



188 East 70th Street Condominium Association Board of Managers Newsletter

Please Note:

Adherence to the by-laws is our mandate and essential to the security of both the residents and of the building itself.

Whether you own or lease, you should have a copy of the by-laws. If you do not have a copy, please tell the concierge. The resident manager will see to it that you have your own copy. Thank you.

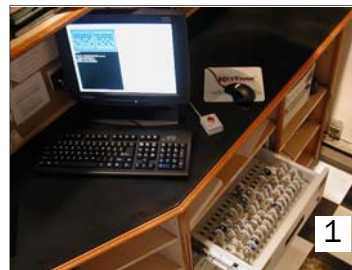
Completed, Completed, Completed

- An important amendment to the By-Laws was passed with overwhelming support of the Unit Owners. It was the first change in the By-Laws since the building opened. This amendment was required to protect us from being forced to accept buyers or residents with violent criminal records. It is an important improvement to the safety and security of the owners and residents. Please see the story below.
The KeyTrak system was installed and is working very well. In preparation for this system installation the concierge station was completely rebuilt and now not only looks much better, but package tracking has been improved.
Stanley, our new morning concierge has been working out very well. He

high grade industrial carpet tile system which allows for replacement of small areas that might be damaged or soiled.

- The ground floor exterior trim on the doors and windows was carefully

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Photographs of some of our completed projects: 1. The KeyTrak system has been installed; 2. The playroom has new carpet; 3. Brass valves have replace corroded carbon steel valves; 4. New digital camera system.

Board of Managers

- President J. Jay McAndrews
Vice President Lenore Robins
Secretary Holly Heston Rochell
Treasurer Colleen Pizzitola
Members Lisa D'Urso

Surprise Package

It was recommended by Rose Associates, the new Managing Agent for 188E70th Street, that the Board of Managers review the Sales/Lease Package to address new security concerns that have become more pronounced since the onset and ongoing threat of terrorist attacks. A criminal background check of all adults who wish to reside in or

purchase a unit was added to the sales/lease package. To our surprise, on review of the By-Laws, we discovered that the information that a prospective resident did in fact have a violent criminal history did not disqualify them from residing in the building. Our attorneys advised that the only remedy to this situation was an amendment to the By-Laws of

the Condominium. We requested that our attorneys craft an amendment and we then published it to the Unit Owners. It is by design difficult to amend the By-Laws and it requires a two-thirds majority of the Unit Owners. The Board was encouraged that not a single vote was cast against the amendment and it was supported with a 75% majority.



The badly damaged and leaking terraces were stripped to the foundation and completely rebuilt.

Con Edison did an investigation to see how the building had made a 30% reduction in its use of steam. Long delayed maintenance was done by our new team of professional engineers and that was the result. Our staff has reason to be proud of their work and we have reason to be pleased with the savings.

Completed, Completed, Completed

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matched to the original and now looks as good as new.

- In each elevator, as required for prudent maintenance one of the four cables has been replaced.
- Our security camera system has been upgraded to a fully digital system and we have added new cameras.
- The repainting of the cloud ceiling in the lobby that we featured on the cover of the last newsletter has been completed. The restoration was beautifully done, and the cost was considerably less than we thought it might be.
- We have completed the upgrading of many of the valves in the water system to non-corrosive brass from the carbon steel valves and pipes that had seriously compromised the efficiency of the system.
- The service door now has its own security camera and access is controlled remotely by the concierge. He can see who is there from a monitor at his station.
- Five terraces have been completely rebuilt to protect the building from water damage. Two levels of waterproofing and brand new tiles were applied. The terraces are considered common areas and the building is required to maintain them.
- Our resident manager made vast improvements to the efficiency of our use of the Con Edison steam supply. Savings of over 30% was the result. Please see story below.
- Over the past two and one-half years, starting with a fully qualified Resident Manager, we have upgraded the professionalism of our staff by hiring people with greater maturity and skill levels than was required of past employees. This allows us to cut down considerably our need for expensive outside services such as plumbing.

Upcoming Issues

EMERGENCY EXIT — The Board is investigating the possibility of creating an emergency rear exit allowing egress to 69th street. We must get an easement with other properties to accomplish this. The project is in the very early stages.

FRONT DOOR — An important concern to the security and convenience of the residents is that the front door is sometimes unattended. The best solution to this problem would be to have a self-opening front door controlled by the concierge.

ELEVATOR COMPUTER — We have determined that most of the problems with the elevators are caused by the computer system. The Board is looking hard for the best way to solve the problem since replacement of the computer is a very expensive proposition.

SECOND FLOOR HALL — We had considerable difficulty finding a supplier that could match the atrium tiles that are no longer manufactured. We have decided on a course of action that will produce a very good result.

UNIFORMS — Many staff changes have been made to bring the building a level of service and professionalism that we think the Unit Owners deserve. Uniforms for the new staff are required.



Victor, our very capable new handyman soldering new copper pipes. Inset shows the corrosion that almost completely blocked some of the pipes and valves.

Efficiency Experts Get A Visit From Con Ed

Over the last year Eugen Arjoca and his crew successfully rescued the HVAC system from many years of neglect. The entire system was plagued by leaks and inefficiencies caused by negligent maintenance practices previously allowed.

After that, they managed the installation of a state-of-the-art hot water system that was featured in the last newsletter. After our new handyman Victor joined the staff, we could use his master-plumber skills to address some very daunting issues regarding replacement of valves

and custom-made pipe fittings in the water and steam systems. The pressure in the domestic water system increased over 40% in both the low and high zones once pipes and valves that were severely corroded were replaced. Please see photo at left.

This building, like many in Manhattan, has a heating system that uses steam generated by Con Ed power plants. This service is metered just like other Con Ed services.

Our capable crew was able to raise the efficiency of steam usage by stopping leaks and

balancing the system. The system now uses just one line, as it was designed to do instead of running both the main and backup lines.

This resulted in a large drop in steam usage which sets off alarms at Con Ed. Inspectors were dispatched to see if we were going around the meter. They did a thorough survey and found nothing amiss.

According to their charts, the building was using over 30% less steam than in the past. They were impressed, and satisfied that efficiency, not theft, was the culprit

BEFORE & AFTER

A cooperative and focused Board of Managers is essential to the safety and security of the occupants of a complex operation like a modern residential building.

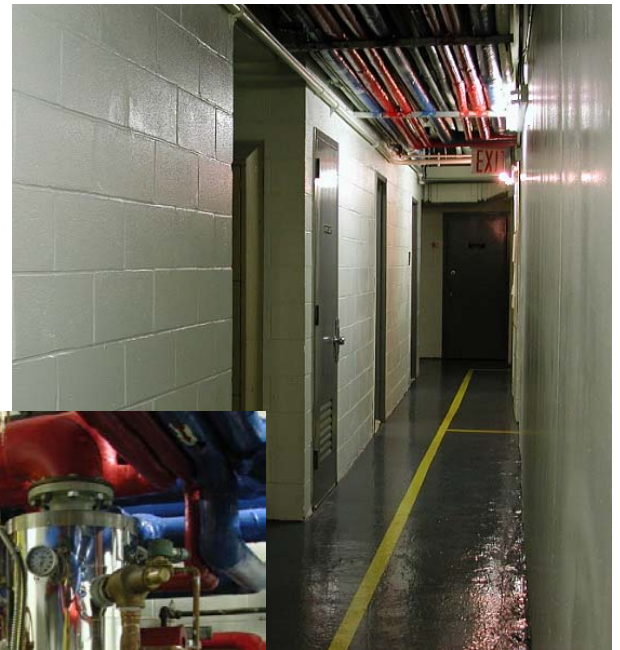
The current Board is very proud of the progress that has been made over the past three years to correct ineffective management of staff and the plant and equipment. These pages are a reprise of previous reports that some Unit Owners may not have seen.

The Board of Managers is also the protector of the value of the Unit Owners' investment. This can only be done with due diligence in the proper care of the mechanical systems of the building.

Maintenance of a system this complex is expensive, but not nearly as expensive as recovery from disasters caused by neglect and abuse. You will see, on the reverse of this page, documentation of our progress from the severe state of disrepair

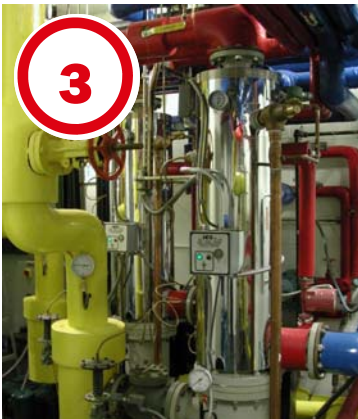
of equipment, fire hazards created by neglect to enforce prudent policies for storage and needed corrections to design flaws in the original building engineering. This Board has worked hard to build a staff that performs professionally and maintain systems that perform properly.

The Unit Owners personal safety and the security of their investment is our charge and utmost concern.



Review: Three Years of Progress

This is a partial review of the state of progress at 188 East 70th Street over the last three years. Past newsletters and reports have gone into detail regarding all of these items and you can request a copy of the earlier reports if you would like to see the full story.



1. Corrosion: Pumps, valves and pipes were allowed to deteriorate to an alarming degree. We now have a competent professional as resident manager. He has skilled workmen on staff and keeps things ship-shape below decks.

2. Fire Hazard: Passageways on the lower levels are now clear and freshly painted. Storerooms and closets are kept clean and materials are properly stowed. All of these practices are very important to fire safety.

3. Water Quality: Resolving the "brown water" issue was very frustrating. The culprit was the heater core (inset). The solution was to install new state-of-the-art stainless steel water heaters. "Brown water" is gone.

4. Redesign: The original design for part of the HVAC system placed a unit that produced a considerable amount of water from condensation in the floor with no drainage. A drain pan was built and the unit was placed in the pan.

5. Maintenance: It was discovered that the HVAC heat exchanger had not been cleaned for at least 10 years. It was almost completely blocked with particulate matter that should be flushed every two years.

6. Restoration: The beautiful cloud painting in the lobby had begun to peel (inset) and cracks were becoming visible. We found an excellent restorer and you now see a nearly perfect restoration of the original.

7. Upgrade: The concierge station had not been well designed. When we installed the KeyTrak system, we had to make changes and decided to redesign the entire space. It allows the concierge much better overview and control.

8. Replace: It became necessary to replace the hallway carpet. Stark Carpet was able to produce an exact replica of the original. The playroom carpet was water damaged and replaced. Insurance covered most of the