

TUDOR ARMS OWNERS CORP. SHAREHOLDERS NEWSLETTER

NEWSLETTER DATE: MAY 2009

**TUDOR ARMS
OWNERS
CORP.**

2008 FINANCIAL REPORT

Enclosed is a copy of the Tudor Arms Financial Report for the year ending December 31, 2008.

Board of Directors

Richard Scott

Marilyn Joyce

Edward Woods

Nancy Heller

Robert Orlofsky

Managing Agent

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If you examine Page 3, Statement of Operations, you will note that Tudor Arms ended the year with excess revenue – operating surplus – of \$24,374. On Page 9, the Fuel Oil Expense was \$92,384, an increase of more than \$22,000 over the prior year. Other operating expenses, such as Building Supplies and Real Estate Taxes, were less than 2007.

The reason the Real Estate Taxes were lower was due to the successful Real Estate Tax Certiorari initiated by the Board of Directors. The Tax Certiorari Proceeding, which was handled by Michael Pearl, of the Law Firm Rothschild & Pearl, was successful in achieving a reduction in the Real Estate Tax Assessment on the property and a refund of taxes paid from 2007 through 2009.

On Page 2 of the Report, the Balance Sheet, the Tudor Arms Reserve Fund totaled \$566,982. Having a Reserve Fund in excess of \$500,000, for a building of only 54 apartments, is excellent and will permit Tudor Arms to fund certain capital improvements that have been approved

EXTERIOR WATERPROOFING REPAIRS

At the end of 2008, it was discovered that slate roof shingles had become loose on the west side of the building facing Garret Place and the brickwork and stucco in that area needed repairs.

The Tudor Arms Board engaged an engineer who prepared a drawing of the facade and we began obtaining bids. As a precaution, the Board authorized the installation of sidewalk bridging to protect pedestrians walking along the sidewalk of Garret Place. As we head into the winter, it was determined that other areas of the building would require repairs as well. Therefore the job was re-bid and Tudor Arms has awarded a contract to Santos Restoration Inc. in the amount of \$62,000.

This expenditure will permit waterproofing repairs and restoration to a larger area of the West side of the building, facing Garret Place, along with repairs to the northeast corner of the building. Contracts are being prepared and it is expected that work will begin on or about June 1.

SECURITY IMPROVEMENTS

The Board and Managing Agent investigated ways to improve building security and eliminate conditions where the main lobby entry doors are hooked open and the garage door remains open for an extended period of time.

An alarm system will be installed with a computer control that will dial the building superintendent's cell phone and alert him that the garage door is open or a lobby door is hooked open. In that way the building will be better protected. In addition, security cameras will be installed outside at the main entry courtyard.

VERIZON FIOS – DO WE NEED IT?

There have been several meetings with representatives from Verizon to discuss installation of their new FiOS system for internet, telephone and high definition TV.

Because of the construction of Tudor Arms, installation of the new FiOS system is difficult and there are limited pathways to bring the service to the apartments. In the early 1980s, Cable TV was brought into the building via the dumbwaiter shafts. Over the years many residents have remodeled their kitchens, sealing off the dumbwaiters, which eliminates the dumbwaiter shaft as a pathway for Verizon to wire the building.

The Board and Management recently met with Verizon who are suggesting installing the FiOS cable system in the public hallways, using a plastic crown molding, which we believe would be a detraction to the building.

Verizon engineers are to get back to us with alternate installation plans. In the meantime, the Tudor Board would like to hear from all residents to see how they feel about Verizon FiOS and if they would like to see the FiOS system brought into the building. Please E-mail your comments, regarding FiOS for Tudor Arms, to ROINC1@MSN.COM, or send a note to the Management Office at 7 Bryant Crescent, Suite 1C, White Plains, NY 10605.

INTERIOR HALLWAY PAINTING

The interior building painting has been delayed until we decide on a solution for the FiOS challenge. Please don't forget to reply to the Management Company on your FiOS issues.

OIL PRICES AND CONSUMPTION HOW ARE WE DOING ?

The Fuel Oil Surcharge is scheduled to be removed after June 30, 2009.

Tudor Arms elected to an 80% lock-in of oil prices for the 2009 heating season with a 20% option to buy the remaining oil at market price. The lock-in price was \$1.77 per gallon.

TUDOR ARMS BOARD SERVICE TO THE BUILDING

The Tudor Arms Board of Directors meets monthly to discuss and oversee the overall operation of the property. In addition, the Board meets to interview potential buyers. The Tudor Board meets frequently between meetings, during the day, to review operational issues and construction projects.

This Board of Directors has done a tremendous job through the years and the condition of Tudor Arms and the Financial Condition of the Corporation speaks for itself. All of the shareholders owe a debt of gratitude to the Board of Directors who volunteer their personal time to look after the best interests of our building and investment.

ANNUAL SHAREHOLDERS MEETING SAVE THE DATE!

The Tudor Arms Annual Shareholders Meeting will be held on **Thursday, July 9**. Formal notice of the meeting will be forthcoming.

SMOKE DETECTORS SAVE LIVES!

This is a good time to test your smoke and carbon monoxide detectors and change the battery!