



THE CO-OP & CONDO COMMUNICATOR

Midboro Management, Inc.

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A Message From **Michael J. Wolfe,** President

With the budget season upon us, the following is a brief discussion of the assumptions going into 2007 Budgets:

Fuel, Gas, and Electric

The war, increasing world demand, as well as instability in the major oil producing nations continue to render fuel oil prices volatile and unpredictable. As you are probably aware, prices are down recently. For budget purposes, we are assuming prices at five cents above current levels. Electric and gas is being estimated at five percent above 2006 projections. Your account executive will review all budget items and submit to your Board prior to approval.

Real Estate Taxes

We are not anticipating material modifications to the rate. However, each building's unique circumstances dictate unique assumptions regarding the 2006/2007 real estate tax assessed values. These increases range from 10% to 15%. The city seems to have been on a rampage the last couple of years with assessment increases ranging from 10% to 300%! Your building's certiorari attorney is continuously monitoring this and disputing the assessed value increases with the Department of Finance.

TIPS FOR A SUCCESSFUL CLOSING

Congratulations! You have made it to the Closing, the last stage of a complicated buying and/or selling process. In order to get to this point, you have worked your way past an endless search for a new home, sold your old home, and successfully dealt with loan criteria, board interviews, liens, schools, etc.

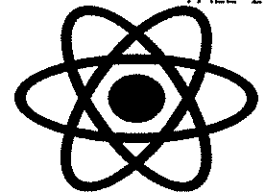
So, this is it. The actual sale is very, very close. But because the closing is the last area in which the deal can go wrong, it is critical to have all those endless "I's" dotted and "T's" crossed in order to make sure the shares or deed are transferred. To alleviate any possible anxiety about the moment, we would like to share a few fool-proof tips for a smooth closing:

Keep written records of all your conversations, agreements, responses, etc. with the

other involved parties and *bring them to the closing*. Let's face it, everyone's memory is selective when it comes to their own needs. But if you keep comprehensive notes and records, you will be one step closer to alleviating any misunderstandings that may occur.

Know all the costs and expenses going into the closing. Be sure to confirm with your attorney, bank and managing agent the fees that you will be expected to pay at the closing and which methods of payment are acceptable. Some fees are payable with personal check, while others require certified checks.

Make certain there are no arrears, liens, outstanding judgments and other encumbrances on the apartment before getting to the closing table. If there are, everyone's



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time will have been wasted, you won't close and you might even incur some costs.

Match the names. Shareholders should check to see whose name appears on the new stock certificate. In order to close, the name on the stock certificates must match the name on the mortgage and the name on the contract of sale. Consistency is imperative in this case.

Powers of Attorney must be prepared and reviewed in advance. If you are planning on assigning Power of Attorney to another for purposes of the closing, have your attorney submit the paperwork to Midboro's Transfer Agent well in advance of the closing so that it may be reviewed and approved. Again, the names on the Power must

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Quick Takes

Fall Back-Daylight Saving Time

Remember to turn your clocks back Sunday, October 29th at 2 a.m. Now is the time to replace smoke and carbon monoxide detector batteries.

Halloween

Halloween falls on a Tuesday this year. Please sign up with your front desk or other signing areas if you would like trick or treaters.

THE HEAT IS ON...

If you are in a building with a central heating system, it must be turned on from October 1 through May 31, annually.

Between 6 a.m. and 10 p.m., apartments must be at least 68 degrees Fahrenheit when the outside temperature falls below 55 degrees Fahrenheit. Between the hours of 10 p.m.- 6 a.m., apartments must be kept at a minimum of 55 degrees Fahrenheit

when the outside temperature falls below 40 degrees Fahrenheit.

Any device that cuts off the heating system at a predetermined time — e.g., at night — is illegal under the NYC Housing Maintenance Code, regardless of whether the device actually causes inadequate heat to be delivered to a building. 🍏





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A Little Reminder About our Voice Mail...

For those times when the lines are answered by voice mail, rather than the receptionist -- primarily after work hours or on weekends -- you can always call your managing agent by dialing his or her extension, or using our convenient directory at extension 555.

We Always Like to Hear From You...

Please send your comments and questions about topics you would like discussed in future issues, to:

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Visit
www.midboro.com
For Building
Information and Forms

Tips For A Successful Closing (continued from page 1)

match the names on all involved documents or the Power will be considered invalid.

Sellers are required to pay the New York State and New York City real property transfer tax. Be sure that your attorney has completed the appropriate forms in advance of the closing and will be presenting the forms then.

Bring valid photo identification. As trite as it sounds — after all, at this point, the parties involved generally know each other already — your signatures must be notarized, which necessitates photo I.D. No photograph = no notary = no closing.

Finally, confirm all closing arrangements prior to the date. Make sure that all of the parties are aware of the date, time and location of the closing, and will be attending. 🍎

Points of Interest

- City and State laws prohibit smoking in the common areas of a residential building, including entrance ways, lobbies, hallways, meeting rooms, laundry rooms and elevators.
- A broken water hose can cause considerable damage to your apartment, the building and others. Therefore, it is advisable to change your washing machine's hoses every five years, which is the suggested time period for preventive maintenance. Please contact a washing machine repair service to replace your hoses if they appear damaged or have been in place for more than five years.
- If you haven't already, it is required that you provide your superintendent with keys to your apartment for use only in case of emergency.
- If you are considering having work done in your apartment, it is imperative that you contact your account executive at this office. We wish to protect you and your neighbors. Therefore, something considered minor such as painting requires an alteration agreement and proof of vendor's insurance coverage. Remember, your Proprietary Lease requires Board approval for renovations and alterations.
- Now that the heating season is here, we ask that you use extreme caution when removing air conditioner units from windows. Please contact your superintendent should you require assistance.

The staff at Midboro wish you and your families a happy, healthy and safe holiday season.

RENOVATION WOES!

Getting approval by a co-op board for a renovation project is very difficult. You will often find such stories in various publications that describe a shareholder's plans to combine two apartments were approved by the board, but with the caveat that the work had to be done without the use of power tools.

Another nightmarish renovation story described a new buyer whose board-approved plans were later rescinded when a new board took over. As a result, the shareholder had to agree to pay thousands of dollars to the reserve fund in order to begin the work.

On the other hand, residents often have to deal with construction-based interruptions that severely mar their quality of life rights for years at a time. Apple Computers founder Steven P. Jobs' renovation at the San Remo took ten years! Steven Spielberg evidently had jackhammers drilling away in his palatial pad for nearly two years.

The point is, there are two very distinct sides to this issue, but the reality is that we all have to live together with respect and consideration for each resident's rights. So how we avoid such mishaps as those previously

described? For one thing, limits can be placed on the number of building-wide renovations within a given period.

In addition, co-op boards can carry out their fiduciary responsibilities and protect the co-op without stepping on a fellow shareholder's plans to improve his or her unit by insisting that the alteration agreement submitted is the version developed by the Real Estate Board of New York (REBNY), which is available through your Midboro account executive.

It is the most comprehensive agreement of its kind because REBNY has divided the document into eleven page for major construction and three-pages for cosmetic work (including painting and sanding floors). There is also an instruction page.

The REBNY Alteration Agreement takes out the guesswork for a shareholder contemplating renovations and gives the board an opportunity to review a detailed document long before costly blueprints and architectural specifications are executed. Plans can then be modified to conform to the standards and requirements of the co-op, while accommodating the shareholder. 🍎

