

# **RECOMMENDATION FOR REM RESIDENTIAL**

2019 – by Diane Drey, President  
353 Central Park West Condominium Association

Over the past few months we've received several inquiries from Co-op and Condo Boards asking for a reference on REM RESIDENTIAL, (President Rick Elezi). To be expeditious, we wrote up the below summary of our building's experience moving to REM, along with our heart-felt endorsement.

## **OUR BUILDING**

Our building is I am president of 353 Central Park West Condominium Association, a 20-story building on the upper west side of Manhattan (cross 95<sup>th</sup> street). Our building was constructed in the early 1990's, and thus is nearly 30 years old. We have 17 residential apartments, all full floor units, and two ground floor commercial units (doctor offices).

Our building would be considered a high-end boutique condominium as units sell in excess of \$3,000 per sq. ft. We have a full-time non-union superintendent and a porter, along with 24/7 concierge coverage (staff of 6). We have an exceptional staff, with virtually no turnover. We make a concerted effort to pay them union wages and superior benefits.

I have lived in the building since it was built, and was elected to the Board as President in 2018.

## **OUR PROPERTY MANAGEMENT EXPERIENCE**

For over 15 years we had a small firm managing the building and a consistent property manager. Around 2010 that firm was acquired by a larger firm, which at first seemed attractive because we thought they might be able to get us purchasing power. (i.e. better insurance premiums, discounted energy) . However, our experience was that we became just one of the 2,000 buildings they managed and we got very little personal attention. The situation grew much worse in recent years, as over the last four years we had four different property managers. The large firm was very "harried", the staff seemed under pressure which resulted in tremendous turnover. With each personnel change we faced a learning curve. We had difficulty getting a response to our inquiries and became very unhappy.

## **SEARCH FOR NEW PROPERTY MANAGER**

In mid 2018 we began a search for a new property manager. We interviewed several firms recommended to us by other condos, plus used Yelp as a source for leads. We knew we were looking for a smaller firm, with active and engaged upper management.

One issue we had is that as a small building we were not looking to increase our property management fees which were around \$20,000 annually. Some firms would not talk to us unless we were in the \$50,000 plus range. The smaller firms that were price competitive did not seem to have experience working with well-staffed buildings, nor the accounting sophistication that we desired.

Three firms came and made presentations to our Board during the summer of 2018, and we felt there were significant differences in their expertise, pricing, and engagement.

### **SELECTING A NEW PROPERTY MANAGER**

When we interviewed REM, in addition to Rick Elezi, President, he brought along his chief of operations Anton Cirulli. We liked that Rick had been in the industry his entire life, starting as a doorman and working his way up. We were exceptionally impressed by Anton, who had been in the industry over 40 years managing many different sized buildings when he had his own property management firm.

We also liked that they had experience using QuickPay so that our maintenance fees could be automatically collected. (Some of the smaller firms did not have this option), and that they used Quickbooks for accounting.

REM seemed to be a good fit in the sense that they were not too small, and not too large. At that time, they handled 70 buildings. They also had great local industry experience, experience with multiple vendors, a good accounting/reporting system, Most impressive was their engagement and rapid response to any request we made.

They described their office as “different” and “relaxed” which was hard to understand until I paid them a visit. When I was there, the harried sentiment I had experienced with our then current management firm was completely absent. Rick and his wife were very engaged, as was their staff. It seemed to be a “smooth operation”. *(I encourage you to see their office if you have not been there already.)*

### **THE TRANSITION TO REM RESIDENTIAL**

We moved to REM RESIDENTIAL effective 9/1/2018. I was very concerned about the transition, especially changing banks and the payroll. I was also concerned that our vendors might not get paid on time. REM began preparing a month before the cut-over date, and assured us all would go smoothly. Surprisingly, while we previously had had severe issues with our old property manager’s responsiveness, they were very cooperative with REM during the transition.

Thus, as Rick had assured us, the change-over went VERY SMOOTHLY. We established new bank accounts with Signature Bank, saving us money on fees. The payroll records transitioned, and the staff was paid on time. The repeat vendors were contacted by REM and set up in REM’s accounting system in advance. We were really surprised, but as Rick had assured us there were NO ISSUES with the transition. REM recommended we have our accountant do a post-transition audit, just to be sure all funds and records were transferred properly. This was a prudent engagement, especially since the transition was done mid-fiscal year.

### **EXPERIENCE WITH REM**

Our experience to date has been even better than our expectations. We found that Rick works non-stop and does not know the meaning of weekends. If we send an email, it is responded to almost always within an hour. (Rick remains our primary building contact).

We have been very pleased with Maria Guzman, who handles the accounting. She lets us know if she sees something out of the ordinary. To date all of our bills have been paid on time, and the monthly

accounting reports are comprehensive (they use Appfolio). We like that in addition to the income statements and cash reports, the invoices are attached giving the Board the opportunity to review the details of paid invoices.

Rick has forged a good relationship with our staff, and drops by periodically to meet with our superintendent. I know some buildings have issues with their employees and look to their property manager to add a level of discipline/supervision. Fortunately, we do not have that need, but we suspect that if necessary REM has adequate experience to manage such situations.

Since September, REM has helped manage a few “projects” including:

- A change of insurance agents
- the upgrade of our elevator safety system which must be done by 1/1/2020, a new NYC regulations,
- Local Law 65 (energy audit)
- and never-ending local law 11.

In all cases REM has given us good advice and guidance, sometimes recommending new vendors or industry consultants, but also working with our existing vendors. Furthermore, they have negotiated some discounts, and often gotten extra bids to be assured we were getting a fair proposal.

They also proactively schedule the building Board meetings, coordinate agendas and bring a recording secretary to each meeting. (We meet every two months). Issues become less urgent when they are dealt with in a timely manner.

### **OVERALL**

We have been very pleased with REM Residential, and their care for our building.

Everyone asks what is their weak spot, and our only concern is that they will grow too fast and we will lose the personal touch we now enjoy. Certainly, we hope for REM's success, but right now we are very happy with the attention they give our small building, and we hope it will continue for many years.

If you have further questions, we are happy to schedule a call so please contact us by email. However, we hope the above has been helpful.

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