IMPACT

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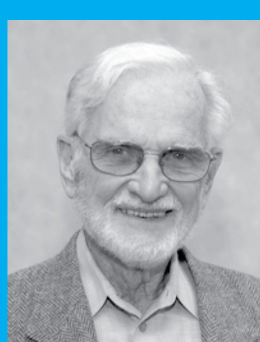

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With the State Budget Out Of the Way…

Property Tax Cap, Rent Regulations Next on Agenda

ALBANY—Believing that both legislative houses are not serious about an effort to cap property tax growth in New York, Gov. Andrew Cuomo will launch a campaign to get voters to press lawmakers on the stalled measure, sources close to the administration recently said.

The governor will seek to "raise the temperature" on the property tax issue—which he campaigned for during his gubernatorial race last year in public-pressuring ways that Cuomo believes ultimately got lawmakers to go along with the major components of his 2011 budget proposal, sources added.

Assembly Roadblock vs. Senate Squeeze

The Democratic-led Assembly has blocked the tax cap plan, which calls for property tax growth by schools and local governments to be restricted to two percent or less each year. However, Assembly Leader Sheldon Silver, a Manhattan Democrat, has recently signaled his willingness to discuss the tax cap issue.

State laws that limit the rent that landlords can charge on more than one million apartments in New York City and the suburbs are set to expire on Jun. 15.

The Republican-led Senate has already approved Cuomo's tax cap plan, but its members are under enormous pressure by local officials not to embrace a final deal with Cuomo and the Assembly. Localities are concerned that a tax cap, without accompanying relief from costly state mandates, will bust their future budgets, sources said.

Another executive priority, sources added, is a measure to strengthen the ethics oversight of the Legislature. Cuomo wants more disclosure about outside income by lawmakers, as well as some sort of independent office to monitor the Legislature as opposed to the current in-house system.

Showdown Looms as Assembly Extends Rent Reg Protections

The State Assembly passed a bill on Apr. 11 that would strengthen rent regulation, thus setting up a likely showdown with the Senate and real estate

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New York's Highest Court Upholds Low Rent Guideline

By Kenneth J. Finger, Esq., Carl L. Finger, Esq., and Daniel S. Finger, Esq.

ALBANY—In a stunning decision, the New York State Court of Appeals, the State's highest court, in the case of Casado v. Markus, reversed two lower courts and upheld a "low rent" rent guideline increase promulgated in 2008 by the New York City Rent Guidelines Board ("NYCRGB").

Historically, increases promulgated by the Rent Guidelines Boards, not only in New York City, but in the surrounding counties of Nassau, Westchester and Rockland, are percentage increases in rent, across the board, without consideration of the underlying amount of rent being charged for an apartment.

Under the Emergency Tenant Protection Act (ETPA), which governs the City of New York and the above three counties, an increase in rent is only allowed to the extent approved by the Rent Guidelines Boards of either New York City and/or each of the counties.

The increases, if any, are put into effect for either a one or 2-year lease renewal and are effective following the RGB's determination each year for the following 1-to-2 years.

Background

In 2008, the NYCRGB granted a 4.5 percent increase for a one-year lease renewal and an 8.5 percent increase for a 2-year lease renewal. Had it stopped there no objection would have been raised. However, after analyzing the rental market, the NYCRGB saw what it considered an inequity. Specifically, as summarized by the Court of Appeals, "[ordinarily, the permissible rent for a rent-stabilized apartment depends on the rent charged in the past, with relatively modest increases authorized annually by the RGB, and larger increases (or, at higher rent levels, decontrol) when the apartment becomes vacant. But the costs of maintaining an apartment and

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Realty Group Begins Its Preparations For the Upcoming "Rent Guidelines Season"

By Jeff Hanley, IMPACT Editor

ARMONK—The Apartment Owners Advisory Council (AOAC) has begun its preparations for the realty industry's testimony on rent guideline increases for rental apartment buildings affected by the Emergency Tenant Protection Act (ETPA).

AOAC officials recently announced that the association will soon schedule a membership meeting to review the organization's preparations and strategies on the guidelines process. The meeting will allow members to voice their input on how the AOAC and the realty industry is preparing for the upcoming Public Hearings and Deliberations of the Westchester County Rent Guidelines Board.

The board is the entity that annually decides on guidelines for lease renewals affected by ETPA. Those guidelines are decided upon after the board conducts its Public Hearings and Deliberations.

This spring's Public Hearings and Deliberations were scheduled by the board at its Feb. 7 meeting at the White Plains offices of the New York State Homes and Community Renewal Agency (HCR). The schedule is as follows, with times and locations to be announced:

<u>Public Hearings</u>
Mount Vernon - June 6
Yonkers - June 8
White Plains - June 13
<u>Deliberations</u>
June 20, White Plains
June 21, White Plains (if necessary)

The board's decision will affect rent adjustments for one or two-year leases which begin between Oct. 1, 2011 and Sep. 30, 2012.

Participation Is a Must

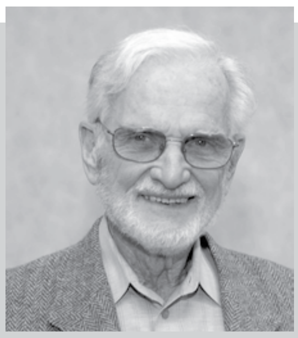
"We annually highlight the fact that it is extremely important that owners and managers testify on the continuing increases in costs that the realty sector is facing," said Jerry Houlihan, chairman of the AOAC. "We continue to urge our members to attend the Public Hearings and Deliberations and to offer their individual struggles with their day-to-day costs to the guidelines board. We can't say it enough—we need the AOAC membership to help us. In turn, the participation of our members will help us help them. A lack of a good turnout from the AOAC membership will most definitely hurt the realty industry in this process."

AOAC members will receive updates on the efforts of the association as it continues to prepare for the Public Hearings and Deliberations, Houlihan said.

The AOAC represents more than 300 owners and managers of more than 25,000 rental units, association officials said.

CO-OP CONDO CORNER

By HERB ROSE



Reviewing The "Seven Percent Solution" and What It Means to You

Caution and care are absolutely necessary to keep you from wasting your hard-earned money. Numbing as it may seem, careful scrutiny of your electric bills will save you a basket of money.

NEW YORK – A seven percent discount is offered on numerous pieces of publicity from Con Edison, as well as on its bills and website.

In addition, this offer has been proffered as "Power Your Way." The discount is offered by a large number of alternate suppliers—Energy Services Companies (ESCO's)—selling both electricity and/or gas.

There is no question about the seven percent electric bill discount at the start-up, but what follows has interesting results.

First, you must be aware that only a part of the charges are deregulated and available from ESCO's. Once upon a time, this power billing came as one inclusive Kilowatt (kwh) price, which included the electricity and the delivery. When deregulation came to the electric market, delivery was separated from the product. Are you still with me?

Transmission (delivery) rates are fixed by the Public Service Commission (PSC) and are not negotiable. Regardless of whom you buy electric from, the delivery is a fixed price from Con-Ed and amounts to little than half of the bill, currently about 10 cents per kwh.

That leaves about half of your bill open to shopping against Con-Ed's price of about 10 cents per kwh for this product. Let's be clear, delivery which is fixed is about 10 cents per kwh and Con-Ed's price for the electric hovers near 10 cents per kwh, or a total of approximately 20 cents per kwh (the numbers are approximate and will vary somewhat).

Clarification

For the sake of clarity, you can only look for a discount on the product or on the power part of the bill. Those buildings that have elected to buy their electric from an outside supplier (ESCO's) need to check the rate for kwh being charged. This is not the most exciting task in the world, but probably one of the most expensive. Bills from your supplier indicate the kwh price somewhere in the page(s).

Remember that Con-Ed's price is about 10 cents per kwh. How much do you pay? Again I remind you that whatever you pay your ESCO is in addition to the Con-Ed delivery price of about 10 cents per kwh.

Also, your ESCO uses Con-Ed's metering for your billing and the usage should be the same for delivery as product. That is, if you use 656 kwh of delivery, you must also have 656 kwh of product. Some ESCO's bill as much as 25 cents per kwh! And as of this writing, I have not seen an ESCO billing that is less than Con-Ed's price.

As a practical matter, sales tax is charged on both the delivery and the electricity. A recent survey has shown that one-third of the billing of sales tax is overcharged. Electricity and gas for residential use should legally be charged at a lower rate than commercial use. If you are totally confused, send me a copy of your bill and I'll analyze it for you at no charge.

What Does It All Mean?

What is the point of deregulation? Practically speaking, except in very rare situations, it is not for your benefit and is basically for the benefit of utilities such as Con-Ed who are evolving to being delivery companies who buy their power from companies who generate the power.

Caution and care are absolutely necessary to keep you from wasting your hard-earned money. Numbing as it may seem, careful scrutiny of your electric bills will save you a basket of money.

Herb's Hints:

1) Limit the night setback of your thermostat to 10 degrees. A larger amount will cost more to restore the heat than you save from the setback.

2) Draw blinds or curtains at night to limit heat loss.

Editor's Note: Herb Rose is a co-op and condo consultant. He is also a member of the Board of Directors of The Cooperative and Condominium Advisory Council of Westchester and the Mid-Hudson Region (CCAC). Rose can be reached at hrose47536@aol.com.

THE HANLEY REPORT

By JEFF HANLEY
Associate Director, Building and Realty Institute (BRI)/IMPACT Editor

Recalling a Positive Scenario That Should Be Told

ARMONK – There are times when one feels like spreading positives. This is one of those occasions.

As most members of the building, realty and construction industry know, the Building and Realty Institute (BRI) sponsors a General Membership Meeting each month. The event produces valuable networking opportunities for BRI members. Issues of importance to our industry, as well as the overall business sector, are reviewed and discussed at the meetings.

The theme of our Mar. 10 event was "The Financial Rewards of Green Building: Construction, Operations and Management." More than 70 BRI members participated in the conference at the Crowne Plaza Hotel in White Plains.

Among the participants in the event were representatives of a new BRI member firm called Synergy Lighting Renovation. The company, based in New York City, became a member of our association in early March. Alan Schogel and Robert Schogel represented Synergy at the conference.

Prior to the start of the event, Alan Schogel asked if he could briefly speak to the BRI membership about his firm. Event officials agreed. However, as can sometimes happen, the brief presentation had to be cancelled due to time constraints involving the program.

Some may not have taken the cancellation well. But Alan Schogel, when informed of the news by a program official, was the definitive professional and gentleman. He took the news, as the old saying goes, "quite well."

So there is the positive – professionals and gentlemen are still alive and well. And Alan Schogel is proof.

So Alan, here is a sincere welcome to the BRI. We wish your company all the best. Synergy, by the way, has an expertise in keeping up with lighting technology and all developments in that area. Full details can be found at www.synergy.biz.

And speaking of updates, here are some of the reports featured in this issue:

- A Page One story on how the Apartment Owners Advisory Council (AOAC) is continuing its efforts in preparing for the upcoming Public Hearings and Deliberations of the Westchester County Rent Guidelines Board.
- An important Insurance Report on what building and realty industry members should know when hiring contractors. The update was prepared by Ken Fuirst and Jason Schiciano of Levitt-Fuirst Associates. Levitt-Fuirst is the insurance manager of the BRI.
- A Page One story on the Court of Appeals reinstating the "Low Rent/Longevity Adjustment." The ruling is an important one for local owners and managers of multi family buildings and complexes. The report was written by Finger and Finger, A Professional Corporation. The firm is chief counsel to the BRI.
- *A review in Tech Talk on how "LinkedIn" can work for you and your business. The summary was prepared by Andrea Wagner of Wagner Web Designs.
- A Case Study by Alan Singer of Welby Brady and Greenblatt. The study reviews a recent court ruling which states that commercial landlords, in some cases, can "lock-out" or evict tenants.
- Another review in Co-op and Condo Corner on energy savings for multi family buildings and complexes. Herb Rose authored the piece.

Best wishes to all for a great spring. And, enjoy the issue!

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Property Tax Cap, Rent Regulations Next on Agenda

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industry groups both in New York City and the suburbs.

State laws that limit the rent that landlords can charge on more than one million apartments in New York City and the suburbs are set to expire on Jun. 15. Democratic legislators from the city and the governor had sought to extend and expand the laws during budget negotiations last month, until the Senate Republican leader, Dean Skelos, rejected the idea, threatening to delay the budget.

Tenants are heavily favored in the Assembly bill:

- It would extend rent regulations until 2016.
- It abolishes Vacancy Decontrol, which lets landlords deregulate apartments when they become vacant and rents exceed $2,000.
- It would alter Luxury Decontrol, which currently lets owners deregulate apartments when the tenants' income exceeds $175,000 and the rent is at least $2,000.
- Those limits would rise to $300,000 and $3,000. The bill would also limit rent increases for new tenants to 10 percent, down from 20 percent.

Although a similar bill in the Republican-controlled Senate is unlikely to pass, some Democratic legislators, tenant advocates and members of the Working Families Party are pressing this aggressive pro-tenant, anti-landlord agenda, sources added.

Other Components

Other proposals in play include a property tax cap, an extension of tax breaks for new developments and relief for landlords from a 2009 court decision that said they could not deregulate apartments while also taking advantage of a certain tax incentive.

Joseph Strasburg, president of the Rent Stabilization Association (RSA)—which represents landlords in New York City—called the Assembly bill the "opening salvo."

"Rent regulation is an addiction, just like oil, that's hard to wean off, especially in New York City," he said.

While he opposes many of the provisions, Strasburg conceded that rent regulations would be extended.

A spokesman for the governor, Josh Vlasto, said that Cuomo supports an expansion of rent regulations, which expire Jun. 15, but stopped short of endorsing the Assembly's proposal. The GOP-controlled state Senate opposes anything other than an extension of the existing rules.

Landlords Brace for Rent Control Debate

The battle over rent regulation will continue this legislative session until Jun. 15, the day the current laws expire, sources said.

While Democrats accuse the political and industry opposition of wanting to take the battle down to the wire in hopes of simply extending what they see as woefully incomplete legislation, landlord groups in the city and the suburban counties of Westchester and Nassau also see the current law as faulty and also seek changes.

"Building owners in New York City have had extreme run-ups in property taxes, water and sewer rates, and fuel costs, and they haven't gotten a reciprocal increase in rent because all the rents are created by the rent guidelines board," said Frank Ricci, director of government affairs for the RSA, which represents landlords and property owners in the five boroughs.

Kenneth O. Nilsen, chairman of the Westchester-based Building & Realty Institute (BRI) and an owner himself, denounced what he termed as the Assembly bill's flagrant hostility against landlords in general, and Westchester owners in particular.

"Raising the rent threshold for luxury decontrol to $3,000 per month would set the bar at the stratospheric levels of Manhattan rents and would do a great injustice to Westchester and the other suburban owners," Nilsen said.

Nilsen added that the median rent for apartments in Westchester regulated under the Emergency Tenant Protection Act (ETPA) is $1,075 per month, according to data compiled by the state's own division of housing. "That's a long, long way from the $3,000 level proposed by the Assembly,' he said.

Nilsen also had harsh words for the proposed complete elimination of vacancy decontrol. "What's the incentive for the average landlord to keep and maintain their buildings and provide a needed source of reasonably-affordable housing?" he asked.

The anguish of Westchester owners was also echoed by a spokesman for building owners in Nassau County.

"Increasing the threshold for luxury and vacancy decontrol would render both types of decontrol practically meaningless for us," said Richard Rush of Rush Properties, Inc. of Great Neck.

Tenants Subsidized by the Public

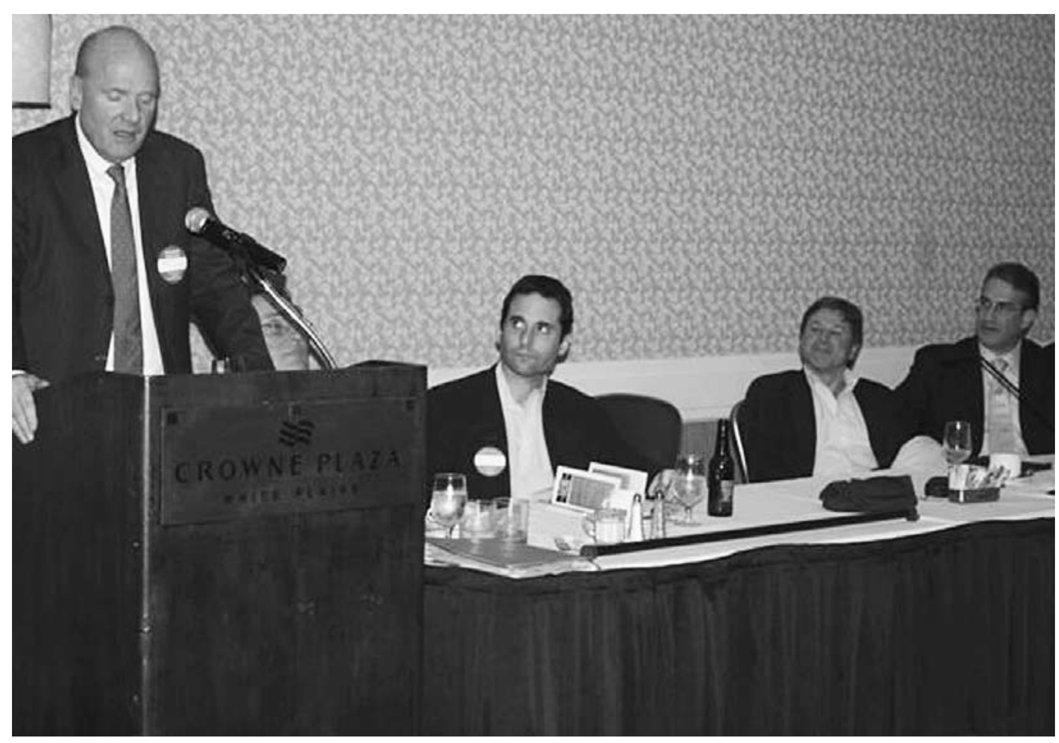
"The main problem is the subsidy provided by rent regulation. It is not targeted to the people who need it. Any way you can target it to the people who need it and then have everyone share in the subsidy, we're all for that. Right now it's very haphazard," said Ricci.

Ricci contends that the ever-escalating cost of owning and maintaining properties in New York City demands attention of other sorts to the current law.

"We're just going to try and highlight the problems with the current system and what needs to be corrected," he said.

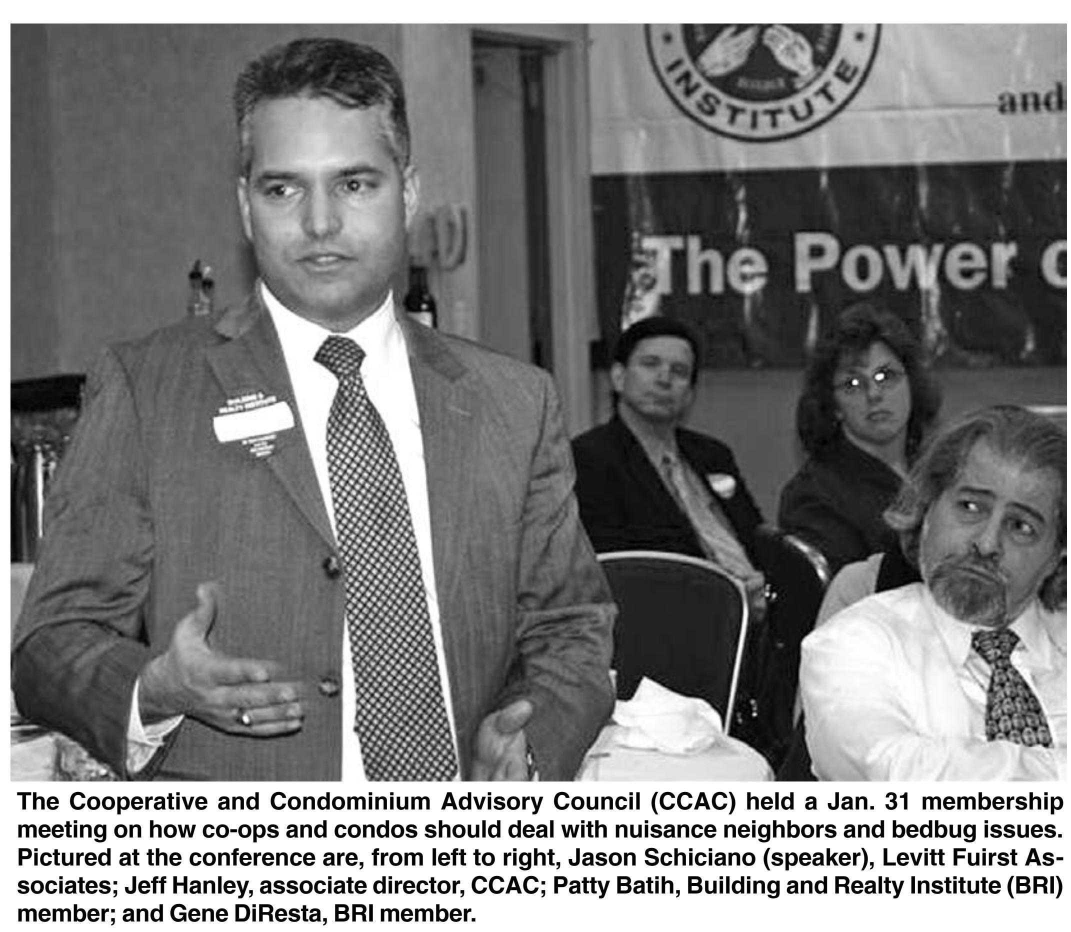
– An IMPACT Staff Report

The Jan. 13 General Membership Meeting of the Building and Realty Institute (BRI) featured Economist Robert Goodman and his views on the economy for 2011. Pictured at the event at the Crowne Plaza Hotel in White Plains are, from left to right, Gil Mercurio, chief executive officer, Westchester Putnam Association of Realtors (WPAR); Goodman; Eric Lashins, president, BRI; and Albert Annunziata, executive director, BRI.



Photos by Myron Marcus

"The Financial Rewards of Green Building: Construction, Operations and Management" was the topic of the Mar. 10 General Membership Meeting of The Building and Realty Institute (BRI). Pictured during the seminar at the Crowne Plaza Hotel in White Plains are, from left to right, Charles Brown, C.W. Brown, Inc.; Albert Annunziata, executive director, BRI; Eric Lashins, president, BRI; Doug Hertz, Sunrise Solar Solutions; and Gary Weisman, Solis Partners.



The Cooperative and Condominium Advisory Council (CCAC) held a Jan. 31 membership meeting on how co-ops and condos should deal with nuisance neighbors and bedbug issues. Pictured at the conference are, from left to right, Jason Schiciano (speaker), Levitt Fuirst Associates; Jeff Hanley, associate director, CCAC; Patty Batih, Building and Realty Institute (BRI) member; and Gene DiResta, BRI member.

CPC, RHAC and Officials Mark Completion of Haverstraw Project

HAVERSTRAW—Village, County and State officials recently joined with representatives from The Community Preservation Corporation (CPC), the Rockland Housing Action Coalition (RHAC) and invited guests to celebrate the completion of Murphy Manor Apartments.

Project officials termed the development as the first quality-built affordable housing for families in Haverstraw.

Located at 45 South Route 9W in the Village of Haverstraw, Murphy Manor Apartments is comprised of 25 two-bedroom units ranging in size from 850 to 1,022 square feet and one 530-square-foot studio apartment.

The building, which is within walking distance of New Main Street area shopping, includes a community room, laundry facilities and on-site parking. Monthly rents range from $500 to $875. All 24 units have been rented and there is a waiting list. The apartments are available to all income-eligible individuals who meet all program requirements, project spokesmen said.

Attending the Mar. 24 ribbon-cutting ceremony were Haverstraw Mayor Michael Kohut; Rockland County Executive C. Scott Vanderhoef; Gregory Watson, regional director of The New York State Homes and Community Renewal (HCR); Sadie McKeown, Hudson Valley regional director of CPC; Gerri Levy, executive director of RHAC; Linda LeMond, senior vice president of Provident Bank; Joseph Gallo, director of community investment for the Federal Home Loan Bank of New York; Rich McCauley, vice president of The Richman Group; and Jim Martin of Putnam County Savings Bank.

Financing for the project includes a $3.87 million construction loan from CPC; a $520,000 Federal Home Loan Bank grant through Provident Bank; a Housing Trust Funds grant of $1,352,000; and $619,425 in low-income tax credits from HCR.

The Richman Group and TD Bank were among the investors in the tax credits. The tax credit equity was $4,367,500. Putnam County Savings Bank provided $2,865,000 of the construction loan. CPC also committed to a Pension Fund permanent loan, which is insured by SONYMA, spokesmen added.

Ginsburg Development Companies (GDC) was the general contractor for the project as part of its commitment to Rockland County and Haverstraw to construct or renovate some 80 units of affordable housing at various locations in the village, company officials said. The Project Architect was Magnusson Architecture and Planning PC, project officials said.

An Important Task

"CPC is once again pleased to partner with the Rockland Housing Action Coalition on a very important project - providing much-needed affordable housing in Haverstraw. Murphy Manor Apartments is part of other significant redevelopment efforts underway in Haverstraw, including the adoption of an urban renewal plan, a waterfront revitalization plan and an affordable housing floating zone," said McKeown.

"This is another outstanding example of the kind of successful partnerships that the Rockland Housing Action Coalition has created with local lending institutions and builders. It builds on the important strides we have made over the past 17 years in providing cost-effective housing for income-eligible families in Rockland County," said Levi.

"The Village of Haverstraw is excited to see the conclusion of this project. It was a sometimes contentious process, but the Village Board was committed to providing quality affordable housing in the community. RHAC and GDC have provided that, with spectacular results," said Kohut.

Kohut added: "We could not be happier with the way things have turned out and we welcome our new neighbors and RHAC into the Haverstraw community. This project should demonstrate that 'affordable housing' isn't a dirty word. This project should be looked at by everyone as a shining example of how affordable housing can be done in an aesthetically pleasing and architecturally significant way, while still serving the needs of the residents it is seeking to help. The Board is confident that this development will be a well managed and successful addition to the Village for many years to come, thanks to Gerri Levy and RHAC."

An Important Effort

Brian Lawlor, past commissioner and chief executive officer of HCR, said: "Murphy Manor Apartments is the first affordable housing development of its kind created for families in Haverstraw and it's a great example of a quality, sustainable development that provides easy access to all the community has to offer. The integrated housing and community renewal agencies of HCR provided more than $600,000 in Low Income Housing Tax Credits and a grant of more than $1.3 million from the Housing Trust Fund Corporation to help connect families with affordable homes, as well as parks, shopping, schools, and transportation."

He added: "Congratulations to HCR's partners, including the Community Preservation Corporation and the Rockland Housing Action Coalition. And I thank Mayor Kohut and County Executive Vanderhoef for their support. Murphy Manor represents the positive impact that strong partnerships in affordable housing and community revitalization can have on the lives of families and entire communities."

"Provident Bank is pleased to partner with CPC, Rockland Housing Action Council and state and federal agencies in providing financing for Murphy Manor Apartments. We're proud to participate in this project, which provides much-needed affordable housing for the Village of Haverstraw. Provident Bank, which has participated in over 20 projects with CPC and CPC Resources, is committed to ensuring the economic vitality of our local communities throughout Rockland County and the Hudson Valley," said George Strayton, president and chief executive officer of Provident Bank.

"I am pleased to have been able to work with The Rockland County Action Coalition to demonstrate that you can produce attractive quality affordable housing that becomes a valuable addition to the community," said Martin Ginsburg of GDC.

Murphy Manor Apartments will be managed by RHAC, which has more than 20 years of experience as a community housing development organization. CPC and RHAC have collaborated on the development of more than half a dozen affordable housing projects, which surpass financing of $11.5 million to over 300 units in Rockland County communities such as Nyack, Clarkstown, Spring Valley and Haverstraw.

CPC is a not-for-profit mortgage lender that finances residential multifamily development throughout New York and New Jersey. Since its founding in 1974, CPC has invested more than $7.6 billion in more than 141,000 units of housing, officials said.

Rothman to Speak at CCAC Membership Meeting

By Jeff Hanley, IMPACT Editor

WHITE PLAINS—Mary Ann Rothman, executive director of the Council of New York Cooperatives and Condominiums (CNYC), will be the guest speaker at a realty industry conference in May.

Rothman will be featured at the May 23 membership meeting of the Cooperative and Condominium Advisory Council of Westchester and the Mid-Hudson Region (CCAC). The meeting, scheduled to begin at 6:30 p.m., will be at the Crowne Plaza Hotel in White Plains.

Rothman will address issues facing the co-op and condo sector in the New York metropolitan region, event officials said. CNYC is a realty membership association composed of co-ops and condos in New York City.

"We are absolutely delighted that Mary Ann can join us," said Diana Virrill, chair of the CCAC. "She has spoken to our membership in the past and has always provided us with valuable input. I urge our members to attend this meeting. Important issues to the co-op and condo community will be discussed. It should be an informative and interesting program."

Albert Annunziata, executive director of the CCAC, said that members of the association's affiliate organization, the Building and Realty Institute (BRI), are welcome to attend the conference.

Virrill added that full details on the program will soon be released to the memberships of the CCAC and BRI.

The CCAC represents more than 400 co-ops and condos in the Westchester and Mid-Hudson Region. Meetings, seminars, networking opportunities, referral services, bulletin services, lobbying and group insurance are among the services that the association offers to its members.

Case Study:
Court Ruling States That Commercial Landlords, In Some Cases, Can "Lock-Out" or Evict Tenants

By Alan D. Singer

NEW YORK—The Appellate Term, First Department recently reaffirmed the principle that landlords of commercial properties may, in certain instances, peaceably "lock-out" or evict a tenant for non-payment of rent without resorting to summary proceedings or other Court approvals.

This comes as a surprise to some Judges and many lawyers, including some well-known real estate practitioners in New York City, but is, in reality, consistent with over 100 years of Court precedent, including a 1978 case of Pine Hill Assoc. v. Malveaux, involving a Ginsburg property in Yonkers.

The case, decided Sep. 22, 2010, is Sol De Ibiza, Inc. v. Panjo Realty, Inc. The landlord was represented by Alan D. Singer, chair of the Real Estate Practice Group at Welby Brady and Greenblatt, LLP of White Plains.

In this case, following the non-payment of rent for over a year by a commercial tenant in SoHo—during which time the landlord and its prior counsel pursued a case in Supreme Court—the landlord served a rent demand, and when no payment was forthcoming, padlocked the premises and took possession.

The tenant then broke the padlock, was locked out once again and then sought an order in Civil Court to be restored to possession.

The Civil Court of the City of New York ruled that the right of self-help was not available and ordered the tenant to be restored to possession. In that decision, the Court ignored the 100 years of precedent, declared any cases to the contrary to be "decades old" and contrary to the "modern view."

Three Key Cases

In so doing that, the Judge either missed or chose to ignore three cases which were less than a decade old. In coming to this conclusion, the Judge in Civil Court cited neither a case, a dissent in a case, an article, opinion or even a conversation overheard at a cocktail party.

That Judge also ruled that the language in the standard form lease authorizing self help was inadequate and unenforceable. An appeal was taken to the Appellate Term of New York County.

The Appellate Term unanimously reversed and held, consistent with prior cases and the aforesaid Malveaux case—in which the landlord was also represented by Singer—that in commercial premises, where the lease so provides, the landlord may peaceably eject the tenant without resort to Judicial Process, so long as a proper, good faith, demand for the unpaid rent is first made.

The Court also ruled that the language in the standard lease authorizing self-help was sufficient and adequate to allow such actions. This case was remanded to the Civil Court due to an inadequate record on which to decide if the rent demand was proper and in good faith, whether the ejection was peaceable and whether rent was then, in fact, due (a vague allegation of threats made by the landlord was contained in the application, as well as a dispute as to whether rent was then due or whether the landlord had failed to satisfy some conditions precedent to tenant's obligation to pay rent).

A Noteworthy Issue

This case is significant to owners of commercial property, especially in the City of New York. Civil Court summary proceedings in New York City are notoriously slow. Even without raising a defense, it can take several months before judgment is issued, the Marshal serves his notice and actually evicts. Any defense, however frivolous, can delay the eviction for several more months, and the Civil Court Judges, unlike their suburban counterparts, are prejudiced in favor of the tenant.

In cases where the property is owned by individuals, relying on their rents in order to live, the situation can be quite desperate. One cannot tell the bank or the tax collector that a payment cannot be made this month because the Civil Court has not yet allowed the deadbeat to be evicted.

Self-help is a useful tool, not only in getting rid of a non-paying tenant, but also in avoiding a further stay in Bankruptcy and as a means of obtaining prompt payment from those tenants who can pay and want to stay in business.

Caution is A Must

Caution should be taken, however, to ensure that:

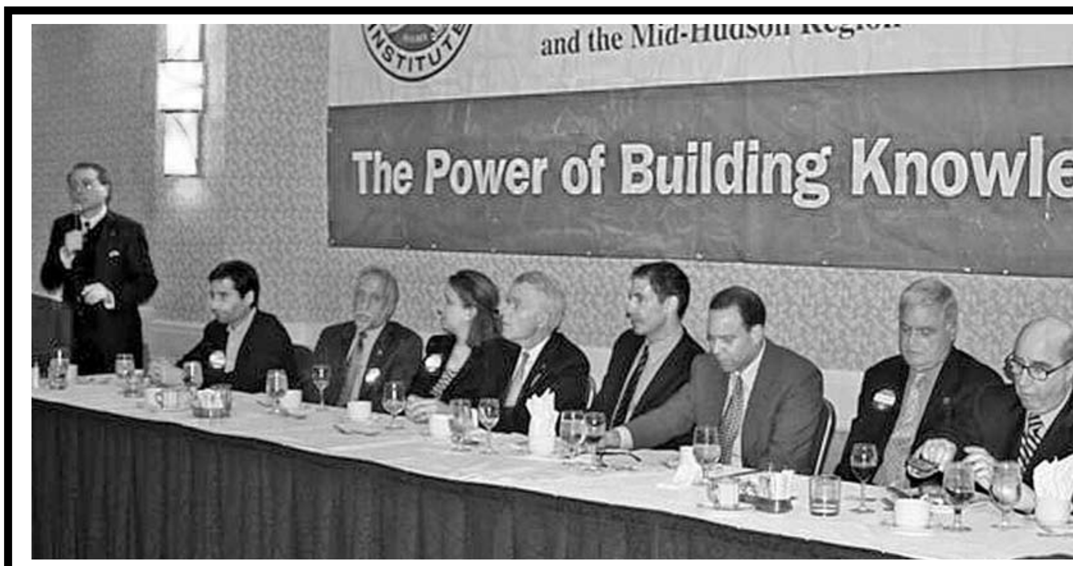
(1) There is no viable defense to the non-payment of rent;

(2) The rent demand and notice are in proper form and sufficient (legal advice is absolutely necessary for this);

(3) That the method of eviction and keeping the tenant out is peaceful and proper.

The down side to self-help is that if you are wrong, the tenant may sue for treble damages for wrongful eviction. In a proper case, however, where you have a tenant who is clearly in default and hopes to play the system at your expense, self-help can be an appropriate response.

Editor's Note: Alan D. Singer is Chair of the Real Estate Practice Group at Welby Brady and Greenblatt, LLP of White Plains, N.Y. The firm is a member of The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI).



"Area Banks Speak Out" was the topic of the Apr. 14 General Membership Meeting of the Building and Realty Institute (BRI). A panel of banking and finance industry representatives issued their views on the finance sector and its effects on the building, realty and construction industry. Pictured at the meeting are, from left to right, Albert Annunziata, executive director, BRI; Eric Lashins, president, BRI; John Bartolotta, Hudson Valley Bank; Kimberly Griffith, Hudson Valley Bank; Al Colligan, Provident Bank; Rob Schepis, Capital One Bank; John Naclerio, Wells Fargo; John Tolomer, The Westchester Bank; and Ken Nilsen, chairman, BRI. More than 80 BRI members attended the event at the Crowne Plaza Hotel in White Plains. *–Photo by Myron Marcus*

Second Phase of Revitalization Plan for Downtown Spring Valley Kicks Off

Multi-Use Development Features Affordable Housing and Commercial Space

SPRING VALLEY – Continuing a comprehensive urban renewal plan to revitalize downtown Spring Valley, Village, County, Town and State officials recently joined with representatives of CPC Resources, Inc. and The Rockland Housing Action Coalition to celebrate the groundbreaking of a multi-use development featuring affordable housing and commercial space.

Attending the groundbreaking event were Spring Valley Mayor Noramie Jasmin; Assemblywoman Ellen Jaffe; Empire State Development Regional Director Susan Jaffe; Rockland County Executive C. Scott Vanderhoef; Rockland County Legislature Chairwoman Harriet D. Cornell; Ramapo Town Supervisor Christopher St. Lawrence; Isaac Henderson, vice president of CPC Resources; Gerri Levy, executive director of The Rockland Housing Action Coalition; and Ian Arias of PNC Bank.

The Details

Called Spring Valley Family Housing, the project features 55 units of affordable housing for families earning 60 percent of the Rockland County area median income. It also features 7,000 square feet of ground floor commercial space. The project is expected to be completed in spring 2012.

"Today's groundbreaking marks the culmination of a long-time dream to bring affordable rental housing to families in Spring Valley. The 53 units to be constructed will provide safe, decent and affordable housing and will revitalize Main Street. I wish to thank everyone who worked so diligently to make this dream a reality. This endeavor was truly a team effort and shows that public/partnerships can and are successful," said Jasmin.

The $16 million project is at 94 North Main Street directly across the street from the completed Spring Valley Senior Housing Project, which included 53 units of affordable housing eligible to seniors ages 55 and older and approximately 11,000 square feet of ground floor commercial retail. The commercial retail development, called Four Corners Spring Valley, recently celebrated its grand opening and is in the process of being leased up, officials said.

The Plan

The Spring Valley Family Housing and Spring Valley Senior Housing are part of the Village's comprehensive Main Street Urban Renewal Plan in which the Village is replacing blighted buildings along its downtown Main Street with the new construction of mixed-use commercial and residential buildings.

In addition to the family and senior housing, future plans call for the construction of eight single family affordable town homes directly behind the senior housing building. When completed, the three projects will add 116 units of mixed-income housing and 18,000 square feet of commercial space to the downtown of Spring Valley, officials said.

Each of the three phases is developed by the partnership of CPC Resources, Inc., The Rockland Housing Action Coalition and the Village of Spring Valley. Magnusson Architecture and Planning is the project architect for all three phases. Sisca Northeast is the general contractor for the housing projects, project spokesmen said.

> **"We look forward to seeing the outcome: a stronger Main Street and a better place to live and work. Spring Valley Family Housing will offer 55 units of affordable rental housing in a high-cost suburban county, and contribute to downtown revitalization by developing long-vacant land and adding commercial and residential tenants."**
>
> —Brian Lawlor
> Past Commissioner/Chief Executive Officer
> New York State Homes & Community Renewal (HCR)

"We are once again pleased to partner with the Rockland Housing Action Coalition in the next phase of this vitally important plan to revitalize downtown Spring Valley with much-needed affordable housing and commercial space. We commend our partners from HCR, Empire State Development, Rockland County, the Town of Ramapo, Village of Spring Valley, JP Morgan Chase and PNC Bank, for making this public-private partnership such a huge success," said Henderson.

"Today's groundbreaking represents yet another big step forward in the ongoing revitalization of downtown Spring Valley. The Rockland Housing Action Coalition is proud to partner with CPC Resources and the Village of Spring Valley in creating much-needed affordable housing for families and seniors while adding new vitality to the Village's downtown," said Levy.

An Important Partnership

The financing for Spring Valley Family Housing is being provided through a public-private partnership that includes: tax-exempt bonds issued by New York State Homes and Community Renewal (HCR), a low-interest subsidy from HCR; tax credit equity provided by PNC Bank; a loan from the Village of Spring Valley; a tax abatement from the Town of Ramapo; funds from Rockland County's Office of Community Development; and funds from the Empire State Development Corporation's Restore New York program. Tax-exempt bonds will be serviced and credit enhanced by JP Morgan Chase during construction of the project, officials said.

"This project represents an important step toward revitalizing downtown Spring Valley, ensuring families can afford to live in the communities where they work, and is an initiative I am proud to have been able to help facilitate," said Ellen Jaffee.

Brian Lawlor, past commissioner/chief executive officer of New York State Homes & Community Renewal (HCR) said: "Spring Valley Family Housing is part of a revitalization plan for downtown Spring Valley that brings public and private partners together to strategically address the specific needs of the community. The integrated housing and community renewal agencies of HCR worked together to provide investments from the Housing Trust Fund Corporation's Homes for Working Families Program, the Housing Finance Agency's bond financing and the State of New York Mortgage Agency's Mortgage Insurance Fund.

Lawlor added: "We look forward to seeing the outcome: a stronger Main Street and a better place to live and work. Spring Valley Family Housing will offer 55 units of affordable rental housing in a high-cost suburban county, and contribute to downtown revitalization by developing long-vacant land and adding commercial and residential tenants. Gov. Cuomo has made affordable housing and community renewal a central part of his agenda. I congratulate CPC, The Rockland Housing Action Coalition, and the Village of Spring Valley on marking an important phase in an urban renewal plan that will enhance the quality of life in Spring Valley."

"We commend all of our partners for their role in making today's groundbreaking possible," said Susan Jaffe. "The Restore New York Program was designed to support economic development across the state, leveraging private investment with state dollars in order to provide the resources needed to transform our neighborhoods and spur future growth. We are pleased to see our villages, towns and cities move forward with critical renewal projects like this one. As a result, we are bringing affordable housing and commercial space to Spring Valley, while continuing to make important strides toward the revitalization of communities across New York State."

"This is an important day for so many people who want to make Rockland County their home. Today's groundbreaking also serves as a tribute to the many public-private partnerships that exist in our county. In this instance a property like this can go from the blight it was to become the locale for affordable family housing and commercial space," said Vanderhoef. "We are especially grateful to CPC and Gerri Levy of RHAC, as well as local builders and lenders for their contribution to the continuing revitalization of downtown Spring Valley."

CPC Resources, Inc. (CPCR) is the for-profit development subsidiary of The Community Preservation Corporation (CPC), a not-for-profit mortgage lender that has financed more than $7 billion of affordable housing since its founding in 1974. CPCR has developed or rehabilitated more than 13,000 units throughout New York State, including Parkchester Condominiums in the Bronx, representing an investment of more than $600 million in affordable housing, spokesmen said.

Case Study: Remodeling Makes Springtime a Little Greener, Industry Group Says

DES PLAINES Ill.—Green is more than a color. It's now a building philosophy.

For Peter Michelson, chief executive officer of Renewal Design-Build of Decatur, Ga., building green is also the way that he helps his clients live healthier, eco-conscious lifestyles. And it is also a way for residents to save money on utility bills, he added.

"Green homes incorporate sustainable materials and design ideas aimed at protecting the environment by promoting energy conservation," Michelson said. "The more you are doing to your house, the more of an opportunity you have to replace inefficient equipment with high-efficiency equipment and materials."

Renewal Design-Build won a 2010 Southeast Regional Award from the National Association of the Remodeling Industry (NARI) for a whole-home remodel it completed in Decatur. NARI officials stress that the firm is dedicated to building energy-efficient homes in an effort to help reduce climate change.

The company's plans incorporate a number of strategies that are meant to increase a home's energy efficiency by 30 percent, conserve water and reduce storm water pollution, NARI officials said.

By promoting recycling and the use of durable, low-maintenance, recycled and rapidly renewable materials, Renewal Design-Build helps to ensure homes conserve natural resources and protect ecosystem biodiversity, officials added.

Beginnings

The firm's award-winning remodel began as a 900-square-foot, 1930's cottage with two bedrooms and one bath. The original floor plan was dated, inefficient and no longer fit the modern needs of a growing family. The homeowners were dedicated to achieving a total green renovation, and worked with architect Eric Rawlings and the Renewal team to incorporate innovative, sustainable building practices, materials and technologies into both the construction and the interior design of the home, NARI officials said.

The remodeling team first deconstructed most of the home's original structure down to the foundation. They then expanded the living area of the home to 2,100 square feet, officials added.

"We reused everything we could reuse from the original house, which was challenging if you saw how tiny the original house was," Michelson said.

High-efficiency and sustainable building were top priorities for the project. The team used SIP—or structural insulated panel—construction instead of traditional stud framing. SIPs are made by sandwiching a layer of rigid polystyrene foam between two pieces of oriented strand board (OSB). SIP construction is stronger than conventional stud frames and it takes less time to erect. It also creates an airtight, draft-free envelope for the home, which saves homeowners money on their energy bills, NARI officials said.

"An important thing to consider in green renovation is allowing the house to mechanically breathe," Michelson said. "When a house is built very tightly, it can increase the chance for mold or air quality issues without the proper use of ventilation. In this case, energy recovery ventilators helped to reduce the costs of heating and cooling by transferring heat from the warm air inside with fresh (but cold) air from outside in the winter. In the summer, the inside air cools the warmer supply air to reduce ventilation cooling costs."

Additional Strategies

Energy Star-rated exhaust fans in the bathrooms and cook top vents in the kitchen helped to reduce the chance of mold growing in more humid areas of the home, NARI officials said.

Officials added that the remodelers placed a 40-millimeter thick vapor barrier in the home's crawl space and added an Energy Star-rated dehumidifier so that no ground moisture could seep up into the house.

"The tighter a house becomes, sick home syndrome becomes a bigger issue," Michelson said.

New geothermal heating and cooling, high-efficiency windows and doors and a tankless water heater cut down energy costs. In another strategy to save on cooling, the team incorporated deep roof overhangs to provide shade for the windows, NARI officials said.

Another savvy addition, officials added, was the water harvesting system, which was hidden inside the home's exterior stone columns. The cisterns collect up to 600 gallons of rainwater that the family uses to flush toilets and wash cars. The supply can also be utilized for landscape irrigation.

Results

Upon completion, the new prairie-style home featured four bedrooms, three baths and a spacious modern kitchen. Careful consideration was taken in choosing interior finishes. The homeowners opted for Forest Stewardship Council-certified hardwood and bamboo flooring throughout the house.

"Since we built this house so tight, we had to pay close attention to off-gassing and make sure that all of our finishes were low- or no-VOC and non-formaldehyde," Michelson said.

The builder says that the initial cost of building green pays for itself over time. For example, an additional investment of $10,000 will typically cost a homeowner about $65/month on a standard loan. If the energy savings meets or exceeds $65/month, then it becomes a great return on the consumer's investment, NARI officials said.

"A typical green project adds 10 to 15 percent to the construction cost," said David Michelson, president of Renewal Design-Build. "However, as the price of energy continues to go up, the payback accelerates when people build green homes and they can see dramatic decreases in their monthly utility bills."

NARI is the only trade association dedicated solely to the remodeling industry, association officials said. The organization represents more than 8,200 member companies nationwide. It is comprised of 63,000 remodeling contractors and is known as "The Voice of the Remodeling Industry."

NAI Friedland Closes 11 Transactions in February

YONKERS—NAI Friedland recently announced that its Retail, Office and Industrial Divisions closed 11 transactions in Westchester County and the Bronx during February.

The combined deals represent more than 76,000 square feet of space, company officials said.

The firm's Retail Division completed six transactions:

- A lease of 1,000 square feet at 2144 Broadway in New York. Manhattan Office President Gene Meer brokered the deal between Ditmas Management Corp. (landlord) and Liberty Travel (tenant).
- A lease of 1,670 square feet at 3276 Westchester Ave in the Bronx. Executive Vice President Robin Herko, Executive Vice President Steve Lorenzo and Retail & Office Associate David Scotto brokered the deal between The Hampshire Companies (landlord) and Dunkin Donuts (tenant). Herko, Lorenzo and Scotto represented both the landlord and the tenant in the transaction.
- A lease of 6,800 square feet at 2249 Central Park Avenue in Yonkers. Executive Vice President Rick Stassa brokered the deal between John Bobolakis (landlord) and Dubai Furniture (tenant). Stassa represented both the landlord and the tenant in the transaction.
- A lease of 6,000 square feet at 135 Hoyt Ave in Mamaroneck. Executive Vice President Steve Kornspun and Retail Specialist Lou Klein brokered the deal between Westmont Management (landlord) and Hutter Auction Company (tenant). Kornspun and Klein were the sole brokers in the transaction.
- A lease of 500 square feet at 3250 Westchester Ave in the Bronx. Herko, Lorenzo and Scotto brokered the deal between The Hampshire Companies (landlord) and Cheryl Foster, CPA (tenant). Herko, Lorenzo and Scotto represented both the landlord and the tenant in the transaction.
- A lease of 2,357 square feet at 2510 Westchester Ave in the Bronx. Executive Vice President Kathy Zamechansky brokered the deal between 2510 Westchester Ave Associates, LLC (landlord) and Complete Spinal Physical Therapy (tenant). Zamechansky represented the tenant in the transaction.

The company's Industrial Division completed three transactions:

- The sale of 35,000 square feet at 40 Farrington Road in Brewster. Industrial/Flex Specialist Andy Grossman brokered the deal between Gabrielle Astrologo (seller) and KMJ Holdings LLC (buyer). Grossman represented both the seller and the buyer in the transaction.
- A lease of 4,150 square feet at 99 Fulton St in White Plains. Grossman brokered the deal between The Frem Group (landlord) and Fabric Renewal (tenant). Grossman represented both the landlord and the tenant in the transaction.
- A lease of 5,000 square feet at 1165 Leggett Ave in the Bronx. Chief Executive Officer Tony Lembeck brokered the deal between STI Realty (landlord) and ADA Tire (tenant). Lembeck represented both the landlord and the tenant in the transaction.

NAI Friedland's Office Division completed two transactions:

- The renewal of a lease of 11,000 square feet at 272 North Bedford Road in Mount Kisco. Ellen Benedek and Carl Silbergleit were the brokers involved in the deal between 272 North Bedford Road LLC (landlord) and Finger Lakes School (tenant).
- A lease of 3,331 square feet at 400 East Fordham Road in the Bronx. Benedek and Silbergleit brokered the deal between Acadia Realty Trust (landlord) and Westat (tenant). Benedek and Silbergleit represented both the landlord and the tenant in the transaction.

"Even in this difficult economy, our brokers are continuing to match clients with space that suits their needs," said Lembeck.

Lembeck added: "Friedland's brokers are out in the market every day, working hard to fill every vacancy in Westchester, Rockland, Putnam and the Bronx. We are canvassing each market regularly to find the best opportunities for our clients."

NAI Friedland was founded in 1970. The company is a full-service commercial real estate firm covering the entire metropolitan New York area, with a majority of its business in Westchester County and the Bronx. The firm also covers Putnam and Rockland counties, New York City, Connecticut and New Jersey, company officials said.

Headquartered in Yonkers, Friedland also maintains a satellite office in Manhattan. The firm has four divisions - Retail, Industrial, Office and Residential/Development. Friedland is a member of NAI, the largest managed network of commercial real estate firms in the world, officials added.

Houlihan-Parnes Announces the Sale of Dobbs Ferry Complex

DOBBS FERRY—Sheldon Stahl and Fred Stahl of Houlihan Parnes Realtors, LLC recently announced the sale of the Osborn Manor Apartments, a 78-unit garden apartment complex at 300 Broadway in Dobbs Ferry.

The property, built in 1953, is on a 9.5-acre parcel of land overlooking the Hudson River. It is within walking distance of the Dobbs Ferry Metro North Station. Many of the apartments are large duplexes. In addition to surface parking, tenants have the use of garage parking. Many of the apartments have beautiful Hudson River views, company officials said.

The property was sold in an all-cash transaction after being exclusively marketed by Houlihan Parnes Realtors in the fall of 2010, officials added.

Michael Lynch represented the seller, an affiliated entity of Houlihan Parnes Realtors, as attorney. Andrew Albstein of Goldberg Weprin represented the purchaser as attorney, according to spokesmen.

Houlihan-Parnes Realtors is a multi-faceted real estate investment company headquartered in White Plains.

Rand Commercial Services Closes Sale of Sleepy Hollow Facility

SLEEPY HOLLOW—Rand Commercial Services (RCS) recently announced that it has closed on a $2.4 million sale of a high-profile, reconstructed building in Sleepy Hollow.

The building at One New Broadway, a former car dealership, was completely gutted and converted into an office building, officials said.

"This piece of prime commercial real estate property will continue to create a hub of activity in Sleepy Hollow for years," said Ann Silver, a licensed real estate agent for RCS, who sold the property along with former State Sen. Nick Spano. Spano is also a member of RCS.

"Former Sen. Spano and Ann make a perfect partnership," said Paul Adler, vice president of RCS. "Former Sen. Spano has the ability to bring in the listing and Ann has the vast resources to match-up the right buyer with that seller. Often buyers and sellers don't understand each other's needs, but we were able to put them together and it was a nice match."

The property was sold to Open Door Family Medical Centers, which provides health care and human services at affordable prices to the economically disadvantaged, RCS said.

Silver said: "We priced it right, gave it publicity and showed it to a variety of buyers. This was a case study in the art of putting a buyer and seller together. It took an understanding of what the market drivers currently are, and an understanding of what segments of the market place are continuing to grow. The medical industry is one of them."

RCS said that the building's former owner, Peter Grotto, bought the building in 2007 with the intention of moving his business, Peter Grotto Plumbing and Heating of Yonkers, to a larger space.

But, RCS said that Grotto eventually stressed that his business became too large for the 12,500 square-foot building.

"It used to be loaded with mirrors and doors and the downstairs bays and service areas," Grotto said. "We had to come in, take that out and add new plumbing, sprinklers, electric, heating and air conditioning - the whole works."

There are now five offices in the Class A office building, RCS said.

Milio Realty Earns Management of Yonkers Property

YONKERS—Milio Realty Corporation recently announced that it has taken over the management of an 87-unit, multi family property in Yonkers.

The Milio family has owned and managed properties for 30 years. The firm specializes in managing apartment buildings, condominium and co-op complexes and commercial space, company officials said.

"My focus is to implement our management techniques that we have successfully established through the years to maximize income and lower expenses, while providing high-quality service for our client," said Carmelo Milio, president and director of property management of Milio Realty Corporation.

Milio Realty Corporation is a leading real estate management company through what company officials termed as "a unique combination of ability, knowledge and hands-on experience." All management, from accounting and billing to repairs and capital improvements, are all done in-house. That approach, officials said, gives the company an edge on conventional management firms.

Milio Realty Corporation, a property management and investment company, is licensed in New York and Connecticut, company officials said.

Houlihan-Parnes Named Agent for the Sale of Irvington Facility

IRVINGTON—Houlihan-Parnes Realtors, LLC recently announced that it has been appointed Exclusive Agent for the sale of Abbott House, a 16-acre site with three structures totaling approximately 105,000 square feet, in Irvington.

Located off North Broadway, the property is accessible from Strawberry Lane. The property includes a main building with a residential treatment facility for children and administrative offices, meeting rooms and rooftop solarium. There is a separate school building with an attached gymnasium, as well as a caretaker's cottage. The property also includes onsite parking for 175 vehicles. The setting provides for magnificent views of the majestic Hudson River and is conveniently located in close proximity to Midtown Manhattan, officials said.

Abbott House was founded in Irvington in 1963. The facility provides a variety of social service programs in Westchester County, the Bronx and the Hudson Valley Region. Although the residential program in Irvington will close in June, the agency will continue its administrative and program offices at the site until the property is sold. Upon the sale, the entity said that it will relocate elsewhere within Westchester County.

Houlihan-Parnes Realtors is a multi-faceted real estate investment company headquartered in White Plains. Its companies and affiliates are engaged in the acquisition and ownership of all types of commercial real estate investment property in the continental U.S. Its various companies and affiliates specialize in commercial mortgage finance, investment sales, property management, leasing, mortgage servicing and consulting, spokesmen said.

INSURANCE INSIGHTS

By Ken Fuirst and Jason Schiciano, Levitt-Fuirst Associates Ltd.

What You Need to Know About Insurance If You Hire Construction Contractors in New York

YONKERS—You are a building owner, general contractor, or a trade contractor who hires subcontractors.

Like so many other things in life, you get what you pay for. Not only is this true for the quality of the work done by the subcontractor you hire, but equally as important, the quality of the subcontractor's insurance.

Key Points

Why is the quality of the subcontractor's insurance important? Because, typically, you (the building owner, general contractor, or trade contractor who hires subcontractors) will require that the subcontractor:

- Name you as an "Additional Insured," so that the subcontractor's insurance pays for your legal defense and pays for judgments against you, due to liability you incur, resulting from the subcontractor's work and your contractual relationship with the subcontractor;
- Indemnify you, and hold you "harmless" for claims against you, caused by the subcontractor's work.

You don't want to discover that the subcontractor has paid for "discount" insurance when your name shows up on a summons, and you need an attorney to respond immediately and defend you (at $500 per hour).

An Important Issue for New York Businesses

The quality of your subcontractor's insurance is even more important if you do business in New York State, because New York is the only state in the nation with laws that can result in liability to the building owner and/or the contractor that hired the subcontractor, for an on-the-job injury to the subcontractor's employee. If an on-the-job injury to a subcontractor's employee is severe, resulting in death or permanent disability, the liability costs (legal, judgment award, etc.) for which you are responsible could be in the millions-of-dollars.

Here's the problem: because the aforementioned New York State laws make for huge liability exposure to insurance carriers, many carriers exclude coverage for you, the Additional Insured.

Therefore, you could be left to address the liability costs (legal, judgment award, etc.) associated with an injured subcontractor's employee, through your own insurance, or out-of-pocket (if your insurance is not sufficient). Even if your insurance does respond, your insurance premiums are bound to increase for years to come, as a result of the liability costs paid by your carrier.

As specialists in contractors' liability insurance, Levitt-Fuirst can help you assess your subcontractors' liability insurance, in order to maximize the likelihood you'll be covered as an Additional Insured, if the need arises.

For more information, please call us at (914) 376-2500.

TECH TALK

By Andrea Wagner
Wagner Web Designs, Inc.

Tips on How LinkedIn Can Work For You *and* Your Business

YORKTOWN HEIGHTS—LinkedIn is a powerful online social media tool that can help you look for work, strengthen your network and position you as a leader in your field.

It's not enough to have a LinkedIn profile – you need to make it work for you.

Build a Stronger LinkedIn Profile with the help of the below summary. It is re-printed with permission by Marc Halpert, a LinkedIn Coach, at www.linkedin.com/in/marchalpert.

Key Points

1. Don't just cut and paste sections from your résumé. LinkedIn shows your experience, present efforts and future aspirations, not just recounting the past, as resumes do. Describe your rich experience and how it contributes to your current and future abilities in your own words, as you would to someone you just met. Use short blocks of copy with keywords and rich textual images, in easily digestible bites.

2. Draw inspiration from others you respect. Adapt smart wording you see them using to your own personal style and branding. Use present tense, first person ("I" or "me").

3. Write a dynamic personal tagline. That 120-character line of text under your name is the first impression you make in your profile. It defines you all over LinkedIn. It's your brand - make it intriguing. Clearly tell others "who you really are" not what your title/company is.

4. Put your polished elevator pitch to even better use. Your 30-second elevator speech, practiced and refined, is the essence of who you are and pitches what you do. Now convert it for use in LinkedIn, in the Summary section, to engage potential connections. You have 15 seconds to capture their attention.

5. Point out your skills, certifications, languages, publications, etc. Use Google keywords in The Experience and Specialties Fields to drive personal searches to you. Display your unique abilities in your line of work, personal skills and unique interests.

6. You must have a good photo. A clear picture of what you look like, showing a friendly, approachable professional is one basic, yet underutilized tool to reinforce your brand. Potential business contacts call after reviewing your profile. Let them speak to you while looking at your photo on LinkedIn.

7. Further show your ideas and voice, those that are different from the crowd. Add your website and blog URLs to showcase your voice. Edit the default "My Website" label into an identifiable name in English ("my commercial real estate website"). This encourages clickthroughs (heightens SEO). Use the free LinkedIn applications to provide easy downloads of your multimedia marketing materials, adding even more depth to your profile.

8. Make your profile 100 percent complete. Get a personalized LinkedIn URL. By doing so, you look your very best, fully rounding out who you really are. Show your current position, two past positions, education, profile summary, photo, specialties, and three recommendations. Personalize your LinkedIn URL, instead of using the default. Use that URL on business cards,email signatures, and all marketing materials so that they can find you on LinkedIn.

9. Answer questions, ask questions. Thoughtful, purposeful answers to questions raised by others add to your street credentials, pointing more eyes at your profile. This establishes your expertise, and builds social capital with your network. Don't hesitate to ask open-ended questions of your connections, groups, etc.

10. Recommend and get recommended. You can easily give someone a recommendation they were not expecting (a nice surprise!) or ask someone to recommend you for some specific aspect of your work. The "two percent rule" should apply – 98 percent of your network like you and two percent greatly admire you to recommend you. Beware of recommending someone and then have them recommend you back on the same day. It looks like the mutual admiration society.

Services Profile:

ERA Insite Realty Celebrates 25 Years of Growth in Westchester County

WHITE PLAINS—ERA Insite Realty Services, a full-service real estate firm in White Plains, is celebrating its 25th year of successful business in Westchester County, company officials recently announced.

The firm, which is the region's top ERA company and in the top 100 of ERA companies nationwide, recently commemorated its silver anniversary by announcing that it will donate $25 from every closed sale in 2011 to The Bridge Fund of Westchester, a privately funded program whose mission is to prevent homelessness for the working poor.

Prospering in any business for 25 years is a milestone, but growing in the recent economy and real estate market is quite another, ERA officials have stressed.

While many local real estate firms are downsizing, ERA Insite has grown significantly in the past five years through a series of mergers with competing firms, including ERA Save, ERA Gem of Yonkers and ERA Advantage of Pleasantville, officials added.

The firm's most recent merger was with Greentree Realty and Relocation Company of White Plains. Established in 2002 by Gabriela Kosek and partner Mel Weill, Greentree eventually developed into a major force in Westchester's rental brokerage business. The latest merger reinforces ERA Insite's already highly recognized and award-winning rental and relocation division, company officials said.

"We are thrilled to welcome the talented, real estate professionals of Greentree Realty and Relocation to further strengthen our expertise," said Lou Budetti, a principal broker who founded ERA Insite with his wife, Debra Budetti, a relocation specialist.

A Noteworthy History

ERA Insite's 25-year history is rich in community outreach, company officials said.

In speaking to the firm's recent decision to donate to The Bridge Fund of Westchester, Debra Budetti said: "The core responsibility of a real estate professional is to help people who are in need of a home. There is no better way to celebrate our success and share our responsibility than by helping to maintain shelter for those who struggle to keep a roof over their heads."

With an experienced team of more than100 knowledgeable agents and a longstanding roster of both corporate and individual clients, ERA Insite has built a reputation of outstanding service within the real estate industry and throughout the community, company spokesmen said.

ERA Insite's team of agents are qualified in all areas of real estate, including residential sales, residential rentals, relocations, foreclosures, short sales and commercial and investment properties. Many are also fluent in a number of foreign languages. The company is headquartered at 600 North Broadway in White Plains, with a second location at 639 McLean Avenue in Yonkers. The firm was founded in 1985 by Lou and Debra Budetti. It services Westchester, Putnam and Dutchess counties, as well as Fairfield County in Connecticut.

Gendalia Joins Rand Commercial Services

WHITE PLAINS – Rand Commercial Services (RCS) recently announced that Christy A. Gendalia has joined the firm as a licensed real estate salesperson in its White Plains office.

Gendalia is a commercial real estate specialist. RCS said that she has "a knack for communicating complex buying and selling financial matters to clients."

Prior to joining RCS, Gendalia was a senior financial analyst. She is a Certified Buyer's Representative and a Certified Depressed Properties Expert (CDPE), of which there are currently only 22,000 of in the U.S., company officials said.

"Christy is a fantastic addition to our team," said Paul Adler, vice president of RCS. "She is experienced in business, financial analysis and negotiations—all essential strengths in the commercial real estate market. Christy's wealth of knowledge is a true asset to buyers and sellers, and we're thrilled that she has joined our White Plains office."

A resident of Rye Brook, Gendalia has an MBA in Finance from Marymount University in Arlington, Va.

RCS is an independent, full-service commercial real estate brokerage that serves the Greater New York area. The firm specializes in repositioning and redeveloping properties to improve their returns, in addition to assisting clients with more conventional sales and leasing. RCS has nearly 30 agents in Orange, Rockland and Westchester counties. The firm also serves New York City, northern New Jersey and Connecticut, company officials said.

NAI Friedland Realty Scores Another Central Avenue Exclusive in Yonkers

YONKERS—NAI Friedland Realty's Executive Vice President, Rick Stassa, has been appointed the exclusive agent for the former Charlie Brown's Restaurant on Central Avenue in Yonkers, company officials recently announced.

The restaurant space is a 6,000 square-foot, free-standing building with a 1,800 square foot basement.

Central Avenue is considered by many to be Westchester County's premier shopping destination. Also known as Route 100, the retail corridor boasts a wide variety of national restaurant tenants, including favorites such as T.G.I. Fridays, California Pizza Kitchen, Nathans and IHOP.

Stassa recently completed three additional transactions on Central Avenue on behalf of The Carpet Gallery, Dubai Furniture and Rainbow USA for a total of more than 15,000 square feet, not including Charlie Brown's, company officials said.

The Carpet Gallery will occupy a 4,000 square foot space formerly leased by Blockbuster. Notable neighbors include Thomasville Furniture, Pizza Beat and Pet Goods. Meanwhile, Dubai Furniture will open its ninth location and second Westchester County showroom at 2249 Central Avenue in Yonkers, just south of PC Richard, and Rainbow USA will open its second location at Gateway Center. Other popular tenants in the shopping center include Bob's Discount Furniture, The Gap and Burlington Coat Factory, officials said.

NAI Friedland has completed numerous transactions on Central Avenue, including leases for IHOP, Walgreens, Smith Carin's Ford and Raymour & Flanigan, officials said.

When asked about his exclusive listing for the former Charlie Browns, Stassa said: "We've had a lot of interest in the property from both local and national tenants because it's in such a great location. It's only a matter of time before the space is occupied—we get a large number of calls about it every day."

NAI Friedland, founded in 1970, is a full-service commercial real estate firm covering the entire metropolitan New York area, with a majority of its business in Westchester County and the Bronx, and additionally in Putnam and Rockland counties, New York City, Connecticut and New Jersey. Headquartered in Yonkers, Friedland also maintains a satellite office in Manhattan. The company has four divisions - Retail, Industrial, Office and Residential/Development.

Site Recalls "Glory Days" of Hudson River Commerce:

Prime Riverfront Property Offers Rare Development Opportunity

An IMPACT Special Report

VERPLANCK, Town of Cortlandt, N.Y. - In this quiet hamlet tucked away in the northwest corner of Westchester County on the shore of the Hudson River lies a six-plus acre parcel of property that presents a rare opportunity for prime riverfront development in the New York metropolitan area.

The industrial land and building for sale with frontage on the Hudson with its own pier recalls a bygone era when the Hudson Valley was an economic powerhouse of manufacturing, warehousing, shipping and commerce, site officials said.

The old Ferry Slip Inc. property consists of a single parcel of land a little over five acres in size, with an additional acre of land under the Hudson River itself, for a total of 6.09 acres. In addition to the river frontage, the site is improved with a steel pier and two wood piers which were used for securing and stabilizing barges and ships.

There are two single-story buildings. The larger is a brick and concrete block storage facility over 4,000 square feet in size with concrete flooring and industrial-type windows. The second structure is a metal building 880 square feet in size.

"This site has fantastic potential," said Steve McCulloch, a broker with Houlihan-Parnes Realtors of White Plains. McCulloch said that the zoning allows for nearly 55,000 square feet of development.

The asking price for the property is $2.5 million, site officials said.

The old Ferry Slip Inc. property (aka The Verplanck Fuel Depot) was originally a quarry and shipyard prior to 1925. Beginning in 1925, the property was owned by the Standard Oil Company of New York and later, the Mobil Oil Corporation. By the 1970's it had come under private family ownership and, by the 1990's, all oil storage operations ceased.

Since that time, all tanks have been emptied, cleaned and removed in compliance with New York State Department of Environmental Conservation (DEC) regulations and inspections, site officials said.

For more information on this rare development opportunity, interested parties can contact McCulloch at Houlihan-Parnes at (914) 641-4305. E-mail inquires are also welcomed at smcculloch@houlihanparnes.com, site officials said.

Empire Access Multiple Listing Service Offers New "Down Payment Resource"

WHITE PLAINS – The Empire Access Multiple Listing Service (EAMLS) recently installed the new "Down Payment Resource" (DPR), a free, online application that identifies properties within Westchester, Putnam, Dutchess and the Bronx that may be eligible for down-payment assistance, officials recently announced.

EAMLS is only the second MLS in the nation to offer the new service, following the Minneapolis Area Association of Realtors, officials added.

Launched in 2009 by Workforce Resource, a web-based software firm, DPR is displayed as an icon next to those properties that may quality for programs offered by federal, state and local housing finance agencies. It is designed to help potential home buyers determine if they are eligible for any type of financial assistance toward the down payment on the property.

"For many people—particularly first time homebuyers—the largest barrier to purchasing a home is the lack of a substantial down payment," said EAMLS President Gary Leogrande. "We want our participating Realtors to know all the available resources and information that can benefit their clients."

DPR, a unique proprietary web tool, connects eligible homebuyers and eligible properties with governmental and private-sector programs not only for down payment assistance, but for affordable fixed-rate mortgages, mortgage credit certificates and rehab loans, officials said.

Licensed directly to EAMLS, mortgage lenders and housing counselors, DPR can turn home ownership from a dream into reality for many individuals and families. Potential home buyers can simply visit www.wpar.com, click on "Find a Property," and enter the search criteria.

When viewing details of each property, prospective buyers can look for the DPR icon, click on it and answer a short survey to determine their potential eligibility for various programs.

"Basically, DPR increases the volume of affordable home lending," added Leogrande. "In addition to assisting buyers, it can help sellers by bringing in more potential buyers. For Realtors, this could lead to a larger pool of clients and more transactions. It's a win-win situation for all parties."

EAMLS is a wholly owned subsidiary of the Westchester Putnam Association of Realtors, Inc. (WPAR). The multiple listing service comprises 927 participating real estate offices and some 15,000 properties in its database, about 9,400 in Westchester, 1,900 in Dutchess, 1,500 in Putnam and 1,600 in the Bronx. The organization is among the top 50 largest MLS's in the U.S., officials said.

The Club at Briarcliff Manor Offers Realtor Referral Program

BRIARCLIFF MANOR—The Club at Briarcliff Manor, a senior living community under development, recently announced a new Realtor Referral Program for brokers who refer clients to the club.

Under the new program, the club will pay a $5,000 referral fee when a client makes a 10 percent deposit and the contract has been in force for 90 days. The fee will be paid whether or not the client ultimately closes on his or her residence. Brokers need only bring their clients to the club's new Information and Design Center on Scarborough Road for the first visit. An on-site staff of experienced senior living counselors will then work with the clients, officials said.

"We are pleased to offer this new referral program to the area brokerage community. For many older residents who are thinking about selling their homes and putting a plan in place for the future, the club is an ideal choice, offering beautifully designed residences and best-of-class amenities and services in an incomparable setting," said Matthew Phillips, president and chief executive officer of Integrated Development Group (IDG). IDG is developing The Club at Briarcliff Manor in partnership with the National Electrical Benefit Fund, a Washington D.C.-based pension fund with over $10 billion in assets.

The marketing and sales staff at The Club is offering short presentations at Realtors' offices to give them basic information on the new continuing care retirement community and to share how the new referral program works.

Located on the former site of King's College and the historic Briarcliff Lodge, The Club at Briarcliff Manor is a fee-for-service continuing care retirement community featuring 325 spacious town homes, villas and apartments with best-in-class services and amenities, officials said.

The Upper Village will enjoy breathtaking Hudson River and New York City skyline views and feature Tudor-style buildings with 288 spacious one-, two- and three-bedroom residences. A clubhouse will include the Aquatics, Spa and Fitness Centers. Also included is a complete Supportive Living Center that features wellness care, assisted living, memory support and skilled nursing services, should the need arise.

The Lower Village will consist of 24 town homes and 13 free-standing villa homes designed for today's active adult lifestyle with first-floor master suites, attached two-car garages and an optional elevator. The town homes and villas will enjoy views of the pond and large meadows. The community is for those 62 years old or better and is only 42 minutes by train to Manhattan. The club offers a variety of entrance fee refund programs, with pricing starting at $419,900, officials said.

Endres-Fein Nominated as NYSAR's Secretary-Treasurer

WHITE PLAINS—Better Homes and Gardens Rand Realty recently announced that Jean "JP" Endres-Fein, manager of the firm's White Plains office, has been nominated to serve as Secretary-Treasurer of The New York State Association of Realtors (NYSAR) in 2012.

Endres-Fein was the NYSAR 2010 Realtor of the Year and the 2004 Westchester County Board of Realtors' (WCBR) Realtor of the Year. She is also a former WCBR president. WCBR recently changed its name to The Westchester Putnam Association of Realtors (WPAR).

Endres-Fein, who would take the position in Jan. 2012 after the Board of Directors' vote in September, will work with the Finance Committee and staff of NYSAR to prepare the association's budget. If elected, she will also prepare financial statements and report to the association's Board of Directors, serve as Chair of the Finance Committee and the Investment Committee, and serve on the Executive Committee.

"We are so proud of JP and all of her accomplishments," said Matt Rand, managing partner of Better Homes and Gardens Rand Realty. "We know she will be a huge asset to all of NYSAR, as she is to our team."

"It's a very exciting time for our industry," Endres-Fein said. "We're going through lots of changes with legislation and technology, and there are a lot of outside influences, such as our state budget. It is an excellent time to be involved at the state level."

Endres-Fein mentors sales agents, provides training and assists with recruiting in Rand Realty's White Plains office. She concentrates on the White Plains and Scarsdale markets, which she has served for more than 20 years.

Prior to joining Rand Realty, Endres-Fein was the co-owner of Homes of Westchester. Before that, she was the broker-owner of David Endres Realty Group Ltd., an independent, family owned brokerage that served Westchester County.

Better Homes and Gardens Rand Realty was founded in 1984. Company officials said that the firm is the top real estate brokerage in the Greater Hudson Valley, with 24 offices serving Westchester, Rockland, Orange, Putnam and Dutchess counties. Rand has more than 800 sales associates, officials said.

New York's Highest Court Upholds Low Rent Guideline

Continued from page 1

providing services to its occupant are often not in proportion to historical rents. Where the rent is relatively small and there is no vacancy for many years, the disproportion can become acute, with small annually authorized increases that do not come close to covering increased costs. Those costs have to be paid somehow, so if percentage increases are uniform, the increases must be set at a level that allows landlords to make larger profits on the apartments that get larger increases, and to use those profits to pay the costs for the lower-rent apartments."

In other words, tenants paying higher rents must subsidize those paying lower rents. (emphasis added).

A Cure

To cure this inequity, the NYCRGB issued a supplemental guideline. Specifically, this guideline stated that where the old rent, prior to the lease renewal, was under $1,000 per month, the guideline increase for the 1-year lease renewal was 4.5 percent or $45, whichever is higher and for the 2-year lease renewal, 8.5 percent or $85, whichever is higher. Thus, for a tenant paying $450 per month as the old rent, for a one year renewal, the $45 increase was equivalent to 10 percent, much higher than the 4.5 percent.

For a 2-year lease renewal for a tenant with a low rent, the percentage would be proportionately higher.

The Westchester County Rent Guidelines Board issued a similar alternate increase, i.e., 4.5 percent and 6.5 percent, for 1 and 2-year lease renewals with a $45 minimum increase no matter what the old rent. Therefore, as a practical matter, there would also be a higher percentage increase for tenants with rents under $1,000 per month. No challenge was taken to the Westchester increase.

The argument propounded by the tenants was that, essentially, the RGB has no power to create classes of housing accommodations – meaning, the tenants said that the RGB is forbidden to draw any distinctions within any of the classes of housing accommodations and two different guideline amounts would basically be a forbidden distinction not within the power of the RGB to promulgate.

The Explanation

The Court said that "on its face, the RSL does not prohibit the RGB from distinguishing some kinds of apartments from others" and in fact, "the RGB has always made some distinctions between apartments, even though apartments are generally considered one "class" of housing accommodation. Most obviously, the RGB prescribes different rental rates for one-year and two-year leases." The Court also pointed out that the

"RGB has made a number of other distinctions within the apartment 'class.' It has allowed landlords to charge extra when electricity is included in the rent, and to collect "fuel adjustment surcharges" (citations omitted). Indeed, the order challenged in this case distinguishes between apartments in which heat is provided by the landlord and those in which it is not. (Such distinctions have long been accepted without question is further confirmation that nothing in the governing legislation can fairly be read to prohibit them)."

The Court stated that "there is no conflict between the RGB's dollar minimum increases, which give some benefit to landlords of low-rent, slow-turnover apartments while their tenants remain in possession, and the State legislation, which gives relief regardless of rent level after a slow-turnover apartment has finally become vacant. It is true that some landlords may, eventually, benefit from both provisions, but the two benefits, even where cumulative, are not logically inconsistent."

Finally in regard to the case of Matter of *New York State Tenants & Neighbors Coalition, Inc. v Nassau County Rent Guidelines Board* (53 AD3d 550 [2d Dept 2008]), relied on by the Tenants, which invalidated an order of the Nassau County Rent Guidelines Board permitting rent increases that would vary with tenants' income, Landlords can find solace in the Court's dicta (discussion that is not binding precedent but can be looked to for guidance) where the Court of Appeals said:"To the extent that the Second Department in New York State Tenants—like the First Department here—accepted the argument that there can be no distinction in the rent increases allowed within a "class of accommodation" it was mistaken, for the reasons we have explained."

Therefore, based on all of the above, the Court of Appeals rejected the lower courts' decisions and affirmed the RGB's two tier rent guideline rent increase.

Editor's Note: The authors are with Finger and Finger, A Professional Corporation. The firm, based in White Plains, is Chief Counsel to the Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI).