

200 EAST 16 NEWS

200 EAST 16TH STREET HOUSING CORPORATION • WWW.200EAST.COM • AUGUST 2004

2003-2004 BOARD OF DIRECTORS

KAREN CARSLY
ASSISTANT TREASURER

LINDA DOMSKY
VICE PRESIDENT

ELYCE FRIEDFELD
SECRETARY

RAE GILSON
VICE PRESIDENT

LISA OVERTON
PRESIDENT

NEIL RITTER
VICE PRESIDENT

JAY SOLINSKY
TREASURER

MANAGING AGENT

THE LOVETT COMPANY
450 SEVENTH AVENUE
SUITE 1106
NEW YORK, NY 10123
PH: 212-736-3440
FX: 212-736-1445

ELLEN KORNFELD
VICE PRESIDENT &
PROPERTY MANAGER

ANN GOBIOFF
ASSISTANT
PROPERTY MANAGER

EVANGELINE PAUL
SALES, REFINANCING &
SUBLET APPLICATIONS

DAVID LOEB
ACCOUNTING

ANNUAL SHAREHOLDER MEETING

7PM WEDNESDAY, SEPTEMBER 22, 2004

AT THE FRIENDS MEETING HOUSE, 15 RUTHERFORD PLACE

The Annual Shareholders Meeting of 200 East 16th Street Housing Corp., will take place on September 22, at 7pm at The Friends Meeting House at 15 Rutherford Place.

On the agenda is the review of the annual financial statement and the election of the 2004-2005 Board of Directors. The meeting will also

provide an opportunity for open discussion and questions for the co-op's board of directors, lawyer, accountant and new managing agent.

If you are unable to attend the meeting please consider sending your proxy ballot in advance or assigning it to another shareholder. (See "The Importance of the Proxy" on page 3.)

THE ELECTION PROCESS

The Board of Directors has seven members. Of these seven, the holder of unsold shares (represented by Classic Realty) currently has three appointed seats. Because their total number of shares now comprises less than 20% they will relinquish one seat in September, leaving five seats to be elected by a vote of the shareholders.

If you are interested in running for the board, please send a one-page statement of your interest and a brief description of your background and/or qualifications to: The Lovett Company, no later than August 27, 2004. All terms are for one year.

These one-page statements will be copied and sent to shareholders, in advance of the election, along with the official meeting notice. Nominations will then be taken from the floor at the meeting. You do not have to submit a statement in advance to be nominated. The purpose of the statements is simply to provide shareholders with more information about those who are seeking to serve on the Board.

200 East 16th Street Housing Corp. uses non-cumulative voting. This means that each shareholder can cast a vote, equal to the number of shares owned, for up to five candidates. For example, someone who owns 100 shares can vote for five candidates. Each of the five candidates for whom the shareholder votes, will receive a vote count of 100 (a total of 500 votes). If this same shareholder only votes for three candidates, each of those three candidates will still receive 100 votes each (a total of 300 votes). The shareholder cannot "reallocate" the votes that are not cast for a fourth and fifth candidate.

The election must include ballots and/or proxies representing at least 50% of the shares of the corporation. For this reason, if you are unable to attend the meeting, it is very important that you send your proxy ballot in advance or assign it to another shareholder or official representative. (See "The Importance of the Proxy" on page 3.)

FACADE REPAIR UNDERWAY

Now that work to repair the building facade has begun, we'd like to explain why it took so long to get started.

The scaffolding was put up, on an emergency basis, on February 9th of this year because of small amounts of debris which began falling from the 17th floor. Upon close inspection, it was determined that the debris was coming from a section of the facade that had been replaced during exterior work that was done in 1998. The damage was isolated to brick that had been manufactured at that time, as opposed to original brick that had been reused.

Regardless of the cause, for safety reasons, the scaffolding had to go up immediately and the repairs to the brickwork needed to be addressed as soon as possible. The engineer who drew the specifications and administered the contract for the repairs in 1998 was immediately retained to assess the damage, write up specifications and solicit bids for the repair work. A second opinion from another engineer was solicited as well. When the specs were ready, Management requested bids from three companies deemed qualified to perform the work. One of these companies was the same firm that had performed the work in 1998. In addition, Board representatives requested that Management get bids from two other qualified companies with whom some members had past experience.

Meanwhile, questions about the quality of the materials used in 1998 and the potential for liability on the part of the parties involved was being explored. As it turned out, the five year warranty on the work and materials issued by the contractor had technically expired in November of 2003.

As you know, in May of this year, the board also voted to hire a new managing agent. This was an action that needed to be taken but it did have the unfortunate result of further delaying the start of work on the facade.

In meetings that took place in June (even before The Lovett Company had been officially under contract) our new agent went to bat for us. It was made clear to the engineer and the prior contractor that the board and management expected the contractor to bear at least part of the cost of repair of the faulty construction of the brick facade. After several rounds of negotiations, the contractor agreed to do the job for a small fraction of their original bid.

As a consequence, the co-op avoided having to pay another firm full price while pursuing the matter in court along with the attendant cost and uncertainty of outcome. Among other things, our new agreement stipulates that materials must be tested and meet or exceed industry standards. The work will be very closely monitored by Ellen Kornfeld, our new Managing Agent. The contract also specifies that barring unforeseen delays, the work will be completed within two months.

We regret that the scaffolding has been up for so long. It is unsightly and a hindrance to all, especially those of you on the lower floors. And while facade maintenance does need to be done regularly, we intend to make sure that the work that's done this year does not come back to haunt us again in 2009.

Sincerely,
Board of Directors

DOCUMENT LIBRARY AVAILABLE ONLINE

The building's website - www.200east.com - now includes a "Documents" section where you can download copies of application forms for renovations, refinancing, sales, and sublets. We will be adding other documents, such as the bylaws, audited financial statements, newsletters and the proprietary lease as

they become available. All documents are made available in PDF format. There is a link to Adobe's website where you can download a free copy of the PDF reader if you do not already have it. To access the building's website, go to www.200east.com and type in the following: user name: 200east, password: patty.

THE IMPORTANCE OF THE PROXY BALLOT

Attending meetings in person is always best, but if you cannot attend the upcoming Annual Shareholders Meeting yourself, your shares can still be represented and voted by using the proxy ballot. A proxy is, in effect, a power of attorney given to another shareholder or to any designated individual, to vote your shares at the meeting, and to be counted as present for attendance and quorum purposes. The general proxy gives the proxy holder complete discretion to vote any way he or she wishes. The specific proxy provides the holder with explicit instructions as to how the owner wishes to vote. 200 East 16th Street Housing Corporation uses a hybrid format that is general in nature, but space is provided for specific directions to the proxy holder. A proxy ballot will be included with the official meeting announcement package sent to you in early September.

The Rules

There are a few rules regarding issuance of a proxy.

- The document must be in writing, and it must be dated and signed by the shareholder or their

attorney. Fax copies *are* acceptable.

- If the shares are jointly owned and a proxy is issued by only one of the owners, he or she is presumed to be acting on behalf of the other owners, and the proxy is considered valid and binding, unless a written notice from the dissenting joint owners is made to the Co-op's secretary before the meeting.
- If multiple proxies are issued by the same shareholder, the only valid one is that which was signed most recently.
- A shareholder can revoke the proxy by attending the meeting and casting a ballot. The ballot will supersede the previously issued proxy; however, merely attending the meeting, without actually casting a ballot, will not serve to revoke the proxy.

Proxies are a useful tool, but shareholders are strongly encouraged to attend the Annual Meeting in person. It is only at these forums that a full exchange of views between voters can occur.

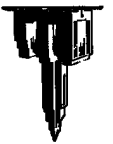
To submit your proxy ballot by mail it must be postmarked no later than September 15th and sent to: The Lovett Company, 450 Seventh Avenue, Suite 1106, New York, NY 10123, Attn: Ellen Kornfeld. Up until midnight of September 21st, proxies can also be faxed to 212-736-1445 or left with the lobby attendant in a sealed envelope, addressed to the Lovett Company, Attn: Ellen Kornfeld. Or simply give your proxy ballot to a fellow shareholder who will be attending the meeting.

BIKE STORAGE AVAILABLE

Bike storage will (finally) be available in early September. Space for approximately 50 bikes will be available in the basement on a first come, first served basis for a fee of \$125 per year. Owners will need to provide their own cable and lock. An application form and contract can be downloaded from the Document Library on the building's website, www.200east.com or you can pick one up at the front desk.



200 East 16th Street Housing Corp.
 c/o THE LOVETT COMPANY
 4550 SEVENTH AVENUE, Suite 1106
 New York, NY 10123



FOR YOUR INFORMATION...

Some names and numbers to keep handy:

Lobby Desk.....212-254-7334
 Superintendent.....212-475-0333
 The Lovett Company.....212-736-3440
 Ellen Kornfeld, Vice President and Property Manager - lovettny@aol.comextension 13
 Anne Gobioff, Assistant Property Manager - lovettny@aol.comextension 12
 The Lovett Company (Queens office).....718-445-9500
 Evangeline Paul, Sales, Sublets, Refinancing - evapaul@lovettrealty.comextension 22
 David Loeb, Accounting - dloeb@lovettrealty.com..... extension 11

2003 - 2004 Board of Directors

Karen Carsley, apt. 4J Assistant Treasurer kcarsley@aol.com	Elyce Friedfeld, apt. 4L Secretary ef@broadstreetcap.com	Lisa Overton, apt. 13B President lisa@bigpink.com	Jay Solinsky Treasurer classic@nyapts.com
Linda Domsy, apt. 20D Vice-President ldomsy@nyc.rr.com	Rae Gilson Vice-President classic@nyapts.com	Neil Ritter Vice-President classic@nyapts.com	website: www.200east.com username: 200east password: patty