

BRIARWOOD COURT TENANTS' CORP.

83-20 141 Street, 83-11 139 Street, 83-35 139 Street
Briarwood, New York 11435

November 2025

Arlene Robbins
Peter Casimiro
Veronika Kiss
John Lee
Jesus Serrano
Lorinda Sherwood
Rita Shih
Thomas Fan
Rachelle Fan

Dear Shareholder,

For your use and information, the following is a summary of the Corporation's status and important matters that affect all Shareholders at Briarwood Court.

2026 Corporation Operating Budget

As you are aware, the cost of goods and services remains extremely high due to continued inflation. Rising real estate taxes, property insurance premiums, water and sewer charges, and heating expenses are impacting co-ops across the city. Over the past two years alone, our insurance premiums have increased by more than \$112,000. In addition, the cost of performing repairs and maintaining the aging infrastructure continues to grow. These and other rising expenses have created a budget shortfall of \$84,000, which must be resolved through a combination of cost-saving measures and additional revenue sources.

Despite the Board's best efforts to control costs, we have been unable to balance the 2026 operating budget without an adjustment in fees, as our reserves may not be used to fund ongoing expenses. **Accordingly, effective January 1, 2026, the monthly maintenance fee will be increased by 3%.** This increase is necessary in order to maintain our Shareholders' quality of life, allow us to meet the Cooperative's future obligations and protect the value of our Shareholders' investment. It should be noted that the Corporation continues to operate in sound fiscal condition, with minimal accounts payable and a healthy reserve account.

The vast majority of our operating expenses are predetermined and outside the Board's control. Wherever possible, proactive steps are being taken to minimize the impact of those expenditures within our control. This year, the Board locked in a natural gas contract at an advantageous price of .5749 cents per therm. The boiler heat management system installed in 2020 continues to allow us to monitor the heat distribution in the building more efficiently. In an attempt to limit increases in real estate taxes, the Board utilizes a tax appeal attorney to contest the assessed value of our property annually. In addition, the Board is extremely diligent in obtaining bids and actively negotiating all vendor contracts and purchases.

Recently, the Board negotiated an exclusive marketing agreement with Spectrum, which allows them to market their services in the lobbies of the buildings several times a year. In exchange, the Co-op received an up-front payment of \$52,000 and will receive future additional payments quarterly, determined by the number of residents who utilize their cable and internet services.

Reserve Fund

As of November 2025, all assets in the reserve fund totaled \$380,276. The Board's strategy is to maintain the safety of the principal while seeking to maximize growth. It is our policy to use the reserve fund with great discretion, i.e., for

emergencies or capital improvements that affect basic services, or for the structural/physical integrity of our building.

Last year, the Board decided to purchase an apartment in the building at auction. The unit was renovated and is now under contract to be sold at a profit. The proceeds of this sale will be utilized to replenish the Corporation's reserve fund.

Apartment Sales

We are pleased to announce that the sale prices of apartments at the property continue to increase. We recommend that any Shareholder selling their unit contact ARAS Properties to obtain recent sales prices in the buildings.

Individual Tax Abatement Credit

All of our eligible resident Shareholders are scheduled to receive a credit due to the Individual Tax Abatement Program. **Once again, the Board will institute an assessment charge of \$6.06 per share in June 2026, which will be roughly equivalent to the Individual Tax Abatement Credit.** This assessment will allow us to cover the remaining difference between income and expenses without asking our resident Shareholders for additional out-of-pocket funds. **Those Shareholders who are not eligible for the Individual Tax Abatement are still obligated to pay the assessment.**

Shareholders eligible for the STAR abatement program and Veterans' benefits will still receive most of their credits. **All new Shareholders should apply to become eligible for the STAR abatement credit.** Applications are available online at NYC.GOV/FINANCE.

NYC Local Law 31: Lead Paint requirements

All Shareholders who are subletting their unit or plan to sublet their unit must test their apartment for lead by obtaining an XRF test. If you are an owner-occupant, you are NOT required to do this test. Should you require any additional information, please contact ARAS Properties.

New Sublet Policy

Effective 1/1/2026, Shareholders who have resided for a minimum of two years in their units will be permitted to sublet their apartments for up to five years. This change is intended to provide Shareholders with additional flexibility when making decisions about renewing or vacating tenants and potentially selling their units while interest rates remain high.

Shareholders who are currently subletting will have their existing sublet term automatically extended by two years. Please note that all sublets will continue to be subject to a monthly fee equal to 25% of their monthly maintenance charge.

Building Improvements

During the past year, the Board of Directors has continued to work diligently to enhance our property to improve our Shareholders' quality of life and the value of their investment. As a result of the large increases in operating expenditures mentioned above, the Board decided not to perform any major capital improvements.

In order to assist with compliance with NYC Local Law 126, which mandates a structural inspection of the garage, the firm of Edge Line Engineering was retained. The necessary repairs and painting of the 83-20 garage were completed, and final reports for both garages will be filed before the December 31, 2026, deadline. In the coming year, Edge Line will also be overseeing the compliance of the mandated NYC Local Law 11 façade

project. This project will likely require waterproofing to be performed in various locations on the building facade, as well as the repair/replacement of window lintels.

The Corporation again filed Local Law 84, which is the annual utility audit, as well as Local Law 88, confirming compliance with electrical lighting efficiency guidelines. In addition, the Co-op complied with NYC Local Law 97, which relates to Carbon Emissions and NYC Local Law 152, which requires the testing of all exposed gas lines at the property.

Projects under consideration for the coming year include the installation of EV charging stations in the garages and ten additional storage lockers in the basement of the 83-20 building.

Below is a list of additional capital improvements and beautification projects performed during the past several years:

- Installation of 25 new storage lockers
- New laundry rooms and equipment
- EnTech Heat Management System
- Modernization of elevator systems
- Upgraded Security Camera System
- New energy-efficient LED lighting elements were installed in all fixtures
- Energy-efficient LED lighting at the perimeter of property
- Door King Entry Interphone System

It should be noted that all of the above projects were funded entirely from the reserve account without the need to assess our Shareholders.

Previously, the Board had advised our Shareholders that our property insurance carrier requires that all original Federal Pacific circuit breakers in apartments be replaced. The Proprietary Lease specifies that the circuit breakers/boxes are the responsibility of the individual Shareholders. This is an improvement that Shareholders must comply with to ensure the Corporation's ability to obtain a favorable insurance policy. Over the next several weeks, Shareholders will be receiving a detailed letter updating them on this matter.

NYC Smoking Policy

New York City Local Law #147/2017 requires the owners of all Class A multiple dwellings, including all Cooperative Corporations and Condominiums, to create a policy on smoking and disclose such policy. A copy of our policy has already been distributed to all units.

It should be noted that the Board of Directors will strictly enforce the smoking policy. This includes issuing fines to any Shareholders who violate this policy, and if necessary, commencing legal action to ensure compliance with the law.

E-bikes - Scooters

To prevent fires and preserve the health and safety of residents, the Board of Directors has adopted a new policy related to electric bikes and scooters. Effective immediately, e-bikes/e-scooters are not permitted in apartments or any common area of the buildings. In addition, the charging of e-bike/e-scooter batteries is not permitted on the premises. **Anyone found in violation of this policy will be subject to fines as follows.**

1st offense \$1,000

2nd offense \$5,000.

Bed Bugs

As you are aware, bed bugs have become a serious problem in buildings throughout New York City. Residents should be aware that bed bugs can enter your home by latching onto used furniture, luggage and clothing, and by traveling along connecting pipes and wiring. Any resident who feels they may have bed bugs in their apartment should notify the Superintendent immediately. To limit the possibility of having a problem at the property, we ask that residents take the following precautions:

- ❖ **Never bring bed frames, mattresses, box springs, or upholstered furniture found on the street into your home.**
- ❖ **When traveling, inspect the bed and furniture. Keep suitcases off the floor and bed and inspect them before you leave.**
- ❖ **If you suspect you have been around bed bugs, immediately wash and dry your clothing on hot settings or store it in a sealed plastic bag.**

Apartment Renovations/Homeowners Insurance

We would like to remind our Shareholders that apartment renovations require the submission and approval of an Alteration Application, which may be obtained from ARAS Properties. Shareholders are responsible for the removal of all debris from the building premises. No garbage is to be left or stored in any area of the building.

The Board of Directors strongly recommends that all residents obtain a Homeowners' insurance policy to protect their personal property. It is a common misconception that in the event of fire or other casualty, the Cooperative Corporation's insurance policy will cover residents' personal property, which includes furniture, clothing, carpeting, etc. The Co-op's insurance will also not pay for improvements, alterations, built-in units, custom cabinets, flooring, or fixtures in your apartment. The Corporation's insurance protects the building, not the individual apartments of Shareholders.

Conservation

The Board of Directors encourages all residents to have their radiator valves checked by our Superintendent. This will ensure that our heating system operates more efficiently. We also ask that you report any faucet leaks or running toilets to reduce our water expense.

Security

The Board of Directors would like to remind our Shareholders that to keep strangers from entering our property, we need to be as security conscious as possible. Please make sure to identify any person before providing them access to the building.

In order to prevent the theft of packages delivered to the building, residents should check the mailbox area daily if they are anticipating a delivery. Leaving packages overnight makes it more likely they will be taken.

We would like to remind all Shareholders that utilizing Airbnb and similar websites to rent out their

apartments on a short-term basis is a violation of the Co-op's Proprietary Lease and represents a serious safety concern. The Board has and will continue to take legal action to prevent this practice, as well as long-term subletting without Board approval.

Maintenance Payments and Billing

We would like to remind Shareholders that there is a more convenient way to receive your monthly bill and make your monthly payment. You can enroll to have your maintenance and parking charges automatically debited (ACH) from your checking account. This will eliminate the need for issuing checks for these charges and any possibility of receiving a late charge. In addition, you may elect to receive your monthly bill electronically, eliminating a paper bill. **Both of these services are FREE of charge.** If you are interested in these services, please contact Fran@arasproperties.com.

As a reminder, below please find management contact information:

- Viktor may be reached by telephone at (718) 441-1609
- Viktor may also be reached by e-mail at viktorgjeta82@gmail.com
- ARAS Properties: 516-569-5959
- 24-hour emergency number: 516-692-2362

If you have any questions or suggestions, we encourage you to call our Property Manager, Mr. Ari Schertz, at (516) 569-5959 or email him at ari@arasproperties.com.

The Board of Directors would like to take this opportunity to welcome our new Shareholders and thank all of you for your continued support and cooperation. We wish each of you and your families a happy and healthy holiday season and New Year.