

300 West 23rd Street Owners Corp.

December 9, 2010

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

Re: 2011 Maintenance Increase

Dear Fellow Shareholders:

It should come as no surprise that the Corporation's operating expenses increase every year. In 2011, 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 2010). We understand that any increase in maintenance is difficult, especially in these financial times; however, we believe that responsible financial management requires that maintenance charges cover operating costs.

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. Utilities – including water, sewage, heating oil and electricity – make up approximately 15-20% of the operating budget. As you know, the Board has already taken steps to impact the utility costs with the window replacement project and retrofitting all common spaces with compact fluorescent light bulbs. However, conservation efforts by all residents can serve to reduce this significant portion of operating costs. We are continuing to explore other strategies that each shareholder can adopt that will make a noticeable impact, such as removing electricity (which is approximately 10% of the operating budget) from our maintenances and individually sub-metering each apartment, to allow lower maintenances, shareholder control of electricity costs, and conserve resources. The Board will be sending an informative letter and a ballot for voting to allow for individual sub-metering of each apartment in the near future.

The Board, the building accountant Michael A. Rozycki, and the team of Douglas Elliman Property Management (Elly Pateras, Ursula Dobson, Marylou Tapalla, and Darcy Green) met for the annual year-end budget meeting for many hours and discussed the 2010 income and expenses and the 2011 projected budget. After much deliberation, the Board of Directors has adopted an operating budget that calls for a maintenance increase of 5% effective January 1, 2011 which should run the building at a realistic operating budget due to the expected real estate tax increase, contractual union salary increases, and utility rate increases.

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. 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 2011. 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