



November 26, 2013

All Shareholders
300 West 23rd Street Owners Corp.
300 West 23rd Street
New York, NY 10011

Re: 2014 Maintenance Increase and Special Assessment

Dear Fellow Shareholders:

In 2014, we must implement a minor increase in the monthly maintenance to remain within our projected budget for operating the Corporation next year. Once again we anticipate the required increase largely due to the increase in real estate taxes the City of New York is expected to impose (approximately 2% higher than year 2013).

More than 70% of the operating costs – mortgage payments, real estate taxes and unionized labor – are either fixed or consist of items over which we have little or no control. For 2014 we have factored in several increases that are affecting our operating budget for next year. New unionized labor/employee contracts and negotiations are slated for the beginning of 2014 and anticipated to have approximately 10% increase in wages and 5% in benefits. Utilities – including water, sewage, heating oil and electricity – make up approximately 15% of the operating budget of which heating oil is estimated to increase approximately 2%, electricity rates to increase 4.5% and water and sewage increases of approximately 14.5%.

The Board, the building accountant Michael A. Rozycki, and the team of Douglas Elliman Property Management (Elly Pateras, Steven Salargo, Marylou Tapalla, and Darcy Green) met for the annual year-end budget meeting for several hours and discussed the 2013 income and expenses and the 2014 projected budget. After much deliberation, the Board of Directors has adopted an operating budget that calls for a **maintenance increase of 1.5% effective January 1, 2014** which should run the building at a realistic operating budget due to the expected real estate tax increase, contractual union salary/benefit increases, and utility rate increases. We understand that any increase in maintenance is difficult, however we believe that responsible financial management requires that maintenance charges cover operating costs.

The Board has also approved a **special assessment of \$12.00 (Twelve Dollars) per share divided over twelve (12) months also starting January 1, 2014 and ending December 31, 2014**. This assessment is required for the NYC mandated upgrade of our boilers and fuel by the end of 2014 and the ongoing exterior façade leak repairs needed primarily on the southeast part of building from Floor 15 to Penthouse. We must also build reserves to satisfy our mortgage lender's requirements, and continue to have a small reserve fund for future capital improvements, emergencies, or NYC mandated codes/laws.

As we have explained at past annual shareholders' meetings and prior communications, the Board of Directors has set maintenance charges to meet the annual operating costs of the building and special assessments only when required. We understand our responsibility to all shareholders, including ourselves, is to carefully scrutinize all spending while seeking to maintain the quality of our living environment and protect our investment. We will continue to work conscientiously to balance these responsibilities now and in the New Year of 2014. The Board would like to take this opportunity to wish all fellow shareholders a joyous holiday season and prosperous new year.

Sincerely,
Board of Directors