**THE CO-OP BOARD PACKAGE: WHAT YOU NEED TO KNOW**

Buying a co-op apartment in Manhattan is like no other real estate purchase anywhere else in the country, and can in many instances, be a challenging process. With proper preparation, it doesn’t have to be difficult.

Every building has its own personality, a result of the owner composition and experiences in the building as well as the personalities/experiences of the board members themselves. No two boards operate the same as a result. What works well in one building might not even be something another board would ever consider. As such, every board will have different expectations as to what they want to see in an applicants board package. While there are many commonalities that are requested from boards, what the board wants to see and how they want the board package presented may vary from building to building. Your broker will guide you through all of these details- and typically will coordinate the actual physical board package.

Additionally, every applicant will have their own financial composition. While each buyer will have aspects that require their broker to clarify any number of issues for the co-op board, know that each buyers package will be distinctly unique. Some quick tips:

1. **Prepare Early**- As soon as your broker provides you with the application– you should be gathering documents and asking for personal and professional references. This almost always takes longer than buyers expect and there is often several rounds of document collection. The seller’s agent will often put pressure on the buyers to complete the board package ASAP- so be ready. Once the contract is fully executed – you typically have 10 business days to complete the board package- which is why we prepare you in advance.
2. **Nothing can be ignored or skipped** – The board will expect all documents in full (even intentionally blank pages in bank statements). Do not try to hide anything or ignore the instructions. If a field on the application doesn’t apply to you- then it should be noted, if a document request doesn’t apply to you- your broker will need to know. If there are any challenges or inconsistencies with your documentation or situation, let your broker know immediately. We have experience getting buyers through the board review despite these challenges. If you don’t know the best way to fill out something in the application, or what to put into a reference letter or other documents- ask your broker, who will likely have samples or examples to provide.
3. **Accept the Process** - There are often ways that a board may expect to see something documented- i.e. partnership or self-employed income. Your broker might ask you for a CPA letter to document the situation, even if the CPA only knows the documentation presented to them. You can write out a template for your CPA to follow, but the more you fight the process, the more likely your application will be delayed or worse, potentially rejected.
4. **Consolidated Presentation** – Your broker will assemble the board package in a way the board would expect to see it presented- i.e. making sure that a requested statement of net worth matches the bank statement balances, all statements have been included that are reported from tax returns, etc. Additionally they will make sure to explain any financial or personal issues so that even board members without a financial background can understand. Finally, the broker will ensure that the entire board package is physically delivered the way a board would want to view it. Boards might want the package delivered in a specific way (i.e. Copies for every board member, in binders, with numbered tabbed dividers with subsections separated by colored dividers with a table of contents, etc.).

**WHAT IS NEEDED (TYPICAL):**

* Co-op Board Application- Completed (nothing left blank)
* Copy of the Fully Executed Contract
* 2 or 3 years Federal and State tax returns (some don’t need the state filings) along with all W-2’s, K-1’s or 1099’s as appropriate to your employment and income
* 3 months bank, credit card (if balances are held beyond current monthly expenses) and brokerage statements and statements for any other assets or liabilities- including retirement accounts
* 3 Personal reference letters; 3 professional reference letters (each person) – for joint application, some boards will take fewer reference letters if the letter is for both applicants.
* Employer letter – time in position/firm, position, salary/bonus
* 2-3 most recent paystubs
* Self-employed- CPA letter vouching for your income
* Landlord verification letter
* Financing – Completed Loan Application, Commitment Letter and Recognition Agreements
* Credit Report Release form
* Building/Compliance Acknowledgements – i.e. Lead Paint disclosure or Agreement to House Rules
* Proof of Insurance for the apartment
* Cover Letter