

790 RIVERSIDE DRIVE OWNERS, INC.

Update from the Co-op Board

August 3, 2005

1) Summary of Shareholders Informational Meeting Held Wednesday, July 13th, 2005

ON-GOING CONSTRUCTION WORK

The primary reason for calling the meeting was to introduce shareholders to the new architectural/engineering firm the Board has retained to complete the structural steel and Local Law 11 repairs. The new firm is Midtown Preservation. The firm was represented at the meeting by Senior Project Manager, Mike Devino. The Board explained their reasoning for the transition. While the work and credentials of our prior architectural/engineering firm, LZA, were impeccable, the Board was concerned about their overall approach to the job and the ever-escalating costs related to the work. Furthermore, LZA being a large company that was in turn part of an even much larger company, the Board felt that there was an excess of bureaucratic layers that we didn't need to deal with, much less pay for. The board therefore conducted a peer review of LZA's work and in the process the board met and hired Midtown Preservation. Midtown Preservation is a much smaller firm. Their specialty is working on upper-west-side, pre-war co-ops just like ours. Their smaller size will ensure that we always have direct contact with their principals as well as their senior management. It should be noted that Midtown preservation spent a full month been reviewing the work done so far. They officially took over the job and oversight of our construction company, B&A, on Tuesday, July 12th. While plans are still being finalized, Mike Devino was able to give us a general overview of the work ahead as they see it for the next two years. Their top priority is to complete the repairs to the structural steel and rebuild the parapets in the courtyard areas. Weather permitting they hope to have this work completed by the end of the year. Where possible, Midtown Preservation will do vertical swaths of the building, rather than only doing roof work when a rig is on a particular part of the building. In order to best take advantage of the warm weather months, workers will begin doing 7:00AM-7:00 PM shifts to allow them to take a break during the intense mid-day heat, as the roof is even hotter than the street. In 2006 work will move from the courtyards to the walls facing the street.

The Board is also talking to Midtown Preservation regarding the schedule for replacing the roof. A complete roof repair is planned to follow the facade work, so as not to damage a new roof in the process of hanging scaffolding and other heavy construction. Meanwhile an intermediate stage of roof stripping and sealing is currently being priced with an eye toward doing the worst parts of the roof in this manner before the winter sets in. This intermediary step will then be the basis for the final roof replacement. Part of the roof repair will include work to repair the roof drains. This has already started. Two of the most serious drains are being worked on presently. We will move on to others as advised by our new engineers, Midtown Preservation.

Mike Devino also talked about what residents could expect while the work is being done. Midtown preservation has ordered air conditioner covers to protect your ac units. These covers will also filter the outside air allowing you to use the ac unit while work is being done. Mike Devino also made it very clear that superfine dust and dirt will find its way through the smallest cracks in and around your windows. It is suggested that you may want to buy and install plastic film around your window frames, the kind that is used to keep out cold air during the winter and can be bought at Home Depot. Hopefully this should only be necessary when they are working in your immediate area. We will continue to update you on the progress of these and other projects. Concerning work site safety conditions, the Board would like to make it clear that if residents see or suspect a serious unsafe condition during normal work hours they should first contact the superintendent. After hours and on weekends, they should first call the Orsid Emergency hotline.

HALLWAY RENOVATIONS

As you have all noticed we have begun the hallway renovations. The first phase is the painting of the hallways. Please note that the painters are doing minor patching to the walls and minor cosmetic repairs to the doors. If your door or doorframe needs major repairs please fill out a work order form available at the doorman's desk. We are working with the contractor to address all the issues that have been reported concerning the ongoing work. We are now in a second round of door painting. During the first round, not all the doors were painted and some of those that were still needed further attention and touch-ups. The painters are also beginning to paint the stairwells. To minimize any inconvenience they will work on one stairwell at a time, leaving the other stairs open for your use. Please keep in mind that even after the painting seems to be finished the Board will have a chance for a final review before we sign off on the job. Therefore it is important to keep us informed of any comments regarding the work. After the painting we will be installing the new lights and replacing the apartment numbers and signage.

LOBBY RENOVATIONS

The Board is currently waiting to finalize the purchase a portion of Apt. ME for use as the package room. The purchase of the space will also allow us to finish the renovation of the vestibule. The remaining projects include:

- Installing new heating and cooling systems
- Finish the electrical wiring and lighting
- Reconnect the intercom system

2) Security Systems

Since the shareholders meeting, the Board has hired a new security systems company to finish the installation of the new security equipment. We are also looking to expand on the systems purchased by the previous board. We hope that the planned additions will help make the systems easier and more efficient for the doormen to keep track of all that goes on in the building.

3) Mortgage

The Board closed on the additional \$3.25 million mortgage bringing our second mortgage to a total of \$5 million dollars. The major projects that the additional funds are earmarked for are the Local Law 11 facade repair work, the repair and replacement of the structural steel and parapets along the roof-line, the replacement of the elevators and the replacement of the roof itself.

4) Waste Line Repairs

We have just finished repairing another waste line pipe, this one in the A line. The good news is that the leak only extended through the first 3 stories and the job is already finished in less than a month.

5) 790 RSD Web Site

We have officially launched The Riviera's own Web site. The primary purpose of the site is as a repository of information about the building, the co-op, and our home. Updates, such as this one, will be posted and archived on the site. Schedules for the building staff including Don Skupinsky, our building manager from Orsid, are posted. If you are renovating or refinancing your home you can download the forms and applications from the web site. There is also contact information for the building's super, Orsid management as well as the board. In fact you can email us from the web site if you click on the links to our email addresses. The site also contains information about the neighborhood, schools, shops, historic points of interest, etc. The site is

available to all residents. We only ask that you first register to access the resident portion of the site

6) Tree Guards

In overall neighborhood news, tree guards for 8 trees on the east and west sides of Riverside Drive have been ordered from the Central Forestry Division of the New York City Parks Department and should be installed in the next couple of weeks. This effort was subsidized with funds received from your personal contributions to the Riverside Oval Association and from the \$5,000 grant the Oval Association got from Starbucks. Three of those eight trees are in front of 790 Riverside (the one just north of the Riverside Drive entrance, and the two to the south.) The reason that not all the trees in front of 790 will be guarded at this time is because the Oval Association represents residents of a number of buildings in the area, and therefore the monies had to be spent to benefit more than just our building. As more money is raised, the other trees can be protected similarly. For this first installation, we chose the trees that the Parks representative felt were the most at risk.

Sincerely,

Vivian Ducat

Lawrence Chabra

Bruce Dennis