



Nagle Apartments Corp.
C/o Blue Woods Management Co.
42 River St, 2nd FL
Sleepy Hollow, NY 10591

Date: December 18, 2015

Dear Shareowners,

2015 Yearly Recap and Look Forward to 2016

In 2015 we completed the garage roof and large scale construction in the garage, where all small items should be completed shortly. Our garage vendor, Nagle Parking Inc., commenced services in October, 2016, bringing us again that much needed revenue. Early in 2016 the landscape designer we selected, Christian Duvenois, will begin the design work on the garage roof with an expected completion date just prior to Memorial Weekend. We are all very excited about our wonderful new space! In addition, the gym will be refurbished with new equipment, paint, etc. in the first quarter of 2016. We are now in negotiations with the new medical office owner in 37 Nagle for the installation of a handicap ramp to the entrance of 37 Nagle.

2016 Budget and Maintenance

In order to deal with anticipated increased costs in insurance, real estate taxes and other operating costs, the Board of Directors has voted to increase maintenance costs by a modest 1%.

In addition, our current assessment will increase by an additional 2%, for a combined increase of just under 3% total cost per shareholder for the year 2016.

We have now reached our goal of 10% for the assessment and, barring unforeseen circumstances, it will remain at this level going forward. Federal Banking Regulations require us to maintain at least 10% of total maintenance as part of our reserve funds for capital expenditures. So as not to overly burden our shareholders, we have consciously kept our maintenance increases small and gradually built to this 10% goal over the last few years in order to meet these regulations. The 10% assessment is not temporary, it is an important part of permanent prudent financial planning for the coop and assists us in funding necessary capital projects such as the windows, repairs in the garage and pending improvements to the roof.

The Board of Directors, the staff and Management wants to wish each of you a fantastic holiday season and a safe, healthy and prosperous 2016!