

# IMPACT

## BUILDING & REALTY NEWS

VOL. 14 NO. 2 SERVING WESTCHESTER AND THE MID-HUDSON REGION

JULY/AUG 2015

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#### Delivering a Difficult Farewell to a Trusted Advisor

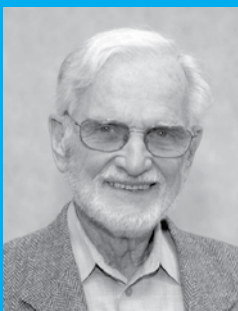
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## Guidelines Board Approves 1.75 Percent and 2.75 Percent Increases for Renewal Leases

By Jeff Hanley, IMPACT Editor

WHITE PLAINS—The Westchester County Rent Guidelines Board recently decided on rent increases for renewal leases affected by The Emergency Tenant Protection Act (ETPA).

Owners and Managers of ETPA properties can offer tenants a 1.75 percent increase for a One-Year Lease. For a Two-Year Lease, Owners and Managers can offer tenants a 2.75 percent increase.

The board reached its decisions during its Jun. 22 Deliberation Session at The Common Council Room at White Plains City Hall. The increases affect renewal leases between Oct. 1, 2015 and Sep. 30, 2016.

The guidelines are scheduled to be certified at the board's next meeting in September. The date and location of that meeting will be announced in the weeks ahead, according to officials

from the New York State Homes and Community Renewal Agency (HCR).

Where the Owner/Manager does not provide heat or hot water, the following guidelines were approved (80 percent of the guideline increases above): One-Year Lease Term, 1.4 percent; Two-Year Lease Term, 2.2 percent.

Building and realty industry officials stressed that, for the second

*Continued on page 3*

## Construction Compensation Insurance Group Reports a 25 Percent Dividend

### Real Estate Group Announces a 20 Percent Dividend

By Jeff Hanley, IMPACT Editor

PELHAM—New York State Workers Compensation Group 458, the compensation insurance group of The Builders Institute (BI), recently announced a 25 percent dividend for the

policy year ending June 29, 2014.

The dividend was announced at the group's Annual Meeting on May 20 at the offices of Component Assembly Systems in Pelham. Levitt-Fuirst Associates of Yonkers, the manager of

Group 458, made the announcement.

The dividend was in addition to the maximum 25 percent advance discount that group members are eligible to receive, spokesmen added.

Group 458 officials said that the group has now had 62 consecutive years of dividends. Group 458 was formed in 1951. More than 800 construction industry members participate in the program. Contractors, Sub-Contractors, Suppliers and Renovation/Remodeling companies are eligible for the group, spokesmen said.

### Group 530 Announces Its Dividend

New York State Workers Compensation Group 530, the compensation insurance group for The Cooperative and Condominium Advisory Council (CCAC), The Apartment Owners Advisory Council (AOAC) and The Advisory Council of Managing Agents (ACMA) of The Building and Realty Institute (BRI), recently announced a 20 percent dividend for the policy year ending June 1, 2014. Group spokesmen said that the dividend is in addition to the maximum 20 percent upfront discount.

The announcement was made at the group's Annual Meeting on May 19 at the offices of Group Manager Levitt Fuirst Associates in Yonkers. More than 500 cooperatives, condominiums, apartment buildings and office buildings participate in the program, spokesmen said. Group 530 was formed in 1990.

## BRI Announces Its Fall General Membership Meetings

By Jeff Hanley, IMPACT Editor

WHITE PLAINS - The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) recently announced the schedule of its General Membership Meetings for the fall.

"We have an interesting and diverse lineup starting on September 17," said Albert Annunziata, executive director of the BRI.

Annunziata added: "I am pleased to announce that Richard Brodsky, former State Assemblyman and Westchester County Legislator, will be our guest speaker on September 17. Since leaving the state legislature, Richard has never really left the public arena in terms of his continued involvement in key issues affecting New York and its citizens. We look forward to Richard sharing his incomparable experience, insight and observations in September."

Annunziata said that the BRI's Oct. 15 General Membership Meeting will feature the main incumbents and challengers for seats on the Westchester County Board of Legislators. "Needless to say, the county legislature is a critical factor in the quality of both living and doing business in Westchester," Annunziata said.

The BRI's November 12 General Membership Meeting, Annunziata said, will feature a special "double-feature" program - notable speakers from the government, banking, finance and insurance sectors.

Each of the meetings are scheduled for a 6:30 p.m. start. They will be at The Crowne Plaza Hotel in White Plains, BRI spokesmen said.

BRI officials added that full details on the meetings will soon be mailed to members of the association. Officials said that Advance Reservations are being accepted by the BRI offices at (914) 273-0730. Reservations can also be made through [jeff@buildersinstitute.org](mailto:jeff@buildersinstitute.org).

The BRI is a building, realty and construction industry membership organization. The association, based in Armonk, has more than 1,400 members in 14 counties of New York State. Members of the BRI are involved in virtually every sector of the building, realty and construction industry, association officials said.

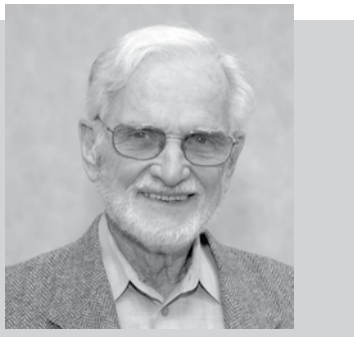
## AOAC Officials Testify at Rent Guidelines Hearings

SEE STORY ON PAGE 9



# CO-OP AND CONDO COMMENTARY

By HERB ROSE



NEW YORK—This is my last column in this series, which dates back to 1987. Our purpose has always been to create the opportunity for you to live in a great place, for a reasonable cost. Some people have the fantasy that they can buy a place, keep it for a while, and flip it at a great profit. Dream on!

Everyone knows of someone who bought a co-op, lived in it for a few years, and then hit

“the jackpot.” This fantasy payoff is one that only a few can experience. Most residences are bought and sold according to life situations - marriage, leaving your parents’ home, a job somewhere else, etc.

If you are lucky, your transaction falls into the low market when you buy and a high market when you sell. You may have to sell in a terrible market, or buy in a ridiculously high market. Your only defense is

# Saying ‘So Long’ To My Colleagues in the Co-op and Condo Sector

that you want to live in this wonderful place for the foreseeable future, since you must live somewhere. Forget about making money on a flip!

**Suggestions**

Do small repairs before they overwhelm you. A minor roof leak can often be corrected at minimal cost in advance of a major repair. When the inevitable gross repair comes, hire an engineer to scope the work, and

then contract the whole job!

Typically, it is easy to be misled into doing a large repair “piecemeal.” For instance, a complete boiler replacement may be \$75,000 to \$80,000. Seductively, the boiler component of the replacement may be as little as \$30,000. Don’t try it because you know nothing about this work and the “cut rate contractor” you may find to take on this job won’t be able to deliver it.

Again, buy the whole job with permits and operation guaranteed. A classical case in point involved the New Jersey Turnpike Authority. Over \$200,000 in landscaping plantings were purchased unplanted. After a long period of time elapsed, the plantings were discarded in the trash!

- Make sure your Utility Bill is yours.
- Have a Reserve Fund of at least three months’ worth of

**Do small repairs before they overwhelm you. A minor roof leak can often be corrected at minimal cost in advance of a major repair. When the inevitable gross repair comes, hire an engineer to scope the work, and then contract the whole job.**

# THE HANLEY REPORT

By JEFF HANLEY  
Associate Director, Building and Realty Institute (BRI)/IMPACT Editor



# Delivering a Difficult Farewell to a Trusted Advisor

WHITE PLAINS – Goodbyes are never easy, with some being difficult. The latter scenario is the case for this goodbye.

Herb Rose, a well-known co-op and condo consultant in the New York metropolitan area, says “so long” to our readers in this issue through his last “Co-op and Condo Corner” column.

Rose has been writing the commentary/analysis since 1987, providing board members and property managers of co-ops and condos with valuable information and guidance. But his contributions to The Building and Realty Institute (BRI) do not stop there.

Since the mid-1980’s, Rose has served as a consultant to the Board of Directors of The Cooperative and Condominium Advisory Council (CCAC) of the BRI, and to the respective staffs of the associations. He has also served as a special consultant to the BRI on the complex energy issues affecting the building, realty and construction industry.

Rose regularly attended meetings and seminars on the many intense and difficult topics that affect our industry. He would then deliver prompt reports back to our membership, whether through his column, summaries to the BRI/CCAC staff, or through his many speaking appearances before our memberships.

And, he was always available to the BRI/CCAC staff on “a 24/7 basis” through the phone, or through e-mails.

“Problems are part of life,

part of what we must experience through life,” is what Rose would repeat to me in the early years of our business communications. “It is how you handle them and how you rise above them – that is what is most important.”

A valuable lesson, indeed, from a special colleague, advisor and friend. Thank you Herb. Thanks, so much, for your invaluable assistance since the late 1980’s.

A difficult goodbye? Make that very, very difficult. All the best to you Herb – you will be missed.

As for this issue, the following reports are featured:

- A Page One article on the recent actions of The Westchester County Rent Guidelines Board and their effects on members of The Apartment Owners Advisory Council (AOAC). A Photo Montage of the AOAC’s participation in the recent Public Hearings of The Westchester County Rent Guidelines Board is also featured.
- A Page One report on the recent dividend announcements for members of New York State Workers Compensation Groups 458 and 530 of the BRI.
- A series of reports from The National Association of Home Builders (NAHB) on recent data that summarizes current conditions in the building, realty and construction industry.
- An analysis in Tech Talk on the importance of businesses properly marketing their

Web Sites. Andrea Wagner of Wagner Web Designs authored the piece.

- A report on the importance of procedures involved with mediation. Dorothy Finger, Esq., a principal of Finger and Finger, A Professional Corporation, wrote the summary. Finger and Finger is Chief Counsel to the BRI.
- A summary in Insurance Insights which stresses that, effective July 28, 2015, there is a new law that prohibits any person/entity from “willfully requiring” a Certificate of Insurance that contains false or misleading information. Specifically, the law makes it illegal to require that a Certificate of Insurance include language that is not expressly found in the insurance policy represented on the certificate. Ken Furst and Jason Schiciano, principals of Levitt-Furst Associates, authored the analysis. Levitt-Furst Associates is the Insurance Manager of the BRI.
- An industry summary on how Westchester, Putnam, Rockland and Orange counties saw real estate sales surge in the second quarter of 2015, eclipsing last year’s second-quarter sales by 14.8 percent. The study was produced by The Hudson Gateway Multiple Listing Service, Inc. (HGMLS), a subsidiary of The Hudson Gateway Association of Realtors (HGAR), Inc.

Enjoy the issue – and the remainder of your summer!


- Other Key Suggestions**
- Randomly check your Product Bills and Repair Invoices for accuracy. You might be paying for someone else’s repairs and supplies! Watch “the store” as an individual, or as a co-op or condo board member. Here are a few other valuable tidbits:
- Consider Real Estate Tax Appeals (“Certiorari Proceedings”).
  - Check your Annual Financial Statement for unusual increases.

Maintenance Payments.

- Strive to keep your Uncollected Maintenance Payments at less than five percent of your annual billing.


Good Luck. And goodbye!

**Editor’s Note: Herb Rose is a noted Co-op and Condo Consultant. He is also a member of the Board of Directors of The Cooperative and Condominium Advisory Council (CCAC), an affiliate association of The Building and Realty Institute of Westchester and The Mid-Hudson Region (BRI). Please see “The Hanley Report” on page two for a tribute to Rose.**



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**IMPACT**  
BUILDING &  
REALTY NEWS

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Production: MEADOW ART & DESIGN, FAIR LAWN, N.J.

Published By The Builders Institute/Building and Realty Institute.  
Subscription, \$20 Per Year, Included In Membership Dues.  
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Or By Any Means Without The Written Permission From The Publisher.  
Entered As Periodical Matter At  
Post Office, White Plains, NY 10610  
USPS 259-900

IMPACT (USPS 259-900) Is Published Monthly For \$20 Per Year By The Builders Institute/  
Building and Realty Institute, 80 Business Park Drive, Suite 309, Armonk, NY, 10504.  
Periodicals Postage Pending At Armonk, NY.  
POSTMASTER: Send Address Changes To IMPACT, 80 Business Park Drive,  
Suite 309, Armonk, NY 10504.

## Guidelines Board Approves 1.75 Percent and 2.75 Percent Increases for Renewal Leases

*Continued from page 1*

consecutive year, Owners and Managers in Westchester County fared better than their colleagues in New York City. The New York City Rent Guidelines Board issued the following guidelines on Jun. 29: One-Year Lease Term, 0 percent; Two-Year Lease Term, 2 percent. "Many thanks are extended to Ken Finger and Eliot Cherson, our Owner Representatives on The Westchester County Rent Guidelines Board, who helped make a better guideline possible," said Carmelo Milio, chairman of The Apartment Owners Advisory Council (AOAC).

Milio also thanked the AOAC and Building and Realty Institute (BRI) members who issued testimony at the Public Hearings of The Westchester County Rent Guidelines Board, as well as the more than 35 members of both groups who attended the Jun. 22 Deliberation Session as representatives of the building and realty industry.

"That participation was significant," Milio said. "We feel it played a major factor in obtaining what we feel is a good result. A large turnout from our association always makes a good impression on the Guidelines Board."

Milio stressed that the efforts of the AOAC member-

ship, its staff and the membership/staff of the BRI were all instrumental in helping the building and realty industry avoid possible rent freezes. Officials of the AOAC/ BRI were concerned with the possibility of zero increases from weeks before the deliberations of the Westchester County Rent Guidelines Board.

"There is no question that the strong turnouts from the memberships of the AOAC and BRI helped us avoid what could have been a negative situation," Milio said. "Those memberships—as well as the staffs of both organizations—should be applauded for their respective strong efforts."

Milio added that AOAC members with any comments or questions can call the AOAC offices at (914) 273-0730.

The AOAC is a building and realty industry membership organization. The association, an affiliate of the BRI, is composed of more than 300 Owners and Managers of rental apartment buildings and complexes. Those Owners and Managers are responsible for approximately 18,000 units, association officials said.

The BRI is a building, realty and construction industry membership organization. The association has more than 1,400 members in 14 counties of New York State, officials added.

### Services Profile:

## New Crystal Restoration Offers Caring, Sensitive and Thorough Approaches

**By Jeff Hanley, IMPACT  
Editor**

PORT CHESTER – Damage to a residential or commercial property is never easy for Owners and Managers, but that sector, according to a local company, does have a solid option during their troubled times.

"We are the Emergency Room (ER) for houses and other properties," said Lisa Cordasco, president of The New Crystal Restoration Enterprises, Inc. of Port Chester, whose company is marking the 55th anniversary of its formation this year. "We offer a calm, caring option for owners during what, of course, is such a trying time for people."

That two-tiered approach to customer service, Cordasco added, has helped her company gain its solid reputation for service since its formation in 1960. The firm offers Disaster Response and Property Restoration Services to properties throughout the New York metropolitan area, as well as to Connecticut.

Asbestos Abatement, Mold Abatement, Sewer Back-

up and Infectious Disease Response - in addition to Total Restoration Services in the event of fire, flood, or extreme weather events - are other services offered by the company.

"My father (Louis Cordasco) formed the company in 1960 and he was a one-man band at that time," Cordasco said. "He always stressed that we should never devalue how tragic property damage and loss is to owners. The extension of a calm, caring approach to clients during their times of crisis was always what he stressed. We have extended those practices throughout the years."

Cordasco was appointed president of her company in 2008 after her father retired. The firm has a 12-member staff. That staff, Cordasco said, can be extended depending upon a series of different situations.

"We do not claim to be larger than we are," she said. "We stress that we service local community projects in a caring and sensitive way. We are utilizing all the business practices that made my Dad so special,

*Continued on page 7*



**AN IMPORTANT UPDATE** – The Board of Trustees of The Builders Institute (BI)/Building and Realty Institute (BRI) received an update on May 14 on important legislative events affecting the building, realty and construction industry. Pictured at the briefing are, from left to right, Ken Finger, chief counsel, BI/BRI; Glenn Riddell, lobbying consultant, BI/BRI; and BI/BRI Board Members Joe Pizzimenti and Nat Parish. The update was presented prior to the General Membership Meeting of the BI/BRI. Both events were at the Crowne Plaza Hotel in White Plains. —Photo by Jeff Hanley



**THE ANNUAL MEETING OF GROUP 530** – New York State Workers Compensation Group 530 of The Building and Realty Institute (BRI) held its Annual Meeting on May 19. The event was at the offices of Levitt-Fuirst Associates, Ltd. in Yonkers. Levitt-Fuirst Associates is the manager of Group 530. Pictured during the meeting are, from left to right, John Bonito, a member of the Executive Committee of Group 530; Jason Schiciano, president of Levitt-Fuirst Associates; Victor Kavy, a member of the Executive Committee of Group 530; and John Holzinger, chairman of Group 530's Executive Committee. Group 530 is the Workers Compensation Insurance Group for The Advisory Council of Managing Agents (ACMA), The Apartment Owners Advisory Council (AOAC) and The Cooperative and Condominium Advisory Council (CCAC) of the BRI. A report on the meeting is on page one. —Photo by Jeff Hanley



**ACMA MEETS** – The Advisory Council of Managing Agents (ACMA) held its Spring Membership Meeting on Jun. 17. Pictured during the event are, from left to right, Ken Finger, chief counsel, Building and Realty Institute (BRI); David Amster, chair, ACMA; and Colleen Darcy, pesticide control specialist I, New York State Department of Environmental Conservation (NYSDEC), Region 3. Darcy covered issues of importance to property managers and owners. The meeting was at The Crowne Plaza Hotel in White Plains. ACMA is composed of the leading property management firms in the Westchester and Mid-Hudson Region, association officials said. —Photo by Jeff Hanley



**ENERGY ISSUES** – "Electric and Gas Issues Affecting The Building, Realty and Construction Industry" was the topic of the May 14 General Membership Meeting of The Builders Institute (BI)/Building and Realty Institute (BRI). Officials from Con Edison provided BI-BRI members with a series of updates on the issues through a panel presentation. Pictured during the event are, from left to right, Panel Member Richard Brown; Eric Abraham, BI-BRI president; and Panel Members Charlie Lienhart; Steve Malena and Mark Drexel. Also pictured, on the right and to the left of Drexel, is Albert Annunziata, executive director of the BI-BRI. More than 65 BI-BRI members attended the program at The Crowne Plaza Hotel in White Plains.

—An IMPACT Staff Photo



# Levitt-Fuirst Earns a Prestigious Award

YONKERS—Levitt-Fuirst Associates recently announced that the company is one of the winners of the first-ever, joint Westchester and Fairfield County (Conn.) Business Journals Awards for top family-owned businesses.

Officials from Levitt-Fuirst said that the firm has worked throughout its company history to have a positive impact on the region. Officials added that the company looks forward to continuing to be a leader in Westchester's business community. The below essay was submitted to The Westchester County Business Journal by Levitt-Fuirst, focusing on the company's long history in the region.

"One of Westchester's largest independent insurance brokers, Levitt-Fuirst has involved three generations of Levitt and Fuirst family members. Currently, the principals are made up of co-presidents Jason Schiciano and

Ken Fuirst, with Valerie Levitt as Chief Financial Officer (CFO) and Ondrea Levitt Schiciano, the company's Marketing Vice President.

Dave Levitt and Alan Fuirst were best friends in law school and, when they graduated, they each joined their father's insurance business. In 1969, they combined businesses and created Levitt-Fuirst. Over the years, the 12-person firm grew into a very successful, highly respected insurance agency.

The third generation, with the addition of Darryl Friedrichs as a key executive since 1994, has grown the company over the last 22 years. The firm now has 50 employees and is one of Westchester's most successful independent insurance brokers. The growth occurred by further penetration of their niche construction and real estate business, and, at the same time, by developing a highly

successful general business group that services some of the largest manufacturers and distributors in the area.

Levitt-Fuirst also expanded into the high-end homeowners markets by offering unique services that no other agency in the tri-state offers. The firm is recognized as a Chubb Cornerstone agent and represents other leading companies, like ACE, AIG and PURE.

The Levitt and Fuirst families like to support their employees and the Westchester communities around them. They subsidize gym memberships and bring-in nutritional lunches to foster a healthy environment. And, most importantly, they give back to the community by supporting local charities, including underwriting a Habitat for Humanity project in Yonkers. Over the last two years, more than 200 man days were spent building the Habitat homes."

Levitt Fuirst Associates is

the Insurance Manager for The Builders Institute (BI)/Building and Realty Institute (BRI)

of Westchester and The Mid-Hudson Region. The firm is based in Yonkers.

## The Latest "BRI Night at The Subway Series" Set For Sept. 18

By Jeff Hanley, *IMPACT* Editor

NEW YORK—The Building and Realty Institute (BRI) recently announced that full details for its latest "BRI Night at The Subway Series" on Sep. 18 will soon be sent to the organization's membership.

Event officials said that BRI members will soon receive a complete flyer on the outing, which will feature the New York Yankees playing the host New York Mets at Citifield in Queens. Officials added that tickets for the event are \$75 per person. The game is scheduled to begin at 7:10 p.m.

The outing is the second of its type coordinated by the BRI. The association hosted its inaugural "BRI Night at The Subway Series" on May 13, 2014 at Yankee Stadium. The Mets defeated the Yankees 12-7 in that contest.

"We are anticipating that the interest in this event will be very high, so we are urging those who are interested in participating in it to act quickly once they receive our mailer," said Albert Annunziata, executive director of the BRI.

BRI members with any questions or comments should contact Event Coordinator Margie Telesco at (914) 273-0730, or at [margie@buildersinstitute.org](mailto:margie@buildersinstitute.org).

The BRI is a building, realty and construction industry membership organization. The association, based in Armonk, has more than 1,400 members in 14 counties of New York State. BRI members are involved in virtually every sector of the building, realty and construction industry, association officials said.

## BI/BRI Golf Outing Set for Oct. 5

By Jeff Hanley, *IMPACT* Editor

HARRISON – The Annual Golf Outing/Tournament of The Builders Institute (BI)/Building and Realty Institute (BRI) has been scheduled for October 5, association officials recently announced.

The event will be at the Willow Ridge Country Club in Harrison. It is scheduled for an 11 a.m. start.

"Our annual Golf Outing is one of our more popular social events, so we are urging our members to make their respective reservations as soon as possible," said Albert Annunziata, executive director of the BI/BRI. "We anticipate that spots will go very quickly."

### The Details

- Details on the outing are as follows:
- \$300 per Golfer
  - \$1100 per Foursome
  - Prices includes caddies, golf carts, plus food and drink
  - Registration, 11 a.m.
  - Lunch, 11:30 a.m.
  - A Shotgun Start, beginning at 1 p.m.
  - A Networking Dinner, starting at 6 p.m.
  - Registration is on "a first-come, first-served basis."

### Sponsorship Slots

Event officials said sponsorship opportunities are available. They are:

- Event Sponsor, \$1000
- Dinner Sponsor, \$500
- Golf Cart Sponsor, \$300
- Lunch Sponsor, \$300
- Cocktail Sponsor, \$300
- Photography Sponsor, \$250
- Driving Range/Putting Sponsor, \$200
- Tee Sponsor, \$100
- The Cigar High Rollers Sponsors - "George Burns" Sponsorship: \$500; "Groucho Marx" Sponsorship: \$1000

Event officials said that registrations will not be accepted without payment.

Officials added that a flyer with full details on the event is at [buildersinstitute.org](http://buildersinstitute.org). The flyer is at the Events Section of the site. It includes instructions on payment processes.

The BI/ BRI is a building, realty and construction industry membership organization. The association, based in Armonk, has more than 1,400 members in 14 counties of New York State. Those members are involved in virtually every sector of the building, realty and construction industry, association officials said.

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### About CPC

The Community Preservation Corporation, Inc. (CPC) is a non-profit lender providing reliable capital to underserved neighborhoods throughout New York State since 1974. A nationally recognized leader in affordable housing finance, CPC is committed to delivering financing and technical expertise, and to working with community partners to create and preserve affordable housing.

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# The Unexpected Can Happen When It Comes to Elections For Board Members of Cooperatives and Condominiums

## COUNSELS' CORNER

By **Kenneth J. Finger, Esq.,**  
**Carl L. Finger, Esq., and**  
**Daniel S. Finger, Esq.**  
*Finger & Finger, Chief Counsel,*  
*Building & Realty Institute (BRI)*



**WHITE PLAINS** - Every Board of Directors, for a Cooperative, or Board of Managers, for a Condominium, has an election for its members on an annual basis.

While the procedure would seem simple and lead to the election of the Board Members—provided, of course, that a quorum is present—one Board recently found itself with a problem that seemed easily correctible. Not so fast, said the Court!

### An Election

The facts are that the Cooperative sent out a notice for the Annual Election of Board Members. As with many Co-ops, the terms of the Board Members were staggered and three members were up for election. The By-Laws of this Co-op provided, as also with many Co-ops, that voting can be either in person or by proxy.

The By-Laws also provided that “ballots and proxies shall be voted and counted at one and the same time.” The By-Laws also provide for Inspectors of the Election. The By-Laws are silent as to miscounting or recounting of ballots. The Annual Meeting of the Directors is to take place immediately after the shareholders’ Annual Meeting.

The Annual Shareholders’ Meeting took place and three Board Members were elected and the results announced. Shortly after the meeting, a shareholder asked to examine the proxies and did so the next day.

### An Exam

Upon the examination of the proxies he found that one proxy was not counted. The Board was notified and, due to the inclusion of the proxy erroneously omitted and not counted, the election results changed and the Board changed the results and the “certificate” of the results of the election were signed with the changed Board Members.

Within three days of the election, a letter was sent to all shareholders advising of the changed election result due to the mistake and the recount (as he said he did in all cases, particularly in close elections). The Board Member who was not elected brought a lawsuit challenging the action of the Board (and the Election Inspector) in changing the election results.

The Board argued that the proxy was timely submitted and omitted from the count due to an error. The “petitioners” argued that the announced results of the election should be

confirmed regardless of the mistake and that by changing the results the Board breached its fiduciary duty.

The Court reviewed the case and issued a lengthy decision stating, among other things, that: “A corporation’s (the co-op’s) scope of authority is defined by the Business Corporation Law (BCL) and the corporate By-Laws. Where a Co-op’s By-Laws are clear, they must be followed.” The Court, citing the BCL, said a court has the authority to confirm an election, order a new election or “take such other action as justice may require.”

It then stated that “however, the election may be set aside only where it is so clouded with doubt or tainted with questionable circumstances that the standards of fair dealing require it.” A lack of proper notice of the election is one such ground.

The Court cited prior precedent that, as to balloting, absent any By-Law or statute to the contrary, votes cannot be added after the “polls have closed and the results formally announced.” The Court went on to opine that a crucial action is the announcement of the final vote.

### A Citation

Citing the BCL, the Court

also said that “no ballots, proxies, consents, nor any revocation thereof or changes thereto, shall be accepted by the inspectors after the closing of the polls and that the polls shall close at the end of the meeting and the inspection shall determine the result of the meeting.”

Moreover, a certificate of the results is not a legal requirement to finalize the election, but

**What do we learn from this case? Among other things, compliance with the By-Laws is essential and consistency with precedent is significant.**

is required if requested. In this case, the By-Laws were silent as to a miscount or a recount. However, the Court believed that the intent of the By-Laws was that the votes are counted “at a single point in time, and that that time be at the Annual Shareholders Meeting, and not some time after, and not twice.”

The Court affirmed the practice of this Board to announce the results at the end of the Annual Meeting and that was the ‘common practice’ of this Board, which also should be respected.

The Court found that even though there was an “overlooked proxy,” that did not vio-

late the “fair dealing” requirement and that this mistake did not cloud with doubt or taint the election with questionable circumstances so that the election had to be set aside.

Concluding that “like any other corporate board, the board of a residential cooperative has a fiduciary duty to the shareholders” and the Court found that the respondents (the Board) did not violate their fiduciary duty, nor were any monetary damages caused the petitioners. The Court found and held that the initial results held up and the count the next day was invalid.

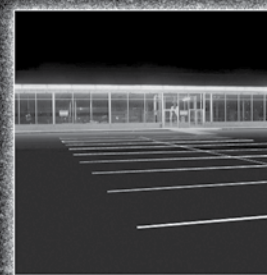
What do we learn from this case? Among other things, compliance with the By-Laws

is essential and consistency with precedent is significant. We recommend to our clients that the Inspectors of the Election sign a certification as to the count and the count be closed and verified at the end of the Annual Meeting. Doing so should confirm the election and avoid later disputes.

**Editor’s Note: The authors are with Finger and Finger, A Professional Corporation. Finger and Finger is chief counsel to The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region. The firm is based in White Plains.**

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INDUSTRY REPORTS

Builder Confidence Hits Yearly High in June

WASHINGTON, D.C. - Builder confidence in the market for newly built, single-family homes in June rose five points to a level of 59 on the recently released National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI).

NAHB officials said that the reading is the highest since September of 2014.

“Builders are reporting more serious and committed buyers at their job sites and this is reflected in recent government data showing that new-home sales and single-family construction are gaining momentum,” said NAHB Chairman Tom Woods.

“The HMI indices measuring current and future sales expectations are at their high-

est levels since the last quarter of 2005, indicating a growing optimism among builders that housing will continue to strengthen in the months ahead,” said NAHB Chief Economist David Crowe. “At the same time, builders remain sensitive to consumers’ abilities to buy a new home.”

Derived from a monthly survey that NAHB has been conducting for 30 years, the NAHB/Wells Fargo Housing Market Index gauges builder perceptions of current single-family home sales and sales expectations for the next six months as “good,” “fair” or “poor.”

The survey also asks builders to rate the traffic of prospective buyers as “high to very high,” “average” or “low to very

low.” Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view conditions as good than poor, report officials said.

Solid Figures

All three HMI components posted healthy gains in June. The component gauging current sales conditions jumped

seven points to 65, the index charting sales expectations in the next six months increased six points to 69, and the component measuring buyer traffic rose five points to 44.

Looking at the three-month moving averages for regional HMI scores, the South and Northeast each rose three points to 60 and 44, respectively. The West posted a two-point gain to 57, while the Midwest

dropped by one point to 54, report officials said.

Officials added that the the NAHB/Wells Fargo Housing Market Index is strictly the product of NAHB Economics, and is not seen or influenced by any outside party prior to being released to the public.

HMI tables can be found at [nabh.org/hmi](http://nabh.org/hmi). More information on housing statistics is also available at [housingeco](http://housingeco)

New-Home Sales Reach Seven-Year High

WASHINGTON, D.C.—Sales of newly built, single-family homes rose 2.2 percent to a seasonally adjusted annual rate of 546,000 units in May, according to newly released data from The U.S. Department of Housing and Urban Development (HUD) and the U.S. Census Bureau.

The data was recently released in a report from The National Association of Home Builders (NAHB). The report stressed that the figure is the highest new-home sales rate since February of 2008.

“Our builders are seeing motivated buyers and the release of pent-up housing demand,” said Tom Woods, NAHB chairman. “However, builders are facing supply chain challenges, which is affecting the inventory of new homes.”

“This month’s new-home sales report is consistent with other government data and rising builder confidence, each of which indicates a continual recovery of the housing market,” said NAHB Chief Economist David Crowe. “The uptick in existing-home sales bodes well for builders, as it shows that the sellers are able to buy a new home.”

Regionally, home sales were mixed, rising 87.5 percent in the Northeast and 13.1 percent in the West. The Midwest registered a 5.7 percent decline and the South fell 4.3 percent, the report said.

The inventory of new homes for sale was 206,000 units in May. The figure is a 4.5-month supply at the current sales pace, report officials added.

Remodeler Confidence Remains In Positive Territory

WASHINGTON, D.C.—Remodeler confidence improved to 59 in the second quarter of 2015 as the U.S. sprang back from the severe winter, according to a building and realty industry report.

The positive data is in the recently released Remodeling Market Index (RMI) of The National Association of Home Builders (NAHB).

The report said that an RMI above 50 indicates that more remodelers report market activity is higher (compared to the prior quarter) than report it is lower. The overall RMI averages ratings of current remodeling activity, with indicators of future remodeling activity.

The RMI was 59 in the Northeast, 61 in the Midwest, 57 in the South and 61 in the West, according to the study.

“The confidence in the remodeling industry has been in positive territory for nine quar-

ters in a row as the entire housing industry’s situation continues to improve,” said NAHB Remodelers Chair Robert Cramer. “With an increase in existing home sales, remodelers received more signed contracts and calls for pricing.”

Additional Key Data

The report said that its “Major Additions” category gained steam in the second quarter of 2015, rising to 57 from 54. Rising from 56 in the previous quarter to 61, “Smaller Remodeling Jobs” continued to show strength. Overall, the current market conditions of the RMI rose one point to 59 this quarter, the study added.

The RMI’s “Future Market Conditions Index” rose to 58 from 55 in the previous quarter. Two of its subcomponents - “Calls for Bids” and “Appointments for Proposals” - gained

Continued on page 7

WASHINGTON, D.C.—A new study, “The Economic Impact of Repealing or Limiting Section 1031 Like-Kind Exchanges in Real Estate,” highlights the critical role that the tax code’s like-kind exchange rules play for the real estate sector, as well as for the construction of new residential and commercial properties.

The National Association of Home Builders (NAHB) cites the new study on its Web Site, at [nabh.org](http://nabh.org).

Like-kind exchange rules allow taxpayers to defer tax when they exchange one property held for investment or business use for another property of a “like kind.” The rules promote savings and investment, allowing capital to flow freely and efficiently, thus ensuring its best use. They also encourage commerce and ultimately stimulate economic growth and job creation, the report said.

The study analyzed more than 1.6 million real estate transactions over an 18-year period. Among all commercial real estate transactions, multifamily-related sales recorded the highest use of like-kind

exchanges based on both unit and dollar volumes.

- Among the key findings:
- Like-kind exchanges encourage investment. On average, taxpayers using a like-kind exchange acquire replacement property that is \$305,000 to \$422,000 more valuable than the relinquished property, while replacement properties without using an exchange are cheaper or of equal value.
  - Like-kind exchanges contribute significant federal tax revenue. In 34 percent of exchanges, some federal tax is paid in the year of the exchange. More importantly, over the long run, like-kind exchanges boost tax revenue because of the higher tax liability that arises in the years following the initial exchange.
  - Like-kind exchanges lead to job creation. Real estate acquired through a like-kind exchange is associated with greater investment and capital expenditures (i.e., job-creating property upgrades and improvements) than real estate acquired with-

out the use of like-kind exchanges.

- Like-kind exchanges result in less debt. When the price of the replacement property is close to, or less than, the price of the relinquished property, like-kind exchanges result in a 10 percent reduction in borrowing, or leverage, at the time of the acquisition.

An important conclusion of the analysis found that in 88 percent of cases, taxpayers using like-kind exchanges did not defer paying tax indefinitely, as some critics charge. In fact, they paid substantially more in tax (19 percent) when the property was sold than would have been due had the exchange not occurred, the study added.

The research was authored by David Ling of the University of Florida and Milena Petrova of Syracuse University, with financial support from the Real Estate Like-Kind Exchange Coalition, which is comprised of organizations representing all sectors of the real estate industry, including NAHB.

Further information on the study can be found at [nabh.org](http://nabh.org).

Multifamily Surge Pushes Housing Starts Up By 9.8 Percent in June

WASHINGTON, D.C.—Led by a steep jump in multifamily production, nationwide housing starts rose 9.8 percent to a seasonally adjusted annual rate of 1.174 million units in June.

The data was recently cited in an analysis by The National Association of Home Builders (NAHB). The analysis was based on newly released data from the U.S. Department of Housing and Urban Development (HUD) and the U.S. Commerce Department.

The analysis said that multifamily production was up 29.4 percent to a seasonally adjusted annual rate of 489,000 units, while single family starts

edged down 0.9 percent, to 685,000 units.

“The multifamily gains this month are encouraging and show that the millennial generation continues to be drawn to the rental market,” said NAHB Chairman Tom Woods.

“While builders are reporting overall confidence in the housing market, they continue to note difficulties accessing land and labor,” said NAHB Chief Economist David Crowe. “These headwinds appear to be affecting production gains in the single-family sector.”

Regionally in June, combined single- and multifamily starts rose by 35.5 percent in the Northeast and 13.5 percent

in the South. The Midwest and West posted respective losses of 0.7 percent and 6.0 percent, the report said.

Multifamily permits rose 15.3 percent to a rate of 656,000. Single family permits inched up 0.9 percent to 687,000, according to the analysis.

All four regions posted permit gains in June. The Northeast, Midwest, South and West posted respective permit gains of 2.8 percent, 2.9 percent, 10.4 percent and 9.5 percent, the report added.

The analysis can be found at [nabh.org](http://nabh.org), association officials said.

# Smoking Policies for Cooperatives and Condominiums To Be Covered At CCAC Membership Meeting of Sep. 30

By Jeff Hanley, **IMPACT** Editor

WHITE PLAINS—"Addressing Smoking Policies and Problems in Your Building" will be the topic of the Sep. 30 Membership Meeting of The Cooperative and Condominium Advisory Council (CCAC), association officials recently announced.

The meeting, scheduled for a 6:30 p.m. start, will be at The Crowne Plaza Hotel in White

Plains.

A panel examining how boards of co-ops and condos can address smoking policies, scenarios and issues will be featured at the program, event officials said.

"Our staff continues to receive inquiries from our members regarding smoking situations," said Diana Virrill, chair of the CCAC. "We have scheduled the meeting to review how

boards can address problems and situations associated with smoking in their respective buildings and complexes."

CCAC officials said that details on the program will soon be mailed to members of the association. Officials added that the event is open to all members of the CCAC, as well as to members of The Building and Realty Institute (BRI), its affiliate organization.

Advance reservations are being accepted by the CCAC offices at (914) 273-0730. Reservations can also be made through

jeff@buildersinstitute.org.

The CCAC is a realty industry membership organization. The association, based in Armonk, was formed in 1979 as a resource for boards of co-ops and condos. The CCAC consistently strives to sharpen the knowledge of board members. Membership Services of the association include:

- Meetings and Seminars
- Group Insurance
- Bulletins and Publications
- Hot-Line Services

- Referral Services
- Networking
- Lobbying Representation through Local and State-wide Lobbying
- Social Events

The BRI is a building, realty and construction industry membership organization. The association has more than 1,400 members in 14 counties of New York State. Members of the BRI are involved in virtually every sector of the building, realty and construction industry, association officials said.

## Services Profile: New Crystal Restoration Offers Caring, Sensitive and Thorough Approaches

*Continued from page 3*

and gave him and our company such a strong reputation."

Cordasco stressed that an important component of those sensitive practices is her company's use of "A Green Approach."

"Our Emergency Response Cleaning Services are green," she said. "Our customers do not have to worry about their children playing on carpeting after our work is done, for example. We use sensitive products."

Cordasco added that the company uses "the next generation of technology - non-toxic, Earth friendly products and cleaning methods that fully and effectively restore homes after a fire, flood, or other disastrous events.

"We utilize totally safe alternatives, and we are very mindful of our clients in that way," she said. "We know how very important health-related practices are. We most definitely put a value on health and safety."

As part of the extension of her father's well-respected practices, Cordasco said that

her company is consistently building its business contacts through networking events. She said that her firm's membership in The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) has helped in that area.

"Our membership in the association, has helped, extremely so, in getting our company's messages out," she said. "We have received a great response from our BRI membership. When you attend networking events like the BRI sponsors, people get to know you on a whole different level. You can build a trust with your contacts."

And part of that communication, Cordasco said, is stressing to clients that her firm has been in existence for six decades.

"We have strong roots in the community," she said. "We have big hearts and we approach our clients in a caring way, and with an expertise, in a way that we feel is unmatched in Westchester and the surrounding areas."

## Greschner and Duguay Produce Assists For GHP Office Realty

YORKTOWN HEIGHTS—GHP Office Realty recently received "big assists" from former N.Y. Ranger greats Ron Duguay and Ron Greschner at its broker party that revealed the completed \$6 million renovation of the buildings at 2649 and 2651 Strang Boulevard in Yorktown Heights, now known as the Northern Westchester Executive Park (NWEP).

GHP officials said that more than 50 people attended the event. Participants included local brokers.

Also attending were Michael Kaplowitz, chairman of The Westchester County Board of Legislators, William M. Mooney III, director of the Office of Economic Development of Westchester County, and Jim Chisholm, a representative of N.Y. State Senator Terrence Murphy.

Both Duguay and Greschner spoke of their playing days in the National Hockey League (NHL) with the Rangers during the 1970's and 1980's. They reviewed the fun they had as young men coming from small towns into their respective careers, answered questions, took pictures with the guests and autographed photographs and Ranger hats for guests, officials said.

## GHP Named Exclusive Leasing Broker for White Plains Property

WHITE PLAINS—GHP Office Realty, LLC recently announced that it has been appointed the exclusive leasing agent for 399 Knollwood Road in White Plains.

The 399 Knollwood Road facility is a 152,000 square foot office building off of Exit 4 of In-



GHP Office Realty recently hosted a broker party that revealed the completed \$6 million renovation of the buildings at 2649 and 2651 Strang Boulevard in Yorktown Heights, now known as the Northern Westchester Executive Park (NWEP). Pictured during the event are, from left to right, Ron Greschner, a former N.Y. Ranger, Andrew Greenspan, principal, GHP Office Realty, and Ron Duguay, a former N.Y. Ranger.

"The event was a huge success and we are grateful to both Ron Duguay and Ron Greschner for assisting us in revealing our \$6 million renovation at NWEP. The renovations include new flooring, wall covering, a café, a fitness center with locker rooms, new monument and building signage, asbestos removal, new windows and an Energy Star-rated HVAC system that will reduce utility costs for tenants by up to 30 percent," said Jamie Schwartz, executive vice president of GHP.

GHP is a division of Houlihan-Parnes Realtors, one of the New York area's leading owners, operators and purchasers of suburban New York commercial space.

GHP has acquired, financed, redeveloped, leased and managed more than 6,000,000 square feet. The company owns and manages buildings in Westchester and Rockland counties, Fairfield County (Conn.), Bergen County and Princeton (N.J.), and Fort Worth, Tex., officials said.

terstate 287. Jamie Schwartz, executive vice president of GHP, will lead the assignment. The building was recently sold to an undisclosed New York City investor, officials said.

Schur Management will manage the property, while GHP will be the exclusive leas-

ing agent. Officials said that the property's new ownership plans to invest in upgrading the building's common areas, including the lobby, to retain existing tenants and attract new tenancy to the facility.

GHP Office Realty was formed in 1999. It is led by its principal owners, Andrew Greenspan, James J. Houlihan, James G. Houlihan and Howard Parnes. The company is a leader in the commercial real estate market in the New York metropolitan area, officials said. It specializes in the acquisition, leasing and management of office, retail, flex and industrial properties in the suburban markets of the tri-state area. The company currently owns and manages more than 5 million square feet, spokesmen added.

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## Remodeler Confidence Remains In Positive Territory

*Continued from page 6*

five or more points from the previous quarter's reading, while the "Amount of Work Committed for the Next Three Months" and the "Backlog of Jobs" remained steady, according to the report.

"The rebound in remodeler confidence tracks the overall

arc of the housing industry as it gains strength through new and existing home sales," said NAHB Chief Economist David Crowe. "Gains in the RMI are tempered by ongoing labor shortages for work on remodeling projects."

More information can be found at [nabh.org/remodel](http://nabh.org/remodel).



SERVICES PROFILE

# Professionals Serving Professionals Defines the Commercial Real Estate Financing Solutions from Sterling National Bank

YONKERS—Commercial real estate developers, property owners and managers, and co-op and condominium boards looking for real estate financing from a seasoned professional team can find a one-stop solution to their needs at Sterling National Bank, officials recently said.

Sterling offers a wide range of fixed- and variable-rating financing options at competitive rates and terms.

### A Knowledge of Local Markets

Sterling National Bank has a deep knowledge of the New York Metro and Hudson Valley commercial real estate markets. Its highly accessible com-

mercial lending team is deeply involved in the local commercial real estate community, knows the local market firsthand, and is skilled at working with property owners and managers. As a result, Sterling is able to offer real estate professionals responsive, expert, and personalized service, officials said.

### Multifamily, Co-op and Condo Financing

Sterling offers a complete line of financing solutions for multifamily buildings, from loans to finance construction of apartment buildings to mortgages for multifamily buildings. Sterling provides fixed-and variable-rate financing. Sterling's real estate financing team also

provides financing to co-op and condominium associations to fund property improvements and is experienced in providing NYSEDA energy efficiency financing. For different needs, Sterling can also provide financing on other owner- or non-owner-occupied properties, spokesmen said.

### Commercial Real Estate Financing

Commercial real estate owners can turn to Sterling for permanent financing for the acquisition or renovation of commercial properties such as office buildings, retail shopping centers, warehouses and industrial facilities, and mixed-use buildings. Sterling,

officials said, offers both fixed- and variable-rate loans.

### Commercial Construction Lending

Sterling's seasoned team of professionals understands the construction industry and has extensive experience lending in all types of construction markets. Sterling, officials for the bank said, provides a level of

personalized service that larger banks simply cannot match.

### Continued Commitment

Hudson Valley Bank has merged into Sterling National Bank, which means even deeper resources and broader expertise for the bank's clients, along with a continued commitment to serving local markets, officials said.

### Learn More

For more information about the benefits of obtaining commercial real estate financing from the professionals at Sterling National Bank, please contact:

Tom Szczepaniak, Senior Managing Director	914-768-6984
Larry Stewart, Managing Director	914-771-3284
Donna Carr, Managing Director	914-771-3204

## Case Study: Something Borrowed, Something Blue, Something Old and Something New: A New Look at Mediation

**By Dorothy Finger, Esq.**  
WHITE PLAINS—Mediation as an alternative dispute resolution method is not new, but it is currently having a renaissance.

There are multiple reasons for this renewed interest and the techniques have evolved so that mediators are better trained and, to some degree, regulated by the courts.

There are some cases in which the courts mandate mediation and some in which it is simply offered. The courts are more interested in the alternative dispute resolution process because of the enormous numbers of cases that are on the calendar, the length of trials (which impacts jurors as well), and because some cases, as matrimonial and partnership, among others, demand the resolution of issues beyond the economic sector and have consequences that go beyond the litigation.

It is important before elaborating on all of these issues to distinguish between litigation in the court system, arbitration, and mediation as forums for the settlement of disputes, whether they are commercial or family in nature, or any combination thereof.

### Litigation

Most people are familiar with litigation in the court system even if they have not personally been involved in a lawsuit. The court system is designed not to "settle disputes" but to resolve them within the confines of law as it is applied to the facts.

That means that the court is equipped to decide cases that

run the gamut from car accidents to divorces to contract to libel to fraud, etc. The process for all of these types of cases is essentially the same in that one party initiates a lawsuit by filing a summons and a complaint following that there is a period for discovery, including documents and depositions by both parties to obtain information from each other.

One party or the other may ask the court's assistance in securing such information and eventually the case gets tried in court, either before a judge and a jury, or just a judge. In either case the parties present their evidence with rulings from the court as to the admissibility of that evidence. Based on the law as applied to the facts there is a decision either by the judge or the jury.

When there is a jury the judge explains what the applicable law is and how it is to be applied by "charging" the jury. This can be a long and expensive process, with the party that loses the case often feeling that the system was not fair or, for one reason or another, did not work. Even the "winner" may feel that although there was a decision in their favor, the damages were not enough.

### Arbitration

As a legal forum in a civilized society the court system is probably the best that we have, but it is not perfect.

It is an alternative that has been favored in corporate/commercial litigation and labor disputes (labor disputes are most often due to a breakdown in negotiations or the result of a member's grievance).

Arbitration may be offered to the parties in Small Claims courts as well. Binding Arbitration offers the parties an opportunity to have an unbiased third party (or neutral party, as they are sometimes referred to) decide the case but at substantially less cost and time than in court. There is a greater opportunity to present evidence without the restrictive rules of

**Mediation is an option that should be considered by litigants who seek a resolution that is not imposed upon them, but in which they can participate and do so at a great savings in time and money.**

evidence. Arbitration is usually binding as it would be unproductive to go through that process and have a neutral determination and then still be left with a lawsuit or appeal. It is akin to a court proceeding in that the ultimate decision is in the hands of a third party.

### Mediation

Mediation is a process that goes a step further. Like arbitration it is a process that permits the parties to select the neutral third party themselves and it takes less time and is less costly.

The first step of selecting the neutral party is in itself an important element in gaining confidence in the process. Mediation actually requires the parties to talk, with an underlying agreement that the goal is to resolve the matter. The mediator's role is to guide the discussion in an effort to find the areas of agree-

ment and to find solutions to the more disputed issues.

Although it is not binding there is an understanding that the parties are going into the process committed to coming to a resolution that is acceptable to both parties. This understanding underlies the fact that mediation is not a "winner take all" mentality. It is frequently said that if both parties

are a little unhappy but settle, that is a good result. There is a consensus that mediation is private, voluntary, confidential, and informal.

The mediator has no power to impose a decision on the parties and is charged with assisting the parties to reach their own agreement. As in many fields the manner in which the mediator conducts the process is individual but, in general, there are three typical approaches: evaluative, facilitative, and transformative.

The spectrum concerns the degree to which the mediator is involved in helping each of the parties understand the strengths and weaknesses of their respective positions and possible outcomes if litigation ensues. Confidentiality is key to all of the proceedings and the effectiveness of the mediator.

The actual process of a mediation is significantly different

from either court or arbitration. The mediator meets with the parties jointly so that they can present their cases and can gain an understanding of the facts, evidence, and legal positions of all sides, together with an outline of the issues that are to be resolved.

The real work usually gets done in caucuses, with each of the parties separately, at which time they can share confidential information (either pro or con in their case) that the mediator will not share with the other side unless specifically instructed to do so.

The purpose of the caucus is to identify and narrow the issues, get bottom-line positions, convey messages, find areas of agreement between the parties, probe strengths and weaknesses of each of the parties, give some feedback, talk about the alternatives to settlement, and most importantly to encourage parties to come up with reasonable proposals for settlement, seemingly on their own. The last item is the result of the entire process and is the goal of the mediation.

Mediation is an option that should be considered by litigants who seek a resolution that is not imposed upon them, but in which they can participate and do so at a great savings in time and money.

**Editor's Note: Dorothy Finger is a principal of Finger and Finger, A Professional Corporation. The firm, based in White Plains, serves as Chief Counsel to The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region.**



# AOAC Officials Testify at the Public Hearings of the Westchester County Rent Guidelines Board

**By Jeff Hanley, IMPACT Editor**

WHITE PLAINS—Representatives of The Apartment Owners Advisory Council (AOAC) and The Building and Realty Institute (BRI) recently testified at the Public Hearings of The Westchester County Rent Guidelines Board.

The board held the hearings in Yonkers (June 1), Mount Vernon (June 2) and White Plains (June 8). The board is the entity that annually decides on guidelines for Lease Renewals affected by the Emergency Tenant Protection Act (ETPA).

Those guidelines are decided upon after the board conducts its Public Hearings and Deliberation Sessions.

The board, at its June 22 Deliberation/Voting Session at City Hall in White Plains, approved Guideline Increases for Renewal Leases between Oct. 1, 2015 and Sep. 30, 2016 of 1.75 percent for a One-Year Lease Term and 2.75 percent for a Two-Year Lease Term.

A photo montage of the June 8 Public Hearing in White Plains is below. A full report on the recent actions of the Guidelines Board is on page one.

The AOAC is a building and realty industry membership organization that represents more than 300 owners and managers of multi-family buildings and complexes in the Westchester and Mid-Hudson Region. Those owners and managers oversee the operations of more than 17,000 rental units. The AOAC is an affiliate organization of the BRI.



Carmelo Milio, chair of The Apartment Owners Advisory Council (AOAC), is pictured at the podium during the White Plains Public Hearing of The Westchester County Rent Guidelines Board on June 8th. Milio is shown while issuing the overall building and realty industry testimony at the Common Council Room at City Hall in White Plains.

—Photo by Jeff Hanley



Apartment Owners Advisory Council (AOAC) Member Giovanni Puerta is pictured while speaking at the White Plains Public Hearing of The Westchester County Rent Guidelines Board on Jun. 8. Puerta reviewed expenses facing Owners and Managers of multi-family buildings in Westchester County. The hearing was at the Common Council Room at City Hall in White Plains.

—Photo by Jeff Hanley



The continuing increases in insurance that Owners and Managers of multi-family buildings are facing were addressed by Jason Schiciano of Levitt-Fuirst Associates at the White Plains Public Hearing of The Westchester County Rent Guidelines Board on Jun. 8. Schiciano is pictured at the podium. Levitt-Fuirst Associates is the Insurance Manager of The Apartment Owners Advisory Council (AOAC) and its affiliate, The Building and Realty Institute (BRI). The hearing was at the Common Council Room at City Hall in White Plains.

—Photo by Jeff Hanley



Carol Danziger, a member of The Apartment Owners Advisory Council (AOAC), is pictured speaking at the White Plains Public Hearing of The Westchester County Rent Guidelines Board on Jun. 8. Danziger reviewed the many problems facing small Owners and Managers of multi-family buildings in Westchester County. The hearing was at the Common Council Room at City Hall in White Plains.

—Photo by Jeff Hanley



Albert Annunziata, executive director of The Apartment Owners Advisory Council (AOAC) and its affiliate organization, The Building and Realty Institute (BRI), spoke on behalf of the building and realty industry at the White Plains Public Hearing of The Westchester County Rent Guidelines Board on Jun. 8. Annunziata is pictured while addressing the board at the Common Council Room at City Hall in White Plains. Annunziata reviewed the continuing challenges that Owners and Managers are facing.

—Photo by Jeff Hanley



# Friedland Realty Advisors Closes \$10.2M in Deals

HARRISON—Friedland Realty Advisors recently announced six retail deals throughout Westchester County and the Bronx.

The transactions include more than 50,000 square feet of space and land, totaling more than \$10.2 million, company officials said.

Friedland’s Joe Pomerantz recently brokered the sale of 2,700 square feet of space and 12,500 square feet of land at 64 Centre Avenue in New Rochelle. The property was sold to Elliot Kracko from North Union Realty for \$1,200,000. Pomerantz represented the former owner, Morchar Realty Corporation, in the transaction, officials said.

In Yonkers, broker Kar-nit Mosberg led two transactions, including one sale and one lease. Bobjoy Motors purchased the 19,000-square-foot property at 2020 Central

Park Avenue from TD Bank for \$2,550,000. Mosberg represented the seller in the transaction. Mosberg also represented State Farm in the lease of 980 square feet at 2370 Central Park Avenue. The landlord for the property, officials said, is Tanglewood Shopping Center.

In recent months, company spokesmen said, Friedland Realty Advisors has continued to see growth in the Bronx with three new deals. Brokers Steve Lorenzo and Mia Abdou represented the buyer and seller during the transaction involving 151-165 E. Burnside Avenue. The 10,000-square-foot property, formerly owned by Marchaz Realty Corporation, was sold to a private investment group.

Robin Herko and David Scotto closed the terms on a lease bringing Subway to 905 White Plains Road. The landlord for the 1,050-square-foot

restaurant is 905 WPR LLC. Herko and Scotto represented both the landlord and the tenant.

Also in the Bronx, Rick Stassa brokered the lease of the property at 934 E. Gun Hill Road. The landlord, Franciosa Development LLC, leased 4,300 square feet to 21st Street Associates, LLC. Stassa represented both the landlord and tenant in the deal.

“Retail is a key economic driver in Westchester County and the Bronx,” said Bob Friedland, chief executive officer and founder of Friedland Realty Advisors. “These six transactions are a testament to the strong retail industry in the area.”

Friedland Realty Advisors is a full-service, commercial real estate firm with more than 40 years of serving metropolitan New York and the tri-state area. The firm has a focus on

Westchester and the Bronx. With offices in both Harrison and Manhattan, the company also handles properties and clients in Putnam, Rockland, Connecticut and New Jersey.

Friedland Realty relies on a team of talented, veteran brokers who represent properties

in retail, industrial, office and investment sales markets, company officials said. The firm’s brokers are supported by cutting-edge technology and databases that allow its brokers to find clients the best lease or purchase options available, officials added.

## GHP Office Realty Announces a Major Lease

YORKTOWN HEIGHTS—GHP Office Realty, a White Plains-based owner and manager of commercial properties in Westchester County, recently announced that Putnam County Savings Bank has chosen 2651 Strang Boulevard in Yorktown Heights, in the Northern Westchester Executive Park, for its new corporate headquarters.

The Northern Westchester Executive Park is directly off the Taconic Parkway on Routes 202 and 35. The bank signed a long term lease for 25,352 square feet. A \$6,000,000 capital renovation is currently underway at the property. Since its recent acquisition of CMS Bank, the new bank now operates 15 retail branches in the area and has total assets of \$1,250 billion, officials said.

Joseph D. Roberto, president and chief executive officer of Putnam County Savings Bank, said: “With the continued measured expansion of the bank, we believe the timing is right to upgrade our administrative facilities. The relocation to Strang Boulevard will enable the bank to not only centralize its location, but to also centralize all of its key departments under one roof with new state of the art technology.”

He added: “Northern Westchester County offered very few Class A alternatives that provided the right corporate identity with the requisite features for our employees. The opportunity to create a brand new, build-to-suit installation for our administrative headquarters, and the renovations and amenities GHP is bringing to Strang Boulevard, made our decision easy. The management and operation of the

property is very attractive to us. It is the right product to help the bank grow and better serve our customers.”

GHP said that the new site will have approximately 65 bank employees. Kevin Dwyer of The Dwyer Agency represented the bank, officials added.

GHP Office Realty purchased the three-building, 220,000 square-foot property in late 2014. Company officials said that, although the tenant roster is loaded with such prestigious tenants as Mercy College, LIJ Hospital and ENTA, GHP immediately embarked on a major capital plan which includes replacing curtain wall windows, new mechanical systems, new building lobbies and restrooms, an installation of a new, full-service food concession, and a state of the art fitness facility. The property boasts 650 parking spaces. Medical office, one-story office and flex units are available, ranging in size from 1,500 to 35,000 square feet, officials said.

GHP Office Realty is a division of Houlihan-Parnes Realtors, LLC, which is presently one of the New York area’s leading owners, operators and purchasers of suburban New York commercial space, company spokesmen said.

Company officials added that GHP Office Realty has acquired, financed, redeveloped, leased and managed more than 6,000,000 square feet. Regionally, the partners presently own and manage buildings in Westchester and Rockland Counties, in Fairfield County (Conn.), in Bergen County and Princeton (N.J.) and in Fort Worth, Tex.

## Houlihan-Parnes Properties Reports Bronx Transaction

NEW YORK—Houlihan-Parnes Properties recently announced the placement of a \$1,000,000 underlying co-op first mortgage for 1506 Overing Street in the Bronx.

In the “Westchester Square” neighborhood of the East Bronx, the five-story co-op building is at the northwest corner of Overing Street and Frisby Street. The property is a double-wing, walk-up apartment building. It contains 30 co-op apartments.

The 10-year loan has a fixed rate of 4.125 percent, with a 30-year amortization schedule. The loan was closed with a national bank with a strong regional presence, officials said. The co-op was represented in the transaction by Alan Snider, Esq., officials added.

Houlihan-Parnes Properties is a full-service property management company headquartered in White Plains. Its highly skilled professional staff oversees the operation of multi-family and commercial investment properties in the northeast, company officials said.

# Kings Capital Construction Group Announces Major Projects in the Westchester Area Market

WHITE PLAINS—Kings Capital Construction Group, a full-service general contractor and site developer, recently announced that it has been awarded several major projects in the Westchester area market.

In Yorktown Heights, the company reported that it is undertaking a multi-million dollar renovation of Staples Plaza, a 110,000-square-foot retail center on Route 202.

The center is owned and

foot Orangetown Shopping Center in Orangeburg.

Also in Yorktown Heights, Kings Capital is handling a \$6 million capital improvement project at the Taconic Corporate Park, a 26-acre, two-building office complex off Route 202. The renovations include a new fitness center and lobby. The complex was recently acquired by GHP Office Realty, spokesmen said.

In other Westchester projects, Kings Capital was re-

and retail sites throughout the region. We’ve never been busier,” said J.D. Summa, president and Chief Executive Officer (CEO) of Kings Capital Construction Group.

### Background

Based in White Plains, Kings Capital Construction teams with local architects, engineers and municipalities on a wide range of projects, company officials said.

In addition to its general contracting services, Kings Capital Construction has a complete Site Work Division. The company owns and operates an extensive fleet of trucks, heavy machinery and drilling equipment, self-performing all site work. All of its employees are OSHA-certified. Kings Capital Construction is scheduled to break ground this summer on a new headquarters facility in Thornwood, company officials added.

Founded in 2009, Kings Capital Construction, spokesmen said, has grown rapidly by providing high quality general contracting and site development services at competitive costs.

Last year, the firm was ranked among the fastest-growing, privately held companies in the nation by Inc. Magazine. With a three-year revenue growth rate of 714 percent, the company ranked 644 out of 5000 and was one of only 13 companies from Westchester to make the prestigious Inc. 5000 list, officials said.

**“We are definitely seeing an upswing in construction activity in the Westchester and New York area markets. Property owners are reinvesting in office and retail sites throughout the region. We’ve never been busier.”**

—J.D. Summa, Kings Capital Construction Group

managed by Urstadt Biddle Properties. The work includes the renovation of the Staples store and the conversion of the former Emigrant Bank property into an Urgent Care Center. The renovation work was scheduled to begin in June.

The project is the third major assignment for Kings Capital from Urstadt Biddle Properties. Kings Capital recently completed a \$6 million renovation of the 38,000 square-foot Chilmark Shopping Center in Briarcliff Manor and a \$3.5 million project at the 75,000-square-

cently awarded a \$1.5 million contract for site work on a new artificial turf field at Pleasantville High School, spokesmen added.

Outside of Westchester County, Kings Capital said that it recently completed site work for a major renovation of Danny Meyer’s original Shake Shack restaurant at Madison Square Park in Manhattan.

“We are definitely seeing an upswing in construction activity in the Westchester and New York area markets. Property owners are reinvesting in office

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# New Insurance Certificate Law Is Effective July 28, 2015

## INSURANCE INSIGHTS

By Ken Fuirst and Jason Schiciano, Levitt-Fuirst Associates



YONKERS—Contractors, Property Managers, and Realtors—do these scenarios sound familiar?

### Contractors

You are a Contractor on a job. The General Contractor, or the Project Owner, won't let you start work, continue work, or get paid for work, until you've submitted a Certificate of Insurance, which contains specific wording about your liability insurance policy's coverages to the Additional Insured (GC or project owner).

You call your insurance broker to obtain the certificate, and the broker says the certificate can't be issued as requested, because the requested wording is not consistent with the policy coverages.

### Property Managers/ Realtors

You are involved in the refinancing of a cooperative building, or the sale/refinance of a condo/co-op unit. You're at the

closing table, and the lender's representative says the loan cannot be closed without a Certificate of Insurance, containing specific wording about the type of Building Property Insurance Coverage. It's the first time the requirement has come-up, and if the required certificate is not provided, the borrower could lose a rate-lock, or face financial penalties for not closing the loan.

You call your insurance broker to obtain the certificate, and the broker says the certificate can't be issued as requested, because the requested wording is not consistent with the policy coverages.

### "No-Win" Situation

As those who have been a party to either of the above scenarios know, things can get quite uncomfortable. Often, the insurance broker must decide whether to issue an "inaccurate" certificate, which meets the requirements, or risk damaging the relationship with his/

her client for preventing the client from closing the deal, or getting paid. If the insurance broker refuses to acquiesce, the Contractor, Property Manager, or Realtor are placed in a no-win situation with the GC,

language that is not expressly found in the insurance policy represented on the certificate.

The law:

- Prohibits requiring additional terms, conditions, or language, including warranties or guarantees, of any kind, which are not found in the insurance policy.
- Prohibits requiring a certificate that amends, extends, or alters coverage provided by the insurance policy.
- Prohibits requiring certificate language that confers

insurance Form approved for use by the Superintendent of Financial Services.

A list of currently approved Certificate of Insurance Formats can be found at: [http://www.dfs.ny.gov/insurance/insurers/cert\\_ins\\_approved.htm](http://www.dfs.ny.gov/insurance/insurers/cert_ins_approved.htm).

The law makes it illegal to require an unapproved Certificate of Insurance in conjunction with: awarding contracts; permitting work to start or continue; releasing payment for completed work.

The New York State Department of Financial Services may assess fines of up to \$1,000 for the first offense, and \$2,000 for each subsequent offense for those willfully requiring improper certificate language.

Clearly, this new law is a victory for those in the construction, real estate, and insurance industries, whom previously had no leverage to push-back when improper insurance certificate demands were made.

**Editor's Note: Levitt-Fuirst Associates in the Insurance Manager for The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region. The firm can be reached at (914) 376-2500.**

**Clearly, this new law is a victory for those in the construction, real estate, and insurance industries, whom previously had no leverage to push-back when improper insurance certificate demands were made.**

Building Owner, or Lender.

### The New Law

Effective July 28, 2015, there is a new law, which prohibits any person/entity from "willfully requiring" a Certificate of Insurance that contains false or misleading information. Specifically, the law makes it illegal to require that a Certificate of Insurance include

rights beyond those provided in the insurance policy, to any person/entity.

In addition, the law states that certificate holders can only require Certificates of Insurance that are either:

- A form issued by the insurance carrier referenced in the Certificate of Insurance; or
- A standard Certificate of In-



**THE CCAC MEETS** – The May 20 Membership Meeting of The Co-operative and Condominium Advisory Council (CCAC) examined the reassessment process in the Town of Greenburgh and its effects on co-ops and condos. More than 45 CCAC members attended the event at The Crowne Plaza Hotel in White Plains. Pictured during the program are, at the podium, from left to right, Program Speakers Dan Finger, Esq., Finger and Finger, A Professional Corporation; and Kevin M. Schick, McGrath and Company, Inc., Real Estate Appraisers and Counselors. —Photo by Jeff Hanley



**SWORN IN** – Carl Finger, a Scarsdale resident and associate counsel to The Building and Realty Institute (BRI), was recently sworn in as a newly-elected Trustee for the Village Board of Scarsdale. Finger is pictured, on the left, during the ceremony. —Photo by Albert Annunziata

## TECH TALK

### If You Build It, They Will Come!

DANBURY, Conn.—In the movie Field of Dreams, the legendary baseball players were eventually summoned to the field if it was fully built.

I use this line to compare the real deal to clients: "If you build it and market the hell out of it, they may come."

The latter phrase is a more accurate statement. Having a website built and not marketing it is like creating an advertisement and not putting it anywhere. Sure, you can send people to look at it, but what about the people you don't know who are searching for your services?

With 1 billion websites competing for Number One spots on Google for various placements, you can imagine how tough it is to get your site noticed. Hundreds of so-called SEO experts are combing the internet daily to email or call you, and tell you how they can help you get better rankings. They prey on you and offer you things. Beware!

The Search Engine Optimization methods used in the past are not as effective as they once were. While there are definite ways to reach a higher position, the formulas are dramatically different, with Social Media playing a larger factor in achieving higher rankings.

### The Musts

These are the "Top Five Musts" in order to compete in today's challenging ranking game:

Your site must be Optimized and Mobile Friendly. Your list of services should be divided into separate pages so that they are searchable (call the page plumbing, for example, instead of general services). Your content needs to have the keywords so there is a match when searched.

Your domain name and site need to be verified with Google, Google Maps, Alexa (Amazon's Browser) and Bing. Your webmaster can do this for you.

Inbound links still rule. If a site is linking to yours, that is a good thing. It doesn't matter how many outbound links you provide.

Social Media plays a big part. This can include LinkedIn (have you published anything worth sharing, any news?). Blogging, Facebook, Twitter, Instagram, Pinterest, etc., are all constantly updated content and, while every Social Media Platform, isn't right for every business, find the one(s) that work for you.

Install a Tracking Code. See how your site is doing, how users are finding you. What keywords are they using to search? Capitalize on this valuable data to help drive traffic to your site!

**Editor's Note: Andrea Wagner is the owner of Wagner Web Designs, Inc., a web firm specializing in small business and Optimized Websites. For answers to your web-related questions, please call (914) 245 2626.**



By Andrea Wagner  
Wagner Web Designs, Inc.



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