

## **350 BLEECKER STREET CO-OP NEWSLETTER #230**

**January 16, 2010**

The board met on January 12, 2010. Among the issues discussed:

### **GYM CLOSING ON TUESDAY JANUARY 23, 2010**

The rubber flooring in the gym needs to be firmly glued down. A flooring contractor will work in the gym for about one week. The gym should be open within seven days. After the work is finished, the design committee will choose new lighting for the gym.

### **LOCAL LAW 11 INSPECTION**

To comply with Local Law 11, the brick facade of our building must be inspected every five years by a licensed engineer. The building did not need a first inspection in 1999, since we had just finished a complete re-pointing of the entire building.

The co-op's engineering firm finished the second Local Law 11 inspection in 2006. Minor repair work was made in the parking garage and a few areas around the courtyard and roof.

Although the third Local Law 11 inspection must be completed in 2012, the board plans far ahead for this work. Our engineer, Gene Kleinsmith, will perform the third inspection to find any potential problems. The board expects the entire project to be around \$10,000.

### **ADDITIONAL RENT DISPUTE**

For the last few months the co-op and the sponsor have been unable to resolve a disagreement regarding the amount of additional rent owed under the master commercial lease. Both sides are preparing for arbitration to resolve the dispute. The board will keep you apprised of any significant developments.

### **ARREARS**

The vast majority of shareholders pay maintenance charges on time. Every now and then a shareholder neglects to pay maintenance. Even though the economy has seen bad times, the arrears rate in the co-op is quite low; very few shareholders fall behind in maintenance.

When a shareholder is late in the payment of their maintenance, the managing agent's office, as a courtesy, usually calls the shareholder to remind them that their payment is overdue. The managing agent also sends a letter to the shareholder advising them of the late payment. However, if after a certain period of time (usually two months) the overdue charges have not been paid, the co-op hands over the matter to its attorneys, at which point a formal default notice may be sent to the shareholder and additional legal steps may be taken to address the overdue charges. The co-op does not wish to take these steps, but it has a responsibility to ensure that maintenance charges are paid on time as it is something that has a significant impact on the financial health of the co-op.

Please note that, if a shareholder is in default in the payment of their maintenance or any other charges due the co-op, in addition to all of the legal rights that the co-op has for the nonpayment of such charges, the co-op may bar residents (or residents' invitees) from using the gym. In addition, a shareholder who is in default may not sublet their apartment.

As a final note, you can save on late fees by having your maintenance deducted electronically, automatically each month. Many shareholders already use this procedure, and none has ever been charged a late fee.

## **SPONSOR LANDMARKS DISPUTE**

As we mentioned in the October, 2009 newsletter, the chocolate store, Pure Dark, which is the tenant under a lease with the sponsor, did not properly file their awning, signage and exterior lighting with the Landmarks Preservation Commission. The city issued a violation against the co-op and required the violation to be cleared before approving any further building permits, including any permits for work within shareholder apartments. In addition, the city indicated that should the co-op wish to have building permits issued for on-going work within the building pending the cure of the outstanding violation, the co-op could post a \$10,000 escrow with the city to ensure the proper satisfaction of the violation.

The co-op posted the escrow and was assured by the sponsor that Pure Dark would promptly cure the violation. However, last week the co-op received a notice from the city that detailed that the violation has not been rectified. The co-op is following-up with the sponsor to address the city's latest notice and the underlying violation. The board will keep you apprised of any significant developments.

## **APARTMENTS FOR SALE**

<u>APT</u>	<u>SIZE</u>	<u>PRICE</u>	<u>CONTACT</u>	<u>PHONE #</u>	<u>E-MAIL</u>	<u>IN CONTRACT</u>
4R	1-BR	\$799,000	Armanda Squadrilli (Broker)	646-824-8379	squad@elliman.com	Yes
5H	Studio	\$450,000	Tatiana Cames (Broker)	212-444-7833	tcc@corcoran.com	No

# 350 Bleecker Street Apartment Corp

## January thru December 2009 Spending vs Budget

(unaudited)

	<b>Jan thru 12/31/09</b>	<b>2009 Budget</b>	<b>Jan thru 12/31/09 versus annual Budget</b>
<b><u>Income</u></b>			
Maintenance	1,330,854	1,330,810	100%
Special Assessment of Tax Rebate	100,015	90,000	111%
Late/legal fees	892	500	178%
Sublet fees	31,169	57,528	54%
Transfer Fees (2% of sales price)	0	0	0%
Repair charges	5,492	0	0%
<b>Shareholders Total</b>	<b>1,468,423</b>	<b>1,478,838</b>	<b>99%</b>
Commercial Rent	86,000	86,000	100%
Additional Commercial Rent	0	6,000	0%
<b>Commercial Tenants</b>	<b>86,000</b>	<b>92,000</b>	<b>93%</b>
Closet/Storage Charge	9,250	15,000	62%
Hallway Space	-514	0	--
Bike Room	3,000	3,250	92%
Laundry Income	25,705	27,000	95%
Fees and Other Income	8,875	10,000	89%
<b>Other Building Income</b>	<b>46,316</b>	<b>55,250</b>	<b>84%</b>
<b><u>Interest and dividends</u></b>	<b>543</b>	<b>1,000</b>	<b>54%</b>
<b>Total Income</b>	<b>1,601,282</b>	<b>1,627,088</b>	<b>98%</b>
<b><u>Expenses:</u></b>			
<b><u>Payroll</u></b>			
Medical + dental insurance + ADP fees	71,515	67,916	105%
Payroll (incl Worker's Comp)	253,303	254,860	99%
<b>Subtotal labor</b>	<b>324,818</b>	<b>322,776</b>	<b>101%</b>
<b><u>Utilities</u></b>			
Gas for steam heat + hot water	57,123	75,000	76%
Electricity + gas for cooking	23,228	37,500	62%
Water & Sewer	25,467	32,970	77%
<b>Subtotal Utilities</b>	<b>105,819</b>	<b>145,470</b>	<b>73%</b>
<b><u>Building Services</u></b>			
Internet Services	0	0	0%
Cable TV	1,609	824	195%
Exterminator	3,825	2,678	143%
Landscaping/Rubish removal	14,612	9,500	154%
Exercise Room	1,665	1,000	166%
Laundry Service	1,333	1	--
Elevator Service	11,926	9,763	122%

Uniform cleaning	256	500	51%
Heating and Water Service	2,400	550	436%
<b>Subtotal Services</b>	<b>37,626</b>	<b>24,816</b>	<b>152%</b>
<b>Repairs</b>			
Boiler, Plumbing, Compactor, A/C Repairs	7,673	7,000	110%
Electrical Repairs incl intercom	1,526	500	305%
Elevator Repairs	1,909	1,000	191%
Heating Repairs	12,269	5,000	245%
Painting Repairs	0	500	0%
Roof Repairs	0	0	--
Tenant Repairs	5,111	3,000	170%
Other Repairs	3,437	5,000	69%
Janitorial supplies	25,951	30,000	87%
<b>Subtotal Repairs</b>	<b>57,876</b>	<b>52,000</b>	<b>111%</b>
<b>Professional Services</b>			
Management Fee (Tudor)	51,000	51,000	100%
Accounting	12,875	10,000	129%
Legal Fees	3,615	10,000	36%
Architect + engineer + inspection + consulting	10,247	3,500	293%
<b>Professional Services Sub</b>	<b>77,737</b>	<b>74,500</b>	<b>104%</b>
<b>Insurance</b>	<b>50,145</b>	<b>52,236</b>	<b>96%</b>
<b>Other Expenses</b>			
Mortgage Interest & Principal	250,325	250,325	100%
Dues and subscriptions	3,429	3,000	114%
Other Building Expenses	290	1,500	19%
<b>Subtotal Other Expenses</b>	<b>254,044</b>	<b>254,825</b>	<b>100%</b>
<b>Office Expenses</b>			
Phone	1,368	1,200	114%
Postage/Delivery	703	1,450	49%
Stationary/duplicating	76	350	22%
<b>Subtotal Office Expenses</b>	<b>2,148</b>	<b>3,000</b>	<b>72%</b>
<b>Travel and G&amp;A</b>	<b>1,541</b>	<b>1,100</b>	<b>140%</b>
<b>Real Estate Tax</b>	<b>697,873</b>	<b>696,366</b>	<b>100%</b>
<b>Contingency</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Reserve for Capital Budget</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Total Expense</b>	<b>1,609,625</b>	<b>1,627,089</b>	<b>99%</b>
<b>Tax rebate for 2009</b>	<b>100,015</b>	<b>80,000</b>	<b>125%</b>
<b>Net Income/(Loss)</b>	<b>91,672</b>	<b>79,999</b>	<b>115%</b>

Footnote: at the end of December 2010 the co-op had \$302,927.84 in cash.