

NEWS & UPDATES

We have been diligently working on updating and advancing our infrastructure. Here are just a few of the new features being developed:

- A “Resident Portal” that will allow residents the ability to make online payments securely by both ACH (automatic debit) along with the scheduling of either one time or recurring payments. In addition, residents will have the capability to view their respective billing account and payment history and provide for billing to be sent to residents electronically.
- A new Board Portal that will allow Board Members to securely view bills, invoices, management reports, sales, sublets/rentals and refinance packages online.

Please check back for future updates!

**** RESIDENTS who are already enrolled in our monthly automated ACH Debit withdrawal ****

If you wish to use the portal to make online payments going forward and you are currently enrolled in monthly ACH withdrawal, please be sure to notify us so we may remove you from this service to avoid duplicate payments. Please contact Victoria Schwartz at (212) 753-3381 x261 or email your request to be removed to: vschwartz@wallackmanagement.com.

Thank you.

E-mail Address

Password

CARBON CHALLENGE

Wallack Management is part of the Mayor’s Carbon Challenge along with other large New York City management companies. The Carbon Challenge’s goals is for multifamily dwellings in the five boroughs to reduce buildings carbon emissions by 30% by 2030.

EMERGENCY PREPAREDNESS

In the aftermath of Hurricane Sandy, New York City has come up with emergency preparedness recommendations for Hurricanes.

Among these items recommended are that the individuals create an emergency supply kit that includes:

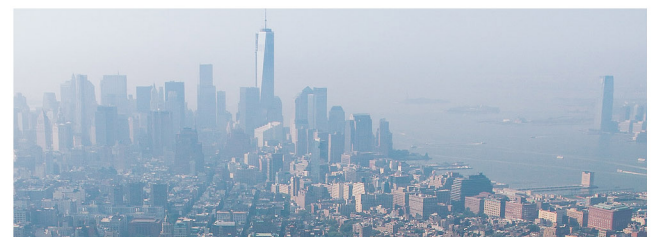
- Flashlights
- Radio (battery operated)
- Batteries
- Have cash available in the event ATM’s / credit card payment functions are disabled
- Fill the bathtub with extra water for bathing
- Keep extra bottles of water available
- Be knowledgeable if your building is in flood zone
- Charge Mobile devices

FIRE SAFETY

Fire safety protocol is one of the most important things to know about your home. Every building is required to have and post an approved Fire Safety Plan (FSP). This FSP is posted most often in a lobby, mailroom or laundry area. Additionally Wallack Management distributes this document annually to residents and it provides information pertaining to the means of egress and building construction. One of the most important items, and often the most overlooked or unknown is whether your building is made of “combustible,” or “non-combustible” materials. This is not to say that your building is immune to a fire, but whether or not that fire will likely be contained. In a building constructed with “non-combustible” materials, a fire will often be contained to the apartment in which it is burning. This means that despite your initial reaction to get out, the safest place in a “non-combustible” building is often staying put and covering door gaps and air vents with wet towels. Each FSP is different and should be reviewed on an individual basis. If you have any questions you should check with your property manager or Superintendent/Resident Manager.

Here are a list of the FDNY’s top fire safety tips:

- Never use an extension cord with large current appliances (i.e. space heaters, air conditioners, or refrigerators).
- Never smoke while lying down, especially if drowsy, medicated or have been drinking.
- Stay in the kitchen while cooking and wear short or tight fitting sleeves. Unattended cooking accounts for one third of all home fires.
- Installing and maintaining a smoke alarm will reduce your chances of dying in a fire by 50% Seventy percent of fire deaths occur in homes with an inoperable smoke alarm or no smoke alarm. Alert your agent, Superintendent/Resident Manager or front desk if you are having issues with your smoke alarm.
- Plan and practice a fire escape (or shelter in place) plan. Do not attempt to fight the fire yourself. If you do decide to leave your apartment make sure to close the door behind you.
- Store matches and lighters out of reach and sight of children and provide continuous supervision as necessary.



SPRING
2015

NEWSLETTER

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VENDOR/CONTRACTOR BUILDING ACCESS

Outside service-related vendor access to apartments (i.e. repair of appliances, fireplaces), routine maintenance and cleaning of equipment and furnishings, decorating work (i.e. painting, wallpapering, floor polishing), window cleaning, moving and storage, etc., are part of everyday life for residents in all of our managed properties. It is important to understand that these vendors must be granted access by the building staff, who will only allow such access, if evidence of insurance and any additional appropriate paperwork required by your building has been presented to our office in advance.

All outside vendors must provide evidence of insurance in the amounts and in accordance with your respective building's insurance requirements. To obtain this information, please contact your Super directly. This is important because in the event of injury to a worker, damage to the building or, to either your or another apartment as a result of this vendor performing work at your request, proper coverage must be in place to protect all. Depending on the nature of the work to be conducted, a copy of the scope of work may also be required.

Contracting companies and service professionals doing business in New York City must carry insurance in order to obtain a license to do business here. A separate certificate of insurance is required for each job they perform in the building. If, for example, you use the same provider to service your air conditioner each year, a new certificate is required each year evidencing the annual renewal of the applicable policies. Similarly, if you and your neighbor use the same vendor for window washing, a certificate is required for each apartment. Certificates are not required for Verizon, Con Edison, cable companies, nor for food and small package deliveries, not requiring entry into your apartment. If you are uncertain if a certificate of insurance will be required, please contact your Super for this information.

These requirements are in place at the direction of the building's insurance brokers and carriers in order to limit the exposure to the building and its residents that may result from injury and/or damages resulting from service provider work. The policy set forth above is substantially similar in all buildings and we therefore ask for your cooperation and assistance in following these guidelines.

Please feel free to contact a member of your management team any time for further information or clarification on this policy. Once our office has reviewed and approved the documentation received, your building Superintendent/Resident Manager and/or his staff will be advised that access may be granted to the specific vendor for the work at hand. Vendors lacking this approval, will not be admitted access to the building, with the exception of bona fide emergencies. We prefer not to turn vendors away when they are at the building, so advance preparation is most helpful for all.

Alteration related work requires a full alteration agreement package which can be obtained from your Super. This package will outline for you (and your professionals) any and all procedures which will need to be followed and documentation which will need to be provided for your building.

PERSONAL (HOMEOWNER'S) INSURANCE COVERAGE

As managing agents, we cannot stress enough the importance of ensuring that shareholders/unit owners, purchase and maintain a proper personal homeowner's insurance policy for their respective dwelling unit(s) and personal property. This policy provides coverage and protection, for example, in cases when damages are sustained due to an overflow of a sink, toilet or bathtub from either yours or a neighboring apartment; if a (in-wall) building water or drain pipe leaks or bursts; or possible injury sustained to household employees working within your apartment.

While the building's governing documents (and mortgagee, where applicable) generally identify required coverage that needs to be in place for the corporation/association, nevertheless, this coverage is, for the most part, limited to the property's common elements and systems.

Generally, when asked by residents, "What doesn't the building's insurance policy cover?" (as it pertains to damages incurred to an apartment and/or personal items), our preliminary response is that "the corporation's/association's policy will not cover (damages incurred) to betterments or improvements made by the shareholder(s)/unit owner(s) or their predecessors; finishes; fixtures; equipment; furnishings and/or other personal items/property."

As a result, when evaluating and choosing your personal insurance needs, there are five (5) essential elements that should be included:

- **Additions and Alterations:** (a.k.a. Betterments and Improvements) – coverage pays to restore damages to affixed property deemed to be the shareholder's/unit owner's responsibility.
- **Loss Assessment Protection:** coverage pays the shareholder's/unit owner's share for expenses arising out of a claim to common property.
- **Personal Property:** coverage pays to restore the shareholder's/unit owner's clothing, furnishings, etc., after a covered loss.
- **Personal Liability:** coverage provides for a legal defense and will pay a judgment awarded against the shareholder/unit owner should they be sued through the use or ownership of the apartment.
- **Loss of Use:** coverage provides shareholders/unit owners with payment for additional living expenses that may arise due to the apartment being uninhabitable while repairs/replacements are being performed.

It is therefore highly recommended that each and every shareholder/unit owner have their personal insurance representative review the corporation's/association's master policy and governing documents to determine what personal coverage and limits are needed to prevent possible gaps in coverage and to protect your interests.

LOCAL LAW 87 (ASHRAE LEVEL II ENERGY AUDIT AND RETRO-COMMISSIONING)

As part of our daily routine as managing agents, we are always looking for ways to reduce our client's expenses to the best of our ability. One method is to formulate a plan to make buildings within our portfolio more energy efficient.

In September of 2009 New York City implemented a new law to help us with our goal namely, Local Law 87.

What is Local Law 87? Local Law 87 (LL87) mandates that buildings over 50,000 gross square feet undergo periodic energy audit and retro-commissioning measures, as part of the Greener, Greater Buildings Plan (GGBP).

Well, what does all this mean? The intent of this law is to inform building owners of their energy consumption through energy audits, which are surveys and analyses of energy use, and retro-commissioning. Energy audits require evaluation for potential reduction in energy use and/or the cost of building system operations. These systems may include: heating and hot water, ventilation, air conditioning, elevators, electrical and lighting. Retro-commissioning is the process to optimize energy efficiency through the identification and correction of deficiencies, including, but not limited to, repairs of possible defects, cleaning of equipment, adjustments of valves, sensors, controls and settings; and implementation of preventative maintenance tools for continuous improvement over time.

Each LL87 audit has a deadline that your agent will inform you of. Some reports are not due until the year 2022, but there are benefits to acting quickly on these audits. Rather than waiting until right before the deadline, actually New York City allows the audits to be conducting three years before they are due. By carrying out an energy audit, as well as retro-commissioning up to four years prior to the due date, owners can both, meet the new Local Law requirements and, realize substantial cost savings based on the outcome and information identified in the audit. In addition, while the audit and retro-commissioning reports are technically separate filings, Local Law 87 allows these reports to be combined. This is far more cost efficient in terms of fees, and the savings you can realize from the correction of issues that may have been identified from systems as discussed above. By implementing such energy reduction measures sooner, rather than later, additional savings will likely be realized.

Many owners may be weary of another law implemented by New York City, but this is one law that many result in saving you and your building a significant amount of money for years to come. It is also important to note that there are incentives available through NYSERDA that buildings may be eligible for that will reduce the costs associated with possible energy savings upgrades and replacements.

Below are some helpful tips for buildings that are aimed to reduce carbon emissions and, save money by going "GREEN":

- Raise thermostats in common areas when temperatures are below 68 degrees Fahrenheit outside.
- Lower the boiler temperature to 120 degrees Fahrenheit and insulate water heaters and associated pipes. By covering water heaters and insulating piping with proper insulation material, heat will be retained and the equipment will require less energy to maintain necessary temperatures. Proper insulation will keep cold pipes from sweating in the summer and will reduce heat loss from heat and hot-water operation during the winter months.
- Master Metered Electrical Usage – for those buildings that may be master metered and where electricity is paid for by the building (and not billed to residents), the installation of private sub-meters monitoring and billing residents for their respective usage tend to see significant reductions in electrical consumption and costs related thereto.
- Upgrade or replace old windows to keep heat in and cold air out during the winter months and maintain comfortable interior temperatures within the apartments during the summer months.
- Invest in energy monitors which can help identify your energy usage and ways to become more efficient.
- Replacing common area light bulbs from incandescent bulbs to florescent, compact florescent and even more efficient ENERGY STAR® labeled LED type bulbs which save up to 80% more energy in comparison and can last up to 25 times longer.