



January 10, 2011

TO: Shareholders of NAGLE APARTMENTS CORP.

RE: PERSONAL INCOME TAX RETURN DATA FOR 2010

Dear Shareholders:

Under the provisions of Section 216 of the Internal Revenue Code, a tenant stockholder of a Cooperative apartment is entitled to deduct from personal gross income a proportionate share of interest and real estate tax paid or incurred by the Cooperative Corporation. Note that these deductions are generally available if the taxpayer itemizes tax deductions.

For the year 2010 your Per Share individual income tax deductions are as follows:

<u>MORTGAGE INTEREST</u>	\$ 12.9367 per share
<u>REAL ESTATE TAX</u>	\$ 17.5523 per share

For the year 2010, 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.

In order to compute your total deductions for 2010, multiply the number of shares owned by you, as indicated on your stock certificate, by the amounts per share stated above. If you became a stockholder, or sold your stock in the Corporation during 2010, you are permitted to deduct a fractional part of the figures, based on the proportionate part of the year you owned the stock.

Contributed capital in 2010 was \$ 18.9792 per share for mortgage amortization. This is not a deduction, but an increase in the basis of your investment.

Should you have any questions regarding the application of the aforementioned information to your individual income tax returns, please consult your personal tax advisor.

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