



WINDSOR NEWS

President's Message

Robert Tracey (4705)
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The current board has been in place for four months and the Windsors are already beginning to see some of the fruits of its labor. One of our first major decisions was to end the relationship that the Windsors had with Nancy Lovett. A question was raised as to whether there existed a conflict of interest by having both Nancy Lovett and Ken Lovett involved with the rental

units. The board decided that even the appearance of a conflict should not exist, so we terminated the relationship with Nancy. Since that time we have had a plethora of real estate brokers showing a renewed interest (from Riverdale and Manhattan) in the Windsors. As a side note, over the last two years over \$44,000 has been paid in commissions for renting apartments. As of June, commissions are no longer being paid by us for rental

units. Our apartments are once again becoming desirable (as they should be) and rents have increased as has the share price. I could spend time praising every board member, and many, many shareholders, but I must give **Joselyne Reyes** a special thank you for her hard and tireless work as Admissions chairperson and **Rosalina Colon** for her efforts as treasurer and Audit committee chairperson.

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Important News

- **Mark your calendar!** Shareholder Meeting and Dog Policy Referendum, Monday, November 5, 8 p.m. at the church social hall next door. It is the Board's fervent hope that most, if not all, shareholders will make every effort to attend this most important referendum, which will have a dramatic impact on the quality of life of all shareholders and tenants of The Windsors.
- The Shareholder Meeting Monday, November 5th will also feature an informal informational presentation following the referendum. We hope to see you there!

Windsor Swim Club 2007 Season

Fred Levy (4901)
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We had another wonderful summer in "our own backyard" at the Windsor Pool. Thank you to all of our members and guests for another great year at "the Best Pool in Riverdale". The Board

of Directors would like to thank the members of the pool committee for a job very well done and would especially like to thank neighbor and pool committee point-person, **Jennifer Wray**, for a multitude of contributions beyond the role of committee volunteer. See you next season!

The Windsor Swim Club MVP – Most Valuable Pool member, Jennifer Wray.



Finance Report

Rosalina Colon (4901)
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TREASURER REPORT

As of August 31, 2007, the cash balances in the

WAHC (Windsor Apartments Holding Corp.) operating and reserve accounts are \$102,000 and \$799,030 respectively. The cash balances in the WAI (Windsor Apartments, Inc.) operating and reserve accounts are \$116,000 and \$613,000 respectively. The accounts are maintained with North Fork Bank and are currently earning a monthly interest rate of 4.9% and an Annual Percentage Yield (APY) of 5.00%. WAI also maintains a stock account with National Coop Bank which is expected to pay a first year dividend in the amount of \$38,000.

The deficit for WAHC, without the sale of apartments, is estimated at (\$319,407) and the operating deficit for WAI is estimated at (\$33,740). This is attributed to the lack of apartment sales to date and to operational expenses exceeding income (i.e Rental Income). At this time, we must collect a minimum of \$400,000 in apartment sales to balance the budget. Without proceeds from apartment

sales, a maintenance increase of 16.2% would have to be applied. The Board and the Admissions Committee have been working diligently towards selling apartments to collect the required proceeds to balance the budget. Currently, the Board has approved the sale of a studio apartment and is in the process of executing a sale of a one bedroom apartment. The Board anticipates to cover the operating deficit with the proceeds of these two sales.

There are capital improvement projects currently underway which require a projected capital expenditure of \$1,051,000 as of August 31, 2007. As previously mentioned, we have \$613,000 available in the reserve account (WAI). Clearly, this is not enough to cover these projects leaving a balance of \$438,000 additional funds needed. In addition to the Board's ongoing efforts to sell apartments, the following options to raise the additional funds needed are also available and are currently under Board review:

- a. Borrow from WAH reserve fund
- b. Drawing from the Line of Credit
- c. Repayment of WAH loan to WAI

AUDIT REPORT

The audit committee was formed at the request of the shareholders in effort to promote transparency of internal operations and to prevent wrongful activity. In addition, the committee assists the Board of Directors in the effective discharge of their responsibilities and to prevent the exposure of financial loss and decrease in share value.



An audit report was submitted to the Board of the Directors on August 6, 2007. The audit scope covered the following.

- Review of financial statements
- Review of service contracts (vendor agreements)
- Review of internal operations with a focus on internal controls (i.e. administrative and operating expenses and on-site visits)

Overall, there were no issues identified of high severity. Observations noted and recommendations made by the audit committee are currently being reviewed and addressed by the Board.

As the coordinator of the audit committee, I would like to thank all the committee members for their time and hard work.

— Rosalina Colon



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Capital Improvements Report

Kevin Madden (4705)
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As everyone knows the Garage work at 4705 is in progress. Its start was held up as the Contractor (Valente) and the Engineer (Cowley) felt the existing condition of the rear wall (above the Cabanas) needed to be addressed before starting the garage work. The board was told an extra of between \$40,000 and \$50,000 would be required to shore the wall to allow the garage work to proceed. The board rejected this as we felt the condition existed at the time of both design by the

Engineer and bidding by the contractor. It was then presented to us that the shoring could be done for around \$16,000. Once again we rejected the extra cost, so a meeting was called. All parties including Capital Improvements committee members were present. At meeting's end it was agreed by all parties that both contracts could be executed simultaneously saving any extra costs being incurred by The Windsors.

In reviewing the rear wall contract it was discovered that the contract for the job

had overlapping elements in it with the contract for replacing the windows. Subsequently the rear wall contract was reduced by some \$30,000. Recently the Capital Improvements committee had a meeting with Bob Amato, Remo Rosano and Valente along with some board members. Valente said they were a few days late starting due to the shoring condition discussed earlier, but felt they could make it up during the formwork period by adding extra manpower. Understanding that there are many coordinating issues pertaining to the involvement of two contractors in the same workspace, Valente has conveyed to me that they would work with Pyramid in executing the job within the original schedule of the job.

Professional Services Report

Mark Baker (4705)
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The Professional Services/Special Investigations Committee has undertaken several distinct efforts over

the last few months, most importantly, having arranged for the board to interview several attorneys. Ultimately, the Board selected Errol Brett, Esq., a solo practitioner with offices in Great Neck, New York, and years of experience in co-op matters.

The Committee has also carried out several inquiries regarding matters that had been earlier raised during the recent election

campaign. First, with regard to the new air conditioning/convection units that had been allegedly placed in several apartments belonging to former board members without formal board approval, it appears that such indeed was the case. However, the new units were installed at the direction of the Lovett employee who had then been the on-site agent. Following consultation with our new attorney, we were advised, however, that the statute of limitations has run and that the building is precluded from taking any action against management in order to recoup

such unauthorized costs.

With respect to the allegation that a former board president was allowed to purchase his apartments at a greatly reduced price, it appears that — contrary to earlier information — the majority of the board members then present had indicated their assent to the offer, even with the then president abstaining. Counsel advises that under such circumstances, the present board — as opposed to shareholders — is precluded from taking any recoupment action.



In reviewing the rear wall contract it was discovered that the contract for the job had overlapping elements with the contract for replacing the windows. Subsequently the rear wall contract was reduced by some \$30,000.

Admissions Report

Jocelyne Reyes (4901)
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The board and admissions committee has been working on trying to increase the value of our home.

We have been under-selling ourselves and in effect lowering the value of our property. Our goal is to sell apartments at \$550 a share. While some shareholders have been selling near this amount, many have been selling for well under \$400 a share. As shareholders, we need to be educated in this area. After speaking to several realtors we have learned that selling for such low prices effect our comps and the ability of other shareholders to sell at a higher price. Keeping this in mind we ask shareholders to assist us in increasing the value of our property and in getting what they deserve for their apartments. We have placed three

apartments on the market. 14J in 4705 is being listed at \$550,000, 11C in 4705 for \$294,000 and 14L in 4705 was listed for \$299,000 and we have just received an offer for \$285,000!

Let this serve as an example that we can get more!! However, we need to work together. If you are looking to sell don't hesitate to speak to the board or the admissions committee. We are here to help.

I would also like to thank Sheldon for all his help in putting up apartment layouts on the website and listing vacancies. We have several realtors listing our vacancies as well. Some of you may have seen realtors showing our apartments.

Finally, the admissions committee is looking into adding a criminal and/or predator background check to our application for our protection.

Decorating Report



The decorating committee was formed to give participating members the opportunity to exchange innovative ideas towards beautifying our buildings at low cost due to strict budget constraints.

This committee has submitted a letter to the Board requesting for approval on cosmetic changes to be done to the lobby of 4901 Windsor North. For example, one of the requests was to remove the rock gardens in the lobby of 4901, filling the space with marble tile, and placing potted silk palm trees as décor.

The committee has also discussed the possibility of placing book shelves in our laundry rooms to promote knowledge sharing. The possibility of ordering upgraded vending machines for each building containing healthy snacks and beverages. There are other great ideas which are on the table for further discussion. As the decorating committee coordinator, I would like to thank all the committee members for their participation and enthusiasm.

— Rosalina Colon

THE WINDSORS

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President, Dr. Robert Tracey

Vice President, Mark Baker, Esq.

Second Vice President, Kevin Madden

Treasurer, Rosalina Colon

Member, Fred Levy

Member, Joselyne Reyes

Webmaster/Secretary, Sheldon Reich

Communications

Sheldon Reich (4901)
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This newsletter, pool flyers, the web site, etc. are the tools the Communications

Committee uses to get the word out about our great home. But I can't do it alone, that's why I must single out **Elaine Terrell** for her assistance in helping the Communications Committee get out this newsletter and **Gina Molano** for designing an all-new brochure to help with rentals and sales of apartments.

Fitness Report

The fitness committee has been busy. We have broken down into two subsets; Studio C in the north building and the fitness center in the south building.

4901 Studio C — The decision to place a fitness center will be based partially on the costs involved in setting it up. **Andrew Kim**, **Donella Crosnach** and I have met with a contractor and a representative from Gym Source to help determine the approximate cost to put together such a facility. Though these are not sealed bids, it gives us a good handle on what the cost will be. \$80,000 seems to be a reasonable estimate of the cost.

4705 Fitness Center — A new elliptical cross-trainer (Precor 576i) has been added to our cardio equipment. The old Elliptical has been removed.

— Robert Tracey

