



December 1, 2015

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

Re: 2016 Maintenance Increase

Dear Fellow Shareholders:

We would like to inform you that the Board of Directors met with the corporation's accountant, (Michael A. Rozycki) and our Douglas Elliman management team (Steven Salargo, Marylou Tapalla, Darcy Green and Elly Pateras) at the year-end budget meeting on October 28, 2015, and at that meeting approved the operating budget for 2016. The 2016 budget incorporates a 3.6% maintenance increase, effective January 1, 2016.

The 2016 budget first factored in our immediately rising operating costs of: unionized labor due to the city wide labor/employee agreement that was implemented in April 2014, increased real estate taxes, and nominal increases in city utilities such as water, sewage and electric. Of our 3.6% increase, 1.9 percentage points is due to these immediately rising costs.

The remaining portion of our maintenance increase is due to the required refinancing of the corporation's current mortgage, which expires in March 2016. At the year-end budget meeting, the Board of Directors and Corporation's accountant thoroughly discussed options which would allow the refinance both to add funding to the Corporation's reserve fund to aid in capital projects over the next ten years and to move away from an interest-only financing arrangement so that as a Corporation we could begin to pay down our underlying mortgage principal. In order to meet both of these goals within today's historically low interest-rate environment, a small increase in our ongoing mortgage costs was deemed acceptable. As a result, 1.7 percentage points of the 3.6% increase is attributable to the new mortgage. More details regarding our mortgage will be provided to Shareholders in a separate letter once the transaction has closed.

We understand that any increase in maintenance is difficult. However, we believe that responsible financial management requires that maintenance charges cover operating costs as well as successful planning of future capital projects for the building.

We will continue to work conscientiously to balance these responsibilities now and in the New Year of 2016. The Board would like to take this opportunity to wish all fellow shareholders a joyous holiday season and prosperous new year.

Please remember, if you are currently on auto-payment for your monthly maintenance, you must adjust your payment amount immediately to avoid a monthly late fee of \$50.00. If you need your new monthly maintenance amount, please contact our Account Executive at DEPM, Steven Salargo, at steven.salargo@ellimanpm.com / 212-350-2808 or Assistant, Alexis Wiener at alexis.wiener@ellimanpm.com / 212-692-8350.

Sincerely,
Board of Directors