

# The New York Times

---

November 25, 2010

## Q & A

By **JAY ROMANO**

### **When a Spouse Seeks Board Membership**

**Q** *My wife bought a co-op before we were married. The board said I could not run for a seat on the board unless I was a shareholder. Didn't I become a shareholder when I married my wife?*

**A** “Marriage to a co-op shareholder does not result in an automatic ownership interest in the apartment for the new spouse,” said Arthur I. Weinstein, a Manhattan lawyer. For the writer to become an owner, he said, the writer’s wife must request that the co-op formally change the ownership of her stock and proprietary lease to include her husband as a co-owner. He said the writer should review the co-op’s bylaws, because many allow the spouse of a shareholder to serve even if the spouse is not a shareholder.

### **Co-op Documents That Can Be Tossed**

**Q** *I recently became treasurer of a four-unit co-op in Park Slope, Brooklyn, and I'd like to clean out our file cabinets. We seem to have every piece of paper going back to the establishment of the co-op in 1985. What can I get rid of?*

**A** Eric D. Sherman, a Manhattan real estate lawyer, said that documents that should be permanently retained include tax returns and work sheets, year-end financial statements, accounting ledgers, audit reports, permits and licenses, apartment alteration agreements, minutes of board and shareholder meetings and documents like the offering plan, master proprietary lease, articles of incorporation, bylaws, rules and regulations, and amendments. “The co-op should also retain all employee applications and personnel records of current employees, as well as records relating to employee benefit plans,” he said. Documents like contracts with managing agents and contractors generally may be destroyed after seven years. And while tax returns should be retained permanently, the documents supporting income and expenses, like bank statements, bills and canceled checks, also can be discarded after seven years. “These are guidelines,” Mr. Sherman said. “It is always safest to contact an accountant or other professional for guidance.” Documents should be destroyed using a thorough method like shredding, to ensure the confidentiality of the information they contained.

### **Destabilizing a Rental in a Condo**

**Q** *If a rent-stabilized apartment in a condominium is vacated, is it automatically de-stabilized?*

**A** When a rent-stabilized tenant vacates a regulated apartment in a condo, the owner may either sell the unit or rent it as a market-rate, unregulated apartment, said Joel Abramson, a Manhattan real estate lawyer.

## **When Sponsor Units Are Finally Sold**

*Q I have been shown co-ops for sale that were “sponsor apartments,” which the broker said did not require board approval to be sold. Is this right?*

**A** Aaron Shmulewitz, a Manhattan co-op and condo lawyer, says that when a building is converted from a rental to a co-op, the sponsor retains ownership of the shares for apartments occupied by tenants who did not buy into the co-op. Under most co-op proprietary leases, Mr. Shmulewitz said, a sale by a sponsor is not subject to board approval. But, he said, the writer should examine this co-op’s proprietary lease to confirm that what the broker is saying is correct.

*Email questions to [realestateqa@nytimes.com](mailto:realestateqa@nytimes.com). Answers can be given only through the column.*