



40-50 BRIGHTON FIRST ROAD APARTMENTS CORP.

50 Brighton 1st Road
Brooklyn, New York 11235

December 13, 2024

To the Shareholders of
40-50 Brighton First Road Apartments Corp.

RE: 2025 ANNUAL MAINTENANCE INCREASE

Dear Shareholders,

After a thorough review and analysis of our 2025 budget, we have determined that the co-op will only require a modest maintenance increase this year of **2.25%**. This is extraordinary considering the significant increase in costs associated with operating and maintaining the Co-op. The increase will commence January 1, 2025. No late fees will be assessed in January 2025 for any late payment of the increased portion of the January maintenance.

Co-ops typically increase their maintenance annually due to lower expectations of income and rising costs of goods and services. The primary reason for the increase this year is projected rising costs of insurance, electric, real estate taxes, labor, and the cost to comply with numerous Local Laws mandated by New York City. Some examples of these required New York City Local Laws (with hyperlinks for more information), include the following:

- **LL87 (Energy Audits & Retro-commissioning)**
<https://www.nyc.gov/site/buildings/codes/ll87-energy-audits-retro-commissioning.page>
- **LL88 of 2009 (Lighting System Upgrades & Submetering)**
<https://www.nyc.gov/site/buildings/codes/ll88-lighting-system-upgrades-sub-meter-installation.page>
- **LL126 of 2021 (New Periodic Inspection Requirements for Parking Structures)**
<https://www.nyc.gov/site/buildings/safety/parking-structure.page>
- **LL111 of 2023 (XRF lead paint testing for residential buildings)**
<https://www.nyc.gov/site/hpd/services-and-information/lead-based-paint.page#:~:text=is%20required%20to%3A-.Local%20Law%20111%20of%202023,becomes%20effective%20in%20June%202024.>
- **LL97 of 2019 (Greenhouse gas emissions reduction)**
<https://www.nyc.gov/site/buildings/codes/ll97-greenhouse-gas-emissions-reductions.page>
- **DSNY New Composting Requirements**
<https://www.nyc.gov/site/dsny/collection/residents/curbside-composting-brooklyn.page>
- **1 RCNY §103-15 (Parapets)**
<https://www.nyc.gov/site/buildings/safety/parapets.page>

In addition to the above list of Local Laws, Brighton Towers is required to purchase and install more than 450 natural gas detectors in every unit by May 2025. The cost of one (1) detector is approximately \$68 each plus sales tax and will be included in your February 2025 invoice as a one-time charge. For more information, see the following hyperlink: **LL157 of 2016 (Natural Gas Detector Installation)**: <https://rules.cityofnewyork.us/rule/rules-relating-to-installation-and-location-of-natural-gas-alarms/>

Even with the increase in costs, which are outside of our control, we have been able to keep the annual increase historically low through prudent financial management. We were able to lessen the impact of increasing costs last year by depositing the Co-op's capital reserve fund based on funds available for the LL11 Balcony Project in short-term certificates of deposits with Chase Bank to take advantage of higher interest rates. However, interest rates are expected to be lower in 2025 and less funds are available to reinvest as the LL11 Balcony Project progresses.

In light of the foregoing, it may be likely that future maintenance increases will be higher as we continue to contend with the cost of increasing expenses and complying with New York City's onerous regulations. The Board's goal is to work hard for the benefit of Brighton Towers, keep a watchful eye over expenses, and continue to look for ways to generate income and improve our co-op's finances.

Thank you for your time and attention.

Yours truly,

Board of Directors
40-50 Brighton First Road Apartments Corp.