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# Playing the co-op board game

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When it comes to buying a co-op apartment, there's often a disconnect between how the application process works and how people think it works. Not surprising, considering "it's a system that prides itself on the mystery about it," observes [Barbara Corcoran](#), founder of the Corcoran Group. Unfortunately for buyers hoping for transparency, much of the mystery is legal. Co-op boards do not have to disclose what they are looking for in a buyer or why they reject someone - so they don't.

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Indeed, a co-op board may not discriminate for race, gender or religion. "Other than that, the board has discretion," notes real estate lawyer Lisa Breier Urban of [Manhattan](#). Prudential Douglas Elliman executive vice president Jacky Teplitzky says, "Figuring out what a board is looking for is more a mystery game than fact. The boards won't say because it opens them up to liability. On buildings we have never sold we are like FBI and CIA agents. We call managing agents and owners. We compare notes with other brokers. We ask friends." What about the co-op board scare stories? The couple rejected because of the wife's [Hollywood](#) hair or the husband's gold chain. The dog that failed the board interview. "Urban myths," says Corcoran. "Being rejected is a public embarrassment. You have friends providing references. People will write it off to the board's unreason. This perpetuates the myth." When Scott Shuster, former ABC News correspondent and now head of his own business event planning firm, tapped his best references for his midtown Manhattan co-op application last spring, he had a face-saving plan. "What would I have told my references if I had been rejected? I had a strategy in place. Lie. Lie. Lie." "The fact is," Corcoran said, "nine out of 10 [applicants] are rejected on paper for financial reasons and never meet the board."

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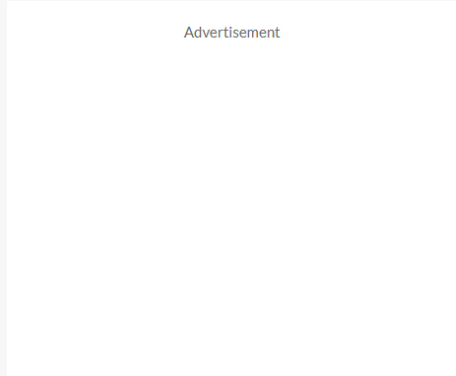
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Sylvia Shapiro, author of "The [New York](#) Co-op Bible," sees a more mundane explanation for initial rejections. "Frequently, applications are incomplete or inaccurate, requiring the board to request additional information ... a process that can assume a life of its own," she says.

Although they vary from building to building, most applications require tax returns, bank statements, documentation of assets and liabilities, credit and employment history as well as references from colleagues and friends. "Often neither the buyer nor seller is aware there's a problem with the application," Shapiro says. "Many of them don't get actively involved, abdicating the responsibility to brokers."

Shapiro finds this reliance a problem in the overheated market, "where there are many relative neophytes who may lack the financial expertise necessary to fully understand and represent a buyer's financial condition."

What can a buyer do? "Get more involved in the application process," Shapiro advises. "If you don't feel qualified, have your lawyer or accountant look over the application and get it right."

If an application is approved, the next step is the board interview, a dreaded ritual, but in reality, Teplitzky says, "it's 90 percent a done deal if someone is invited."

Judy Strauss, managing agent for Sennesh Properties agrees, "The only reason someone would be rejected is if they show up insane."

Taking no chances, many brokers coach their clients.

Before an interview with an Upper East Side board, Sean Gibbons was sent tips by Teplitzky's team. "I'm from Boston. We don't have co-ops. I found the entire process ridiculous," he says. He heeded the tips, however, and zipped his lip. He closed on his co-op in May.

Says Teplitzky, "No one was ever rejected for being too boring."

The famously rejected

Co-op board silence on rejections has not prevented the gossip mill from churning, as author Steven Gaines illustrates in his book "The Sky's the Limit: Passion and Property in Manhattan."

Gaines' list of celebrity real estate smackdowns includes:

Richard [Nixon](#)

1979

19 E. 72nd St.

Initially approved by the board, the disgraced president withdrew his offer after residents rebelled. Nixon then tried to buy a condo - where there would be no board to turn him down - but withdrew after a group of residents sued to bar the sale. The condo owner, Democrat millionaire developer Abe Hirschfeld, refused to refund the humiliated Nixon's \$92,500 deposit.

Gloria Vanderbilt

1980

River House,

435 E. 52nd St.

Flush with success from her new line of jeans, the mother of newsman Anderson Cooper tried to buy a co-op in the River House. Vanderbilt sued. The board

zinged her back by disclosing that her cash assets were not the \$7.6 million claimed in her application but \$215,000. Vanderbilt dropped the suit.

Calvin and

Kelly Klein

1986

The San Remo,

145 Central Park W.

According to Gaines, who also has written a biography of [Calvin Klein](#), "Calvin and Kelly were rejected because The San Remo was afraid they'd throw wild parties." The Kleins wanted to buy the apartment of Robert Stigwood, the producer of "Grease" and "Saturday Night Fever." In the mid- 1980s, The Kleins became the second famous couple rejected by a co-op board. [Madonna](#) and Sean Penn, who were briefly married, were rejected in 1985.

[Mariah Carey](#)

1998

Ardsley,

320 Central Park W.

Looking to buy [Barbra Streisand](#)'s co-op, Mariah Carey met the board in bare midriff, a style she favored at the time, surrounded by three bodyguards who she insisted stay for the interview. A board member trying to be hip confused rap impresario Puff Daddy (Sean Combs) with the then recently slain rapper Biggie Smalls and asked "if Mr. Biggie might be visiting the building?" Carey is said to have replied, "Mr. Biggie, he be dead."

Antonio Banderas

and Melanie Griffith

2005

The Dakota, 1 W. 72nd St.

The film-star couple were turned away on paper. The Dakota, Gaines notes, is a fickle building that has welcomed showbiz residents such as Rex Reed, John Lennon and Leonard Bernstein, but rejected Billy Joel and Cher. - D.Z. Stone

In meeting the board, less is more

Interviews can range from informal to a formal 'hot' seat. Jacky Teplitzky

offers the following interview pointers:

Prepare for a lack of privacy

Know your application

Couples should decide in advance who will answer which questions

Dress-up and be prompt, as you would for a job interview

Unlike a job interview, do not try to sell yourself

Never volunteer information or engage in unsolicited conversations except for basic cordial remarks and greetings

Do not ask questions - save these for your broker

Be prepared to answer questions on proposed renovations

Do not expect an answer at the end of the meeting

Remember, a short interview is better than a long one - D.Z. Stone

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