

# **House Rules for 1361 Madison Avenue**

**Updated as of November 2010**

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## **1. The Corporation**

1361 Madison Tenants Corporation (The Corporation) is a non-profit residential cooperative. Each Shareholder holds a proprietary lease permitting occupancy in the building. Federal, state and city law governs building operations.

A residential cooperative is also a community in which residents share management responsibilities and work to insure a pleasant quality of life. This is done through a Board of Directors elected at the annual meeting of the Shareholders. This Board supervises the operation of the Corporation using the Proprietary Lease, the Corporation Bylaws and these House Rules. The Corporation also employs the services of a Managing Agent to assist in the operation and management of the building and the services of the Corporation.

### **The Building**

The building, owned and operated by the Corporation, was constructed in 1901. A non-eviction cooperative plan became effective on April 30, 1981. On June 30, 1981, the residents who became the Shareholders in the Corporation purchased the building. Our building has 48 apartments, which range in size from studio to seven rooms. (The Corporation additionally owns one apartment, which is occupied by the Superintendent.)

### **Guidelines for Residents: Proprietary Lease / House Rules**

This booklet is prepared to acquaint residents with essential information about the Corporation and to set forth the building's House Rules. Its purpose is to enable the building's residents to live together harmoniously, ensure their safety, good maintenance of the building and residents' right to a peaceful and quiet quality of life. This booklet is approved by the Board of Directors, and supersedes all previous issuances of House Rules and amendments, in accordance with the Proprietary Lease and Corporation Bylaws. It is the responsibility of the individual Shareholder(s) to read and be familiar with the House Rules and to educate your household help, guests and sub-lessees. Non-observance will be considered a violation of the Proprietary Lease and Corporation Bylaws.

The House Rules may be amended, repealed or added to at any time by resolution of the Board of Directors. Such amendments will be dated and issued to Shareholders so that they can remain current. It is the responsibility of individual Shareholders to keep their copies current with revised or additional amendments. A master copy, indicating current dated materials, will be held by both the Managing Agent in their offices, by the Superintendent in his office and the Officers of the Board of Directors. In the case of any dispute that may arise involving these Guidelines, these master copies and their respectively dated materials will supersede all other copies.

### **Replacing Guidelines: Proprietary Lease / House Rules**

Electronic copies are available free of charge.

## 2. Organization

### The Board of Directors

The Board of Directors bears responsibility for the prudent management of the Corporation. The Board works with the Managing Agent to supervise the operations of the building, provide Shareholders with audited annual financial statements, and establish an annual budget that dictates the level of the monthly maintenance charges.

The Corporation consists of a seven-member board, elected at the annual meeting of Shareholders, held in the fall of each year. In accordance with the bylaws of the Corporation, four members are elected in even numbered years, while three members are elected in odd numbered years. All board members are elected for a two-year term of office. The duly elected Board elects their own officers (typically the President, Vice President, and Treasurer) and names committees.

The Board of Directors meets in the basement, adjacent to the laundry facilities, once a month from approximately 7:30 to 9:30 p.m. The Board asks that tenants refrain from making use of the laundry facilities during this time.

Any consent or approval given pursuant to the House Rules by the Board or the Managing Agent is revocable at any time by the Board of Directors. These House Rules, guidelines and procedures set forth, do not abrogate or waive the rights of the Corporation that are set forth in the Proprietary Lease. The House Rules may be added to amended or repealed, in whole or in part, at any time by a resolution of the Board of Directors.

It is hoped that each Shareholder will take a turn serving as a member of the Board of Directors.

The Board of Directors can be contacted via email at [1361madisonavenue@gmail.com](mailto:1361madisonavenue@gmail.com).

### **3. Support Systems**

#### **Managing Agent**

The building's Managing Agent is responsible for the supervision of the building's Superintendent, representing the Corporation in all apartment sale closings, and overseeing the Corporation's daily financial responsibilities to facilitate the ongoing business of the Corporation. The Managing Agent should be contacted regarding damage to your apartment, permission for any renovations and/or refurbishment requests, resale, refinancing and/or subleasing information, and (in the event of an emergency) when the Superintendent cannot be reached.

#### **Security Guards**

The Board has contracted with an outside contractor to provide security guards at the front entrance to the Coop 24 hours a day, 365 days per year. Any comments, questions, or complaints regarding the security guards should be directed to the Managing Agent.

#### **Superintendent**

The Superintendent is responsible for the daily operations of the building including the maintenance and operation of all building equipment, supervision of the Porter and Security personnel, and helps enforce the House Rules. The Superintendent lives in unit #1G and has normal work hours; his office is located in the basement to the left of the elevator upon exiting. For emergencies and other pressing matters, shareholders should contact the Superintendent directly, including, when necessary, during non-working hours. For less pressing matters, the Superintendent maintains a log of work requests which can be found at the front desk with the doorman.

#### **Legal Counsel**

Counsel provides advice on all legal matters affecting the cooperative and represents the Corporation in all legal matters including, but not limited to, the drafting or reviewing of all contracts and other legal documents and precedents for the Corporation to follow. Counsel will also represent the Corporation in any litigation, as directed by the Board of Directors.

All fees and associated costs for default notices or any other legal action requiring the use of Counsel will be the sole responsibility of the Shareholder or tenant responsible for causing such action. Typically this is in the process of, but not limited to, the enforcement of the Proprietary Lease and the House Rules.

#### **Auditor**

The Corporation retains an auditor who provides the annual financial statements. The audited statement is distributed to Shareholders with the notice of the annual meeting. The auditor also advises Shareholders of tax deductions and credits deductible due to mortgage interest payments.

#### **Architect/Engineer**

The Corporation will occasionally use an architect and/or engineer to assist the Board with evaluating the ongoing needs of the physical plant, to plan for economical maintenance, upgrading and/or replacing of building systems, and to assure that the cooperative is in compliance with all city and state laws relating to our property.

At the Board's discretion, the architect/engineer is also retained to review presented plans for all renovation work on a per project basis. All fees associated with such reviews are the sole responsibility of the affected Shareholder.

## **4. Support Organizations**

### **Realty Advisory Board on Labor Relations, Inc.**

The Board provides legal advice in dealing with building service employees and represents the Corporation in negotiation of employment contracts or any arbitration with employees.

### **Council of New York Cooperatives**

The Council provides information on all aspects of operating a cooperative, conducts seminars, monitors legislation affecting cooperatives, is a source of information about products and services for cooperatives, and holds a cooperative conference each fall.



## **5. Financial**

### **Maintenance Charges**

Maintenance, or carrying charges, is due the first of each month. The timely payment of the monthly charges enables the Corporation to meet its financial obligations and to conduct business in a professional manner. The Managing Agent must receive payments by the close of business on the 15th day of each month. The late fee that will be charged for maintenance payments as well as all other charges accruing to an apartment (including but not limited to assessments, storage locker and bike storage charges, architect's fees, legal fees) received after the 15th day of each month will be \$25.00 the first month, and then will escalate to \$100.00 for each month thereafter a balance is carried.

Any Shareholder, whose carrying charges are three (3) months or more in arrears, will be deemed in default of the Proprietary Lease and appropriate legal action will be taken. All of the costs incurred by the Corporation in any such legal action will be the responsibility of the defaulting Shareholder(s).

### **Tax Deductions**

The IRS code, section 216, permits Shareholders occupying a primary residence in a cooperative, to deduct from their income tax, the pro-rated share of the real estate taxes and interest on the building's underlying mortgage. Each year, our auditor informs Shareholders of the amount that can be deducted per share for the previous tax year.

When capital improvements are made in the building at Shareholder expense, the cost of these improvements are identified in the annual financial report. When shares are sold, the cost of these improvements is added to the original purchase price to determine profit for tax purposes. Each year, our auditor informs Shareholders of the amount that can be added per share to the Shareholder's existing tax basis.

### **Financing and Refinancing a Coop Loan**

When a Shareholder seeks to undertake a financing (whether original or a refinancing) associated with their unit, the Corporation will be asked to sign a recognition agreement, acknowledging the bank's lien on the apartment. All financings are subject to approval by the Board.

Shareholders are to contact the Managing Agent, who will provide the shareholder with a listing of required documents, applications, and a fee schedule. All completed applications should be returned to the Managing Agent who will forward it to the Board for review. The Shareholder will be responsible for the cost of a credit check and any other expenses incurred. This entire approval process takes time, particularly when a shareholder is seeking to increase their debt, so please plan accordingly.

As an accommodation to shareholders who are merely refinancing their existing mortgage without increasing their principal balance or otherwise increasing the debt associated with their unit, the Corporation has an expedited process.

### **Equity Loan / Line of Credit**

Board approval is required if a Shareholder seeks a bank line of credit which is secured by the shares in their apartment. As in the case of refinancing, the Shareholder must complete an application form and may be subject to an interview (see above). The Shareholder will be responsible for the cost of a credit check and any other expenses incurred.

## **Corporation Insurance**

The Corporation carries fire insurance, which insures the structure and all public areas. Additionally, the Corporation has liability insurance, which protects the building against claims resulting from accidents. Neither policy covers the personal liability insurance to protect individual Shareholders and/or their property.

The Corporation carries liability insurance to indemnify the Board of Directors.

## **Homeowner Insurance**

Every Shareholder is required to carry homeowner's insurance and to provide a copy of the in-force policy to the Managing Agent. A policy known as HO9, particularly tailored to cooperatives, is available from several carriers at competitive rates. It offers broad coverage in recognition of the proprietary nature of cooperative home ownership.

## **6. Sales and Sublets**

### **Guidelines**

Written approval by the Board is a prerequisite for all Sales and sublets.

Often current shareholders are interested in the sale of apartments for a variety of reasons. As a courtesy to other shareholders, the Board of Directors encourages those interested in selling their apartment(s) to notify their neighbors or a board member of their intention as soon as possible.

### **Open House Policy**

Each apartment listed for sale is permitted two open houses during a six month period. These “no appointment necessary” open houses are permitted Monday thru Friday between the hours of 9am and 5pm. Additionally they are limited to three hours for each such open house. Under no circumstances are open houses permitted on the weekends. In conducting open houses, one broker must be in the apartment at all times and another broker must be stationed at the reception area for the duration of the open house.

Violation of the open house policy may result in a delay in the review of the prospective purchaser’s application.

“Appointment only” showings (when a broker or a shareholder has scheduled a specific appointment to show a listed apartment) may occur Monday thru Friday between 9am and 7pm and Sunday between the hours of 12pm-2pm.

### **Sale of an Apartment**

Once a seller and prospective purchaser can provide the managing Agent with a signed contract, they may request an application. All prospective shareholder(s) and tenants must complete the application. Information requested includes, but is not limited to, detailed financial information, letters of recommendation, and recent tax returns. Note that the maximum financing allowed in connection with the purchase of a unit is 75% of the purchase price. The application will not be processed unless it is complete and includes all necessary attachments.

It will take several weeks after receipt of all material for a credit check and verification of references. Completed applications, including results of these checks, will be reviewed by the Board, which will determine whether or not to grant an interview. If granted, the Managing Agent will contact the prospective purchaser's broker regarding scheduling of the interview. After the interview, the Managing Agent will inform the prospective buyer's broker of the Board decision. Please allow at least one week after an interview before scheduling a closing.

New residents may not move into the building until the Board has given its written approval, and all steps in the process have been completed, including the passing of title to the new owner.

The Board must approve any renovations planned by new shareholder(s). See "Improvements / Alterations".

### **Flip Tax**

The Corporation collects a flip tax of \$21 per share at the closing. Unless an alternate provision is set forth in the contract of sale, the flip tax will be deducted from the purchase price specified in the contract.

## **Subleasing an Apartment**

Subleasing of apartments is discouraged, but may be permitted in special circumstances, subject to approval by the Board. The Board will not consider a sublet if the shareholder(s) has not been in residence full time for a minimum of two (2) years.

Sublets are approved on an annual basis, by the date of its inception, and will in no circumstances be allowed to exceed two years in duration. Each year of the sublet must be Board approved.

Subtenants are subject to the same scrutiny by the Board as prospective Shareholders. They must agree, in writing, to be governed by the Bylaws of the Corporation, the House Rules and the Proprietary Lease.

Shareholders who wish to sublet their apartment should contact the Board in writing. The Corporation receives 15% of the gross annual rental the first year, and 20% for the second year.

Shareholders subleasing apartments must carry homeowner's insurance and must require that their subtenant also carry homeowner's insurance. Current proof of "in effect" policies must be submitted with all applications. In addition, the Corporation requires that all shareholders subletting their apartment must have, and provide proof of, an "in effect" liability policy in the amount of no less than \$100,000. The policy must name both the Corporation and the managing agent. These policies will protect both the Corporation and the Shareholder in the event of any problems during the duration of the sublet.

## **7. Facilities and Services**

### **Accidents / Damages**

The division of responsibility between the Corporation and Shareholder(s) is defined within the body of the Proprietary Lease (specifically paragraphs 2 and 18a) This reiteration now, within the House Rules, is for clarification purposes only.

In summary it states that Shareholder(s) are responsible for decorating and keeping the interior of their apartment(s) clean and in good repair at their own expense. The point of differentiation is the finished coat of paint. Any problems occurring from the primer coat of paint outward through the building's partitions to the exterior of the building is the corporation's responsibility. Any problems occurring from, and including, the finished coat of paint, inward to the interior of the Shareholders apartment, are the shareholders responsibility.

As an example: If your apartment is damaged by a water leak, not caused by any negligence of the Shareholder(s), the Corporation will be responsible for repairs up to the primer coat of paint, including plastering and any structural damage that might occur. The shareholder is responsible for repairing the apartment interior, including finished paint or wall covering, refinishing of floors and for any decorative items, furniture, built-in cabinetry, appliances and or light fixtures.

However, if the leak is caused by the shareholder's negligence, said shareholder is responsible for the cost of repairing all damage to both the building and the neighbor's apartments.

### **Access to Apartments**

The Corporation must have access to every apartment in the event of an emergency. To comply with our Proprietary Lease, each resident must leave a full set of keys with the superintendent. These keys will be kept in a locked cabinet in the superintendent's office.

The Corporation, the Managing Agent, the Superintendent and any contractor/workman authorized by the Corporation, may enter any apartment at a reasonable hour of a business day for the purpose of inspecting said apartment for vermin, insects or other pests, or for any health, fire or safety emergency related to the Corporation's business. In addition, in emergency situations, the Corporation, the Managing Agent, the Superintendent and any contractor/workman authorized by the Corporation, may enter any apartment at any time, after first making every effort to contact the Shareholder(s). A full set of working telephone numbers for each Shareholder must be on file with the Superintendent and Managing Agent, who will make every effort to notify the Shareholder.

A resident failing to provide a full set of keys will subject the Shareholder to bear the full expense of a forced entry. While not limited to the following, these expenses may include: locksmith charges and any damages that may result to the door, the surrounding area and/or the lock(s).

### **Electricity / Gas**

A utility company provides electricity and gas directly to each apartment. Each apartment is metered to measure the electricity and gas service which is billed directly to the Shareholder by the utility company.

### **Elevator**

The door of the automatic self-service elevator is delicate and sensitive to abuse. Do not hold the elevator longer than necessary for direct entry to or exit from your floor. If it is necessary to hold the elevator for a few moments, use the OPEN button. Do not hold the door open with your hand or any other object. Moving furniture, hand truck deliveries, construction materials, etc. on the elevator must be pre-arranged through the Superintendent to ensure minimal inconvenience to other Shareholders and

so that the protective wall pads can be installed. Any Shareholder not following these guidelines will be held responsible for any damages and subsequent repairs to the elevator mechanics and/or interiors.

## **Exterminator**

The Corporation maintains a pest control service that visits the premises on a regular basis. It is the individual Shareholder's responsibility to request from the Superintendent ongoing service to each apartment. The schedule for the pest control visits, along with a sign-up sheet, is maintained on the building bulletin board by the mailboxes. Limited special requests may also be made directly to the Superintendent.

## **Food Deliveries**

Take-out food delivery people will not be permitted beyond the front desk unless the guards first receive verbal verification from on-site Shareholders at the time of the delivery. It is incumbent upon each Shareholder to observe delivery person's behavior and report any questionable behavior to the guards.

In the case of grocery deliveries, the guards will attempt to notify the Shareholder and receive confirmation that the delivery is allowed. However, if no verbal response is received from the Shareholder, the guard may permit the delivery person upstairs to place the groceries in front of the Shareholder's door.

## **Heat**

The building is heated by a boiler / burner system fueled with #6 heating oil. Steam heat is circulated through risers and radiators. Radiators function properly only when the valves are turned all the way open. Do not try to regulate heat by setting the valve in an intermediate position. If your radiators do not provide sufficient heat, or are otherwise not operating properly, please notify the Superintendent.

Any modifications to the heating system by the Shareholder, i.e. closing in risers, removing radiators, etc., which results in less than optimal performance of the system, are the individual Shareholder's responsibility, and it is not incumbent upon the building to provide additional heat. Any Shareholder who buys an improved apartment assumes all the obligations and responsibilities of the Shareholder who originally made the improvement(s).

## **Keys**

Shareholders leaving keys to their apartments for trades people, friends, or guests, must put the keys in a sealed envelope, daily if required, with both the guest's name, the Shareholder's name and the apartment number clearly visible. Under no circumstances are keys to be simply handed to the guards. All loose keys will be collected and disposed of weekly.

## **Laundry Facilities**

There is a laundry room in the basement with coin operated washers and dryers that is run by a concessionaire. Hours for doing laundry are from 8:00a.m. to 10:00p.m. M-F; 9:00a.m. to 10:00 p.m. weekends and holidays. Please be considerate of other people who use the laundry room by not overloading the machines, not leaving your clothes in the machines after a cycle has finished, and by returning borrowed laundry baskets promptly.

## **Lockers and Storage Space**

In addition to individual metal lockers purchased by Shareholders, there is limited common space for the storage of air conditioners and noncombustible items. The Board of Directors has the right, from

time to time, to curtail and/or relocate any laundry/bicycle/common space or lockers, as they deem necessary. While all storage areas will be kept locked, the Corporation cannot accept liability for any loss of or damage to property placed in either the lockers or storage areas.

Periodically, additional storage lockers may become available for sale. Contact the managing agent for the current status, and see locker guidelines below.

NYC law prohibits the storage of any article of a flammable nature in storage lockers. No loose items are allowed to be stored on top of or adjacent to any locker. The Corporation cannot accept liability for any items left outside of storage lockers, and all such items found, will be disposed of two (2) weeks after a posting on the Corporation's bulletin board.

The initial price for a storage locker is \$1,500. Subject to availability, a shareholder may rent an additional locker for a fee of \$100 per month.

The Corporation has limited storage space for bicycles, strollers and carriages. There are two (2) locked rooms for this purpose in the basement. Bicycles are limited to one per Shareholder's immediate family member, strollers and carriages are limited to one per appropriately aged child. A tag must be purchased for a fee of \$50 for any item stored in the basement. All items left in these storage areas must be identifiable by Shareholder name and apartment number. Please be considerate of fellow Shareholders' needs to access their items by not carelessly depositing yours just inside the doors. Due to such limited space, all other items left in these areas, (i.e, stationary bikes, exercise equipment, etc.) will be disposed of two (2) weeks after a posting on the Corporation's bulletin board.

## **Packages and Laundry**

In the event the Shareholder is not present to receive deliveries, and as a courtesy only, the guards will receive items on the Shareholder's behalf. All items received on behalf of Shareholders will be placed in a designated area. While it is the guard's intention to post notification of all packages and/or laundry, it is incumbent upon each Shareholder to survey the designated area for their individual items and to retrieve items in a timely manner. Under no circumstances are the guards or the Corporation responsible for items left or placed in the designated area. If a Shareholder is to be absent for any period of time, it is the Shareholder's responsibility to make alternative arrangements.

## **Roof**

No unauthorized persons are allowed on the roof. For security reasons, the roof door is locked at all times and fitted with an alarm system that sounds if the door is opened.

## **Security Devices and Security Personnel**

Please note that the primary function of the intercom system and security guard is to insure the safety and security of residents of the cooperative.

The security for our building is dependent upon each Shareholder's active participation. For the safety of all residents, guests and trades people, all Shareholders must observe the following security measures.

All visitors must be announced to, and approved by, the Shareholder via the intercom system prior to entering the inner lobby. The only exception is when a Shareholder is expecting six or more guests, and a list of names has been provided to the guard. Upon verification that the guests are on the list, the guest will be permitted to go up unannounced.

Guards may not leave the front door to take suitcases or other parcels to or from apartments or the elevator. Shareholders may use the luggage cart for this purpose and return it to its proper place. If the guards must leave the front desk, the front doors must be locked.

## **Smoke Detectors**

New York City law requires smoke detectors in all residential apartments. Each Shareholder must maintain smoke detector(s) in their apartments. Detectors should be vacuumed and cleaned periodically and tested monthly. All battery-operated smoke detectors should have a new battery installed once a year.

## **Trades People**

Contractors, repairmen or any trades people will be permitted access to the building only with the approval of a Shareholder, and only after signing in with the guard at the front desk. Contractors and sub-trades people must be in full compliance with the Corporation's ways and means for these services as specified under Renovations and Alterations. No materials may be brought into the building without the approval of the Superintendent. Security personnel will not permit movement of materials, (i.e., for construction, or moving of furniture, etc.) without prior approval from the Superintendent. See separate Move-in and Move-out Procedures section.

## **Waste Disposal and Recycling**

The Department of Sanitation removes garbage and normal trash curbside at the building's 95th Street service entrance. Garbage is collected at each apartment between the hours of 6am and 8am Monday to Saturday and Sunday from 6am to 9am. All trash should be wrapped in plastic bags and tightly sealed. Newspapers and metal are to be recycled per New York City health codes and guidelines, and may also be properly wrapped and placed outside each apartment for pick up. Under no circumstances should garbage be left outside a Shareholder's apartment overnight. If the Shareholder is unable to comply with this timetable, they must carry their trash and recyclable to the basement for proper disposal.

## **Window Appearances**

No awnings, air conditioners, ventilators, signs, notices, advertisements, illumination, satellite dish, radio or television antenna may be attached, inscribed or exposed on or at any window, or any other part of the building, without the written approval of the Managing Agent.

To ensure long-term moisture protection to our building's facade, all Shareholders' air conditioners, whether window mounted or through the wall units, must have condensation pans. This is required to eliminate any moisture collecting or dripping on windowsills, lintels and down the facade. Any unit failing to do so (either by refusal or neglect) and after a ten (10) day written notice from the Managing Agent, at the discretion of the Board of Directors, may result in the entering of the apartment for the purpose of said drip pan installation. All related charges to such an action, including, but not limited to, gaining entry and subsequent fabrication and installation, will be the responsibility of the named Shareholder.

## **Window Cleaning**

Shareholders are required to keep their windows clean. Failure to do so (either by refusal or neglect) and after a ten (10) day written notice from the Managing Agent, at the discretion of the Board of Directors, may result in the entering of the apartment for the purpose of said cleaning. All related charges to such an action, including, but not limited to, gaining entry and subsequent cleaning, will be the responsibility of the named Shareholder.



## **Window Guards**

New York City law requires window guards on each window of an apartment that is the residence of a child ten (10) years old or younger. Annual certification is required from each resident stating their status. If desired, a Shareholder may request window guards, whether children are in residence or not, by contacting the Managing Agent who will help with the purchase and installation. The Shareholder making such a request will be billed for the appropriate charges.

## **Window and Screen Replacement**

1361 Madison Avenue is within a NYC Landmarks District. As such, NYC law closely regulates the exterior of the building.

Under no circumstance can a Shareholder(s) undertake window or screen replacement, of any nature, without written approval from the Board of Directors. This applies, but is not limited to, the removal or addition of window air conditioners in fixed panels, replacing half height windows, etc. Any such work must match existing windows and screens in color and profile as deemed by the Board of Directors. This applies to all windows, either on the exterior, or in an inner airshaft. Subsequently, the Board of Directors may require the Shareholder to file any work with all NYC agencies having jurisdiction.

## **8. Notices and Communications**

### **Service Requests**

The building's Requests for Services Log book is kept at the front desk with the Security Guards. All requests for repairs should be submitted, in writing, to the Superintendent through the logbook. Only emergency requests should be made by telephone.

### **Bulletin Boards**

There are two (2) bulletin boards above the mailboxes. One is for the Corporation's general postings (as important Shareholder bulletins are individually distributed) and the other is for limited postings by Shareholders. Postings on the former bulletin board are only to be placed there and/or altered by the Managing Agent, the Board or their authorized agent(s).

## **9. Maintenance and Repairs**

### **Corporation Responsibilities**

The Corporation is responsible for overseeing the maintenance of the physical plant and standard building equipment. This typically includes the common areas, the elevator, window exteriors, and principal water, gas and steam pipes, drain pipes and principal electrical distribution. In essence, but not in strict interpretation, the Corporation's responsibility begins with the primer coat of paint, and continues outward to the exterior of the building. All renovations and/or alterations are subject to approval by the Board of Directors. (See separate Alterations Agreement for full procedures and definitions.)

### **Shareholder Responsibilities**

Shareholders are responsible for their individual apartments and any renovations or alterations. New Shareholders assume all the obligations and responsibilities of the Shareholder who originally made the renovations or alterations. In essence, but not in strict interpretation, the Shareholder's responsibility begins with the finished coat of paint, and continues inward to include the whole of the apartment. See "Improvements and Notifications".

### **Water Damage**

When water damage occurs due to a Shareholder accident and/or negligence, the Shareholder is responsible for all wallpaper, tile work, or any other shareholder finishes and furnishings. Every shareholder is required to carry adequate homeowner's insurance (including liability) on their apartment and any personal possessions they may choose to cover.

### **Fire Damage**

If there is a fire, your homeowner insurance may cover the damage to your apartment. Check the apartment for signs of water, fire and smoke damage. Re-inspect later, since water damage may take time to show up. If there is evidence of any damage that you consider attributable to the fire, send written notification to the Managing Agent with a copy to the Board President; be specific in describing the damage. File a claim with your own insurance company at the same time. The Corporation has insurance coverage for the building, which applies to certain aspects of fire damage. A public adjustor may come to inspect all damage due to fire.

## **10. Policies and Procedures**

### **Children / Housekeepers / Daycare**

Children are not allowed to play in the lobby, elevators or other public areas. Nor are they allowed to climb on the lobby furniture or concierge desk. In all public areas, small children must be accompanied and supervised by a responsible adult.

Housekeepers and caregivers are allowed to wait in the lobby for very limited periods of time, before or after finishing their work. Housekeepers and caregivers should not congregate in the outer lobby, nor eat and/or socialize in the lobby itself. The Corporation suggests the use of the lounge area adjacent to the laundry area in the basement for informal gatherings.

### **Deliveries**

Shareholders are required to notify the Superintendent, in advance, of deliveries of any nature, including but not limited to: appliances, furniture, materials for "do it yourself projects", etc. All deliveries are to be between 8:30 a.m. and 5:00 p.m. Monday through Fridays only. In a rare circumstance, if this presents a hardship scenario, any other delivery time must be coordinated with the Superintendent, and he must be present, and notification to the building must be posted and coordinated with the guards. Failure to do so will result in all deliveries being turned away.

In addition to, and not in lieu of, any move-in and move-out requirements set forth in the House Rules, any delivery of an item, if it is determined that such item reasonably requires more than one person to carry it, or if the item is too large to fit into the elevator and therefore must be carried through the stairwell shall require that the delivery company provide a certificate of insurance naming the building as an additional insured, and a copy of the same is to be provided to the corporation or its agent.

### **Disturbances / Quality of Life / Parties**

Residents may not make disturbing noise in the building or do anything that will interfere with the rights or comfort of other residents. Musical instruments may not be played after 10:00 P.M.

Smoking is not permitted in any public areas of the building.

If you plan a large party, especially one that might last late into the evening, it would be courteous to give notice to your immediate neighbors (above, below and all sides).

When Board approved renovations are planned, you are asked to give ample notice to all you neighbors of the time during which they can expect noise and disruption. No renovation work may be done before 9:00 A.M. or after 5:00 p.m.

Any other instances that affect aspects of shareholders' quality of life issues, including those specific and implied, listed here and within the Proprietary Lease may be addressed at the Board's discretion.

### **Emergency Procedures for Fire**

A fire will usually be contained in the apartment or on the floor where it starts. However, the heat, smoke and toxic gases produced by a fire are very dangerous. There are fire extinguishers located on the half landings of the stairwell, but the Corporation also urges each Shareholder to have their own operating fire extinguisher(s).

If there is a fire in your apartment, call the fire department at once. Use the intercom to contact the security guard for help and to warn your neighbors. GET OUT as soon as possible. If time permits, turn off all circuit breakers and make sure the gas is off as you leave. If you are unsure as to how to perform

these tasks, please ask the Superintendent to instruct you. CLOSE ALL DOORS BEHIND YOU to prevent the spread of fire and smoke. Alert your neighbors to leave with you.

When leaving your apartment to escape a fire in the building, proceed calmly and with caution. DO NOT OPEN ANY DOORS UNTIL YOU FEEL FOR THE AMOUNT OF HEAT BEHIND THEM WITH YOUR HANDS. DO NOT USE ELEVATORS. DO NOT STAND IN PUBLIC HALLWAYS. WALK, DO NOT RUN. Once you arrive outside, notify firemen of the location of the fire. If someone in your apartment is elderly or frail and will require special attention, this information should be filed with the police and fire departments and the Superintendent.

## Guests

Some Shareholders have previously, in their absences, invited guests to stay for extended periods of time; however, these invitations constitute unapproved sublets. To further the security of our homes and ensure the quality of life we enjoy, the following are the rules regarding having a guest(s) share the cooperative.

1) When a Shareholder is present in the building, they may have guests stay in their apartment by either verbally authorizing the guards in person or on the intercom, or by escorting the guest personally.

2) When a Shareholder is temporarily absent from the building for a period of 48 hours or less they may authorize the guards to allow the guest to freely come and go with keys in the guests' possession or hold and share keys with the guest by leaving a note with the guards stating each guests' name and the date of the expected visit and departure.

3) When a Shareholder is temporarily absent from the building (for a period more than 48 hours), they may authorize a guest(s) to use their apartment only by complying with the following terms fully:

A. The Shareholder is to leave with the security guards written information including:

1) A telephone number where the Shareholder can be reach at all times while the guest is staying at the Shareholders apartment.

2) The name of each guest that will be staying in the Shareholder's apartment.

3) The length of time the guests will be staying in the Shareholder's apartment, not to exceed ten (10) days during the time the Shareholder is absent from the apartment.

B. The Shareholder will provide each guest with a copy of the 1361 Madison Avenue Corporation House Rules, and inform the guests that they must comply fully with the House Rules.

C. Only with the Board's written approval will guests be allowed to stay in the absent Shareholder's apartment for more than thirty (30) days in a twelve (12) month period, based upon the calendar year.

D. If either the Shareholder fails to comply with these stipulations or the guest(s) fail to abide by the House Rules, the Corporation reserves all rights to take actions, including refusing to permit access to the apartment by the guest(s).

4) In the event, while the Shareholder(s) is in residence, a Shareholder(s) has an unrelated guest staying longer than thirty (30) days within the calendar year, said Shareholder(s) must have written permission from the Board approving each guest. (Any guest not a relative as defined in Document C, Item#14 of the Proprietary Lease must comply with this directive.) To ascertain such approval, said Shareholder(s) and Guest, may be required to, but not limited to; personal interviews, providing references to professional and/or personal character, etc., or as the Board may deem necessary to render a decision upon such approval.

5) Refer to "Facilities and Services – Keys" for the strict policy on leaving keys.

## **Gym equipment**

Due to noise and structural consideration, gym equipment including, but not limited to, treadmills, stationary bikes, elliptical machines, and weights are not permitted in Shareholder's apartments. Gym equipment which had been installed in an existing shareholder's apartment prior to June 1, 2010 will be exempt from this rule.

## **Mandated Upgrades**

From time to time, the Corporation requires several types of upgrades. Please refer to the Alteration Agreement for details on mandated upgrades.

## **Move-in / Move-out**

All moves are coordinated through the Superintendent. A non-refundable fee of \$500 must be provided to the Managing Agent prior to moving. The rules also apply if a Shareholder moves from one apartment to another. If a singular large piece of furniture or appliance is being moved, there is no fee, but the rules should be observed. Arrangements should be made at least 48 hours in advance. Moving, either in or out of the building, is only allowed during regular service hours, 9:00 a.m. to 5:00 p.m. No moves are allowed during weekends or NYC observed holidays. The service entrance must be used for all moves.

All refuse, boxes and cartons must be disposed of properly, privately and without using the building's systems or resources.

## **Pets**

Shareholders may not own dogs without prior Board approval. The Corporation does not permit Shareholders to own rodents or reptiles.

When a pet is outside of its owner's apartment, it must be on a leash, in a container, or held by a person who is capable of restraining it at all times.

Owners must make every effort to keep their dogs from barking in all public areas. All dogs must be curbed and cleaned up after. Awning posts, sides of the building, trees and tree pits are not to be used for these purposes.

Shareholders may not feed any animals within the physical plant of the coop. This is to include wild birds, especially pigeons or stray animals of any kind.

## **Rug Coverage**

Shareholders are required to have rug coverage of 70% of the floor area in their apartment excluding the kitchen, bathroom, and hallways.

## **Shareholder Meetings**

The principal meeting of Coop shareholders is the Annual General Meeting, which is typically held in November or December of each year. As set forth in the Bylaws, the principal purposes of the Annual General Meeting are to elect Directors, review the audited financial statements of the recently completed fiscal year and discuss other legitimate business that a Shareholder wishes to raise.

The Annual General Meeting is open to all Shareholders, their proxies, representatives of the Managing Agent and guests invited by the Board. Notification of the time, date and location of the Annual General Meeting, among other things, is mailed to shareholders in conformity with the Cooperation's Bylaws. As a practical matter, the Annual General Meeting is typically held in the sitting area in the basement that is adjacent to the laundry room.

The Board, who will recognize speakers on the floor, moderates the Annual General Meeting. Speakers who are recognized are expected to keep their comments to a reasonable length (typically a minute or two) and refrain from raising their voice. The Board will warn any speaker who fails to observe these practices and/or any attendee who interrupts a speaker; upon a second warning, such speaker or attendee will be required to leave the Annual General Meeting.

Any speaker or attendee who makes any derogatory or personal comments regarding others will be asked by an officer of the Board to leave without any preliminary warning.

Counting of Shareholder votes at the Annual General Meeting will be performed by a party or parties so directed by the Board. Counting will begin only after a quorum is present and all proxies have been submitted to the counter. The counting will be conducted in a space (generally the laundry table by the washing machines) apart from the area where the Annual General Meeting itself is being conducted. Meeting attendees are not allowed to observe or generally loiter in the area where the counting is taking place. A Board member, or the party directed to count Shareholder votes, will warn any attendee who fails to observe this practice; upon a second warning, such speaker or attendee will be required to leave the Annual General Meeting.

## 11. Improvements / Alterations

### General Notification

In order to stay current with the most recent revisions of New York City's building codes and regulations and the Corporation's mandated upgrades, the Alteration/Renovation Agreement (Major Renovation) and the Decorating Agreement (Minor Renovation) is issued as a separate document. Shareholders can obtain the most current set from the Managing Agent.

No alterations of any nature are to be undertaken without the written approval of the Managing Agent and/or the Board of Directors. All work must be done in strict compliance with the Corporation's requirements, NYC building codes and another governmental organizations having jurisdiction over the scope of work defined. It is the Shareholder's responsibility to become informed of, and comply with, any such regulations.

The Corporation reserves the right to have the scope of any renovations proposed by a Shareholder reviewed by a licensed architect or engineer to ensure the safety of fellow shareholders and compliance with all governing codes. Any expenses incurred for this review are the sole responsibility of the applicant shareholder.

The Corporation reserves the right to suspend or halt any renovation for any of the following reasons, including but not limited to:

- Failure to comply with the requirements of the relevant Alteration/Renovation/Decorating Agreement(s).
- Failure to adhere to the House Rules and/or the approved Alteration/Renovation/Decorating Agreement(s).
- Failure to adequately define and or document scope of work.
- Any clear change of defined scope of work, either by omission or addition.
- Use of any ways and means believed to be unsafe or being applied in an unsafe manner
- Failure to comply with directions from the building Superintendent, Managing Agent or Corporation assigned agent. The inability to understand spoken or written directions from said persons will be understood as failure to comply.

The Corporations' building Superintendent, Managing Agent or assigned agent must have complete access to renovation for the purpose of accessing full compliance with all prescribed rules, regulations and scope of work.

In addition to, and not in lieu of, (i) any applicable alteration agreement requirements and (ii) the move-in and move-out requirements set forth in the House Rules, the following matters require a certificate of insurance naming the building as an additional insured, and a copy of the same is to be provided to the corporation or its agent, as so determined:

1. Any delivery of an item if it is determined that such item reasonably requires more than one person to carry it, or if the item is too large to fit into the elevator and therefore must be carried through the stairwell; and
2. Any repair being made in and to an apartment that involves electric or plumbing, or that requires breaking through the wall.



## **Major Renovation / Alteration**

Any major renovation or alteration requires the Alteration/Renovations Agreement and building architect's review whose fees are the sole responsibility of the shareholder making the application.

Major Renovations are defined as follows, including but are not limited to: removal, relocation, openings or addition of walls; doors; exterior wall penetrations; replacing floors and/or ceilings; bathroom/tile work; relocating plumbing and/or gas fixtures; electrical service upgrade; and/or relocating electrical devices. In essence, any changes to the Building's utilities or systems. Major renovations require Board approval, as well as compliance with the Alteration/Renovation Agreement and written permission from the Managing Agent.

Please refer to the Alteration Agreement for all policies related to major renovations or alterations.

## **Minor Renovation / Alteration**

Any minor renovation or alteration requires the Decorating Agreement and Managing Agent's review.

Minor renovations are defined as follows, including but not limited to: painting; wallpapering; floor refinishing (including sanding & staining); new carpeting or applied floor covering and/or the replacing of existing appliances with new appliances into their original locations. Minor renovations do not require Board approval, but do require compliance with the Decorating Agreement and written permission from the Managing Agent.

Please refer to the Alteration Agreement and Decorating Agreement for specific policies related to minor renovations and alterations.

## **Mandated Upgrades**

The Corporation requires certain types of mandated upgrades. Please refer to the Alteration Agreement for specific policies around mandated upgrades.

## **12. Absence from the Building**

### **General**

All residents are urged to double lock their doors and insure all windows are locked whenever they leave their apartments. In the event of an extended absence, notify the Superintendent and be sure that he has ready access to the apartment in case of an emergency.

### **Newspaper**

Either instruct the newspaper delivery service to suspend delivery during a prolonged absence or ask a neighbor to take in the paper each day so as not to signal that the apartment is unoccupied.

### **Mail**

Arrange for the collection of mail if you expect to be absent from the building for a prolonged period of time. Mail can be held at the post office, forwarded to your temporary address or collected by a neighbor.

### **Authorized Visitors**

Shareholders wishing other persons to be admitted to their apartments during their absence must fully comply with the stipulations as called forth in the Guest Policy for 1361 Madison Avenue. Failure to do so will result in any non-shareholder not being allowed to enter the apartment.

### 13. 1361 Madison Avenue Contact Sheet

Front Desk/Superintendent's Office:	(212) 289-3066
Lubos Kuzar, Superintendent	(917) 400-0806
Alfonzo Sanchez, Handyman	(646) 279-7842

#### Management

Sandberg Management Corp.  
345 Seventh Avenue, 8<sup>th</sup> floor  
New York, NY 10001

Office (Main Line)	(212) 268-0494
Fax	(212) 268-0397
Bill Brochhagen , Property Manager	(646) 520-3478 <a href="mailto:bill@sandbergmgmt.com">bill@sandbergmgmt.com</a>

Katie Shterenberg, Stock Transfers & Financing	(646) 520-3473 <a href="mailto:Katie@sandbergmgmt.com">Katie@sandbergmgmt.com</a>
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Natalie Pan, Accounts Receivable/Billing	(646) 520-3474 <a href="mailto:Natalie@sandbergmgmt.com">Natalie@sandbergmgmt.com</a>
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