

LAWRENCE S. HONIGMAN, P.C.

CERTIFIED PUBLIC ACCOUNTANT

500 EXECUTIVE BOULEVARD

SUITE 302

ROSSINING, NEW YORK 10562

TEL. (914) 762-0230

FAX (914) 762-3260

January 4, 2012

To: Tenant-Stockholders of
Tudor Arms Owners Corporation

During the calendar year 2011, the corporation paid real estate taxes and interest as follows:

Real estate taxes	\$ 90,321 *
Mortgage interest	<u>132,480 **</u>
Total	<u>\$222,801</u>

Since there are 31,285 shares of capital stock of Tudor Arms Owners Corporation issued and outstanding, the amounts deductible per share by each tenant-stockholder for Federal income tax purposes under Section 216 of the Internal Revenue Code are as follows:

Real estate taxes	\$ 2.8871 per share *
Interest	<u>4.2346 per share **</u>
Total	<u>\$ 7.1217 per share</u>


Each tenant-stockholder should multiply the number of shares he owns by the amount indicated above per share, to calculate the real estate taxes which he can deduct on his Federal and New York State income tax returns for 2011. Any tenant-stockholder who purchased or sold his shares during the year should take the appropriate portion that coincides with his months of ownership.

* IF YOU RECEIVED MAINTENANCE CREDITS OR CHECKS FOR ANY NUMBER OF REAL ESTATE TAX REDUCTION PROGRAMS, YOU SHOULD DEDUCT THIS AMOUNT FROM YOUR TOTAL REAL ESTATE TAX DEDUCTION, AND CONSULT YOUR TAX ADVISOR.

** THE INTEREST EXPENSE DEDUCTION TO BE UTILIZED BY THE TENANT-STOCKHOLDER IS TO BE PROVIDED ON I.R.S. FORM 1098 UNDER SEPARATE COVER.

Amortization of the mortgage for the year was \$ 0.9831 per share.

Very truly yours,


Lawrence S. Honigman
Certified Public Accountant