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Looking Back at 2010

Hiroko Masuike for The New York Times

This year, attention was focused on yet another danger looming overhead — and jutting underfoot: the balcony. A Manhattan building corrected and reopened its problem balconies.

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Ever-rising Maintenance Fees

Marcus Yam/The New York Times

A workman erects a temporary wall.

RISING maintenance costs were high on the complaint list for apartment owners in 2010, and that's not likely to change in 2011.

Last spring, as co-op boards were gathering across the city ("It's Co-op Meeting Time. No, Your Fees Will Not Go Down," May 23), property managers predicted maintenance increases of 5 to 7 percent in 2010, mostly because of taxes.

But maintenance fees went up an average 11 percent in 2010, and property managers anticipate they could rise by as much as 15 percent in the coming year. Property taxes were again named as the main culprit for the heftier maintenance bills this year and next.

Average carrying costs for Manhattan co-ops and condos rose to $1,855 a month in 2010, from $1,726 in 2009, according to data compiled by Jonathan J. Miller, the president of the appraisal firm Miller Samuel and a market analyst for Prudential Douglas Elliman. Five years ago, in 2006, the average was $1,491, nearly 25 percent lower.

Property managers, who recently sent out notices about maintenance increases that will take effect in January, said increases would range from as low as 3 percent to 15 percent, depending on whether a building had deferred any costs in recent years.

Tax bills are on the rise because of a tax rate increase that kicks in on Jan. 1, and because tax assessments are continuing to go up despite the relatively flat real estate market. Assessments have not gone down even as values have dipped because they are phased in over a five-year period, and tax bills are still being calculated using property valuations that were made when the market was booming in 2007 and early 2008.

“Even though we were in a down financial situation, real estate taxes saw huge jumps last year and the year before,” said Stuart Smolar, the executive director of the Andrews Building Corporation, which manages more than 300 properties. He said the average tax increase this year, though, should be a little lower.

Stuart M. Saft, the chairman of the Council of New York Cooperatives and Condominiums, said that “a couple years from now, when tax appeal hearings are held,” and the highest valuations are replaced by lower ones, “there will finally be some reduction in real estate taxes.”

The combined tax rate and tax assessment increases are a “double whammy” for homeowners, said Dan Wurtzel, the president of Cooper Square Realty, which manages 400 buildings in New York City.

Using an Upper East Side building with about 160 units as an example, Mr. Wurtzel said that the building’s assessed valuation last year was $8.8 million, giving it a $1.165 million tax bill. This year, the assessment rose to $9.5 million and taxes went up to $1.268 million; and the bill starting next July is estimated at $1.4 million because of an anticipated $10.1 million assessed valuation. “Everything is going up every year,” Mr. Wurtzel said.

In addition to property taxes, buildings must contend with rising utility costs and salary increases of about 3 percent negotiated last spring for the 30,000 unionized doormen, porters, janitors and building superintendents. **VIVIAN S. TOY**

Temporary Walls Prove Resistant

HOW to find an affordable way to live in an unaffordable city? It is a question just about every New Yorker has asked. And one answer has long been to find a small space, split it into two even smaller spaces with a partition of some kind, and share the cost. But this year, temporary walls came under increased scrutiny. ("The Fall of the Temp Walls," July 18.)

After a prosecutor decided to level manslaughter charges at the owners of a building that had a fatal fire in 2005 and, more recently, the city sought to eliminate illegally installed walls in the Stuyvesant Town complex on the East Side, many management companies began to worry about their legal liability if walls had been erected without the proper permits.

The New York City Department of Buildings staged a sting operation last spring, visiting apartments listed for rent on Craigslist, and found that of 62 apartments — renting for $750 to $1,200 a month — 54 were illegal conversions. Thirty-three were in such bad shape that the city ordered they be immediately vacated.

The department has its work cut out. Temporary walls are everywhere, from an apartment in Murray Hill shared by recent college graduates, to a windowless basement in Queens bursting with workers eking out a living.

The city has focused on the most dangerous living arrangements. But for those whose situations are not so obviously problematic, the varying policies of landlords have caused as much confusion as prevention.

Robert D. LiMandri, the commissioner of the buildings department, said that the agency was working to provide clarity for renters on what is legal, including creating a Web page to help consumers recognize an illegal conversion.

"If you are looking for an apartment in Brooklyn and the market rate is $3,000 and it is renting for $1,800, you have to ask yourself why it is so cheap," Mr. LiMandri said. "People have woken up and they realize they are trading their safety for a better deal on an apartment."

Donny Zenger, the project manager of All Week Walls, a company that specializes in installing pressurized walls in New York City apartments, said the conflicting messages coming from building managers had caused chaos.

Enlarge This Image

Yana Paskova for The New York Times
An unlost section of Colonnade Row in Manhattan.

Enlarge This Image


Yana Paskova for The New York Times
Parts of Colonnade Row are now parked in a lot at the Delbarton School in Morristown, N.J.

When some companies first moved to ban the walls, Mr. Zenger said that brokers and others in the industry “were very frantic and it was very hurtful” to companies like his.

But as time passed, it became clear that many landlords were not willing to sacrifice the higher rents they could charge by allowing the walls, and enforcement was scattershot.

“The management companies are not resolving anything or taking steps to solve the problem,” Mr. Zenger said. “They are just masking it.”

He said he had worked with clients who had been told they could split the apartment, only to be informed after signing the lease that the cost and responsibility of securing the necessary permits would fall on them.

“It is a lengthy and expensive process,” he said. “It takes at least two months and costs a lot of money. No one is going to do this.”

Mr. Zenger, who says that his company is licensed by the New York City Department of Consumer Affairs and has never run afoul of fire-code laws, said one solution would be for landlords to inspect their own premises to determine where walls can be erected legally before renting out apartments, saving everyone trouble. **MARC SANTORA**

Tumbled Marble

THE Aug. 8 article and video about “The Mystery of the Lost City” reported that a long-abandoned litter of old marble columns in the woods near the Delbarton School in Morristown, N.J., had been discovered to be from the demolished half of Colonnade Row in TriBeCa.

In a rush of correspondence, one writer stated that the “missing columns” from Colonnade Row were actually in Ringwood Manor, N.J., and demanded a correction. The Ringwood columns are indeed handsome, but they are not from the 1833 Colonnade Row, the surviving stretch of which is on Lafayette Street just south of Astor Place. Another correspondent, David Lee Smith, pleaded, “Please let us know that they are not going into a landfill.”

Mr. Smith, our patience will be required, because several dozen tons of marble do not have obvious reuse value. Some of the pieces, especially the capitals, have severely deteriorated, even in the view of someone like me, whose taste runs toward ruination. And if the idea is to reconstruct some of the Colonnade Row facades, too many pieces are missing. Luther Kountze, who rescued the marble early in the 20th century, did not save all the elements of the facade.

The Metropolitan Museum of Art acquired four elements: base, bottom drum, top drum and capital. Morrison Heckscher, the Lawrence A. Fleischman chairman of the museum’s American Wing, says these will be re-erected there sometime in the coming year, in the manner of the fourth-century B.C. marble column from the Temple of Artemis at Sardis in the Greek and Roman Galleries: the upper part resting on the lower, separated by a blank section.

Brother Paul Diveny, the headmaster of Delbarton, says that the school has been contacted by a few individuals and architectural salvage firms, but won’t take action until it decides what it wants to keep for itself.

So the Lost City, having been uprooted from the woods, is still taking up space in a parking lot at Delbarton. In the meantime Mr. Heckscher is quite pleased with the new acquisition. He says there is “a bravura in the design and execution which is remarkable, and since the mud and moss were washed off, they’re a very light sandy color contrasting with the glistening quartz.” **CHRISTOPHER GRAY**

Treacherous Balconies

IN a city constantly reaching toward the sky, most New Yorkers worry from time to time that something may at any moment fall to earth and spell their doom. From the small rusted air-conditioners that dangle precariously from windowsills, to the mammoth cranes perched on high, there is plenty to worry about. But tragedy is rare.

This year, attention was focused on yet another danger looming overhead — and jutting underfoot: the balcony. (“Balconies Declared Unsafe at 16 New York Buildings,” May 17.)

In March, 24-year-old Connor Donohue fell to his death from a 24th-floor balcony on East 39th Street when the railing failed, and inspectors from the Department of Buildings fanned out across the city to crack down on faulty terraces.

“It was the largest facade safety initiative we have done in the history of the department,” said Robert D. LiMandri, its commissioner.

In all, inspectors visited more than 800 buildings; at 17, they found conditions so bad that they immediately ordered the balconies closed. Problems were encountered in every borough except Brooklyn.

Although it has been at least six months since most of the violations were found, only 3 of the 17 cited buildings have corrected the problems and reopened the balconies. Those three, all in Manhattan, are at 201 West 70th Street; 1675 York Avenue; and 1365 York Avenue.

The focus on balconies revealed how lax some property owners have become.

The city requires that all buildings over six stories have their balconies and facades inspected — at owner expense — every five years. “There is a standard program,” Mr. LiMandri said.

After Mr. Donohue’s death, it quickly became clear that many landlords were not in compliance. Inspectors found that nearly 1,000 buildings had failed to file the required safety reports.

The sweep began at these recalcitrant buildings and then moved to other locations. Sometimes the problems were so severe that inspectors, peering upward with binoculars, could see the danger from the sidewalk.

The most common violations involved the concrete balconies that jut out of the side of the buildings, beyond the exterior walls. Typically found in structures built in the 1980s, the balconies were cited for defective concrete and faulty and unsecured metal railings.

For now, the sweep is over and Mr. LiMandri said that he did not want to telegraph any future actions. However, he said that he viewed it as the department's job to keep the focus on the issue, particularly now, in the bitter cold of winter, when balconies are not exactly the go-to spot for most apartment dwellers.

"Things happen every day in New York and people don't pay attention," Mr. LiMandri said. "We need to get out there and push the message. I guarantee you, in the spring, this is going to be a topic of interest again." **MARC SANTORA**

The Mortgage Morass

MORTGAGE rates may still be enticingly low, but buyers trying to secure mortgages continue to be frustrated; the process is no easier now than it was after the market crashed and credit seized up in late 2008.

Real estate and mortgage brokers say that if anything, it may even be harder now, thanks to tougher guidelines from the mortgage giants Fannie Mae and Freddie Mac.

"As much as we'd like to think that credit markets are easing up," said Melissa Cohn, the president of the Manhattan Mortgage Company, "the banks are still being very tough. Every week it seems like there's a new surprise — a new wrinkle or requirement."

The latest change has many banks running second credit checks on buyers right before contracts close. So if a buyer put a roomful of new furniture on a credit card after going into contract on a new home, the bank could decide to decline the mortgage application at the last minute, Ms. Cohn said. The bank's intent is to ferret out any hidden debt, but she said buyers seeking to avoid disappointment would be wise not to "spend a cent from the moment the bank gets the first credit report until you close."

Other requirements that surfaced in 2010 continue to flummox buyers. For instance, some banks require buildings in flood zones to have insurance covering replacement costs, even if the building is a 30-story apartment tower. Banks have also refused to make loans in town houses that have window bars, even if the building is a designated landmark, when the bars are on the front windows and in rooms that have doors providing safe egress. On top of that, banks have required buildings to have reserve funds equal to 10 percent of their operating budgets, something that most recently built condos have not had time to accumulate.

Brokers said that to satisfy these requests, some buildings have increased their flood insurance, removed window bars or raised common charges to increase the reserve fund.

But in other cases, buyers have had to start over and find a lender that did not have those requirements.

Frances Katzen, an executive vice president of Prudential Douglas Elliman, had two recent deals threatened by the flood insurance requirement. One, on West 18th Street, met the standard easily because it could increase its flood coverage for a nominal fee. But the other, on Water Street, had to assess each apartment owner $1,000 to secure adequate insurance.

Ms. Katzen said the flood insurance guideline might make sense for single-family houses in a coastal city, but she questioned why it should apply to a Manhattan apartment tower.

“The problem is the banks are trying to enforce these vanilla guidelines in New York City, when New York City is not vanilla,” she said. **VIVIAN S. TOY**