

SUBLET POLICY AND PROCEDURES
35 Clark Apartments Corporation

SUBLET APPLICATION

Your sublet application must include the properly completed and signed documents and fees.

SUBLET PROCEDURES

A properly completed application must be submitted to the resident Board of Directors (Board) approximately six (6) weeks before the agreement date.

The Board will notify the managing agent if an interview should be scheduled with the potential sub-lessee (s) within two (2) weeks after receipt of the application.

The Board will notify the managing agent of the sublet application's approval or denial within one (1) week after the interview.

SUBLET POLICY

The Board will not review a sublet application if the shareholder owes money to the corporation for any reason. The sublet procedure begins after all monies have been paid.

All sublets are approved for one (1) year, but may be renewed for an additional year by the Board under the "Sublet Procedure" described previously. An approved sublet and renewals of the sublet cannot be longer than two (2) years. Exceptions will be considered on a case-by-case basis.

Effective June 1st, 2019, for all new lease agreements, the shareholder's monthly fee to sublet is determined by the following net rent formula, where net rent is calculated as the monthly sublet rental amount less the monthly co-op maintenance charge: 10% of net rent for year one, 25% of net rent for year two, and 50% of net rent for all additional years as approved by the Board. For those shareholders already subletting as of this date, renewal of their current annual agreement will be subject to the 25% net rent fee regardless of the number of prior years the sublet has been active, and then 50% thereafter. This monthly fee will be added to the regular monthly maintenance invoice for the unit.

The Board authorized the following steps if an unapproved sub-lessee moves into a shareholder's apartment before receiving written notification of the Board approval.

- 1) The application of the unapproved sub-lessee will be automatically rejected and no interview will be scheduled.
- 2) The unapproved sub-lessee will be evicted as soon as legally possible.
- 3) The shareholder will be charged for all costs required to remove the unapproved sub-lessee.

The total number of approved sublets and sponsor owned apartments cannot be more than twenty five percent (25%) of the total number of shares of the co-op.

Shareholders wishing to sublet their apartment will be placed on a waiting list maintained by the Board after the maximum number of sublets (25% of total shares) has been reached.

Revised: April 2019

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Date _____

Apt #: _____

Dear

The following enclosed documents and requested information must be completed and returned to Advanced Management Services, in order to process your request to sublet your apartment.

- 1) Application to sublet your apartment. (Attachment A)
- 2) Sublease agreement to be executed between the owner of the apartment and the potential sub-lessee (To Be Provided by shareholder)
- 3) Addendum to the sublease agreement, which must be signed by the owner of the apartment and the potential sub-lessee. **If more than one person owns the corporate stock, each owner must sign the lease and the addendum.** (Attachment B)
- 4) Sublet and Moving fees
 - a) A **\$150 NON-REFUNDABLE** application fee payable upfront to **35 Clark Apts Corp**
 - b) A monthly sublet fee of net rent as defined under **SUBLET POLICY** will be billed with the regular monthly maintenance charges
 - c) A **\$750** deposit for shareholder Move-Out (\$500 of which is refundable, if move is completed in accordance with House Rules)
 - d) A **\$750** deposit for sub-lessee Move-In (\$500 of which is refundable, if move is completed in accordance with House Rules)
- 5) House Rules (including Move Policy and Move-In fees) signed by sub-lessee
- 6) Lead Paint Abatement Acknowledgement (NYC DOB Form)
- 7) Lead Paint Disclosure Form completed and signed by the owner and potential sub-lessee (Attachment C)
- 8) Extermination Agreement signed by potential sub-lessee (Attachment D)

In addition, in order to comply with the NYC Local Lead Paint Law of 1999, your apartment must be painted prior to your sub-tenant taking occupancy.

Once the completed packet is returned, it will be forwarded to the Board of Directors, who will choose a date for an interview of the potential sub-lessee. You will be notified as soon as the interview date is scheduled. Once your potential sub-lessee is interviewed, on behalf of the Board of Directors, the management company will issue either approval or rejection in writing to the shareholder. You will receive notification as soon as the management company is notified of the decision. The entire process takes from 4 to 6 weeks. Please plan accordingly. (The Board of Directors will not approve your application to sublet unless all arrears are paid.)

Very truly yours

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ATTACHMENT A: SUBLET APPLICATION OF A SHAREHOLDER'S APARTMENT

Please note application must be filled out completely. Failure to do so will result in the application being returned to you.

CURRENT SHAREHOLDER INFORMATION

Shareholder's Name: (also called Lessor) _____

Apt # _____ Current Address: _____

Phone # _____

Your address during sublet period _____

City _____ State _____ Zip _____

Phone # during sublet period _____

Reason for sublet _____

POTENTIAL SUB-LESSEE INFORMATION

Name (also called Sub-lessee) _____

Current Address: _____

Current Phone # _____

City _____ State _____ Zip _____

Occupation: _____

Annual Income: _____

*List names and ages of all persons who will reside in the unit and their relationship to the applicant(s)
(use back of page, if additional space required)*

Name: _____ Age: _____ Relationship: _____

Name: _____ Age: _____ Relationship: _____

Name: _____ Age: _____ Relationship: _____

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ATTACHMENT B: ADDENDUM TO SUBLEASE AGREEMENT

It is agreed between the Lessor and Lessee that the sublease is subject to all terms and conditions of the Proprietary Lease, House Rules, and such other rules and regulations promulgated by the Board of Directors.

It is further agreed and understood that if the Lessor shall default in the payment of maintenance or additional charges to the Cooperative Corporation, the Cooperative Corporation may, at its option, so long as such default shall continue, demand and receive from the Lessee the rent due or becoming due from the Lessee to the Lessor, and apply the amount collected to pay sums due and to become due from the Lessor to the Cooperative Corporation. Any such payment by the Lessee to the Cooperative Corporation shall constitute a discharge of the obligation of the Lessee to the Lessor to the extent of the amount so paid. The Acceptance of the rent of the Lessor by the Cooperative Corporation shall not be deemed as a release or discharge of any obligations of the Lessor to the Cooperative Corporation, except to the extent of the rent so collected from the Lessor. If payment is so demanded by the Cooperative Corporation, the Lessee shall make his rent directly payable to the Cooperative Corporation.

In the event that the Lessor has obtained a co-op loan for the subject premises, this sublease is subject and subordinate to both the Overlease and to loan documentation held by the lender.

Lessor: _____ Date: _____

Lessor: _____ Date: _____

Lessee: _____ Date: _____

Address: _____ Apt #: _____

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ATTACHMENT C: LEAD PAINT ABATEMENT ACKNOWLEDGEMENT

I understand and agree that I am fully responsible for compliance with Local Law 38. That I, the shareholder, must repair and/or abate any lead-based paint hazard or condition that may exist in my apartment, and freshly paint the entire apartment.

If upon inspection, the co-operative finds that the shareholder is not in compliance with Local Law 38, and the paint requirements of the New York City Lead Paint Law, the cooperative will correct the condition, and the shareholder shall reimburse the cooperative for such expenses as additional maintenance. In addition, the board's consent to the sub tenancy shall be deemed revoked, and the subtenant may not take occupancy of the apartment until the shareholder is in full compliance.

IN NO EVENT WILL THE CO-OPERATIVE BE RESPONSIBLE FOR PAINTING THE APARTMENT.

(Owner Signature)

(Owner Signature)

Apt #:

I understand that the apartment must be painted prior to my occupancy.

(Sub-tenant Signature)

(Sub-tenant Signature)

(This form must be signed and returned or the application will not be processed)

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ATTACHMENT D: EXTERMINATION AGREEMENT

I/We the resident/s of Apartment _____ agree to permit entry to any and all extermination services hired by Management for the purposes of laying down insecticides to prevent the spread of insects throughout the building. We understand that there is no charge to us for this service.

(Sub-tenant Signature)

Date: _____

(Sub-tenant Signature)

Date: _____

(This form must be signed and returned or the application will not be processed)

Summary Subletting Policy For 35 Clark Apartments Corporation

- Request for permission to sublet must be submitted to the board in writing.
- Permission to sublet is subject to board approval.
- Sublets will only be allowed for a total of 2 years per owner (one year to be renewed). Exceptions will be considered on a case-by-case basis.
- The board must meet the renters.
- The board is allowed to stop the subletting at any time if the building drops below 75% owner-occupancy in shares.
- Effective June 1st, 2019, for all new lease agreements, the shareholder's monthly fee to sublet is determined by the following net rent formula, where net rent is calculated as the monthly sublet rental amount less the monthly co-op maintenance charge: 10% of net rent for year one, 25% of net rent for year two, and 50% of net rent for all additional years as approved by the Board. For those shareholders already subletting as of this date, renewal of their current annual agreement will be subject to the 25% net rent fee regardless of the number of prior years the sublet has been active, and then 50% thereafter. This monthly fee will be added to the regular monthly maintenance invoice for the unit.