

January 10, 2005

To the Stockholders of
Park City 3 & 4 Apartments, Inc.

PERSONAL INCOME TAX RETURN DATA FOR 2004

Pursuant to the provisions of Section 216 of the Internal Revenue Code, a tenant stockholder of a cooperative housing corporation is entitled to an itemized deduction for a proportionate share of interest and real estate tax paid or incurred by the housing corporation. These deductions are only available if you itemize deductions on your personal income tax return.

We have applied certain procedures enumerated below to the accounting records to assist you in calculating the stockholders' per share deductions for interest and real estate tax for the year ended December 31, 2004. This report is intended solely for your information and is not intended to be and should not be used by anyone who is not a stockholder of the Corporation. Should you have any questions regarding the application of the equivalent per share deductions in your tax returns, please consult your personal tax advisor.

Our procedures consisted of checking the mathematical accuracy of the various computations, performing an analytical review of the per share deductions to determine their reasonableness and having discussions with certain representatives of the Corporation's management.

The following calculations reflect the equivalent per share deductions for interest and real estate tax. Stockholders who were stockholders for the entire year of 2004 should multiply the number of shares owned, as indicated on your stock certificate, by the applicable per share factors. Present and past stockholders who were not stockholders of the Corporation for the entire year of 2004 are entitled to a proportionate share of the deductions for the period of their ownership.

FOR THE YEAR 2004, YOUR PER SHARE DEDUCTIONS ARE AS FOLLOWS:

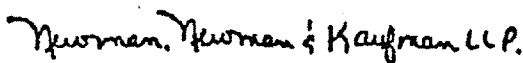
INTEREST	\$ 2.9286 per share
REAL ESTATE TAX	\$ 6.1587 per share

For the year 2004, if you were granted any real estate tax abatements, reflected in a maintenance credit or received by check, your real estate tax deduction as stated above should be reduced by the amount of the abatements you received.

Contributed capital in 2004 was \$.6228 per share. This is not a deduction, but an increase in the basis of your investment.

As a result of our procedures, we found that the per share deductions set forth above are mathematically accurate and reasonable. The procedures applied to the per share deductions, as stated above, are substantially less in scope than an audit, the objective of which is the expression of an opinion on the per share deductions. Accordingly, we do not express such an opinion.

Sincerely,



Newman, Newman & Kaufman, LLP
Certified Public Accountants