue.** This Agreement is governed by the laws of the State of New York, without regard to conflict-of-laws principles. The parties consent to the jurisdiction and venue of the courts located in the county in which the Apartment is located.

**10. Entire agreement; no lease.** This Agreement constitutes the entire agreement between the parties regarding the Deposit and supersedes all prior understandings concerning it. It may be amended only by a writing signed by both parties. This Agreement is not a lease and does not constitute a binding commitment by either party to enter into a lease.

**11. Facsimile and electronic signatures.** Facsimile and electronic signatures used in this Agreement shall be deemed to be original signatures.

**ALL OF THE FOREGOING TERMS AND CONDITIONS ARE HEREBY AGREED TO AND ACCEPTED:**

**Manager:**

By: \_\_\_\_\_, Agent

\_\_\_\_\_  
*Applicant (print name beneath line)*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Applicant (print name beneath line)*

\_\_\_\_\_  
*Date*