

**PARK CITY 3 & 4 APARTMENTS, INC.
97-07 63RD ROAD
REGO PARK, NY 11374
PHONE (718) 897-2000
FAX (718) 275-6804**

Friday, January 20, 2006

Board of Directors

President Lee Schiff
Vice President Bob Cohen
Treasurer Dr. Douglas Gauld
Secretary Beatrice Lemlein
Director Maurice Peress
Director Joseph Pestun
Director Ashok Daga
Director Dr. Frans Verhagen
Director Svetlana Kats
Manager
Chandra Jain

Dear Shareholders,

We have been receiving numerous complaints about the security service. The Board of Directors has decided to provide the security services in-house. This will not only result in savings, but will enable us to provide better services. The overall supervision, hiring and training of our security guards will be our responsibility. We will strive to retain better guards. In the past some of our better guards were transferred to other sites by the security company, hence the large turnover.

This change will be effective February 6th, 2006.

A shareholder meeting will be held on Wednesday January 25th, 2006 in the pool lobby at 7.30PM to answer any questions which you may have regarding security and the 2006 budget.

PLEASE NOTE THE NEW SECURITY TELEPHONE NUMBER WILL BE 347-234-4773

THE LOBBY NUMBERS WILL REMAIN THE SAME AS FOLLOWS:

97-07 718-275-9707
97-37 718-830-9737
98-05 718-897-9805
97-10 718-459-6700
97-40 718-261-9740
98-20 718-459-4588

2005 FORECAST:

We finished 2005 with a deficit. This was mainly due to the increase in natural gas and heating oil prices. The final numbers will be ready after the accountants have finished their audit. We have negotiated a new lease with the School for a higher rent and we are in the process of negotiating a new laundry contract.

At the present time there is no plan to start any capital improvement project.

2006 BUDGET:

The 2006 budget has been approved by the Board of Directors. A copy of the budget is available in the Management office. We have been able to control or reduce most of the expenses from 2003 to 2006. The increases in Gas and fuel oil prices, Real estate taxes, Payroll benefits, Water and sewer charges and Electricity account for over 1.2 million in increased expenses from 2003 to 2006. These items are beyond the control of the Board or Management. As informed to you in the December 2005 newsletter the budget deficit has been covered by the fuel surcharge and a one time assessment which will be charged at the same time the tax abatements are credited to your account. At the present time there is no plan to increase the maintenance.

NOMINATIONS COMMITTEE:

The Board of Directors has appointed the first Nominations Committee. The purpose of the Nominations Committee is to interview candidates for the Election to Board of Directors who have submitted their names as candidates before March 01. Its members are also charged to contact shareholders who would be capable candidates. The current members of the Committee are Dr. Verhagen, Ms. Clair Segal, Mr. Phil Perlongo, Ms. Ketty Weiner, Mr. Louis Kramberg, Ms. Renee Lobo and Ms. Bella Khaimova. If any other shareholder is interested in serving on the Nominations Committee please submit your names to the Management office before the 31st of January, 2006.

MAINTENANCE PAYMENTS:

Please note that maintenance payments are due on the 1st of the month. Late fees are assessed on all accounts where payments are received after the 10th. Payments are accepted in the Management Office until the 5th of the month.

AUTOMATIC DEBIT:

Forms are available in the office to sign up for automatic debit of the monthly maintenance. If you are interested in signing up please pick up the forms in the office. It takes approximately 2 months for the forms to be processed. If you have any questions please call the Management Office at 718-897-2000.

WINDOW GUARD, FIRE SAFETY AND LEAD PAINT NOTICES:

The window guard, fire safety and lead paint notices were mailed out to all the residents in the beginning of January. Please fill out and return the notices as soon as possible.

APARTMENT SALES:

Recently a one bedroom apartment closed for \$200,000.00. A three bedroom closed for \$350,000.00 and a two bedroom for \$287,000.