

# **EXHIBIT 1**

425 EAST 86 STREET APARTMENTS CORP.

425 East 86th Street  
New York, New York 10028

Board of Directors Meeting

September 7, 1999

In Attendance

George Greenberg  
Andrew Winkler  
John Adams  
Helen Wasser  
Patricia Carbon  
Janet Kaiser

The meeting was called to order at 7:00 P.M.

The minutes of the prior Board meeting were approved as submitted.

Superintendent's Report

Sammy is looking into placing a stand by pump in the basement due to the floods that have occurred in the past year from heavy rains. Sammy explained that the floods are occurring because the city drainage is insufficient for the neighborhood and therefore backs up.

Reported that Julius has completed radiation treatments. Further discussion was tabled until the next meeting.

The tank will be cleaned the week of September 13th. Water will be shutdown in the building for 6 hours.

The 12th floor painting will be completed the week of September 7th. The 15th Floor painting will begin upon the 12th floor completion.

## Management Report

- Shareholder Issues Mr. Gerard, Apartment 15B has reported that his drain though snaked is still not working. staff will check it out.
- Apartment 3E The Board discussed the issues with regards to the sale of apartment 3E, after a second vote the Board made a motion to stand by the original vote and not approve the prospective buyer. John Adams did not participate.
- Chimney Joe Simpson reported that three contractors have visited the property and inspected the chimney. We are awaiting proposals and will forward to the Board upon receipt.
- Drs. Office Dr. Burns is adhering to the guidelines regarding the fire door.  
Dr. Kurtz will be sent a certified, return receipt letter notifying her of the current fire door obstruction which requests that it be corrected immediately.
- Lobby A/C Joe reported on the proposals regarding the lobby air conditioning. Janet Kaiser refereed Joe to Grundman Mechanical and ask that he obtain a proposal.
- Welcome Booklet The Welcome Booklet was tabled until next meeting.
- Time Warner Time Warner proposal was tabled until the next meeting.
- Garbage Disposal The Board requested that AKAM again distribute the memo of June 10th regarding refuse and recyclable disposal.
- Terraces The Board decided to accept the conclusion from Herb Cohen, the buildings attorney, with regards to the Penthouse Terrace area. The Board concluded that there is no legal basis for any claim to be made to any part of the roof area. Penthouse owners have exclusive right to the use of those areas. George Greenberg abstained from the discussion.

## Tax Certiorari

Richard Steinberg of Brandt, Steinberg & Lewis was invited to join the meeting to discuss the current status of the tax protest proceedings. After a lengthy discussion the Board decided to reject the offer from the city.

There being no further business the meeting was adjourned.

# **EXHIBIT 2**

**Building Maintenance** – Mr. Roman reported on two plumbing repairs which were performed while he was on vacation. At this time, management reported that the staff handled these issues well in Mr. Roman's absence.

**Facade Water proofing** – Mr. Roman reported that the waterproofing work was almost complete and that Standard would be returning to complete the lower front façade cleaning after the gas conversion work has been completed at the front of the building. After this work has been done there is some flashing which remains on the PH-A roof.

**Plumbing** – Mr. Roman reported that the plumbers are working on the booster pump installation. Prior to the installation being made they would like to ensure that the added pressure will not negatively affect the lower floors.

The Board inquired about apartment repairs due to building leaks and Mr. Roman reported that this work would commence over the next few weeks.

#### Building Finances

Mr. Munves provided an update on the building's financial position as it relates to capital projects and the building's budget. Mr. Munves also discussed a 5 year capital plan which may include such items as an oil tank replacement, electrical study, ground floor office windows and doors. Management will follow up with Mr. Munves on financial items mentioned in the monthly financial statement for the building.

#### Board Discussion

**Gas Conversion** - Mr. Munves provided the Board with an update of the gas conversion project. The project is on schedule as it relates to work in the building such as the construction of a meter room, gas piping, open air duct from the meter room vented to the outside of the building and burner installation. Work that remains includes the installation of the gas pipe line outside of the building which Con Ed will oversee, the installation of the gas regulator, a final Con Ed inspection and the meter installation. This work is expected to be completed within the next few weeks and close to the start of the heating season.

**PHA Alterations** – The Board discussed a request from the shareholders of apartment PH-A to replace a terrace door which is not in sound condition. The Board considered this request, in conjunction with the Proprietary Lease language and advised that the door can be replaced in kind.

#### New Business

Management was requested to review procedures with the staff concerning daily operations and security.