

201 NEWS

WINTER
2022

THE NEWSLETTER OF 201 WEST 16TH STREET

Welcome

16B – **Ivey Deibel** is new business development manager at Steelcase.

15G – **Briana Roche** moved to 201 from the West Village and works in the Wealth Management division at Merrill Lynch.

18E – **Tracey Underwood** is a producer for The Walt Disney Company.

Deja Vu All Over Again

Longtime resident **Barbara Brazong** has re-joined the board of directors of our cooperative. When our board president resigned after selling his apartment, we were one member shy of our usual seven-member complement. Barbara knows the building, understands the board's responsibilities, and was a willing victim. She has been appointed to the board for the balance of Charlie's term. Welcome back Barbara.

Bicycles

Once again, the collection of bicycles stored in our basement is exceeding the amount of storage space we have available. And that is occurring even though we added significantly to the available storage spaces several years ago. Many seem to be suffering from non-use neglect. If you have a bicycle that you are not using, please consider removing it or notify Cristian if you would like to donate a bicycle to a charity. This will free up space for others who are actively using this clean mode of transport more often.

Our New Mortgage

The first payment has been made on our remarkable new mortgage through Investors Bank. The rate is 2.85% for 10 years. As mortgage rates ticked down substantially since the financial collapse in 2008, we resisted many entreaties to refinance along the way. As it turns out, our reluctance appears to have paid off. At this writing, the Wall Street Journal reports that "mortgage rates have risen to their highest rate since March of 2020." Luck or a brilliant stroke – we ended up with what looks like a new mortgage on very advantageous terms.

Reverse Mortgages

Many times over the past 30 years, some of our shareholders have asked the Board of Directors about the possibility of taking out a reverse mortgage on their cooperative apartment. This type of loan has been allowed on condominiums but not with cooperatives because of their different ownership structure. As a result, some shareholders in the past have chosen to sell their homes to capture the value of their apartments when they might have preferred to remain at 201.

Finally, there is relief in sight for shareholders who might want to consider this option. In December, Governor Hochul signed a new law allowing a cooperative shareholder 62 or older to borrow against the equity in an apartment. A reverse mortgage is a complex financial instrument with many restrictions and safeguards. This newly passed legislation goes to the Department of Financial Services of New York State to draft the mechanics of the measure. Looks like we could have an update on progress by mid-year.

Cooperator Renovators

The pace of renovation at 201 has been amazing. Another sign that hunkering down has made us all rethink our living spaces? Over the past four years, apartments at 201 have been under renovations large, small and in-between. At most times, we have had 2-4 projects ready to start when another renovation reaches completion. This pace is a great vote of confidence in New York, Chelsea and our building. Plans have led to many gorgeous renovations, often without more than a fair share of challenges. These renovations don't include the many paintings, floor refinishing, floor and window coverings and other small projects that also occur on a nonstop basis.

Sponsor Sale

The sponsor who converted 201 from rental to cooperative ownership in 1985, Time Equities, has sold another apartment in our building. They now own only seven apartments, representing about 7% of the shares in building. They have another apartment that is empty and have presented plans for a renovation and ultimate sale, so that their share of our building is likely to continue to diminish. Sponsor ownership in a co-op can be an issue for lenders who sometimes feel that they can carry too much influence on decisions related to a property. But once ownership falls below 10%, most lenders consider this to be a non-issue. This represents an important advantage for our coop in future financing and other considerations.

Lockers

There are still a few basement storage lockers available. If you are in need of a place to store your Santa gifts for later re-gifting, see Cristian who will be glad to show you the available lockers.

The Shade Store

At long last, they have arrived at our door, literally and figuratively. We welcome their bright airy buildout and the traffic it is driving on the sidewalk at our corner of Chelsea. If all goes as planned, they will be our tenant and neighbor for 10 years, at least. We have mentioned many times that this is the first new tenant in our space in over 40 years. The merchants have changed over the years, but they were subtenants of the master lease holder, not direct tenants of our cooperative. This begins a new era of control over our retail space. If you need custom window coverings, we urge you support your new neighbor and try The Shade Store first.

We are still marketing our remaining retail space to viable tenants. The Delta and now Omicron variants of Covid have seemingly slowed inquiries. We will probably need to see an uptick in tourism, a "return to office" effort, better control of COVID and nicer weather to support a stronger return in our retail sectors. Hopefully soon!
