

350 BLEECKER STREET NEWSLETTER #152
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SPONSOR'S LEGAL FEES

Judge Lynch awarded the Sponsor \$344,516.18 in legal fees.

Several months ago, when the board explored this issue, the bank offered to lend the co-op up to \$500,000 at about 6% interest. At this interest rate, each \$100,000 borrowed would cost a 100-share apartment-owner \$34.84 in interest per year, which is tax-deductible, and the principal can be added to the mortgage when it is renewed. The co-op can renew the mortgage any time between the end of this year and 2006.

The co-op can decide on what time period to pay off the loan and the amount of the loan that will be needed. For example, if the co-op wanted to pay off a \$100,000 loan over four years, the cost would be \$163.64 per 100-share apartment, per year, which is partially tax-deductible. Of course, interest rates change from time to time, so the board will contact the bank in the next few days.

If the co-op wins the garage lease on appeal, the maintenance on a 100-share apartment will go down by \$659 per year. Ken's legal fees will be awarded to the building if the co-op wins on appeal. To see the appeal papers filed by the co-op, visit the building's website at <http://www.350bleecker.com/newsletters/html/150p1.html>. The decision on the appeal is due sometime in the next few months.

The board was informed of Judge Lynch's decision today. The board wanted to inform you of this decision immediately. If you have any question, please feel free to call any board member.