

GARTHCHESTER REALTY LTD.

209 Garth Road, Scarsdale, New York 10583 (914) 725-3600 Fax (914) 725-6453

July 3, 2013

To All Shareholders - River Terrace Apartments, Inc.:

Re: New York City Co-op Abatement

We have received a printout from the City of New York, Department of Finance, indicating the annual coop abatement benefits to which the shareholders that have filed the appropriate papers are entitled. In addition to the New York City coop abatement, there are STAR abatements, senior citizen abatements and veteran benefits.

The Board of Directors of River Terrace has determined that it would be in the best interest of the cooperative to impose an assessment equivalent to the coop abatement. In effect, these monies will be returned to the cooperative for future capital improvements to the property. The approach being employed with the abatement and the offsetting assessment is an approach that is consistent with the Board's treatment of abatements over the years.

Accordingly, in your August 2013 billing, you will be receiving a credit equivalent to the coop abatement and any of the other benefits that the City of New York has determined you are entitled to (i.e., veteran benefits, senior citizen benefits or STAR benefits). These will be offset to some degree by the assessment, which will be closely equivalent to the coop abatement that the City of New York has granted.

All of the calculations involving the credits and the assessment will be calculated for you and will appear in your August 2013 billing.

If you have any questions about the abatements and/or the assessment, please call this office and ask for Rose or Adele.

Very truly yours,

Garthchester Realty Ltd.
Managing Agent for
River Terrace Apartments, Inc.
by, Jay R. Mendel

JRM/fw