IMPACT

BUILDING & REALTY NEWS

VOL 6 NO 7 SERVING WESTCHESTER AND THE MID-HUDSON REGION NOVEMBER 2007

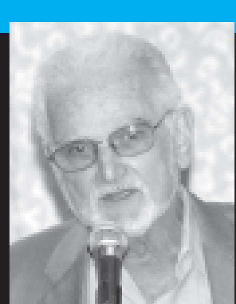
THE HANLEY REPORT

Trying to Counter the Negative Media

By JEFF HANLEY

see page 2

CO-OP CONDO CORNER

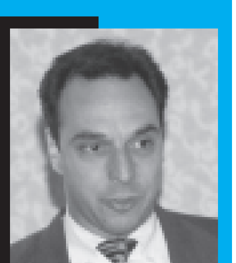


Hidden Treasures Can Be Found In Routine Conservation!

By HERB ROSE

see page 2

COUNSEL'S CORNER



Appellate Court Permits Money Judgment in Summary Proceeding Without "Personal" Service Process on Tenant

By KENNETH J. FINGER, CARL L. FINGER and DANIEL S. FINGER

see page 5

Housing Market is Still Healthy, Panel Says

By Jeff Hanley, IMPACT Editor

"We'll make it through it (the recent market downturn)—we've done it twice before. And, we'll be better than before." —Nick Wolff

WHITE PLAINS—The local housing market has hit a downturn, but not to the highly negative levels that the media has reported in recent months.

That was the assessment of a panel of building and realty industry members at a recent conference examining the Westchester and Mid-Hudson Region's housing construction and resale market.

The panel delivered its analysis on Nov. 8 at the General Membership Meeting of the Building and Realty Institute (BRI). More than 70 members of the local building and realty industry attended the event at the Crowne Plaza Hotel in White Plains.

"I can refer to the famous quote by Mark Twain when referring to our market – 'clearly, the rumors of my demise have been greatly exaggerated,' " said Nick Wolff, the principal of Century 21 Wolff Real Estate as he began his presentation.

Wolff, a well-known local Realtor, was one of three panel members. Bill Balter of Wilder-Balter Properties Inc. of Elmsford, a builder/developer, and Sherry Wiggs, a Realtor with Prudential Rand Realty of Dobbs Ferry, were also on the panel.

"The media's continuing negative reports are killing the market, more than the market itself," Wolff said. "The publicity has been bad, and it has hurt."

Balter's presentation also mentioned the negative media reports, adding that "people are pessimistic."

"The biggest thing right now is consumer confidence," he said. "People are just waiting on the sidelines and they won't pull the trigger."

Stressing the Positives

Balter added that there are positives that the building and realty industry must emphasize on behalf of the market in the months ahead.

One, he said, is the diverse and positive quality of life that the Westchester and Mid-Hudson Region possesses, as well as the ability to provide a variety of housing choices.

"Our company markets the unique angle, and, as a result, we get a lot of traffic, a lot of visits from people," said Balter, whose firm has developed a range of housing types, from senior to luxury housing.

An example of that unique marketing approach, he said, can be seen in his firm's development of luxury adult homes in Yorktown and Brewster.

Balter noted that the consistent no-growth attitudes of local municipalities, however, are continuing to combine with restrictive land-use regulations on the local and state level to help thwart needed residential development in the region. He acknowledged that the continuing trend has consistently hurt the building and realty industry and, accordingly, the housing market in recent years.

But Westchester's quality lifestyle and its diverse range of municipalities can help the industry overcome those obstacles and help in its continuing ef-

Continued on page 3

Photo by Barbara Hansen

The state of the housing market in the Westchester and Mid-Hudson Region was the topic of the Nov. 8 General Membership Meeting of the Building and Realty Institute (BRI). The meeting focused on the New Construction and Sales of Existing Homes Sectors. Pictured, from left to right, are Nick Wolff, speaker; Ken Nilsen, president, BRI; Sherry Wiggs, speaker; Bill Balter, speaker; and Albert Annunziata, executive director, BRI.

Goloven to Speak at Jan. 10 Industry Conference

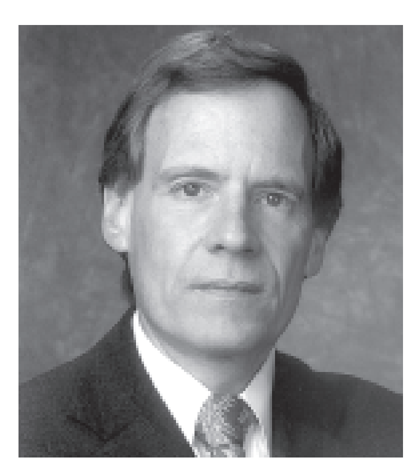
By Jeff Hanley, IMPACT Editor

WHITE PLAINS – A nationally known economist will be the featured speaker at the January General Membership Meeting of the Building and Realty Institute (BRI).

Marc Goloven, who is consistently featured in media reports, will be the keynote speaker at the event, which will serve as the BRI's annual economic symposium. The meeting is scheduled for Thursday, Jan. 10, 6:30 p.m. at the Crowne Plaza Hotel in White Plains.

Goloven is a former senior economist with JP Morgan Chase. He is known for his lively and informative delivery of economic conditions affecting the general business sector, as well as the building, realty and construction industry.

"We are happy, once again, to have Marc as our keynote speaker at our annual economic forum," said Albert Annunziata, executive director of the BRI. "His presentations are extremely informative. He has always been one of the most popular speakers at our membership meetings. I urge our members to attend the conference and not miss what is always a memorable presentation."

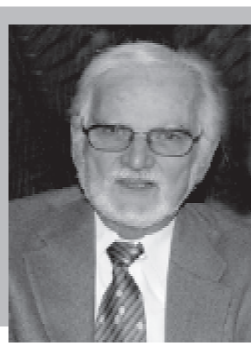


Marc Goloven

Annunziata added that BRI members will receive full details on the event in the weeks ahead. He noted that advance reservations are being accepted by the association at (914) 273-0730.

CO-OP CONDO CORNER

BY HERB ROSE



Hidden Treasures Can Be Found In Routine Conservation!

NEW YORK—"Polar-Bear Friendly" in summer and "Beach-Like" in winter is Bob's apartment environment, as well as lights galore that are on all the time.

Shoes, shirts and other articles of clothing are always optional and once the lights are turned on, they are left in the "on" position permanently. Why not? Electricity is included in the maintenance and is not Bob's concern.

James has an entirely different philosophy and feels that electrical waste contributes to global warming and environmental pollution. Lights and air conditioning are turned off when he is out and heat is used judiciously while wearing shoes and a shirt. His electric is also included in the maintenance, but an entirely different attitude prevails.

The Key Methods

There are two methods by which electric service is provided to multiple dwellings; master metering and direct metering. Master metering is a process by which all the current comes to a single meter for the entire building and is distributed to each of the units. Direct metering provides service and billing to each apartment individually.

Both of the simulated occupants mentioned above live in co-ops under master metering with the electricity coming from Con-Ed to one meter. The electricity is then distributed to each apartment with each unit billed with no regard for usage. No matter what the consumption, the charge is fixed and billed in the maintenance.

Strange as it may seem, recent surveys by both NYSERDA and Con-Ed have shown that the usage in like apartments varies as much as 800 percent or eight times the minimum to the maximum. Since the charges are equal for all shareholders, the conservationists pay for the wasters.

Many master metered buildings may discover a substantial economy in sub–metering, since these structures that supply electricity as part of the maintenance can realize a discount of as much 20 percent on the purchase price of electricity. In addition the cost becomes more fairly apportioned by charging for actual usage instead of unlimited supply. Various surveys have also shown a decrease of 10 to 20 percent in consumption when electric service has to be paid for directly.

This golden opportunity is possible but takes determination, planning, and effort, with shareholder approval as a necessary step. Doing a feasibility study will go along way toward approval.

Strange as it may seem, recent surveys by both NYSERDA and Con-Ed have shown that the usage in like apartments varies as much as 800 percent …

Approval for sub-metering may be difficult and time-consuming. The following must be submitted:

1) Buildings must certify that a majority of the shareholders or unit owners who participated in a canvass conducted with adequate written notice voted for sub-metering. Practical experience might show approval with only a fraction of the owners voting. As a pragmatic guideline, large cooperation is necessary for this expensive, far-reaching change in service and you will need all the help you can get!

2) Charges need to be capped at the direct metering rate and grievance procedures are mandatory.

3) Rent Controlled Tenants, if any, are to be allowed to continue their unbilled electric service.

4) Converting from direct metering to sub-metering requires approval by 70 percent of the owners voting.

A good number of other factors need consideration, such as the location of existing meters and wiring and the possible installation of new meters and wiring. Since the co-op or condo will be the new distributor of power, provisions for meter reading and billing are needed. The cost of new installations and possibly interest on financing also must be taken into account.

Timing is everything and the conversion to sub-metering can take two years or more. But think of it, a 20 percent reduction in electric cost forever is worth the effort.

Herb's Hints:

1) Draw blinds or curtains at night when the temperature is below 40 degrees to save on heating.

2) Conserve water and save the fuel it takes to heat it and the electricity to supply this vital substance.

Editor's Note: Herb Rose is a co-op and condo consultant to many buildings and complexes in the New York metropolitan area. He also serves on the board of directors of the Cooperative and Condominium Advisory Council of Westchester and the Mid-Hudson Region (CCAC). To reach Rose or the CCAC, call (914) 273-0730.

Rose can also be reached at <u>hrose47563@aol.com</u>.

THE HANLEY REPORT

By Jeff Hanley
IMPACT Editor/
Associate Director,
Building and Realty Institute (BRI)

Trying to Counter the Negative Media Reports on the Region's Housing Market

ARMONK – It's not that bad.

That sentiment echoed strongly through a recent building and realty industry conference that examined the local housing market.

Panel members at the Nov. 8 seminar stressed that the construction and resale sectors of the market were indeed in a downturn, but not to the highly negative extent of recent media reports.

More than 70 members of the industry attended the event, which was sponsored by the Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI).

Panel members speaking at the seminar joined with those in the audience in agreement on one message – industry members must stress to the public that the market is not in the weak condition that the media says it is.

"I can refer to the famous quote by Mark Twain when referring to our market – 'clearly, the rumors of my demise have been greatly exaggerated,' " said Nick Wolff, a panel member and the principal of Century 21 Wolff Real Estate, as he began his presentation.

That statement was a perfect summary of the general feeling of those in attendance at the conference.

Wolff, at the conclusion of his presentation, delivered another appropriate evaluation of the market, adding: "We'll make it through it (the recent downturn) – we've done it twice before. And, we'll be better than before."

A full report on the seminar appears on page one and leads another diverse and interesting issue of IMPACT.

Other reports include:

- A page three story on the program efforts of the Cooperative and Condominium Advisory Council (CCAC) and the Apartment Owners Advisory Council (AOAC) of the BRI.
- An interesting article by Stephen J. Lehrman on the question of responsibility for the repairs of various defects within a co-op owner's apartment unit. The issue has always been a intense matter for the co-op community.
- A report by Herb Rose in Co-op and Condo Corner on how energy conservation in multi family buildings can produce significant savings.

Panel members speaking at the seminar joined with those in the audience in agreement on one message—industry members must stress to the public that the market is not in the weak condition that the media says it is.

- An article on the efforts of the Community Preservation Corporation (CPC) and developer Jonah Mandelbaum in creating Montgomery Manor, an upstate senior housing community.
- A "Tech Talk" report by Andrea Wagner that examines selling and buying on the internet.
- An extensive report examining how Westchester County's housing resale market is firming up in recent months. The analysis is based on reports from the Westchester-Putnam Multiple Listing Service and its subsidiary, the Westchester County Board of Realtors.
- A story on a donation of the first phase of a new senior center from Ginsburg Development Company (GDC) to Sleepy Hollow.

Enjoy the issue and Happy Holidays!

IMPACT
BUILDING & REALTY NEWS

Publisher: ALBERT ANNUNZIATA
Executive Editor: JEFFREY R. HANLEY
Editorial Assistants: PEGGIE MACDOUGALL, JANE GILL
Art Director: BART D'ANDREA
Advertising Consultant: HARRIET K. LERNER
Photographic Consultant: BARBARA HANSEN
Contributors: CARL FINGER, DAN FINGER, KEN FINGER, ALEX ROBERTS, HERB ROSE
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.

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.

80 Business Park Drive, Suite 309,
Armonk, N.Y. 10504.
(914) 273-0730
www.BuildersInstitute.org

Housing Market is Still Healthy, Panel Says

Continued from page 1

forts to provide a variety of housing options, he said.

"We have the ability to differentiate ourselves as a county (and as a region)," he said.

Good Options

Wolff agreed with Balter's assessment. He noted that the Westchester and Mid-Hudson Region still provides a variety of positive options in comparison to other areas.

Wolff stressed that people continue to point toward the continuing increases in property taxes in Westchester County, but noted that an area like Connecticut, for example, also has its negatives, such as commuting and infrastructure scenarios.

"Is this (the Westchester and Mid-Hudson Region) a seller's market?" Wolf asked of the audience. "No! And, yes, we've seen home values drop from three to 10 percent this year, but it's not as bad as it has been in the past. I looked in my crystal ball before I came to this meeting - the market does look flat for 2008, but we'll see an increase in the second half of 2009. We'll make it through it – we've done it twice before. And, we'll be better than before."

A Strong Section

One area of Westchester County that has continued to experience strong levels of resale activity is the Rivertown region (Dobbs Ferry, Irvington, Tarrytown, etc.), Wiggs said.

"The Rivertown areas are desirable areas and are usually immune to the factors affecting the rest of the region," she said. "The Rivertowns have the advantage of their own sense of community. The gorgeous views and that sense of community makes the area an incredible place to live."

Wiggs noted that the price of a single family home in the Rivertown region in 2004 was was $803,000. She stressed that by 2006, prices were at $900,000. Through this year, she added, there has been a two percent decrease from the $900,000 figure.

"Overall, those are still some pretty incredible numbers," she added. "And in Tarrytown, the price of a single family home has increased by 16 percent this year, in what has been viewed by many as a bad market."

And, Wiggs noted, development opportunities in the Rivertowns still exist.

"Investors are continuing to build, there are opportunities there," she said. "Clearly, the Rivertowns are okay."

Chuck Pateman, a veteran builder/developer, noted that building and realty industry members must continue to stress that the market is healthy and not in the struggling condition that recent media reports have claimed.

"We have to get the message out—people must be made to know that the market is in good shape," he said from the audience. "As builders and Realtors, we have to push that message across."

Pateman, a board member of the BRI, added that conveying that message is "critical to the industry."

Realty Groups Planning 2008 Schedules

By Jeff Hanley, IMPACT Editor

ARMONK – Two leading realty industry organizations earlier this month announced that they are busy planning their respective agendas for 2008.

The Cooperative and Condominium Advisory Council of Westchester and the Mid-Hudson Region (CCAC) announced that its first Membership Meeting will be on Thursday, Jan. 24, 6 p.m. at the Crowne Plaza Hotel in White Plains.

CCAC officials said that the topic of the meeting is still being planned. The topic and the association's full agenda will be discussed at the organization's Board of Trustees' meeting on Dec. 11, spokesmen said.

CCAC officials added that members of the Advisory Council of Managing Agents (ACMA) have been invited to participate in the Dec. 11 meeting. ACMA is a realty industry membership organization that represents more than 75 property managers of co-ops, condos and rental apartment buildings. The CCAC represents more than 400 co-ops and condos.

"We will be discussing our options for 2008 in terms of meetings and seminars, as well exploring ways to enhance our services to our membership," said Diana Virrill, CCAC chair. "Our members will soon be hearing from us on the programs we will be developing."

The AOAC Story

Representatives of the AOAC said last week that the association's Board of Directors will meet in early January to plan the organization's strategies and programs.

The AOAC, which represents more than 300 owners and managers of multi family buildings and complexes, sponsored an "Open Forum" on Nov. 15 for its membership. The meeting provided members of the organization with an opportunity to discuss key issues affecting owners and managers.

"We will be coordinating more of those forums in the months ahead, as well as our

Continued on page 5

Photo by Jeff Hanley

AN AOAC MEMBERSHIP MEETING – "Preferential Rents and Legal Regulated Rents" was the topic of the Oct. 1 Membership Meeting of the Apartment Owners Advisory Council (AOAC). Pictured at the meeting are, from left to right, Don Dietz, AOAC member; Dan Finger, Esq.,(speaker); Ken Nilsen, president, Building and Realty Institute (BRI); and Camille Sprio, vice chair, AOAC. The meeting was at the Crowne Plaza Hotel in White Plains.

Photo by Barbara Hansen

ENERGY ISSUES—The Building and Realty Institute (BRI) sponsored a Nov. 8 seminar on state energy programs that can help produce savings for owners and managers of multifamily buildings. Pictured at the event are, from left to right, Nicola Coddington, energy conservation coordinator, the Town of Greenburgh; Ken Nilsen, president, BRI; and Frank Lauricella, energy efficiency engineer, The Daylight Savings Company of Goshen. Coddington and Lauricella were speakers at the seminar at the Crowne Plaza Hotel in White Plains.

Photo by Barbara Hansen

ADDRESSING THE ISSUES – The Building and Realty Institute (BRI) and the Westchester County Board of Realtors (WCBR) sponsored a Candidates Forum on Oct. 11. The forum featured candidates who were seeking seats on the Westchester County Board of Legislators. Pictured at the event are, from left to right, Gil Mercurio, executive vice president, WCBR: Hank Fries, member, BRI/WCBR; Martin Rogowsky, county legislator; Albert Annunziata, executive director, BRI; Ken Nilsen, president, BRI; and county legislators George Oros and Suzanne Swanson. More than 80 members of the building and realty industry attended the event at the Crowne Plaza Hotel in White Plains.

Report: Local Real Estate Market is "Firming Up"

WHITE PLAINS— Westchester's residential real estate market continued to firm up with incrementally higher sales volumes and prices posted during the third quarter of the year.

Realtors participating in the Westchester-Putnam Multiple Listing Service reported 2,740 closed transactions during the period, a slight gain of just under 1 percent from 2006 totals, a recent study from the group showed.

The third-quarter closings largely resulted from market activity that took place in the late spring through mid-summer months. The total dollar volume of the closings was nearly $2 billion, an increase of 3 percent from last year.

On a year-to-date basis, Westchester's single-family house sales through the third quarter of 2007 were a healthy 4 percent ahead of last year's.

Westchester's single family house sector posted the strongest gain in sales, 5.5 percent, over last year's third-quarter total. The co-op sector followed with a 2 percent gain. Condominium sales increased by just a half percent, the study said.

However, total sales volume for the quarter was tamped down by a continuing, significant fall-off in multi-family sales (properties with two to four residential units). The 102 posted third-quarter sales in that category numbered 43 percent fewer than last year's, according to the report.

The Putnam Picture

Putnam County's market continued to lag Westchester's. The 224 posted single-family house sales for Putnam were at about the same low level as last year's third-quarter total. The 47 reported condo sales constituted a 24 percent increase from last year, but that percentage derived from a very small base.

Overall, Putnam County sales volume was down about 34 percent from its peak performance in 2004-2005, whereas the Westchester market was down only 18 percent and has been improving, the study said.

On a year-to-date basis, Westchester's single-family house sales through the third quarter of 2007 were a healthy 4 percent ahead of last year's. The weaker performance of the other categories, however, particularly multi-family properties, braked the overall gain, according to the report.

The study added that Putnam County's single-family house sector continued in decline, with 12 percent fewer sales year-to-date than last year at this time.

A Decrease in Inventory

Notwithstanding the fairly level rates of sales from 2006 through 2007, the inventory of properties for sale decreased in both counties by the end of the third quarter.

Westchester's end-of-quarter stock of 6,992 listings was nearly 5 percent below last year's level, with a decrease of nearly 8 percent concentrated in the single-family house sector. Only the condo sector posted a year-to-year gain, the study said.

In Putnam County, the single-family housing stock was nearly 4 percent less than last year's total. In both counties the reduction of inventory largely resulted from fewer listings being placed on the market by prospective sellers, some of whom, having the discretion to do so, have determined to wait out the market until they judge that conditions are more favorable to them, according to the report.

Prices

With the exception of multi-family houses, prices in every category in both Westchester and Putnam increased by amounts ranging from 2 percent to 7 percent. The median sale price of a single-family house in Westchester increased by almost 2 percent, to $730,000, the study said.

In Putnam County the median sale price of $432,500 was nearly 7 percent higher than last year.

In Westchester's case, the 2 percent price increase for houses partly reflected an across-the-board gain in all price ranges but also partly resulted from a steady increase in the proportion of high-end sales. Properties that have sold for $1 million or more have steadily increased their share of market from about 21 percent at the start of 2006 to 28 percent in the past two quarters of 2007, the study said.

The report noted that the scenario represents "a large shift even when bracket creep from inflation is factored out, and it is enough in and of itself to drag the median upwards without much contribution from real price appreciation."

In Putnam County, in contrast, given the small number of sales and the relative absence of high-end properties, the 7 percent, third-quarter increase in median sale price may well have resulted from a chance string of more expensive sales, the report said. The study added that "it will take another quarter or two to know for sure."

A Look Ahead

The third-quarter picture for Westchester was clouded somewhat by the very poor performance of the multi-family housing sector, which operated at less than half of its peak levels posted in 2004 and 2005, the report said.

The sector reflects investor activity much more so than the other sectors do. The message from the plummeting sales volume was that investors in that period were less attracted to real estate in comparison to other types of investment opportunities, and shifted their activity away from real estate, accordingly, the study said.

"The Westchester residential market was fairly strong during the third quarter and clearly was not in decline, in spite of outside negative factors, including rising mortgage interest rates."

Setting aside that special segment of real estate, however, the Westchester residential market was fairly strong during the third quarter and clearly was not in decline, in spite of outside negative factors including rising mortgage interest rates, the study found.

During the late spring-to-summer period when the third-quarter sold-properties were listed and marketed, average 30-year conventional mortgage interest rates increased from about 6.4 percent to 6.8 percent, enough to make borrowers take notice but not enough to slow the market, at least not locally. The sub-prime mortgage problem was just emerging then but had not yet had its broader effect on general credit availability, the analysis said.

In that same period the various stock market indices were posting impressive gains, and in the lower Hudson Valley region job growth remained steady and unemployment remained low. Thus, it was a supportive environment for recovery in the real estate market, according to the report.

Current Conditions

Currently not much has changed with respect to the overall favorable economic conditions that powered the third-quarter closings. Mortgage interest rates have even declined a little in recent weeks. Area Realtors are reporting that some prospective purchasers have had problems obtaining mortgages on terms reflective of their credit scores but that usually there have been successful work-arounds to complete those transactions, the study said.

Thus again, setting aside the troubled multi-family housing sector, it appears that the market is in a recovery mode and that 2007 Westchester sales volumes and prices may well outpace those of 2006 by year-end, according to the report.

Putnam County will probably lag for another six-to-nine months, but stability in the inner metropolitan region will eventually reach the more distant suburbs, the report added.

The Westchester-Putnam Multiple Listing Service, Inc. (WPMLS) is a subsidiary of the Westchester County Board of Realtors, Inc. and the Putnam County Association of Realtors, Inc. WPMLS serves more than 1,000 real estate offices having listings in Westchester, Putnam and Dutchess Counties.

Appellate Court Permits Money Judgment in Summary Proceeding Without "Personal" Service Process on Tenant

COUNSEL'S CORNER

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

WHITE PLAINS—Avoiding the process server in a summary proceeding, until recently, has permitted tenants the opportunity to avoid a money judgment and "skip out" on the landlord.

In other words, the Landlord, in the absence of personal service, has been able to obtain possession of the rented premises, but not a money judgment against the tenant for the arrears. In such situations the Landlord has been required to commence a new action to recover the monies from the tenant. Of course, this entails finding the tenant who has moved out, frequently without notice, or been evicted. In either event the tenant most certainly will not provide a forwarding address to the Landlord and the Landlord may never secure a money judgment.

The genesis of the rule against the granting of money judgments in summary proceedings in the absence of personal service is the case of *Matter of McDonald, 225 App.Div. 403, 233 N.Y.S. 368 [1929]*. That case actually predated the currently applicable laws and regulations. In that case the Court held that without personal service the Court only obtained jurisdiction over the "rem," the property, not the "res," the person. This interpretation was predicated on requirements of service and the civil practice rules then in effect, in 1929.

Despite the evolution of the law over the past 80 years, and the adoption of new laws, both the Civil Practice Law and Rules (CPLR) and the Real Property Actions and Proceedings Law (RPAPL), the status of the rule set forth in the McDonald case has remained unchanged. That is, although possible to meet the standard for a money judgment under the CPLR in a plenary or regular action, because the summary proceeding was brought under the RPAPL, the Courts have generally held that a money judgment is not available in the absence of personal service in a summary proceeding.

Challenges

Notable challenges have been lodged over the years. In 2003, Judge Lebovits, of the Civil Court of the City of New York, in *Dolan v. Linnen, 753 NYS2d 682*, held that substituted or duly diligent conspicuous service conferred personal jurisdiction for a court to grant a money judgment. In that case, the Court issued a lengthy opinion noting that neither "the Second Department's Appellate Term nor its Appellate Division has considered the issue."

The Court held that with that in mind the prior decisions, in a different Appellate Department, were not binding on Courts in the Second Department. The Judge concluded that "default rents to not waft away. They translate into higher costs for other tenants…" and based on the statutes, determined to award the Landlord in that case a money judgment against the tenant even without personal service.

Unfortunately, Courts continued to adhere to the rule requiring personal service. The rationale for that rule was enunciated in detail by Judge Gartner in *Arnold v. Lyons, 4/23/2003 NYLJ 20 (col. 3)*. In substance the Court in that case held that although the policies and statutes seemed outdated, that the long standing practice and rule required action by the Legislature.

A Key Date

On Oct. 10, 2007, the Appellate Term 9th and 10th Judicial Districts (within the Second Department) held that "money judgments shall be available upon tenant's default in a summary proceeding, without regard to the manner of services effected therein, upon a showing that such service would be sufficient to support the entry of a money judgment in a plenary action" *Avgush v. Berrahu, 2007 WL 3014972.* The Appellate Term, as the Court in *Dolan v. Linnen, supra*, recognized that "the denial of such judgments only encourages tenants in arrears to actively evade personal delivery, knowing that the landlord might never commence a separate, costly, plenary action to recover the rent.

"Beating the rent," in this manner, has arguably become a significant cost of doing business for landlords, and is passed on to all tenants accordingly.

The Appellate Term also held that "with the incentive to evade personal delivery removed, tenants might be more inclined to come to court to present any defenses that they might have, resulting in a more complete record, enhancing the quality of adjudications in summary proceedings, and making settlement possible, to the benefit of the parties and the court. In addition, the availability of a money judgment upon a tenant's default advances the interest of judicial economy, by alleviating the need to litigate the same transaction multiple times in multiple forums to obtain complete relief."

The Importance

To understand the import of the decision one must finally consider the practical application. In order to obtain the benefit of the money judgment, the Landlord must be prepared to meet the higher burden relative to service as to same. That means that additional attempts at service over a longer period of time and dates would be required. This would have two effects, a higher cost for service and perhaps a longer time period to get into court. Landlords will now have to analyze the impacts of these issues in determining how to proceeding both generically and in each instance.

However, the tool now exists for Landlords to prosecute their claim for possession and money to their ultimate conclusion in one case.

Editor's Note: The authors are attorneys with Finger and Finger, A Professional Corporation. The firm is based in White Plains. Kenneth J. Finger is chief counsel to the Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI).

Realty Groups Planning 2008 Schedules

Continued from page 3

regular schedule of meetings and seminars," said AOAC chairman Jerry Houlihan.

Houlihan added the association is continuing to monitor issues affecting owners and managers in the region.

"Those efforts never stop – it's a consistent effort on our part," he said.

Future meetings and seminars of the AOAC will be announced in the weeks ahead, Houlihan added.

The CCAC, ACMA and AOAC are affiliate organizations of the Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI). The BRI is a building, realty and construction industry membership organization with more than 1,700 members in 14 counties of New York state.

GDC Donates 40 Acres to Peekskill to Expand Fort Hill Park

VALHALLA – Ginsburg Development Companies (GDC) recently donated 40 acres of land to the city of Peekskill to expand Fort Hill Park, the location of a Revolutionary War garrison and battle.

The donation came during a ceremony on Oct. 6, GDC spokesmen said.

The donation increases the size of the existing, nine-acre city park five-fold and preserves the historic site overlooking the Hudson River in perpetuity, providing green space, a sanctuary for hikers, and sightseeing exhibitions for generations to come. Visitors can enter the park from Decatur Avenue during daylight hours, GDC officials said.

GDC Founder and Principal Martin Ginsburg was joined by Peekskill Mayor John Testa and other state and local officials at the ceremony. A color guard of Revolutionary War reenactors fired muskets to salute the property's transfer.

The donation to Peekskill was the latest in a series of property gifts or below-market sales GDC has made to local governments and environmental groups. GDC and its subsidiaries have made donations or discounts worth $10 million since 1991 to preserve 4,676 acres of open space, company spokesmen said.

Development Plans

GDC has drafted plans to develop a site adjoining the park that previously was owned by the Sisters of St. Mary. The development, which will be called The Abbey, is a "clustered" townhome community where more than half of the property will be preserved in its natural state. The Abbey's 124 new townhouses will be built on approximately 26 acres of land.

GDC said that a century-old convent on the property will be restored and converted into 12 condos, while the magnificent chapel will be converted into an activities and fitness center. The project is similar to the historical preservation of the St. Germaine's School at Chapel Hill in Peekskill, which also was a GDC community.

"This development is consistent with GDC's philosophy and commitment to preserve the convent's beautiful old buildings and integrate new homes while preserving the unique beauty of the site," Ginsburg said.

He added: "We are delighted to be able to donate the 40 acres both to preserve it as green space and to enhance a historically significant Revolutionary War site."

The 40 acres GDC will donate are part of a 47-acre parcel purchased from another developer, who had obtained a contested approval on the entire site for more than 200 units. Only approximately eight acres were annexed to the Abbey site, allowing the balance of the property to be donated as park land, GDC said.

"Developers have a responsibility to not only develop communities that are sensitive to the environment, but to also help the communities plan their future," said Ginsburg. "Donating environmentally sensitive land to local governments and groups that preserve open space is one way GDC shows that stewardship."

GDC will build 12 condos in the converted Abbey that gave the development its name along with 124 townhouses. All of The Abbey's residents will have access to the activities and fitness center, which will be highlighted by a gathering room beneath the soaring ceiling of the chapel's former sanctuary, where ornate hand-carved wooden details will be preserved, project officials said.

Construction at The Abbey is expected to begin next spring, with the first homes being ready for occupancy approximately one year later. Prices are expected to start in the $400,000's, spokesmen said.

Current GDC communities include AVANT Chelsea (New York City); Riverwatch at Greystone (Yonkers); Harbors at Haverstraw (Rockland County); Hudson Pointe (Poughkeepsie); The Fairways at Wallkill (Middletown, N.Y.); Christie Place (Scarsdale); Ridgewood at Middlebury (Conn.); The Greens at Gillette Ridge (Bloomfield, Conn.) and Quaker Green (West Hartford, Conn.).

GDC was established in 1964. Based in Valhalla, the company is one of the nation's premier full-service real estate design, development and management companies. GDC has developed more than 10,000 residential units during its 40-plus year corporate history, company spokesmen said.

Residential Development Case Study:

CPC Joins with Bridgeport for Groundbreaking of New Condos

BRIDGEPORT, Conn.— Continuing its expansion into the Connecticut market, The Community Preservation Corporation (CPC) recently joined with the City of Bridgeport for a groundbreaking ceremony for Columbia Towers, a new $12 million loft-style condominium to be built in the former Columbia Records building.

CPC, a not-for-profit mortgage lender, is providing $8.65 million in financing for the gut rehabilitation of the vacant office building at 50 Ridgefield Avenue in Bridgeport's East End neighborhood, company officials said.

Formerly the offices of Columbia Records, the four-story building will be developed into 65 market-rate and affordably priced condominiums. Columbia Towers will be comprised of 4 one-bedroom/one-bath, 23 two-bedroom/one bath and 38 two-bedroom/two bath units.

The Features

The loft-style condominiums will have 11-foot ceilings, central air conditioning, solid wood cabinets, ceramic tile floors in the baths and carpeting. Columbia Towers will be handicapped accessible and provide gated on-site parking with 134 spaces. The market rate condominiums will be priced from $137,000 to $153,000 for a one-bedroom apartment to $149,900 to $227,000 for two bedrooms, spokesmen said.

The Affordable Component

The seven affordable apartments will be priced from $100,000 for a one-bedroom

Continued on page 8

Case Study:

To Repair or Not to Repair—That Is the Question!

By Stephen J. Lehrman

WHITE PLAINS—The question of responsibility for the repair of various defects within a co-op owner's apartment is a subject of endless contention.

Various co-ops approach the question differently and often have different policies. Some co-ops will repair certain items at the co-op's expense and others insist that the repair is a shareholder's responsibility. This article will try to make some sense out of the conflicting positions held by both co-ops and their counsel.

Specifics

The repair question is dealt with in the proprietary lease in Paragraphs 2 and 18 (a) thereof (and, to a lesser but still very important extent in Paragraph 4). Paragraph 2 states that "The lessor shall at its expense keep in good repair the buildings including all of the apartments ... except those portions of the maintenance and repair of which are expressly stated to be the responsibility of the lessee pursuant to Paragraph 18 hereof."

Therefore, at the outset, the co-op undertakes to make all repairs, except those repairs specifically allocated to the lessee. The operative portion of Paragraph 18(a) states that: "...the lessee shall keep the interior of the apartment (including interior walls, floors and ceilings, but excluding windows, window panes, window frames, sashes, sills, entrance and terrace doors, frames and saddles) in good repair, shall do all the painting and decorating required for his apartment, including the interior of the window frames, sashes and sills, and be solely responsible for the maintenance, repair and replacement of plumbing, gas and heating fixtures and equipment, and such refrigerators, washing machines, ranges and other appliances, as may be in the apartment.

Plumbing, gas and heating fixtures as used herein shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which the lessee may install within the wall or ceiling or under the floor, but shall not include gas, steam, water or other pipes or conduits within the walls, ceilings or floors or heating equipment which is part of the standard building equipment....".

The rest of the paragraph, while important, is more easily understood and therefore will not be part of this article.

The Questions

So, who has to repair what?

That is the question. It is widely agreed that interior decorating such as painting, etc. is the lessee's job. Also, repairs to water pipes under the sink or toilet that are outside the wall or floor are generally agreed to be the lessee's job.

The Gray Areas

However, that is about where the general agreement ends. For example, who must repair a steam valve on a radiator? While this item is within the apartment and therefore is seemingly included in the definition of "exposed gas, steam and water pipes attached to fixtures…," one can argue that the valve is part "of the standard building equipment…" and is thus exempt from lessee repair. While most situations are reasonably clear, it is the gray areas that create the most conflict.

The first such item that we will discuss are shower bodies. Although these are certainly behind the wall, part of the shower body protrudes through the wall. Some co-ops have argued that, as a result of this protrusion, this item is a lessee's obligation to repair. In a recent case handled by our firm (Franklin Apartment Associates v Westbrook Tenants Corp, App Div 2nd Dept 9/11/07), the Appellate Division ruled that shower body repair is the responsibility of the co-op, stating that "... the shower body is located behind the finished walls, and is attached to the framing and is either screwed or soldered onto the water supply lines..."

The court went on to point out that the shower body was part of the original plumbing and differentiated a shower body from items such as shower heads, handles etc. The court also stated that the lease evinces an intent that the reasonable expectation of the parties would be that the tenant would not be liable for repairs that require the opening of walls, ceilings or floors.

Similar Applications

This decision can also be applied to any other items similarly situated such as shut off valves under the sink, toilet, dishwasher etc. In those cases, although the handle protrudes though the wall, the valve itself, like the shower body, is behind the wall and connected to the main plumbing system.

While there have been some decisions dealing with questions of repair, most repairs are not that expensive and the parties do not want to spend untold sums litigating the issue of who is responsible for a $400 or $500 repair.

Nevertheless, the question is of great importance if only for that occasional repair that is quite expensive.

An Example

One example is a buckled floor. Replacing a quality parquet floor can cost thousands of dollars. So who is responsible for a buckled floor? Such a case came before the court in 1964 (Susskind v 1136 Tenants Corp., 43 Misc 2nd, 588).

In that case, the lessee's floor buckled due to a problem that had occurred underneath the floor (in other words, a problem not caused by the lessee) and the co-op refused to repair it, after which the lessee made the repair and sued the co-op for reimbursement.

"As buildings age and the corresponding repairs become ever more common, the question of who must pay for what will be ever with us."

While the specifics of the case are interesting, they are too voluminous to set forth in this article. The co-op had advised the tenant that repair of the entire apartment was the tenant's responsibility based upon Paragraph 18 which said the tenant had to keep the interior of the apartment in good repair.

The court stated that that phrase applied "only to the visible parts of the leased premises." The court went on to say that the clause is limited in scope to "ordinary repairs only." In addition, the court ruled that the construction of the clause indicated that the co-op must make repairs whether they are structural or not. The court ruled that the co-op had to reimburse the tenant for the repair to his floor.

If the damage is to an item installed by the tenant (i.e. not part of the original apartment) the responsibility is that of the tenant. But if the damage is a part of the apartment originally sold to the tenant and is not part of the "visible parts of the leased premises", it seems that the co-op must make the repair.

An interesting question can be asked as to damage to co-op property caused by an improper tenant installation. Based upon Paragraph 4, it would appear that such damage must be repaired by the co-op as well.

Another Topic

Paragraph 4 must now be addressed. Paragraph 4 states "If the apartment ... shall be damaged by fire or other cause covered by multi peril policies commonly carried by cooperative corporations in New York State (any other damage to be repaired by Lessor or Lessee pursuant to Paragraphs 2 and 18, as the case may be), the lessor shall at its own cost and expense, …repair or replace… the building, the apartment and the means of access thereto, including the walls floors ceilings, pipes, wiring…" Paragraph 4 goes on to say that the lessor is not required to repair anything installed by lessee nor is the lessor required to replace decorative items such as paint or wallpaper.

That paragraph is really quite interesting. It clearly exempts lessor for making any repair not otherwise referred to that would not be covered by insurance or items that have been installed by lessee. However, it requires lessor to repair damage that would be covered by insurance regardless of the cause.

Therefore, for example, if a tenant were to overflow his tub causing damage to the entire building, since such a flood is clearly covered by the insurance policy, the co-op must make the repair. Please keep in mind that there is a distinction between responsibility for making the repair and for paying for the repair. However, paragraph 4(d) also comes into play (the waiver of subrogation) and this article will not discuss this aspect of repair cost.

In any event, I hope that the foregoing has helped to delineate the responsibility of the various parties for routine repairs. As buildings age and the corresponding repairs become ever more common, the question of who must pay for what will be ever with us.

Editor's Note: Stephen J. Lehrman, Esq. is a principal with Lehrman, Kronick and Lehrman. The firm is based in White Plains. Lehrman is a longtime member of the Building and Realty Institute (BRI). He has spoken at many BRI meetings and seminars and has contributed to this publication on a regular basis.

CPC Joins with Bridgeport for Groundbreaking of New Condos

Continued from page 6

unit and $125,000 to $130,000 for two bedrooms, officials added.

Additional financing for Columbia Towers is being provided by the City of Bridgeport, which is committing $350,000 in HOME funds allocated to the City by the U.S. Department of Housing and Urban Development (HUD) for affordable housing projects. The funds are advanced during construction at 0 percent interest to pay construction costs and are passed on to the homebuyer as a grant to write down the cost of the homes, project officials said.

The infusion of HOME funds will provide the seven affordable units to households earning less than 60 percent of the area's median income. Bridgeport will be accepting applications to select buyers in 2008 for the seven HOME assisted funds, project officials said.

The project is being developed by Bridgeport-based Columbia Towers Condominiums LLP, whose principals are Steve Israel and John Guedes.

Israel, a real estate developer with more than 20 years of experience, purchased the Columbia Records property in 1996. Guedes is president and chief executive officer (CEO) of Primrose Companies, an architectural and general contracting firm that will undertake construction of the project.

A New Era

"This is an exciting day for the City of Bridgeport and its residents," said Mayor Fabrizi at the October 25 groundbreaking ceremony. "Today, we are taking a parcel of property that has been vacant for several years and turning it into a new $12 million condominium complex that will provide much-needed housing here in the city, while bringing in tax revenue."

"We're delighted to provide the financing for this creative and attractive new project that will further enhance the ongoing revitalization of Bridgeport. The rehabilitation of this vacant office building will expand housing opportunities in Bridgeport with a mix of market rate and affordably priced condominiums," said Sadie McKeown, regional director of CPC's Connecticut office.

"We are very excited about Columbia Towers and how it will further enhance the ongoing renewal of Bridgeport. Working in partnership with the City and CPC, we are able to transform a vacant office building into an exciting residential community that will bring more people to live in the downtown area. We thank CPC for sharing our vision for revitalizing this neighborhood," said Israel.

Guedes added: "In this development I continue my commitment to the City of Bridgeport to create high-quality housing that fosters dignity in this community."

Columbia Towers is the second major redevelopment project to be financed by CPC in Connecticut since entering the market this past summer.

In June, ground was broken for Lofts 881, a new downtown redevelopment project in Bridgeport financed by a $6 million construction loan from CPC. Located at 881 Lafayette Boulevard, the former office building is being converted into 38 loft condominium apartments with two ground-level retail spaces. The five-story brick building will be gut rehabilitated with all new systems, roof, windows and finishes.

CPC is a not-for-profit mortgage lender that finances residential multi-family development throughout New York, New Jersey and Connecticut. Since its founding in 1974, the company has invested more than $6 billion in more than 144,000 units of housing in New York and New Jersey.

Report:
New York Continues to Lag in Key Employment Sectors

ALBANY—New York's job growth in the key employment sectors of financial activities and professional and business activities lagged behind most other states over the past 10 years, a new analysis shows.

The Public Policy Institute, the research arm of The Business Council of New York State, recently released the study.

The report analyzed Bureau of Labor Statistics non-seasonally adjusted annual job numbers for 1996 through 2006. The resulting analysis shows 10-year, three-year and one-year growth in nine employment sectors.

The analysis is part of the Public Policy Institute's "*Just the Facts*" feature, an on-line compendium of key economic and social indicators. The detailed tables are available at ***www.ppinys.org/reports/JustTheFacts.html***.

Only Indiana and Hawaii ranked lower than New York. Both those states saw a decline in financial-activities employment during the 10-year period ending in 2006.

Key findings of the study found the following data:

- Financial activities—The analysis shows that jobs in New York's financial-activities sector increased only 1.5 percent between 1996 and 2006—the 48th lowest growth in the nation and well below the national growth rate of 20 percent.

Only Indiana and Hawaii ranked lower than New York. Both those states saw a decline in financial-activities employment during the 10-year period ending in 2006. Financial-activities employment in New York did increase 1.8 percent in the one-year period ending in 2006, coming close to the national growth rate of 2.6 percent.

- Professional and business services employment—New York ranked 41st among all 50 states for growth in professional and business services employment between 1996 and 2006. With a 21.7 percent increase in that time period, New York lagged behind the national growth rate of 30.4 percent.

The number of professional and business services jobs in the Empire State grew 2.4 percent between 2005 and 2006, the 39th lowest growth in the nation and behind the national growth rate of 3.5 percent.

- Manufacturing Jobs—New York ranked below most other states in manufacturing job loss during the 10-year period ending in 2006. With a decline of 28.7 percent, New York was far ahead of the national decline rate of 17.6 percent.

Between 2005 and 2006, New York lost 2.2 percent of its manufacturing jobs, more than 10 times the rate of decline experienced nationwide of 0.2 percent.

- Information Employment—The number of jobs in New York's information sector declined 0.3 percent between 1996 and 2006, in the face of a national growth rate of 3.9 percent. Despite the long-term decline, the number of information-sector jobs in New York increased 0.1 percent between 2005 and 2006, while nationally the number declined 0.2 percent.
- Private Sector—Total private-sector employment increased 9 percent between 1996 and 2006, only slightly more than half the national growth rate of 14 percent.

The analysis also found that:

- New York's construction industry employment grew 31.9 percent in the 10 years ending in 2006, the 24th highest of the 46 states measured, and close to the national growth rate of 38.9 percent.
- Health and Social Assistance Employment in New York grew 19.9 percent between 1996 and 2006, 39th among all 49 states measured, and below the national growth rate of 28.6 percent.
- Government Employment in New York grew 6.2 percent in the 10-year period ending in 2006 – less than half the national growth rate of 12.5 percent. The number of government jobs in New York declined by 0.2 percent between 2005 and 2006, despite the national growth rate of 0.9 percent.
- Employment in the nation's trade, transportation and utilities sector grew 8.2 percent between 1996 and 2006. At the same time, trade, transportation and utilities jobs in New York grew 4 percent.

Just the Facts is available at ***www.ppinys.org/reports/JustTheFacts.html***.

Development Case Study:

Buyers "Line Up" for the Opening of Sales for New Luxury Condominium Buildings

LONG ISLAND CITY, N.Y.—In a scene reminiscent of the real estate bidding wars of a few years ago, the opening day of sales for One Hunters Point and Hunters View—a pair of 12-story luxury condominium residences near the waterfront in the trendy Hunters Point district of Long Island City—was a huge success.

The initial offering of 40 residences was sold within a matter of hours, with many of the buyers camped outside the sales office the night before, anxious to ink the sales contracts, project officials recently said.

And the buying frenzy at One Hunters Point and Hunters View is far from over, officials added.

New sales have been averaging one per day since opening day on September 29. What's more, buyers are offering prices above the initial pricing schedules. As a result, prices have been revised upward. Originally priced from $371,000 to $1.1 million, the residences at One Hunters Point are now priced from $485,000 to $1.2 million, officials added.

Officials added that Hunters View, which was initially priced from $400,873 to $870,075, is now selling for $500,000 to $1.1 million plus.

Not a Surprise

The unusually strong demand does not come as a surprise to project developer Joseph Simone of New Rochelle-based Simone Development Companies.

"Buyers recognize the tremendous value that we're offering at One Hunters Point and Hunters View. These luxury residences are about 30 percent less expensive than comparable units in Manhattan, yet are located in the heart of a thriving arts community, offer an easy commute to Manhattan, as well as unrivaled views of the Manhattan skyline. You just can't beat this winning combination," Simone said.

He added: "Unlike other new residential developments in Hunters Point, which are further inland from the waterfront, ours is one of the very few to offer breathtaking views of Manhattan. So, it's not surprising that these residences are being snatched up by buyers who want the luxury lifestyle in what is shaping up to be the hottest new destination in New York City."

Nancy Packes, president of Brown Harris Stevens Project Marketing of New York City, the exclusive sales and marketing agent for One Hunters Point and Hunters View, said: "Our purchasers waited many months for the Hunters Point Condos sales to begin. The initial launch was a huge success and a celebration for everyone involved to such an extent that our ongoing sales strategy is based primarily on word-of-mouth, not advertising."

The Manhattan Factor

> **The initial offering of 40 residences was sold within a matter of hours, with many of the buyers camped outside the sales office the night before…**

Patrick W. Smith, vice president, sales and marketing of Brown Harris Stevens Project Marketing and director of sales of Hunters Point Condos, noted that the new residences are attractive to buyers in their 30's and 40's who work in Manhattan.

"Typically, our buyers live in Manhattan or Queens and have careers in the financial, legal, and medical, media and advertising sectors. Many of our purchasers are also newlyweds or families with young children. They are primarily first-time homeowners searching for a condo that offers top-shelf amenities, open layouts and quality construction," Smith said.

Smith added that the community of Hunters Point is also a major factor in the buildings' success. Hunters Point, he said, "offers purchasers landscaped waterfront access, diverse retail options on Vernon Boulevard, a respected artist community and excellent transportation options."

One Hunters Point features 131 one-, two- and three-bedroom luxury residences, with most offering spectacular waterfront views of the Manhattan skyline. The glass and steel building boasts high-quality finishes and top-of-the-line appliances and fixtures, including washer and dryer, indoor parking, a fitness facility, a garden near the entrance and an indoor residents' lounge area.

Virtually every residence will have private outdoor space in the form of a terrace, a balcony or a garden, project officials said.

Hunters View features 73 one- and two-bedroom residences ranging in size from 639 square feet to 1,238 square feet and the same high quality finishes and lifestyle amenities as One Hunters Point, as well as panoramic views of the Manhattan skyline, officials added.

As a unique option in both buildings, residents can have their own private roof-top terrace, an outdoor space about the size of a living room equipped with a gas grill and water connections where they can relax and enjoy the waterfront and Manhattan skyline views, spokesmen said.

A Popular Location

One Hunters Point and Hunters View are located near Vernon Boulevard in the heart of the Hunters Points District. With its historic residential character, rich cultural institutions, easy access to the East River waterfront and close proximity to Midtown Manhattan, the Hunters Point District has emerged as one of the most popular residential neighborhoods in New York City, project officials said.

"It's the next SoHo or Tribeca," Simone said.

Designed by Newman Design Group, One Hunters Point and Hunters View are scheduled for completion and occupancy in June 2008, project officials said.

Headquartered in New Rochelle, Simone Development Companies is a full- service real estate investment company specializing in the acquisition and development of office, retail, industrial and residential properties in the tri-state area, spokesmen said.

The privately held company owns and manages more than 90 commercial properties totaling approximately 4 million square feet ranging from multi-building office parks to retail and industrial space in Westchester County, Queens, the Bronx, Long Island and Connecticut. In addition to condominiums, the company's residential developments include estate-type homes in high-end communities within one-half hour from Manhattan, as well as townhouse restorations on the Upper East Side of Manhattan, spokesmen added.

State, County and Local Officials Join with CPC to Mark the Completion of Montgomery Manor

MONTGOMERY, N.Y.—State, county and local officials recently joined representatives from The Community Preservation Corporation (CPC) and local developer Jonah Mandelbaum for a ribbon-cutting ceremony to celebrate the completion of Montgomery Manor, a new senior housing community in the Village of Montgomery.

Located on a 4.4-acre site that fronts Route 17K, Montgomery Manor features two three-story buildings with 87 one-bedroom apartments for seniors. The property is near a new shopping center, as well as several other apartment and condominium complexes. The cities of Middletown and Newburgh are about 15 minutes away by car.

Montgomery Manor is fully occupied. Monthly rents for the apartments range from $290 to $675, including central air conditioning and hot water. To qualify, tenants must be at or below 60 percent of the median income in Orange County.

CPC, a not-for-profit mortgage lender that finances residential multi-family development throughout New York, New Jersey and Connecticut, provided a $3.25 million construction loan for the project. Permanent financing for the project is being provided by a $2.4 million permanent loan from CPC. The project also received a $1.75 million Housing Trust Fund loan and an allocation of Low Income Housing Tax Credits from the Division of Housing and Community Renewal (DHCR). The sale of the tax credits generated $9.85 million in private equity from Alliant Capital. CPC's permanent loan will be sold to the New York State Common Retirement Fund and insured by the New York State Mortgage Agency (SONYMA), officials said.

Participants

The ribbon-cutting ceremony was attended by New York State Senator William Larkin, Orange County Executive Edward Diana, Montgomery Mayor L. Stephen Bresica, project developer Jonah Mandelbaum and CPC Vice President Douglas Olcott.

"We are very pleased to provide the financing for this attractive new project that offers much-needed and affordably priced senior housing to the residents of Orange County," said Sadie McKeown, regional director of Hudson Valley CPC. She noted that this is the ninth senior housing project that CPC has financed with Mandelbaum. Other CPC-financed senior housing projects include Devonwoods in Warwick, Northgate Manor in Goshen, Monroe Commons in Monroe, Water's Edge in Port Jervis, Pinecrest in Pinebush and Regency Manor in Monticello.

"We commend Jonah Mandelbaum for his ongoing commitment to developing high quality senior housing in Orange County," McKeown said.

Additional funding in Ellenville for another senior complex is scheduled to close shortly, CPC said.

A Solid Effort

"More and more seniors are leaving New York for other states because they cannot afford to stay in their homes and they cannot find alternate housing that they can manage financially," said Larkin. "Montgomery Manor is a wonderful project that will help keep our parents and grandparents in New York and many families together. I commend Jonah Mandelbaum, Sadie McKeown and the other dedicated members of the Community Preservation Corporation for the tremendous work they are doing in Orange County to provide affordable housing for our older residents."

"One of the top priorities of my Administration is to assist in the provision of new, affordable housing opportunities for the growing senior citizen population of Orange County. As our population ages, it is critical that seniors on fixed incomes have the ability to move into facilities such as Montgomery Manor, where the rents are projected to be $290 to 675 per month," said Diana. "We will continue to use County HOME dollars to assist projects such as this, and we applaud the efforts of Jonah Mandelbaum and his dedication to serve the senior population of Orange County."

"We're absolutely delighted with the way this project has turned out. Jonah Mandelbaum has an excellent reputation for building high quality affordable senior housing in our area. With each new project he proves why he is the Hudson Valley's best developer of affordable senior housing. We couldn't be more pleased," said Brescia.

"I'm very happy to have the opportunity to build additional affordable housing in the region for our senior citizens. There is a growing demand for senior housing in our area and I'm pleased to be able to provide it," said Mandelbaum.

CPC is a not-for-profit mortgage lender that finances residential multi-family development throughout New York, New Jersey and Connecticut. Since its founding in 1974, CPC has invested more than $6 billion in more than 144,000 units of housing in New York and New Jersey, officials said.

Coldwell Banker Reports a Local Transaction

WHITE PLAINS—Coldwell Banker Residential Brokerage in Connecticut and Westchester County recently announced that it has acquired the assets of Reno Premier Properties in White Plains, part of Reno Rivertown Realty Corp.

The transaction does not include the assets of Reno Rivertown Realty's Irvington office. Reno Premier Properties will now operate under the banner of Coldwell Banker Residential Brokerage in Connecticut and Westchester County. The White Plains offices of both companies will be combined and operate from 278 Mamaroneck Avenue, company spokesmen said.

Wayne LaFranco, current branch manager for Coldwell Banker Residential Brokerage in White Plains, will oversee the newly combined office. Janet Nold and Renato Rancic, co-owners of Reno Rivertown Realty Corp., will continue to operate its Irvington office.

"Reno Premier Properties has a long tradition of sound customer service and local market knowledge throughout the White Plains area," said Kate Rossi, president and chief operating officer of Coldwell Banker Residential Brokerage in Connecticut and Westchester County. "The firm represents a perfect complement to our growing company in the area. We're proud to welcome their stellar sales team into our family."

Founded in 2004, Reno Premier Properties sales associates accounted for $25.7 million in total closed sales volume during the last 12 months. With the announcement, Coldwell Banker Residential Brokerage operates 49 offices with more than 2,200 sales associates in Connecticut and Westchester County. In 2006 the company accounted for more than $6.7 billion in total closed sales volume.

"We are very proud of the strong presence Reno Premier Properties has established in the period of time that we have been in the White Plains location," said Janet Nold, co-owner of Reno Premier Properties. "By joining forces with Coldwell Banker Residential Brokerage, our sales associates will be uniquely positioned to better promote their businesses and serve customers through the use of the company's technology and marketing tools, as well as the vast international and national network of sales agents," added co-owner Renato Rancic.

Whelan Named Chairman of Guidelines Board

WHITE PLAINS—Joseph G. Whelan Jr. of Bedford has been appointed chairman of the Westchester County Rent Guidelines Board.

The appointment was recently announced by Deborah Van Amerongen, commissioner of the Division of Housing and Community Renewal (DHCR) of New York state.

The board annually sets rents on approximately 30,000 apartments that are affected by the Emergency Tenant Protection Act (ETPA).

The board consists of five public members, two tenant representatives and two owner representatives.

Whelan, a certified public accountant (CPA), has served on the board as a public member since 1993. He was appointed to the board that year by former Gov. Mario Cuomo after a recommendation by the Westchester County Board of Legislators. He has also served as the board's acting chairman.

NAI Friedland Realty Announces Appointments

YONKERS—NAI Friedland Realty recently announced the hiring of private developer Evan Rothberg of Rye Brook as an investment director and marketing specialist Andrew Grossman as an industrial specialist.

Prior to joining NAI Friedland, Rothberg worked as a private developer and investor. He also served as a financial advisor to high-income executives, professionals and sports celebrities.

For more than 20 years, Rothberg was founder and president of Evan Rothberg, C.P.A., P.C., a public accounting firm, and Rothberg Associates Inc., a financial management company.

Rothberg earned an undergraduate degree in accounting from the University of Bridgeport and is a certified public accountant.

Grossman, a Rye Brook resident, enjoyed a long career in marketing and sales, with a focus on bedding, textiles and home décor. Most recently, he worked as an account manager for New York-based Westgate Inc., where he handled key retail accounts and developed new business. He received his undergraduate degree in finance and marketing from Boston University.

"Evan Rothberg and Andrew Grossman are seasoned professionals who bring a broad business perspective to our firm," said Steven Oder, chief executive officer of NAI Friedland Realty. "Their backgrounds and industry experience will enable them to present our clients with unique vision and solutions."

NAI Friedland Realty Inc., founded in 1970, is a full-service commercial real estate firm in the metropolitan New York area, including Westchester, the five boroughs, Long Island, Connecticut, and New Jersey. Headquartered in Yonkers, NAI Friedland also maintains a satellite office in Manhattan. The firm has four divisions:Retail, Industrial, Office and Residential/Development.

TECH TALK

"E-Tailing"—Selling and Buying at the Speed of Light

By Andrea Wagner, Wagner Web Designs, Inc.

ARMONK—The Census Bureau of the U.S. Department of Commerce announced in August that the estimate of U.S. Retail e-commerce sales for the second quarter of 2007 was $33.6 billion, up from last year at $27.5 billion!

And these numbers don't even account for the holidays, which are just around the corner. Are you getting your share?

If you currently sell a product or service online, make sure you follow these simple steps to attract and retain customers:

- Is your site secure? Credit cards must be encrypted and a lock should appear on your site.
- Make sure you have a return policy and a phone number. This is essential to gain trust.
- Update your site often to reflect seasons and offer discounts (like free shipping) to entice new customers.

Questions for an Online Seller

If you are not currently selling online, but want to jump on the Internet bandwagon, ask yourself these questions before taking the plunge:

- Can I fulfill orders timely and efficiently?
- Is my product regional, or can I expand to a global market?
- What will be my shipping options, fees, taxes?
- Is there a sufficient budget for marketing the site once it's built?

Once you answer these questions, you can begin to plan your e-store.

Caveat Emptor

If you intend to shop online this year for your holiday needs (no parking space required!), follow these simple rules for a safe, online shopping experience:

1. Shop early. Many stores offer free shipping before the holiday rush.

2. Make sure the site you are shopping on is on a secure server (note the lock on the site). This will ensure your credit card is encrypted.

3. Before purchasing, search for discount coupons for that store. There are many sites offering these codes, and when added to checkout, they will save you money on your purchase.

4. View their store policies. You should avoid sites without a posted return/refund policy, or a phone number.

If you let common sense and a little internet savvy be your guide, your e-tailing experience can prove to be a super one.

Questions about a tech topic? Send an e-mail to andrea@wagnerwebdesigns.com and I'll do my best to respond directly. Maybe I will add it to a future installment of Tech Talk.

GDC Donates New Senior Center Building, $20,000 in Funding to Sleepy Hollow

VALHALLA – Ginsburg Development Companies (GDC) has donated the first phase of a new senior center to the village of Sleepy Hollow, company officials recently announced.

The donation occurred during a ceremony on Oct. 22. The company also donated $20,000 to help pay for renovations, spokesmen said.

The 1,400-square-foot senior center was created by relocating and renovating the sales center at GDC's Ichabod's Landing development after the company completed sales. The company decided to donate the sales center building to Sleepy Hollow instead of moving it to another location. The building is worth about $200,000, GDC said.

"We're pleased to be able to give Sleepy Hollow a new senior center as a parting gift after completing our successful Ichabod's Landing development there," said Martin Ginsburg, GDC's founder and principal. "With the village's help, we were able to create a beautiful new neighborhood of waterfront homes and a public promenade on what had been an abandoned industrial site. Reflecting this spirit of renewal, it's fitting that we were able to renovate the sales office into a senior center that will serve the village's residents for decades to come."

Speakers at the Oct. 22 celebration included Sleepy Hollow Mayor Phil Zegarelli and Congresswoman Nita Lowey, who were instrumental in planning the new senior center and securing financing. GDC was represented by Bruce Lozito, who guided the development of Ichabod's Landing and helped arrange the donation and relocation of the sales center.

Other speakers included Mae Carpenter, commissioner of the Westchester County Department of Senior Programs and Services; Irene Amato, president of the Village of Sleepy Hollow Seniors and Village Architect Sean McCarthy. Roughly 50 seniors attended the opening celebration, which was followed by an informal luncheon.

GDC donated the sales center building and paid to have it relocated to the senior center's Elm Street location. The village plans to expand the senior center with a second, larger phase to the rear of the existing building, ultimately taking it to 6,400 square feet in size. The center is used by dozens of seniors each day, providing a safe, comfortable place for them to relax with friends, take classes and receive advice.

An Important Move

Ichabod's Landing was a key step in Sleepy Hollow's effort to convert its once industrial waterfront into a mixed-use neighborhood with residences, parks, promenades and shops along the river's edge. Ichabod's Landing converted an abandoned factory site into 44 townhouses set round a European-style central courtyard plaza with brick pavers and fountains. On the ground floor along Beekman Avenue is 2,600 square feet of specialty retail space that will serve residents of Ichabod's Landing and Lighthouse Landing, the mixed-use development to be built next door at the site of the former General Motors factory. The two developments will give Sleepy Hollow a vibrant new waterfront that will be a wonderful place to live, work and visit, spokesmen said.

Another early waterfront redevelopment project, Horan's Landing Park, a village park just south of Ichabod's Landing, has been completed. A public promenade in the park continues north through Ichabod's Landing, providing one of the first links in a planned Hudson RiverWalk that will run 46 miles from New York City to the Putnam County line and beyond.

"Ichabod's Landing was designed so it is completely integrated into the surrounding area with walkways, public spaces and stores for residents," said Ginsburg. "It's a sign of the accessible, energetic waterfront Sleepy Hollow plans for its future. What's happening in Sleepy Hollow is happening all along the Hudson as people rediscover the beauty of the Hudson River and the historic towns lining its shores. It's exciting to see the waterfront come to life."

GDC, established in 1964, is based in Valhalla. The firm is one of the nation's premier full-service real estate design, development and management companies. GDC has developed more than 10,000 residential units during its 40-plus year corporate history, company officials said.