

*Park City 3&A Apartments, Inc*

**98-05 63<sup>rd</sup> ROAD  
Rego Park, NY 11374  
Phone (718) 897-2000  
Fax (718) 275-6804**

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**PRESIDENT'S REPORT  
2017**

**ANNUAL SHAREHOLDERS MEETING  
MAY 23rd, 2017**

**Officers and Directors  
2016-2017**

**President..... Mr. Louis Kramberg**

**Vice-President.....Mr. Mikhail Borukhov**

**Treasurer.....Mr. Rajendra Jain**

**Secretary..... Ms. Zhanna Balkhiyeva**

**Directors**

**Mr. Lee Schiff**

**Mr. Robert Cohen**

**Mr. Maurice Peress**

**Mr. Joseph Pestun**

**Mr. Vivek Malhotra**

## **The President's Report May 2017**

The annual report that you are holding is a summary of what your Co-op Board and Management have accomplished over the past 12 months. It is also a look at where we are and where we hope to be over the coming year.

### **Rising Neighborhood, Rising Expenses**

A Game Stop turns into a French Café. An old-fashioned newspaper/candy store becomes a Starbucks. A "gentleman's club" becomes a fitness center/Wyndham motel (and another Starbucks). Rego Park has always been a desirable place for businesses and families, and that desirability has risen considerably in the past few years. As listed under Finance & Sales, this has resulted in a marked increase in the value of the apartments at Park City 3 & 4. All of the modernizations and repairs to our facades, elevators, lobbies, terraces, school area, pool area and roofs have paid off in making our complex very desirable to potential shareholders. It has also made us very desirable as a source of revenue for the City.

While the rate of inflation has gone up 35% over the past 18 years, Water & Sewer rates have risen 130% and our insurance rates are up by 270%. Real Estate taxes have gone from 1.4 million to over 3.5 million during this period. In the past year, our assessed market value has increased by over \$2,000,000 to total over \$75,000,000. This means that for this fiscal year, we will be receiving an additional 10.45% increase in New York City real estate taxes.

During this period of time, your Board Officers and Directors, along with our management team, have made decisions that have brought about savings that has kept maintenance increases to a minimum. While many expenditures rose in the triple digits, maintenance increased 33% during the last 18 years. This past year saw the lowest increase (1%) in several years. The long-term investments that we made in our infrastructure over the past decade have resulted in savings that will hopefully continue to keep maintenance increases to a minimum.

### **The Past 12 Months & The Year Ahead**

Some of our recent efforts have involved the safety of residents and maintenance improvements. These include welding damaged catwalk railings and painting stairwells.

We continue to improve energy efficiencies, having reduced electricity consumption over the past two years. The newly installed laundry room machines will also save us by being more efficient in their usage of water.

While major projects have been completed, we continue to enhance and maintain our facility. In the coming year, we will be upgrading our security system with more exterior areas covered by new cameras. In addition, we will be painting railings, leveling and coating catwalks and repairing catwalk drains.

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## Finance & Sales

A Co-op Board's main responsibility to shareholders is to take financially prudent actions in order to maintain and increase the value of your investment. We continue to invest funds from our reserve account each month into short-term CD's. We have completely paid off all expenses from the previous years modernization and repair initiatives including repairs to our roofs.

Comparing sale prices from last year to this:

Average prices last fiscal year:

Studio	\$126,000+
One Bedroom	\$205,000+
Two Bedroom	\$300,000+
Three Bedroom	\$366,000+

Average prices this fiscal year:

Studio	\$175,000+
One Bedroom	\$255,000+
Two Bedroom	\$370,000+
Three Bedroom	\$475,000+

The Co-op Board and Management wish to once again thank our staff for all of their efforts in maintaining our grounds and buildings. As always, we thank you, the shareholders, for your support and wish you a happy and healthy year ahead.