
NEWSLETTER

NO. 93

350 BLEECKER STREET

JANUARY 20, 1997

The Board met on December 10, 1996. Among the issues discussed:

VIDEO SECURITY SYSTEM

In view of the good results from the single camera already installed (see channel 77 if you have cable TV), additional funds (approximately \$4,000) were allocated for three additional cameras. Two will be in the basement and one will be in the stairway leading to the roof deck. The latter camera will face towards people coming up the stairs. The video screen will be split four ways, so all four views will be seen simultaneously. Jim Kafadar volunteered to get bids and supervise the installation. He will be aided by Bob Mishkin.

Certain Board members were concerned about recent violent events in the neighborhood, and want to keep our building's safety a high priority. Although no violent incidents have occurred at 350 Bleecker in many years, certain Board members felt that a more comprehensive system would help prevent problems.

TIME WARNER DISCOUNTS

The Board could not reach an agreement on how to implement the Time Warner cable TV discount plan. Certain Board members felt that the bookkeeping and detailed follow-up needed would be burdensome. The simplest way to implement the plan appeared to be one annual bill per participant with no refunds permitted, but this approach was rejected as too burdensome to the customers. Anyone with ideas on how to solve this issue is welcome to speak to any Board member.

PLUMBING WORK

If your new toilet or showerhead is not performing properly, or you have any other maintenance problem, please fill out the attached form and slip it under the door of any Board member or fax it to Ken Newman at 752-0097.

WATER SAVING RULE ADOPTED

The Board voted unanimously that no apartment may be sublet, sold, or renovated unless the toilet(s) in the apartment are 1.6 gallon flush or less, and the showerhead(s) are low-flow. This rule excludes cases where renovation approval was previously given, but the renovation is not yet complete.

<u>APT.</u>	<u>SIZE</u>	<u>OWNER</u>	<u>PHONE</u>	<u>COMMENTS</u>
1S	2BR	Kenneth B. Newman	319-3000	six windows face south -- very sunny

APARTMENTS IN CONTRACT

Apartment 6D, a vacant studio owned by Ken Newman, has been contracted for sale to Jim Kafadar. The closing is scheduled for January.

BUILDING OWNERSHIP

Of the original 137 apartments:

- a. number of apartments owned by sponsor, not for sale at this time - 38
- b. number of vacant apartments, owned by sponsor, for sale - 2
- c. number of investor-owned apartments - 2
- d. number of apartments sold (excludes "e" and "f" below) - 94
- e. number of apartments sublet with board permission - 1
- f. number of apartments believed illegally sublet, in litigation - 1

A major milestone has been reached. The sponsor owns less than 30% of the apartments. It took over 11 years to reach this point. Certain banks will not grant mortgages to individual apartment purchasers when the sponsor holds more than 30% of the apartments. Generally, the more financing alternatives a purchaser has, the lower the mortgage rate.

CASH POSITION (INCLUDES SHORT TERM INVESTMENTS)

<u>Cash Position</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
January 31	\$516,262	\$376,167	\$148,901
February 28	553,383	399,249	180,175
March 31	553,724	459,076	212,063
April 30	647,187	490,310	245,950
May 31	685,964	517,706	283,157
June 30	728,533	487,841	281,767
July 31	684,148	475,477	324,111
August 31	716,989	461,193	378,017
September 30	670,103	410,117	381,046
October 31	701,614	233,233	427,444
November 30	579,020	231,580	454,992
December 31	713,424	520,628	339,752
Average	653,000	420,885	304,781

CUSTOMER SERVICE AND MAINTENANCE SURVEY

The board would appreciate it if you d fill this in and give it to any board member. Or you may fax it to Ken Newman at 212 752 0097. The sole purpose is to improve service if needed. Thanks!

Name_____ Apt_____

For items I through VI, please circle any problem(s) that apply to your apartment.

I. PLUMBING

- A. Leak in kitchen
- B. Leak in bathroom
- C. Kitchen sink drains slowly
- D. Bathtub drains too slowly
- E. Bathroom sink drains slowly
- F. Toilet runs continuously
- G. Bathtub tile needs caulk
- H. Radiator leak
- I. Radiator shutoff valve broken

II. CEILINGS AND WALLS

- A. Leak in ceiling
- B. Leak in wall

III. WINDOWS

- A. Window won't stay open (spring broken)
- B. Window cloudy inside (seal defective)

IV. DOOR

- A. Doorbell doesn't work

V. INTERCOM

- A. People in apartment can't hear building entrance
- B. People in apartment can't hear bell or buzzer
- C. Apartment voice can't be heard at building entrance
- D. Person in apartment can't unlock front door

VI. OTHER MAINTENANCE PROBLEMS (please specify)

VII. BUILDING STAFF

Please fill this in if you have any issues or suggestions you'd like the board to know about that relate to the staffs performance within the past 90 days. The staff includes -

Rifat Otovic – Super
Jerry Rawls -- Porter and Doorman
Armando Sanchez – Doorman
Jasmin Orahovac - Doorman

Geoffrey Merrill -- Doorman
Ken Newman - Managing Agent
Shirley Lomanto - Managing Agent
Louise Casale -- Managing Agent

NEWSLETTER

NO. 94

350 BLEECKER STREET

JANUARY 23, 1997

The Board met on January 14, 1997. Among the issues discussed:

BOARD ATTENDANCE

From now on, any Board member who misses three meetings in one term will automatically lose his/her seat. Missing more than one hour of any meeting would be equal to an absence. The only excused absences would be those due to a death in one's family. In the past, Board members whose attendance declined resigned. There appears to be no major attendance problem right now. However, should a problem arise, asking a Board member to voluntarily resign might seem offensive, so the rules were passed in order to be neutral towards everyone.

KEYS

Alterations and sublets will no longer be approved if the shareholder has not given a copy of his/her apartment keys to Rifat Otovic. It is critical that the super has a complete set of keys to all apartments, in case of emergency.

LAUNDRY

Two Board members, Kimberly Minarovich and Cynthia Spry, offered to lease the laundry and renovate it at their risk and expense. The rest of the Board voted not to lease the laundry room. The co-op will continue to operate the room and keep 100% of the revenue instead of 60% (the most recent lease arrangement). Kimberly offered to review the renovation bids with the Board at its next meeting, since certain Board members would like to use some of the building's capital funds towards laundry improvements.

If you desire a refund due to machine performance problems, please fax a written request to Shirley Lomanto. Be sure to give her the machine number so it can be fixed. Rifat Otovic will use his fax machine for this purpose.

STORAGE ROOM

There is some extra space in the basement. It may be converted to storage rental spaces or it may be rented to Bell Atlantic for electronic equipment to be connected to rooftop antennas. The antennas would be for cellular phone service. Bell Atlantic may offer the building \$10,000 to \$20,000 per year. The consensus of the Board was that before detailed plans for storage spaces are created, it would be good to see what Bell Atlantic's final offer would be.

To make a final offer, Bell Atlantic would like to see the building's original structural plans. Although these plans would normally be on file in the Manhattan Buildings Department office, they were either stolen or misplaced many years ago. Ken Newman asked the original firm who built the building to search their files for a plan copy for 350 Bleecker or at least a plan copy of one of its sister buildings (88 Bleecker, for example). Alexander Neratoff (the Board's consulting architect) will search the Building Department archive in Queens for a microfilm copy. Bell Atlantic's equipment (not the antennas) weighs 30,000 pounds, so they want to be sure the weight can be supported properly.

MAINTENANCE PAYMENTS

Henceforth, the Managing Agent's office will call any shareholder whose payment is late, on the first late day. In the past, shareholders were sent letters, which were sometimes delayed, leading to multiple late payments. Maintenance is due in advance on the 5th of each month. Letters received by the 10th, postmarked by the 5th are OK. Otherwise, the late fee is \$50.

SIDEWALK USES

The Managing Agent will have the video store discontinue its illegal use of the sidewalk for advertising signs. The bookstore owner asked for permission to erect a sign above his store, and he will be asked to improve the look of his sidewalk book display fixtures. It is unconstitutional to prevent the use of the sidewalk for bookselling.

APARTMENTS FOR SALE

<u>APT.</u>	<u>SIZE</u>	<u>OWNER</u>	<u>PHONE</u>	<u>COMMENTS</u>
1S	2BR	Kenneth B. Newman	319-3000	six windows face south -- very sunny

BUILDING OWNERSHIP

Of the original 137 apartments:

- a. number of apartments owned by sponsor, not for sale at this time - 36
- b. number of apartments owned by sponsor, in contract, awaiting closing - 1
- c. number of apartments owned by sponsor, for sale, not listed above - 1
- d. number of investor-owned apartments - 2
- e. number of apartments sold (excludes "f" and "g" below) - 95
- f. number of apartments sublet with board permission - 1
- g. number of apartments believed illegally sublet, in litigation - 1

WAIVER AGREEMENT

The Board agreed to allow the sponsor to use the same law firm the co-op hired for the appeal of the alleged illegal sublet case. The sponsor will use Stroock & Stroock & Lavan to represent him in two other cases (both involve alleged non-compliance with the rent stabilization rules). The sponsor may ask the courts to eject people who break the rent stabilization rules.

Common allegations against rent-stabilized tenants include:

1. non-payment of rent,
2. illegal sublet of a rent stabilized apartment, and
3. use of an apartment at 350 Bleecker even though the primary residence is elsewhere.

The purpose of the rent stabilization law is to protect a primary residence. When the sponsor wins a case and the apartment becomes vacant, he sells it.

HALLWAY SALE

On January 16, Jim Kafadar purchased the hallway outside his three apartments. Congratulations, Jim!

CASH POSITION (INCLUDES SHORT TERM INVESTMENTS)

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NEWSLETTER

NO. 95

350 BLEECKER STREET

MARCH 19, 1997

The Board met on February 11, 1997. Among the issues discussed:

APARTMENT TRANSFERS—SPECIAL MEETING OF ALL SHAREHOLDERS

Currently certain apartment ownership transactions are exempt from the cooperative corporation's 2% transfer fee (flip tax). On examining the text of the proprietary lease and by law provisions, the Board unanimously decided to clarify and reform the rules and to call a special meeting of all shareholders. The board doesn't have the power to clarify or reform without a 2/3 vote of all shareholders at the special meeting.

Scenario A: Mr. and Mrs. Majewski own an apartment together. They get a divorce, and Mrs. Majewski gets to own the apartment herself. The change of ownership it is believed should not result in a transfer fee to the co-op corporation.

Scenario B: Mr. Charles and Mr. Perry own an apartment together. They decide to split up, and Mr. Perry gets to own the apartment himself. This change of ownership results in a 2% transfer fee ("flip tax") paid to the co-op corporation.

Shareholders will be asked to treat gay and lesbian couples the same as married couples for the purposes of the 2% transfer fee.

Another provision exempts transfers from deceased owners to members of the immediate family of the decedent. The Board wishes to clarify this provision.

Notice of the meeting will be sent to all shareholders in the near future. If you'd like to vote on this issue, but cannot attend, please fill out the proxy which will be sent with the notice of meeting and slip it under the door of any board member.

ELEVATOR STRIKE

The maintenance company is normally paid \$770.80 monthly. They've been on strike for several months (all the elevator companies are on strike). Service has not been prompt, since only a small crew of supervisors can work. The board directed Ken Newman to withhold payments until the strike is over. (The strike is now over.)

BUILDING DIRECTORY

Jim Kafadar will create a building resident list, alphabetized, which will be displayed in a case near the lobby intercom. This will aid delivery people and visitors. The list will show bell numbers, not apartment locations. The police department advised us not to show apartment locations.

A new bulletin board case will be installed in the mail room area, replacing the black building directory which has not been updated in several years.

PIPE NOISE

The plumber will run an extra steam return line for the "E" apartments. This work will take place in the garage (all steam lines terminate at basement level). If it solves the pipe banging problem, then other extra steam return lines will be installed.

Our heating system is "1 pipe low pressure steam". In other words, steam goes up a pipe, gets cooled in the radiator (heating room) and turns back into water which runs down the same pipe supplying the steam. If the water cannot drain easily, then the steam has to push it out of the way, which creates the banging noise.

Every radiator in the "E" line was checked to be sure that:

1. the radiator angle is lower at the pipe end than the "dead end" (allows water to drain properly)
2. the shutoff valve (brass with black dial knob) is working properly
3. the vent (a chrome piece at the other end of each radiator, sometimes incorrectly called "the valve") is working properly. The vent sometimes gently hisses. It should not hiss very long, and shouldn't leak or spit water.

If any item labeled 1 to 3 needed correction, it was completed. Any 1 of these items, when amiss, can cause banging or lack of proper heating. If you'd like your radiators examined, please speak to Rifat.

USE OF NATURAL RESOURCES

<u>Category</u>	<u>1995</u>	<u>1996</u>
Electricity	\$11,515	\$13,561
Oil	\$20,094	\$0
Water	\$2,782	\$2,375
Cooking Gas	\$2,766	\$3,230
Hot water gas	\$1,274	\$3,569
Steam heat gas	\$7,452	\$24,668
Total	\$45,883	\$47,403

In October 1995, we scrapped the building's boiler and installed the new boiler. The old boiler ran 12 months a year on oil, creating steam and hot water. The new boiler uses gas or oil (but we've only burned gas so far), and runs only during the winter. During the warm months, we run a new gas hot water heater. Our oil cost in 1995 included number 4 oil scrapped (the old boiler used number 4) and a reserve supply of number 2 oil (the new boiler uses number 2, which is cleaner).

BUILDING OWNERSHIP

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- c. number of vacant apartments owned by sponsor, for sale: 1
- d. number of investor-owned apartments: 2
- e. number of apartments sold (includes "f" and "g" below): 98
- f. number of sold apartments sublet with board permission: 1
- g. number of sold apartments believed illegally sublet, in litigation: 1

CASH POSITION (INCLUDES SHORT TERM INVESTMENTS)

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NEWSLETTER

NO. 96

350 BLEECKER STREET

MARCH 19, 1997

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RESIGNATION

Kimberly Minarovich resigned from the board. The other members thanked Kimberly for her service to the co-op. If you'd like to be a member of the board, please speak to any remaining director. The 6 people remaining will elect a replacement soon.

FIRE SAFETY

Some smoke detectors and another fire extinguisher will be purchased and installed in the public areas. These will be additions to our present fire safety equipment. As a pilot, the added smoke detectors will be put in the hallway and stairwells of the fifth floor. The fire extinguisher will go in the stairwell leading to the roof. If the pilot works well, additional equipment may be installed in other places around the building.

ROOF DECK PARTIES

Planning a party on the roof deck? Please call Ken Newman at 319-3000 before issuing invitations, if you are not familiar with the rules. There is a \$3,000 charge for an unauthorized roof party under certain circumstances.

TIME WARNER

Jim Kafadar discussed a bulk service agreement which will reduce TWC charges for basic cable to \$18.95. Time Warner will continue to bill customers individually. Ken Newman will finalize the contract. As part of the exercise room upgrade, a color TV will be installed in the exercise room, and the building will pay for its cable service.

SECURITY

Channel 77 now features all 4 camera views with no commercial interruption. Jim Kafadar designed the system, bid it out, and supervised the installation.

PIPE NOISE

The pipe banging continues. The basement repiping experiment failed, so further investigation will take place.

KEYS

If you give your keys to a friend who'll feed your pet while you're out of town, be sure to call Ken Newman in advance. Otherwise, our staff may prevent people they don't recognize from entering the building. The staff has been instructed to refuse access for security reasons.

For example, if a shareholder's purse containing her wallet, driver's license, and keys is stolen, a thief can easily claim that he is a friend of the shareholder. It only takes a minute to call Ken's office at 319-3000, and it may help protect everyone concerned.

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NEWSLETTER

NO. 97

350 BLEECKER STREET

MAY 6, 1997

The Board met on April 8, 1997. Among the issues discussed:

LAUNDRY ROOM

Several board members felt that a substantial new investment in equipment and a continued self-management policy (versus leasing the facility to an operator) should be examined further. Among the major concerns:

- a. Should we refrain from major new investments until our masonry and roofing project is bid out?
- b. Most co-op buildings do not manage their own laundry facilities.
- c. We may find an operator who will substantially upgrade the equipment, instead of merely replacing it with similar equipment. In other words, ten 30 pound dryers and a 35 pound front-load washer in addition to eight top loading washers, not just replace the eight washers and eight small dryers.

GARAGE LEASE

The garage operator's lease ends April 30, 1997. The building will receive rent from the garage space, regardless, since the master lessee pays rent to the co-op.

BOILER

The hot water is being adjusted by the plumber, Bruce Loewy. The co-op has an annual maintenance agreement with his firm.

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NEWSLETTER

NO. 98

350 BLEECKER STREET

MAY 6, 1997

On April 25, 1997 a Special Meeting of Shareholders was held.

Five board members and about half a dozen shareholders attended the meeting. Many shareholders attended by proxies. Over 2/3 of all shares were voted in favor of the proposal to treat separating gay and lesbian shareholders in the same fashion as divorcing shareholders, for the purposes of the 2% transfer fee. The exact language, as amended, is attached. The vote tally was:

Total shares outstanding: 17,212
Shares voted in favor: 12,025
Shares voted against: 220

Among the concerns voiced at the meeting:

1. Unmarried heterosexual couples who separate still must pay the transfer fee.
2. How can shareholders transfer ownership upon dying, without paying the fee?

Issue number one was not fully answered. Among the responses:

- a. Heterosexual people can marry, but gays and lesbians cannot.
- b. Certain board members are reluctant to lose too much transfer fee revenue.
- c. No policy can satisfy every case, unfortunately.

Issue number two can be addressed assuming the shareholder has estate planning advice from an attorney. The alternatives are too complicated to outline completely in the Newsletter.

Board members thanked Bob Bangiola and Patricia Bostelman for their focus and perseverance, going door-to-door, explaining the amendment, and gathering proxies.

The board members stayed after the official part of the meeting ended to discuss these shareholder concerns:

- a. problems getting windows repaired,
- b. errors by the staff, incorrectly challenging overnight shareholder guests, and
- c. errors by the staff, incorrectly challenging non-residents helping to feed residents' pets while the residents are absent.

A special "Window Maintenance Form" is attached to this Newsletter. If you need fenestrative assistance, please fill it out immediately and slip it under Mark Lilien's door (3E). Please do not fax it to the office or give it to anyone else. If you have recently reported window problems, please use this form anew.

To prevent the staff errors listed above, Ken Newman will fax all notices relating to authorized guests and authorized pet feeders to Rifat Otovic, who will post the notices on a bulletin board next to the time clock in the staff lounge. Since every staff member must use the clock twice daily, they will see the messages. For this plan to work, it is important to contact Ken Newman first. Rifat Otovic can fax your message.

Furthermore, every pet owner (and other people who would like to help) can fill out the following Pet List Form, which will be sent to everyone on the list. People with pets will have candidates to exchange pet feeding opportunities while travelling. If you would like to be on the list, please ask Rifat Otovic to fax this form to Ken Newman.

LEASE

Paragraph 16(a)(vii) As a condition to the transfer of shares of stock in the Corporation as an incident to a sale of the apartment to which such shares have been allocated, the seller shall pay to the corporation, by a certified check drawn on a New York bank payable to the Lessor, a fee of two per cent (2%) of the total sale price applicable thereto, payable at the time of such transfer. Such fee shall not be applicable to Unsold Shares (as defined in the Offering Plan therefor) or to transfers from the executors or administrators of a deceased stockholder to a person who, immediately prior to the death of such stockholder was a member of the immediate family of the Lessee or to assignments to an assignee who, at the time of the assignment, is a member of the immediate family of the Lessee, or to an executor or other personal representative on the death of a Lessee. For purposes of this subparagraph, "immediate family" shall mean the spouse, former spouse, parents or children of the Lessee and the economic and social partner of a Lessee in an established gay or lesbian relationship in which both partners jointly owned and resided in the Unit being assigned. For purposes of this subparagraph, the "sale price" in a mortgage foreclosure sale shall mean the amount of the outstanding balance of the mortgage obligation.

BY LAW

Section 10, Article VI As a condition to the transfer of shares of stock in the Corporation as an incident to a sale of the apartment to which such shares have been allocated, the seller shall pay to the corporation, by a certified check drawn on a New York bank payable to the Lessor, a fee of two per cent (2%) of the total sale price applicable thereto, payable at the time of such transfer. Such fee shall not be applicable to Unsold Shares (as defined in the Offering Plan therefor) or to transfers to or from the executors or administrators of a deceased stockholder or to assignments to an assignee who, at the time of the assignment, is a member of the immediate family of the Lessee, or to an executor or other personal representative on the death of a Lessee. For purposes of this subparagraph, "immediate family" shall mean the spouse, former spouse, parents or children of the Lessee and the economic and social partner of a Lessee in an established gay or lesbian relationship in which both partners jointly owned and resided in the Unit being assigned. For purposes of this subparagraph, the "sale price" in a mortgage foreclosure sale shall mean the amount of the outstanding balance of the mortgage obligation.

PET LIST FORM

If you would like to help feed your neighbors' pets while the neighbors are away, please ask Rifat Otovic to fax this to Ken Newman.

Name _____ Apartment _____

Work Phone _____ Home Phone _____

Please list all pets and each one's name

Example: Eisenhower(dog), Goldwater (cat), Dewey(turtle)

WINDOW MAINTENANCE FORM

After filling out this form, please slip it under Mark Lilien's door (3E). Please do not give to anyone else.

Name _____ Apartment _____

Work Phone _____ Home Phone _____

Please list the room(s) whose window(s) require maintenance. For each window listed, please write "spring" if the window will not stay open when you slide it open, or "glass" if the window glass is cloudy inside, cracked, or broken. Example:

left living room window – spring
right living room window -- glass

Glass is replaced by the glazier. Springs are replaced by our building staff.

N E W S L E T T E R

NO. 98

350 BLEECKER STREET

JULY 17, 1997

The board met on May 13 and June 10, 1997. Among the issues discussed:

GARAGE

A board member and an attorney are each alleging assault by the same garage employee. Furthermore, a suit has been brought against the garage operator because although the lease ended April 30, the operator refuses to surrender the premises. Two board members removed their cars and rented space in another garage, due to the alleged assaults and alleged physical damage done to their cars.

If the landlord wins the court case, and the operator is removed, payments made to him may be lost (not credited by the new garage operator). For example, If you pay for August and the new company takes over on August 10, you might have to pay for the remainder of August again.

If you are victimized by the current garage operator's employees, please call Ken Newman at (212) 319-3000. Regardless of the lawsuit, the co-op will continue to collect rent.

When the current operator leaves, bollards will be installed around the water meters, south exit door, and near the underside of the ramp. Bollards are steel pipes sunk into the floor to block cars from occupying unauthorized spaces or damaging the plumbing. The area below the garage ramp is owned by this co-op and not authorized for use by the garage operator. It may be used for storage in the future, so it will be fenced off.

The new operator has agreed to paint the garage floor and allow the co-op to complete its waterproofing of the ramp.

LAUNDRY

Mark Lilien contacted over a dozen laundry operators. Two submitted bids which include 30 pound dryers (twice the capacity of our current dryers) and at least 1 upgraded washer. Ken Newman and Mark Lilien were authorized to negotiate a lease with one of the operators.

SMOKE ALARMS

Over 40 alarms were installed in the public areas (hallways, stairwells, laundry, etc.).

APPLICATION FEE AND MOVING DEPOSIT

People applying to purchase apartments will now be charged a \$175 application fee. The fee will go to the co-op, not the managing agent. Many other co-ops in Manhattan charge similar fees, which go to their managing agents. Anyone buying additional shares in the co-op (to buy a second apartment, for example) is exempt from the fee.

People selling an apartment will be asked for the \$500 moving deposit when the purchase candidate(s) submit their application. The deposit is refunded after the move-out, if there is no damage. Until now, the \$500 was collected before the closing date was assigned.

CUSTOMER SERVICE AND MAINTENANCE FORMS

A box was installed in the mail room. If you require maintenance service (window spring broken, leaky faucet, etc.) or have a customer service problem, the box has a slot for forms to be submitted. It also holds extra blank forms. Jim Kafadar will unlock the box and review the forms with Rifat Otovic, if they list maintenance requests. Jim will forward service issues to Ken Newman.

Use of the forms is not required. Anyone can call Ken Newman or Rifat Otovic or see them in person. The forms and the box are merely an additional convenience.

RETAIL STORES

Ken was asked to have the video and book stores remove their sidewalk signs. After repeated urgings, they did so. The video store was repeatedly asked to replace its cracked window and door glass. The video store has complied with the request.

BIKE STORAGE

A physically handicapped resident who needs a tricycle for mobility requested permission to store her tricycle in the basement. The board voted to allow her to place it in an underutilized space in the basement, outside the bike room, for \$75 annually, paid in advance.

The bike room is fully rented, but some alternative bike hanger brackets are being tested, which may lead to a greater capacity.

RECOGNITION AGREEMENTS

When a bank issues a mortgage loan, it requests the co-op to sign a "recognition agreement". This document states that the co-op must inform the lender of any defaults by the shareholder. The bank can act on this information to protect its loan. In the past couple of months, the co-op has informed one lender of a shareholder failing to pay promptly some money owed to the co-op. Another lender was informed when a shareholder allegedly refused to allow a carpet reinspection after repeated noise complaints.

ANTENNAE

Board members are calling Omnipoint, Bell Atlantic, AT&T, Sprint, Nextel and Next Wave to see if any of these firms want to use the roof for cellphone antennae. If chosen, the co-op may earn significant rental fees from this arrangement.

BUILDING OWNERSHIP

Of the original 137 apartments:

- a. number of apartments owned by sponsor, not for sale at this time: 33
- b. number of apartments owned by sponsor, contracted or offered for sale: 3
- c. number of investor-owned apartments: 2
- d. number of apartments sold (excludes "e" and "f" below): 99
- e. number of apartments sublet with board permission: 0
- f. number of apartments believed illegally sublet, in litigation: 1

CASH POSITION

<u>Cash Position</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
January 31	\$583,757	\$516,262	\$376,167
February 28	609,639	553,383	399,249
March 31	642,632	553,724	459,076
April 30	676,585	647,187	490,310
May 31	800,824	685,964	517,706
June 30	801,467	728,533	487,841
July 31		684,148	475,477
August 31		716,989	461,193
September 30		670,103	410,117
October 31		701,614	233,233
November 30		579,020	231,580
December 31		713,424	520,628
Average		653,000	420,885

N E W S L E T T E R

NO. 99

350 BLEECKER STREET

JULY 17, 1997

The board met on July 8. Among the issues discussed:

REAL ESTATE TAXES

1. Abatement.

About 30% of the maintenance fee goes toward paying real estate taxes. In the past, co-op buildings paid greater taxes, proportionate to each building's value, than single family houses. This issue has now been partially addressed. Tax rebates and reductions were issued in draft form last week. The rebates will be about 1% the first year, 6% the second year, and 8% the third year.

For example, an apartment whose maintenance is \$500 per month would get a rebate the first year of about \$6000 times thirty percent times one percent, equal to about \$18.

The government has not made it clear when the rebates will be issued. It may take many months. Rebates will only be issued to the people who filled out the forms several months ago. If you have questions about this, please call Ken Newman at (212) 319-3000.

2. Certiorari/Refund.

Each year the building institutes proceedings to reduce its assessed valuation. The proceeding is called certiorari proceedings and a reduction in valuation results in a reduction in real estate taxes paid. The cooperative has settled its claims of over-valuation through June 30, 1997. As a result of the settlement, it received a refund of \$90,612.08, plus a reduction on the latest bill of \$10,807.93. The benefits will continue until June 30, 2001. To obtain these benefits the building expended \$18,035.97 paid as a contingent fee to the attorney who handled the proceeding for the co-op.

MAINTENANCE

A shareholder paid his maintenance late, and was charged the \$50 late fee. He paid his next few months charges early and requested that the late fee be excused, in exchange. The board voted unanimously that the late fee will be charged regardless.

PURCHASE APPLICATIONS

From now on, the application will require a full set of papers from everyone who intends to live in an apartment, at the time it is purchased. In the past, a full set of papers was only required from people who intended to be owners. No single application will have more than \$50 charged for a credit report, even if several credit reports are required. The only exceptions are:

- a. minors living in the apartment with non-minors
- b. certain close relatives taking ownership due to a shareholder death

For example, if Jack Smith, who lives in Alaska and will continue to live there, wants to buy an apartment for his son Mike, a 17 year old student at NYU, to occupy, even if Mike's name is not listed as a co-owner or owner, Mike will have to complete a full application, as well as Jack.

Another example: Mr. and Mrs. Jones intend to live together in apartment 7C. Mr. Jones will be listed as owner. Both people will each fill out a complete application.

Another example: Mr. and Mrs. Kelly and their 16 year old daughter, Betty, intend to live together in apartment 8D. The owner will be Mrs. Kelly. Both Mr. and Mrs. Kelly will each complete an application. Betty will not.

INTERNET SERVICE

If you are interested in forming a group to buy Internet services together (T-1, ISDN, etc.) please call Cynthia Spry at (212) 627-4787.

PLUMBING

Sometimes a tiny adjustment of the hot or cold water faucet in the shower will change the water temperature radically. This overreaction is often a sign that one or more of the 3 shower/tub valves require adjustment and/or parts. If you've noticed this, please fill out a maintenance form (they are in the box in the mail room). This service is sometimes needed as often as every few months.

Have you noticed that sometimes the shower temperature changes radically for a moment? This is often caused by a toilet flush in the same line (even in another apartment). You can test this yourself, turn on the water in the bathroom sink and/or shower and flush your toilet. You may see a momentary flicker in the water stream of your sink or shower. Unfortunately, there is no low-cost easy fix for this problem.

The optimal fix would be either a re-piping of the entire building, including major wall reconstruction, or installation of an advanced mixing valve which equalizes for pressure variations within each apartment, which would also require some wall reconstruction and bathroom retiling. If you are planning to renovate your bathroom it might pay to ask your plumber to install a valve of this type during the renovation.

BUILDING OWNERSHIP

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- d. number of apartments sold (excludes "e" and "f" below): 99
- e. number of apartments sublet with board permission: 0
- f. number of apartments believed illegally sublet, in litigation: 1

CASH POSITION (INCLUDES SHORT TERM INVESTMENTS)

<u>Cash Position</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
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July 31		684,148	475,477
August 31		716,989	461,193
September 30		670,103	410,117
October 31		701,614	233,233
November 30		579,020	231,580
December 31		713,424	520,628
Average		653,000	420,885

NEWSLETTER

NO. 100

350 BLEECKER STREET

August 27, 1997

GARAGE

The garage operator agreed to vacate the premises by August 31, 1997. The new Operator will take over on September 1. The operator will be Barry Weinberg The office number is 212-737-3279.

When you write your check for the September rent, it is suggested you call to find out the corporate name, which is not yet finalized. Funds paid to the current operator may not be turned over to the new operator.

N E W S L E T T E R

NO. 101

350 BLEECKER STREET SEPTEMBER 17, 1997

The board met on September 9 from 7:00 p.m. to 1:00 a.m., the longest meeting in several years. Most meetings end between 9:30 p.m. and 11:00 p.m. Among the issues discussed:

LOUISE CASALE

Louise Casale died on September 8 after a long illness. She was a key valued member of the Managing Agent's office team. The board voted a \$100 contribution in her memory to the Cancer Research Fund. She will be missed.

GEORGE ONG ELECTED

George Ong, Apt IM, was elected to fill the vacant slot. He's lived in the building since 1991. His phone number is (212) 604-0522.

Four other shareholders besides George Ong were interviewed for the board seat. The board thanked each candidate for his/her interest.

SHAREHOLDER MEETING

November 11 at 7:00 p.m. the co-op will hold its annual shareholder meeting in the exercise room in the basement. At the annual meeting the co-op will elect a new board and vote on an amendment to correct a typo in the proprietary lease. Refreshments will be served. All shareholders are welcome. Anyone holding shares on September 23 is eligible to vote.

If you cannot attend the meeting, please fill out the attached proxy form and give it to someone you trust to attend for you. All 7 board members plan to attend, so any of the 7 would be happy to accept your proxy. If more than 1 person owns an apartment, all owners must sign the proxy.

Past annual meetings have included discussions of building maintenance, sublet policies, financial matters, tax issues, recent sales prices of apartments, etc. Any shareholder is eligible to run for the board, even if he/she bought shares after September 9.

The amendment will be considered at the meeting because two-thirds of all shares (11,475 out of 17,212) are required to pass an amendment regarding sublets. Due to a typo in the proprietary lease, the board's ability to regulate sublets is contradicted within the document. This resulted in litigation with a shareholder, which cost the co-op in excess of \$20,000 in legal fees. Passing this correction will clarify the situation.

If more than 5,737 shares are voted against the proposal, then it will fail, and further litigation may take place. Furthermore, if the proposal fails, people's real estate tax refunds may be jeopardized since the real estate tax refunds only apply to "unsold shares."

If you do not vote (in person or by proxy) then it is similar to voting against the proposal, since 11,474 shares are needed to pass, regardless of how many shares are voted.

All 7 board members are in favor of the proposal. They own 6,197 shares, so 11,005 shares are still needed to pass the proposal.

APARTMENT 3F (STUDIO) FOR SALE

To help settle the litigation referred to above, the board voted to purchase apartment 3F from the owner for \$84,500 (\$85,000 less a \$500 closing settlement for damage to the apartment). The board is asking \$92,500 for the apartment, which will include refinishing the floor and repainting the walls, as well as new appliances (stove, air conditioner, refrigerator). These improvements will be paid for by the co-op, since the apartment was sold in "as-is" condition.

In addition to this notice in the Newsletter, there will be an ad in the Sunday *New York Times*. The board will not pay a brokerage fee to anyone for selling the apartment.

Mark Lilien did not vote on the asking price or the proposal for improving the apartment, since he may want to buy it. Board members refrain from voting on proposals that may involve a conflict of interest.

Although the shareholder involved won the litigation, he did not demand reimbursement for his attorney fees, which would be his right under the proprietary lease. On the other hand, the board did not cause him additional costs by taking the issue to an appellate court.

Some board members may have accepted the sales price for the apartment because its approximately at the market price and because it resolved the litigation. The shareholder

who won the litigation will be voting his shares in favor of the correction to the proprietary lease.

RENT REBATES

Rent rebates were issued by New York City. A notice on how the rebate will be issued will follow soon.

CONSTRUCTION BIDS

Twenty construction companies were sent bid specifications for the brick pointing, masonry, roofing, etc. work. Every company in our area certified by the roof manufacturer was sent the bid specs. The co-op received 16 bids. Three firms declined to bid (too busy, etc.). Two firms merged, so they submitted 1 combined bid. The bids ranged from more than \$700,000 to approximately, \$1,500,000.

The board is now examining the bids, attempting to negotiate certain bids lower, and determining the sequence of the work. For example, the roofing may be last, since the other work requires masons to walk on the roof with their bricks and cement, which is likely to damage a new roof. The work will take several months, and cannot be performed when temperatures drop below freezing. A sidewalk bridge (scaffolding) will be required for some of the work. The construction will require the temporary disassembly of the roof and backyard gardens. It will also require the complete temporary removal of the plants along the front of the building on Bleecker Street.

Depending on the sequence, timing, and if any work can be postponed, as well as the success of any further negotiation, the board will have to determine the best way(s) to finance the work. Among the possibilities: using some or all of our cash reserve fund, passing an assessment; raising maintenance; borrowing; and cutting other expenses.

HALLWAY AND ELEVATOR DAMAGE

A shareholder removed his kitchen cabinets and allegedly removed the debris without taking care to completely protect the halls and elevator. He was charged \$150 for the damage.

If you plan to move debris or large objects, please speak to Rifat Otovic in advance, so he can put up the elevator pads.

ISDN

Do you need extra phone lines because of a fax machine,, Internet connection, etc? You might want to Bell Atlantic at 800 GET ISDN. According to "Patrick" (extension 852), you can have ISDN lines installed in 3 to 4 weeks, which will allow much faster Internet service (128 kilobits/second, which is 4.44 times faster than 28.8 modems). ISDN also allows you to talk on the phone +/- send faxes +/- be on-line simultaneously (2 out of 3 at one time).

After installation, the cost is around \$14 per month more than you pay for 1 regular phone line now. On-line charges vary between 1 and 2 cents per minute. Voice and fax charges would be the same per-minute charge as regular phone service.

The Bell Atlantic installation cost, including an ISDN modem, varies. The minimum would be around \$276, and the likely maximum would be around \$500, although custom wiring inside your apartment could cost over \$200 more.

Your Internet provider must be ISDN-accessible. For example, AT+T Worldnet is, and they charge \$19.95 per month for unlimited service (800 400-1447).

REFINANCING YOUR APARTMENT

If your new mortgage payment is lower than your old mortgage payment, or your new mortgage loan is not more than your old mortgage loan, the board will automatically OK your request. If your new payment is higher, then please contact the Managing Agent at (212) 319-3000 for a board application.

GARDEN MILESTONE

The 2 fig trees in the backyard grew edible figs for the first time! The figs are purple on the outside, red on the inside. Previous crops have been small, immature, hard and green. Longtime Village residents may remember the large fig tree in the garden at St. Luke's. This fig tree grew delicious fruit twice a year, until its death from an unusually cold winter a couple of years ago.

Other fruit grown on the roof and backyard this year include strawberries, tomatoes, grapes, raspberries, apples, peaches, blueberries, and pears. The cherry, plum, and quince trees have not yet yielded any fruit (ever), but hope springs eternal. These trees are only 2 to 4 years old, so they might need some more time.

BUILDING OWNERSHIP

Of the original 137 apartments:

- a. number of apartments owned by sponsor, not for sale at this time: 33
- b. number of apartments owned by sponsor, contracted or offered for sale: 3
- c. number of investor-owned apartments: 2
- d. number of apartments sold: 98
- e. number of apartments sublet with board permission: 0
- f. number of apartments owned by co-op and offered for sale: 1

CASH POSITION (INCLUDES SHORT TERM INVESTMENTS)

<u>Cash Position</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
January 31	\$583,757	\$516,262	\$376,167
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November 30		579,020	231,580
December 31		713,424	520,628
Average		653,000	420,885

ELECTRONIC PAYMENTS FOR SHAREHOLDERS

Shareholders can save a stamp each month by allowing the co-op to deduct the monthly maintenance electronically from a checking account. The deduction will be done promptly without any special effort on your part. This added convenience will also reduce the possibility of paying a \$50 late charge.

At least 2 board members have indicated their enthusiasm about participating in this method. The board voted to test it for a year. It costs the building around \$25 per month, regardless of the number of participants. Participating shareholders will not pay any special charges for this service.

To pay your maintenance automatically, please fill out the bottom of this page and mail it to the Managing Agent, along with a blank check. Write "VOID" across the front of the check. You need not do this every month, just once. If you are dissatisfied, you may discontinue the service any time.

Name of shareholder(s) _____

Apartment _____ Checking account number _____

Shareholder bank name and address _____

Signature(s) _____

NEWSLETTER

NO. 101A

350 BLEECKER STREET

SEPTEMBER 29, 1997

ERRATA

The Newsletter distributed last week contained several errors. The corrections are as follows:

In the section entitled Shareholder Meeting, in the last sentence of the fifth paragraph, the word "only" is replaced by the words "do not." Thus the sentence should read: Furthermore, if the proposal fails, people's real estate tax refunds may be jeopardized since the real estate tax refunds do not apply to "unsold shares."

In the same section, the sixth and seventh paragraphs, the number of shares should be changed to 11,475 and 5,278. Thus the paragraphs should read:

If you do not vote (in person or by proxy) then it is similar to voting against the proposal, since 11,475 shares are needed to pass, regardless of how many shares are voted.

All 7 board members are in favor of the proposal. They own 6,197 shares, so 5,278 shares are still needed to pass the proposal.

The section entitled Rent Rebates is changed to Real Estate Tax Rebates. The first word in the only paragraph is changed to "Real estate tax rebates." Thus the paragraph should read: Real estate tax rebates were issued by New York City. A notice on how the rebate will be issued will follow soon.

In the section entitled ISDN, first paragraph, second sentence, add the word "call" before the word "Bell." Thus the sentence should read: You might want to call Bell Atlantic at 800 GET ISDN.

N E W S L E T T E R

NO. 102

350 BLEECKER STREET

NOVEMBER 2, 1997

The board met on October 14, 1997. Among the issues discussed:

UPCOMING SHAREHOLDERS' MEETING - November 11, 1997, 7:00 PM, Exercise Room

The annual shareholders' meeting will be held on November 11, 1997 in the exercise room in the building at 7:00 p.m. This year's meeting is particularly important because of the issues that will be discussed. The most significant of these issues are:

1. The amendment of the Proprietary Lease. The co-op's Proprietary Lease contains a significant error which, if not modified, will interfere with the operation of the co-op and may involve the co-op in litigation. A contemporaneously dated letter explains the error which will be discussed at the meeting. Passage of the amendment is recommended by all Board Members.
2. Repairs and construction. The Board intends to embark upon a plan of necessary repairs and improvements to the building. The cost of these repairs will exceed \$850,000 and may reach \$1 million. The scope, cost and financing of the project will be discussed in detail at the shareholders' meeting. Shareholders' comments and opinions are invited.
3. The election of directors. This is the opportunity for shareholders to express their views and matters of general co-op interest with nominees for the Board.

Those items are also discussed below.

UPCOMING ELECTION OF DIRECTORS

All 7 board members are running. Any other shareholder may run also. Sometimes the election is uncontested (only 7 people run for the 7 seats). Sometimes there are additional candidates. Every board member has 1 vote, regardless of the number of shares held.

Board meetings take place the second Tuesday of each month at 7:00 p.m., and usually last two to four hours. Most months involve at least one additional meeting, as well, which is an hour or less.

Each board member usually volunteers for additional non-meeting duties, such as getting construction bids, checking references, purchasing, gardening, dispute mediation, etc.

A recent court case determined that board members, although unpaid volunteers, may have criminal liability not covered by insurance, under certain extreme circumstances. It is expected that if this legal determination is upheld (it is being appealed), people may be increasingly reluctant to serve as board members. However, no current board members have indicated this issue will force them to decline board membership at this time.

Your attendance at this meeting (or by proxy) is especially critical this year. At least two-thirds of all shares are needed to vote in favor of an amendment which will clarify sublet rights. Because of a typo in the proprietary lease, the co-op has paid for lengthy litigation. Although one case is settled, future cases may occur unless this typo is rectified.

If you do not plan to attend the meeting, please sign a proxy and give it to any board member. If you actually show up, your proxy will be returned to you at the meeting.

Board members will be coming around asking shareholders to sign proxies in case they cannot attend.

APARTMENT 3F SOLD

Apartment 3F was sold to Mark Lilien for \$85,025. He paid the co-op this price after the apartment was advertised in The New York Times and The Newsletter. His bid was the only bid for the apartment, which was bought by the co-op for \$84,500 after a lengthy negotiation with the former owner.

Mark's bid was "as-is", not subject to his getting a mortgage, with only 7 days' notice required for a closing. This saved the co-op additional lost maintenance, as well as the costs of painting, repairing and floor finishing, as well as new appliances and an air conditioner.

Mark also bought the hallway outside his apartments. This purchase was previously approved by the board last year. He paid \$8,295 for the hallway, but this amount is subject to adjustment after a measurement is made when his construction is complete. The adjustment will be dependent on the actual exact space he uses.

Mark was not present for the discussion or vote on his bid to buy 3F. The decision was made by the remaining board members.

SMOKE DETECTORS

Additional smoke detectors will be installed in the hallways shortly. The board is concerned about life safety issues due to a recent fire that took place in an apartment.

HALLWAY TEMPERATURES

A thermometer was installed in each hallway to determine if the temperatures are appropriate. This decision was in response to a shareholder letter. Every letter a shareholder writes to any board member is read and discussed at the board meeting.

RETAIL STORE AIR CONDITIONERS

The units atop the bookstore and video store require maintenance next Spring to reduce their noise level. The co-op will pay for the maintenance. Once again, this discussion took place due to a letter from a concerned shareholder.

CONSTRUCTION

The bidders for the roof, pointing, sill replacement, etc. are being contacted. It appears that the work may be in two phases. The first phase would be everything above the sidewalk level. The second phase would be the garage roof (backyard), sidewalk planter walls and other tasks at the sidewalk level. It is likely that Phase 1 will start in March or April and may take up to six months. Phase 2 may take place starting next fall, and take 90 days, or it may start March 1999. Temporary repairs will be needed in the meantime. No bidder can pursue the work in freezing temperatures, so no work can take place in January or February.

FLOOD

A shareholder's ceiling was damaged due to a flood from the apartment above (bathtub overflow). When this type of damage occurs, the repairs are the financial responsibility of the upstairs shareholder, not the co-op. In this case, the co-op paid for some emergency repairs, which may be billed to the upstairs shareholder by the insurance company.

SHOWERHEADS

Loewy Plumbing will be visiting every apartment to install a small screen within each pipe. This screen will catch small pieces of rust that would otherwise clog the showerheads. There is no cost to the co-op for this service. However, the board voted to pay Loewy the \$5,000 withheld for two years due to the steam pipe banging noise. The exact cause of the noise remains unknown. If the cause is eventually found to be caused by Loewy's work, he will pay for the repair. For two years, the board and Loewy have attempted to discover the exact cause. Plumbers and engineers have been consulted to no avail. Some boiler adjustments were made this year and it is hoped that those adjustments will reduce the problem.

BASEMENT STORAGE FOR SHAREHOLDERS

Except for the bike room, the building has no storage space. After the construction project is finished, we may have some space. However, this space will be needed in the meantime to be used as a temporary staff lounge while the construction company uses the staff lounge as an office.

BUILDING OWNERSHIP

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- c. number of investor-owned apartments: 2
- d. number of apartments sold: 101
- e. number of apartments sublet: 0

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PROXY STATEMENT
ANNUALMEETING OFSHAREHOLDERS
OF
350 BLEECKER STREET APARTMENT CORP.
NOVEMBER11,1997

I(We) _____
Print Names(s)

hereby give my(our) proxy to _____

with respect to the shares I(we) own in 350 Bleecker Street Apartment Corp. to be used at the Annual Meeting of Shareholders now scheduled to take place on November 11, 1997, and any adjournments thereof. I(We) state that I(we) own _____ shares of the stock of the Corporation. I(We) understand that this proxy is revocable in writing or if I(we) am present at the meeting. I direct this Proxy to be voted as follows:

CHECK ONE ONLY

For the amendment: _____

Against the amendment: _____

(IF NO CHOICE IS MADE THE PROXY HOLDER MAY VOTE IN HIS/HER DISCRETION.)

Dated: SIGNATURES OF SHAREHOLDER(S)*

(Signature) _____
(Print name) _____

(Signature) _____
(Print name) _____

*Name(s) must be exactly the same as on corporate stock certificate. If stock is held by more than one person, all persons must sign this proxy.

Newsletter

Number 103

350 Bleecker Street

December 3, 1997

The Annual Meeting of Shareholders took place on November 11. Among the events and issues discussed were:

Board Elected

The seven board members all nominated themselves for re-election. There were no other candidates, so they were elected by acclamation. At the board meeting later that night following the Annual Meeting, the board members elected officers. Each board member has only one vote during a board meeting, regardless of her/his number of shares or officer title.

The seven board members elected are:

James D. Kafadar #6C
645-2737 (Voice)
989-8946 (Fax)
E-mail: James.Kafadar@worldnet.att.net

Mark Lilien #3E
800-772-7111 Ext. 245 (W)
366-4721 (Fax-H)
630-963-7177 (Fax-W)
929-4619 (H)
E-mail: mlilien@wilton.com

Edna Marshall #1A
633-9220 (Fax)
989-9879 (W)
633-2964 (H)

Robert Mishkin #5B
718-951-9136 (Fax-W)
718-377-1059 (W)
924-4160 (H & Fax)
E-mail: doctor@worldnet.att.net

Kenneth B. Newman Realty Corp.
488 Madison Avenue (8th floor)
New York, NY 10022
752-0097 (fax)
319-3000 (W)
688-8248 (H)
E-mail: kennybn@aol.com

George Ong #1M
604-0522 (H)
E-mail: gongster@worldnet.att.net

Cynthia Spry #4H/J
691-1682 (Fax-W)
800-595-0200 Ext. 7808 (Voice Mail)
E-mail: CynSpry@aol.com

Amendment Passed

The definition of "unsold shares" is now clarified, since the required two-thirds majority voted in favor of the amendment. No votes were recorded against the amendment. 13,263 were voted in favor. The required minimum number was 11,482.

The Sponsor has stated that further apartment sales are unlikely to receive designation as "unsold shares." The Sponsor's policy has been to sell apartments to owner-occupants, not absentee investors. Only the Sponsor can designate "unsold shares." Once an apartment is sold to an owner-occupant, it cannot be designated as "unsold shares."

Construction Finance Meeting - December 9 - Exercise Room

The upcoming major construction project (roofing, windowsill replacement, pointing, etc.) was the major topic of discussion during the shareholder meeting. Although the co-op has over \$750,000 in cash, the construction may require up to \$1 million. Furthermore, the co-op usually needs to keep \$100,000 to \$200,000 in cash at all times to pay real estate taxes, meet unexpected emergencies, and fulfill the requirements of the mortgage lender.

Therefore, it is likely that the building will need to raise up to \$500,000 to complete the construction. All of the money does not need to be in hand before construction starts. In fact, several contractors offered to lend the building some of the funds, and none of the contractors expect to be paid in advance. The engineers advised that typical projects are "pay as you go" at the rate of \$100,000 per month, as the work progresses.

Furthermore, the engineers said that certain work could be postponed for a year. No work can start before March, although all bidders would appreciate a contract as soon as possible so they can schedule their crews, buy materials and start planning appropriately. The longer the building waits to award the contract, the less negotiating leverage we have.

There was a lively debate among the shareholders at the November meeting as to the best ways to raise needed funds. Among the suggestions:

- a. assessment(s)
- b. borrowing the money from a bank
- c. raising the maintenance
- d. reducing other expenses
- e. cutting out or delaying parts of the project

The board's negotiating was not finished, but board members believe it will be finished in early December, so a meeting of all shareholders was called for December 9 at 7PM in the exercise room. All shareholders are invited to discuss the alternative financing methods at the meeting. Although the final decision is up to the board members, every suggestion is important, and the board members want to please as many shareholders as possible.

It is possible that the board will accept more than one financing method simultaneously. It will be easier for everyone to make suggestions when the actual price is known in early December.

A 'rule of thumb' is that for each extra \$100,000 needed, since there are 17,222 shares, \$5.81 would be needed for each share owned. The figures shown below are typical amounts and apartment shares:

Extra \$ Needed	\$ Per Share	Studio 86 Shares	1 Bedroom 120 Shares	2 Bedroom 170 shares
\$100,000	\$5.81	\$499.36	\$696.78	\$987.11
\$200,000	\$11.61	\$998.72	\$1,393.57	\$1,974.22
\$300,000	\$17.42	\$1,498.08	\$2,090.35	\$2,961.33
\$400,000	\$23.23	\$1,997.45	\$2,787.13	\$3,948.44
\$500,000	\$29.03	\$2,496.81	\$3,483.92	\$4,935.55

Note that past assessments were spread over 10 months with no interest. None of the amounts shown above would be tax deductible. Only real estate taxes and mortgage interest are deductible.

The board borrowed an extra \$500,000 when the mortgage was refinanced. The upcoming construction was one of the reasons for this extra amount borrowed. Unfortunately, the exact amount needed was not known at the time, and construction costs may have been different then.

All seven of the board members are shareholders, and all seven are quite anxious to keep the construction financing as economical as possible.

Sale Prices

During the past 12 months, sale prices have risen sharply compared to most previous years. The price per share varies greatly, based upon factors such as:

- a. apartment size (lately larger apartment per-share prices have risen more than studio share prices)
- b. views (Empire State Building views, for example, enhance value)
- c. renovation (new kitchen, new bath, etc.)
- d. negotiating ability of the buyer and seller
- e. expected amount of sunlight during the day

In the past 12 months, the minimum and maximum prices paid were:

- a. straight studio: \$75,000.00 to \$85,025.00; \$815.22 to \$988.66 per share
- b. L-shaped studio: \$80,000.00 to \$107,000.00; \$754.72 to \$972.73 per share
- c. 1 bedroom: \$194,000.00; \$1,385.71 per share
- d. 2 bedroom: \$218,000.00 to \$267,500.00; \$1,090.00 to \$1378.87 per share

Thank You!

Anthony Prestipino bought, prepared and served refreshments at the meeting, which were appreciated by everyone.

Our Staff

At this time of year, people often like to know about the seniority of our loyal staff members. They are:

- Rifat Otavic - Superintendent- 8 years
- Jerry Rawls - Handyman - 30+ years
- Armando J. Sanchez - Doorman - 8 ½ years
- Geoffrey Merrill - Doorman - 4 ½ years
- Jasmin Orahovac - Doorman - 4 ½ years

Winterizing

Cold air enters each apartment through the air conditioner even when it is off and the vent is closed. To make your apartment warmer by reducing drafts, you may want to buy an indoor air conditioner cover. Frost King makes plastic covers and many local hardware stores stock them. Quilted covers are made by Jebb Products who will take orders for them over the phone (718-855-1133).

Building Ownership

Of the original 137 apartments:

- a. number of apartments owned by sponsor, not for sale at this time: 33
- b. number of apartments owned by sponsor, contracted or offered for sale: 1
- c. number of investor-owned apartments: 2
- d. number of apartments sold: 101
- e. number of apartments sublet: 0

Cash Position (Includes short-term investments)

Cash Position	1997	1996	1995
January 31	\$583,757	\$516,262	\$376,167
February 28	\$609,639	\$553,383	\$399,249
March 31	\$642,632	\$553,724	\$459,076
April 30	\$676,585	\$647,187	\$490,310
May 31	\$800,824	\$685,964	\$517,706
June 30	\$801,467	\$728,533	\$487,841
July 31	\$773,744	\$684,148	\$475,477
August 31	\$769,580	\$716,989	\$461,193
September 30	\$729,885	\$670,103	\$410,117
October 31	\$791,903	\$701,614	\$233,233
November 30		\$579,020	\$231,580
December 31		\$713,424	\$520,628
Average		653,000	420,885