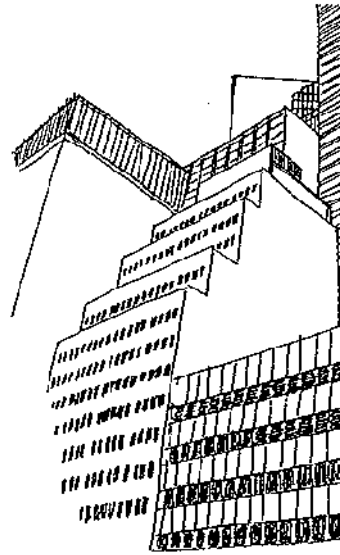


May 1, 2010

## Where's the Stock and Lease?



### A Very Important Closing Item...

When you are selling your co-op and have an outstanding bank loan, the bank must be contacted in advance of closing to provide a pay-off statement and to arrange for the stock and lease to be brought to the closing. With many banks, the process of requesting the stock and lease from the bank's back office (that is, some missile silo in Iowa where they keep these things) can take several weeks. Your co-op sale can't take place without the existing stock and lease. Oftentimes, the bank can't find these documents and they will give your managing agent a "*lost stock and lease affidavit and indemnity*" so that the managing agent will issue a new certificate and lease to your purchaser. Even if the bank knows it can't find the stock and lease (some banks are notorious for losing those documents), they will make a best efforts search to find it. The pay-off bank has to be given at least thirty days notice of the closing or you will have a problem having the stock and lease present when you close. If no bank is involved and you have the stock and lease in your possession (at least you think you know where you put them ten years ago when you bought the place), make sure you can locate those documents and bring them to the closing. Managing agents may not accept a lost stock and lease affidavit and indemnity from a seller if the seller first raises the issue at closing. Remember, your inability to find the stock and lease must

be brought to the attention of the managing agent as soon as possible.

For more on getting ready for the closing and avoiding mistakes that can delay a closing see [Houston, We've Got a Problem](#).

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