



LONDON TERRACE *Towers News*

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**Don't forget to Vote!
on November 2 and the 4th...**

**It is your right as a US citizen
to vote in our national elections
on November 2
and your right as a shareholder
in London Terrace Towers Owners, Inc.
on November 4.**

DO BOTH.

Vote!

Dear Fellow Shareholders:

On November 4th, we will be holding the Annual Meeting of Shareholders. It's at this meeting that we elect the nine-member Board of Directors of the residential cooperative. These nine people will also serve on the Board of Managers of the condominium. The commercial unit owners will have a separate meeting at a later date to elect three representatives to the Board of Managers.

Our By-laws require that there **MUST** be at least one director from each of our four buildings. The candidate with the highest number of votes from each building will fill the first four seats. The remaining five seats will be filled by the candidates receiving the highest number of votes, irrespective of their residence and including the Sponsor's representatives.

83% of the residential cooperative's shares have been purchased, leaving the Sponsor with 17% ownership. This should entitle the Sponsor to (definitely) one, maybe two seats. Because the Sponsor always votes all of its shares, they have been successful at winning more seats on the BOD than their numbers entitle them. They currently have three members on our Board.

I think every BOD member would tell you that the Sponsor's representatives on the BOD have been uniformly helpful, lending their expertise in the true spirit of cooperation. But they don't live here. They cannot have the same interest in the things that affect us on a daily basis or participate developing the "flavor" of our little community. Resident Board members live here, have a financial and personal investment in their apartment and building and care about the little and big things that they see everyday.

If we had close to 100% participation of the non-Sponsor shareholders, we could elect two new residential directors. Realistically, we should add at least one more residential Board member - for a total of seven seats. You need do only one of two things to make this happen: Vote or give your signed proxy to someone who will vote for you!

If you think you may be interested in running for a position on the Board and have questions, don't hesitate to call any member of the Board or Kathy Stanis, our building Manager. New people bring new ideas and new possibilities to the table...maybe you could be one of them.

Yours very truly,



Nancy Frawley
President, Board of Directors
London Terrace Towers Owners, Inc.

This and That at London Terrace Towers

Recently, a resident started a small fire (which was put out quickly by our staff, with little damage...WHEW!) by trying to snake his appliance wires with another wire. The wire cut the gas line hose. The lesson here is NEVER try to use a metal wire to move other wires and ALWAYS keep a fire extinguisher in your apartment.

You must contact the management office before doing any work in your apartment. Proof of homeowners insurance is required on order to do alterations.

While the exterior brick work is continuing and the sidewalk bridge is erected, do not chain bicycles to the pipes. They will be confiscated.

It is critical that you not throw anything out of your windows. Falling debris can hit the people who are working on the exterior project, causing injury. Lit cigarettes can (and has) caused a fire as the bridge is made of wood.

Packages left with the lobby attendant must be picked up within 72 hours or they will be returned.

You must let your lobby attendant know in writing if they have permission to sign for certified mail or it will be returned.

The luggage carts are available for everyone's use. They are to be used only ON THE PREMISES, extending to the curb in front of the building. If you use it, please return it to the lobby as soon as you are finished.

Laundry Room: In consideration of your neighbors, please clean up after yourself. This includes picking up fabric softener sheets, cleaning out the lint tray and removing soda bottles, newspapers, etc., you brought with you!

Laundry Room: DO not remove the laundry carts from the room.

Laundry Room: Report any out-of-order machines to the office or lobby attendant. They will call SDI to schedule repairs.

Try to remember that lobby attendants don't make up the rules. They are only doing their jobs when they inform you of the rules. Call the office if you have a complaint.

You must inform the office in writing of all guests staying in your apartment if you want them to have access when you are not present. The office will then inform your lobby attendant.

In the coming weeks, the furniture in the four lobbies will be sent out for repair as needed and reupholstering.

RESIDENT BOARD OF DIRECTORS

Nancy Frawley (405)
President

Sylvie Destian (470)
Treasurer

Allen Maniker (405)
Vice President

Thomas Arbuckle (465)
Resident Member

Scott Koniecko (410)
Secretary

Steven Engel (465)
Resident Member

Published quarterly for LONDON TERRACE TOWERS, INC. under the direction of the Board of Directors. Comments, suggestions and news for publication are welcome. To submit material, contact Edward Maichin or bring it to the Management Office. We reserve the right to edit, accept or reject submissions.

Contact Edward Maichin at: d1maichin@aol.com

Owen O'Sullivan Becomes Our New Superintendent



On Wednesday, September 29th, Owen O'Sullivan became our new Superintendent. Owen is married to Catherine and together they have four children - Conor, Liam, Grace and Aiden (born on September 24, 2004!).

Owen was born in County Cork and came to New York in 1981. He managed large construction projects for Olympia and York in lower Manhattan, ran his own Boston-based private business for several years and, missing New York, returned to the building management field two years ago. Owen rejected all suggestions that he take a position in other parts of town, preferring Chelsea or further downtown.

I want to give you a glimpse of the level of commitment you can expect from Owen. On his fourth day here - a Sunday - Owen got word that one 405 elevator was completely out of service and the other was malfunctioning. At about 3:30, he came to the lobby and manually operated the elevator until about 10:30 that evening, at which time the elevator company repaired it. While it wasn't the intended method of introducing him to residents, he certainly met a lot of people that day. Owen said it was "just one of the ups and downs" of running a building!

Please welcome Owen and his family to ours.

Carbon Monoxide Rules

Carbon monoxide poisonings are extremely dangerous and potentially fatal. This issue is so important, both New York State and New York City have passed legislation requiring the installation in dwellings, including cooperative units.

On May 5, 2004, Mayor Michael Bloomberg signed the New York City Carbon Monoxide Law (Local Law 7), effective in November of this year. The NYC law outlines the obligations of the "owner" (LTTO, Inc.) and the "occupants" (you) of Class A multiple dwellings.

Our duties are as follows:

- 1) provide and install one or more approved, operational UL- certified carbon monoxide detector within 15 feet of each bedroom or room used for sleeping purposes;**
- 2) post notices apprising the occupants of the requirements of the new law;**
- 3) replace within 30 days any devices which are inoperable, through no fault of the occupant;**
- 4) provide the occupant with information regarding carbon monoxide poisoning, testing and maintenance of the detectors; and,**
- 5) keep records as required by the commissioner of buildings (these have yet to be promulgated).**

Residents are responsible for the following:

- 1) keeping and maintaining the devices in good repair; and**
- 2) replacing any device which is either lost, missing, stolen, or rendered inoperable during their occupancy.**

In addition, transfer agents, attorneys and title companies require an affidavit, similar to the smoke alarm affidavit, be signed at every transfer of a cooperative apartment. This affidavit should state that the premises being transferred possess an operable carbon monoxide detector on the date of the transfer.

The law allows for charging residents for the cost of the detector and

installation. Douglas Elliman Property Management has investigated carbon monoxide detectors and will assist us in procuring the more than 1000 detectors we need at a bulk rate.

Prices start at \$14.95 for the detector which has to be installed by the staff at the rate of \$30 per detector for an installation similar to that of a smoke detector. There are also models that are AC powered with a battery backup and a bright digital display. While these models are approximately \$25.00, they simply need to be plugged into an outlet by one of our staff members. The BOD will decide which model is best suited for London Terrace at the next BOD meeting. Information will be distributed to you shortly.

Despite the requirements of this new law, if it saves one life, it certainly will be considered worthwhile legislation.

Using Your Equity The Reverse Mortgage

Despite the economy in recession and the lingering effects of 9/11, you've seen your apartment triple (or more!) in value in as little as five to ten years. To tap in to the ballooning equity, New Yorkers have taken out home equity loans or have done a refinancing. But for homeowners over the age of 62, on a fixed income, incurring an additional monthly expense may not be an attractive option. For this group of shareholders, a reverse mortgage can utilize the home's equity and provide needed cash without ever requiring a monthly repayment.

What is a Reverse Mortgage?

A reverse mortgage, as the name implies, works in the opposite way of a traditional mortgage. While a traditional mortgage decreases over time as the borrower's equity increases, a reverse mortgage loan, which has no monthly payment requirement, increases over time while the borrower's equity position decreases. Taking out a reverse mortgage requires no financial records, credit history or medical reports and puts tax-free money back into the hands of the shareholder or unit owner or owners that are borrowing the money. The borrower, who must be age 62 or older, can remain in their home without having to repay the loan, which only becomes due when the home is sold, the borrower dies or moves out.

Shareholders will be required to get board approval when taking out a reverse mortgage loan on their apartment.

No Payments for the Life of the Loan

One of the benefits to a reverse mortgage product is that there is no monthly payment required. The amount of the loan you can get is determined by three factors, the age of the borrower or co-borrowers; the interest rates and the adjusted value of the home; and third, the geographic location of the home.

If there is more than one name on the title or stock certificate, both applicants must be over the age of 62. The equity is greater for an older borrower. The older you are, the more money you will receive. When rates are low, you can borrow more.

To Good To Be True?

Some real estate industry experts caution that reverse mortgages may not always be the best choice. "A reverse mortgage is not for everyone," says Stuart Saft, LTT's General Counsel and a partner at Wolf, Haldenstein. "It is just one resource to raise cash for living expenses, capital improvements or long term care not covered by Medicare." You should explore other options, including looking for possible ways to raise cash with your life insurance policies.

While Social Security and Medicare benefits should not be affected by reverse mortgage proceeds, the monies may be counted as income or an asset by Medicaid.

Also, a reverse mortgage must be repaid when the homeowner moves out of the residence. If a person has to relocate for medical reasons or needs to move to a 24 hour care facility, it can be the worse time to sell and the borrower may be forced to settle for a lower price.

Lastly, you should consider your overall financial picture and what you want to leave to your heirs. Since the amount of the loan increases each year, it's almost like betting you will die before the equity in your home runs out.

DOB Work Permits Get Permission or Get Fined

If you're planning a renovation project, you know there's a lot to think about and arrange for long before the actual work begins. Your particular project could range from minor plumbing work to a gut renovation, but before any work begins, you'll have to determine whether you need a work permit, obtained through the New York City Department of Buildings (DOB). Most projects—other than general maintenance replacement and cosmetic work—do require at least this basic permit.

Although you ultimately bear the legal responsibility for obtaining the correct permits for the job, most arrange for their architects or contractors to procure the necessary documentation on their behalf before a job begins. The contract between the owner, contractor and any design professionals should clearly state who will obtain the permits.

The work permit is the work permit, regardless of the size of the job. Certain projects may also require other additional permits—demolition, electrical, plumbing and so forth.

For those trying to determine whether their project requires a permit, the New York City Building Code (Sections 27-124 and 27-125) explains minor alterations and repairs. Generally, cosmetic details such as painting, plasterwork, flooring, and cabinetry installation are examples of jobs that do not require a DOB permit. By contrast, demolition of walls, changes in layout and the relocation or reconstruction of partitions or doorways would require a permit. For more information on the construction, plumbing and electrical permit process, check the DOB's Web site at <http://www.NYC.gov/buildings>, where you can find pamphlets that explain general permit regulations and required forms that can be downloaded from the Resources link. This site also allows you to check on the status of your pending application.

In addition, you can contact the LTT management office at 212-675-2000, who can help you determine if a permit is required for the work you're considering.

The City's Role

Home improvement contractors are licensed through the NYC Department of Consumer Affairs, while architects and engineers are licensed through the New York State Department of Education. Permits are issued only to those contractors and other professionals who are licensed and insured. You can also check the DOB Web site for disciplinary actions that have been levied against licensed contractors, such as plumbers, electricians and other tradesmen. And before hiring a plumber or other licensees, you can contact the DOB's Licensing Division at (212) 566-4100

to verify if the licensee has a valid license and proof of insurance before you sign the contract.

If you have solid professionals working for you as a team and you do your homework before they go to the city to obtain your permits, the process should go smoothly and will be simply an administrative formality. The filing process could be completed in just a few days, depending on how you file.

Approval times will vary based on the complexity of a project and the way that the licensed professional - the architect or engineer - submits the application and plans. For example, if s/he submits the application on a diskette using the department's PC filing program, no time is spent waiting for data entry. If s/he comes directly to the agency, s/he receives priority filing privileges, basically going to the head of the line over expeditors and filing representatives.

Keep in mind that if you have an incomplete application or project plan that is not compliant with the city's regulations, then the approval process will obviously take longer. In order to be code compliant, the project must meet the city's zoning regulations, the city's Building Code, the Fire Protection Code, and the Housing Maintenance Code, as well as related laws, such as the New York State Multiple Dwelling Law, which discusses issues like fire-rated partitions, handicapped access, and egress.

In issuing a work permit, the DOB may look at any aspect of the documents submitted for approval. The DOB often focuses on safety issues and building code.

The size of a typical project does not affect permitting requirements except that filing fees are based upon cost of the work.

The Price of Noncompliance

If you don't have the appropriate permits before renovations begin on your property, you may be ordered to stop work and/or be issued steep fines. Depending on the severity of the infraction, a typical fine is \$500 to \$800 per violation. If you ignore a stop work order, you could be subject to criminal penalties. No project may begin without the proper permits available on the project site and the approved, stamped set available on-site for the inspector's review.

It doesn't matter who actually comes to the DOB to get the permit. The department holds a property owner ultimately responsible for getting the necessary approvals and permits for construction work. If the DOB visits a site and finds a contractor working without a permit, they will stop the work and issue violations. In such cases, a violation may be issued to the contractor and to the property owner. Similarly, if the cooperative finds work going on without the proper paperwork being completed (including the signed alteration agreement and proper certification of the contractor's insurance), no approved plans or without a work permit from the DOB, the cooperative will shut down the job.

Just as the property owner is ultimately responsible for permit violations, the owner is also responsible for keeping track of the permits issued for the project. You might have to produce your permit and/or prove that you have permission and clearance to do the work you're doing if a building inspector visits the work site or if any accident should occur.

Illegal work can have significant ramifications. It can jeopardize the physical and financial health of a building. Avoid violations, court dates, and penalties by simply doing construction work legally from the start.

Health Club

New in the Health Club

by Wing Kee Kwok, A.F.P.A.

Welcome back! I hope that the summer was good for you. There are many new features at the Health Club and Pool to help you to maintain your health.

At the Health Club, you will see that we have added some new equipment! The new Torso Rotation Machine is a complement to the Abdominal Cruncher and will help to firm up and trim off the oblique muscles. Complementing the Shoulder Press machine, we have the Lateral Raise Machine to build up the deltoids. With these two additions, we have a very complete machine circuit for our members, especially for those who are not comfortable with free weight training. If you have any question regarding these machines, the staff members will help you on any piece of the equipment in the Club.

Two of the treadmills have been replaced by the newer models! The Quinton and the Life Fitness treadmills have smoother treads and state of the art control boards. The Quinton treadmill is the best treadmill in the market and the Life Fitness brand has been preferred by many members.

The layout of the Health Club has been changed to yield more space of the Free Weight Area. There are quite a few members being trained by personal trainers. Most of them prefer training with free weights and the new layout relieves the congestion during peak hours.

Currently, we offer six classes in yoga, stepping, and body sculpting. They are all aerobic type classes. We will also be offering new classes to offer a more diversified workout. One will be Weight Training Class for different body parts. This is to give those members, who do not employ the service of a personal trainer, weight training methods as well as the alternate ways of training each body part. We also plan to offer a Water Aerobic Class. Please look out for the schedule notices of these classes.

Now that we are once again going into the cooler weather, our Health Club and Pool is the perfect place to keep all of us to maintain a healthy and active lifestyle.

Gym Hours: Monday through Friday: 6:00am - 10pm, Saturday & Sunday: 8am - 8pm. Pool Hours: (closed Wednesdays) Monday, Tuesday, Thursday, Friday: 6:30am - 10 pm, Saturday & Sunday: 9am - 6:45pm.

Gym Dandy

In between your squats and crunches, you may have spotted a new piece of equipment in the gym looking a bit like a giant spider web. The StretchMate Series 500 was generously donated by neighbor and shareholder, Susan Singer of the Corcoran Group - not only as a thank you to all the residents for their support - but to promote and encourage tenants of all ages to take advantage of the gym. Perfect for older adults who want not only to get pumped, but reduce the risk of arthritis or even falling - the StretchMate is an ideal workout partner for strength training, keep-limber and improving balance.

Talk about monthly maintenance!



Morelli's

A Neighborhood Treat!

187 Ninth Avenue, between 21 and 22 Streets

Chris Morelli, former menswear designer and artist, is the owner of Morelli's.

This understated neighborhood Italian restaurant offers the best of homemade southern Italian cuisine and a comfortable environment. The menu features a fabulous seafood stew, roast loin of pork in natural juices and wild mushroom ravioli...and you MUST have the very best and biggest meatball in town, made from his Mama's family recipe. The waiters are friendly and personable. There's a fully stocked bar and good wine selection.

Morelli's is also available for private parties, catering at your home or take-out. London Terrace Towers residents, enjoy a 20% discount on all entrees.

The London Terrace Towers Annual Meeting Of Shareholders

will be

Thursday, November 4, 2004 at 7:30 PM

The General Theological Seminary 175 Ninth Avenue (between 20th and 21st Streets)

Are You a Candidate for the Board of Directors?

If you are interested in standing for election for the Board of Directors, you are invited to prepare a one page bio/resume/statement expressing your willingness to serve on the Board. It must be delivered to the Management Office (405/2E).

The Office will make copies and distribute them to all shareholders, including mailing them to nonresident shareholders. The election ballots will be printed and distributed with the names of all those who announce their candidacies by this date.

The Importance of the Proxy

If you cannot attend the Annual meeting yourself, your shares can still be represented and voted if you give your proxy to another shareholder who will attend the meeting. The LTT By-laws dictate that shareholders representing, in person or by proxy, a majority of the outstanding shares constitute a quorum. Without a quorum, the

corporation cannot conduct business, including the election of a new Board of Directors. In addition, it can be quite costly for the corporation to schedule another meeting...the meeting room, electioneers' fees, our lawyers and accountants fees, overtime for our staff, etc.

You can send your proxy to the Management Office at 405 West 23 Street, 2E...or you can FAX it to the Office at 212-675-3614...or you can leave it with your lobby attendant in a sealed envelope addressed to the Management Office...or you can give it to a friend who will be attending the meeting. Don't delay. Do it right away.

Remember that if you come to the meeting, giving your proxy to someone else was just a safety measure. Your presence nullifies the proxy and you can vote yourself.

Q's and A's About Voting

How do I find out the number of shares I have?

The number of shares you own can be found in your copy of the Offering Plan, Part II, beginning on page 21. The apartments are listed by building (405, 410, 465, 470) and apartment line (i.e., A, B, etc.). You can also call the Management Office at 675-2000 for that information.

What if I don't do either, can I still vote?

Yes, the information will also be available at the meeting. In fact, if you turn in your ballot without the shares written on it, the electioneer will do it for you.

Are the number of shares I own the same as the number of votes I may cast?

No. Since there are nine seats on the Board of Directors, you are entitled to vote the number of shares you own times nine. EXAMPLE: If you have 550 shares, you may cast (550 X 9) 4950 votes.

How many candidates may I vote for?

You may split your votes any way you choose as long as you don't exceed the number of shares you own times nine. You may vote for as many candidates as you choose. You may also give all of your votes to one candidate.

Is there an easy way to cast my votes?

Yes, you may enter a percentage number on the line next to the name of the candidate(s) you want to vote for. Be sure to use the percentage sign (%) lest the electioneer counts it only as that number of votes!

To whom may I give my proxy?

You may give your proxy to any shareholder attending the meeting. You may also send it to the Management Office by 5:00 PM on the day of the meeting. You may also FAX it to the Office at 212-675-3614.

If I leave the "appointee" space blank on the proxy, how are my shares voted?

Your shares will be voted by the current Board of Directors.

Must I vote for a candidate from my building?

No. While the Cooperative's By-laws require that one director be elected from each building, you may vote for whomever you choose.