

2026–2027 Board Announcement & Community Updates

Thank you to everyone who attended the Hampton Court Annual Shareholders Meeting on May 11, 2026. We're pleased to introduce your 2026–2027 Board of Directors:

President:	Andrea Crawford	Directors:	Felix Burgos
Vice President:	Scott Biel		Nina Kulkarni
Treasurer:	Andrew Julia		Tony Mavilia
Secretary:	Lisa Belaustegui		

We look forward to working together to keep Hampton Court safe, welcoming and financially strong.

Annual Meeting Highlights

I. Announcement of Voting Shares - Kristen Mantell, Baron & Baron

31,900 voting shares were submitted. Since Quorum was not achieved (~78,000 shares) this meeting was an Informational Meeting only.

II. Management Report - Kimmarie Mealer, FSR Project Manager

- A. Local Laws - \$44K was saved thanks to more efficient energy usage such as sensor lights in common areas and Runwise Sensors. Audit found about 100K more square footage which helped raise our annual efficiency rating to a higher A. We will be avoiding the first round of fines in 2030.
- B. Upcoming Elevator Brake Project - Expected to begin in 6 weeks and will continue for 4-6 months. Workflow will include assistance to residents on upper floors. More to come from Management and the Board
- C. New Hercules Laundry Machines - Full wifi capacity will inform residents of which machines are available and when. Change is expected for July.

III. Audit - Andrew Julia, HC Treasurer, and Ed Pecker, Shalik Morris LLP, External Auditor

- A. Assets - Cash Balance decreased due to \$1.4M Local Law 11 work which was brick work done on the facade. Cash reserves funded this project, not an assessment. Property improvements also decreased the balance due to depreciation. \$2.5M cash reserve is ideal for banks to approve mortgages for sellers/buyers, to get the best rates when refinancing our mortgage in 2030 and for emergency situations.
- B. Liabilities – Decline year over year due to decrease in Accrued Expenses which was a result of HC paying for the Local Law 11 project in full in 2025.

- C. Revenue - Slight decline due to elimination of fuel assessment in 2025. Interests and dividends were also lower in 2025 than 2024. All other revenue in-line with prior year.

- D. Expenses – The majority of expenses are out of the Board’s control and necessary to operate the buildings. 45% of our expenses are related to Fixed Charges which are our real estate taxes, mortgage interest and water/sewer charges. 20% of our total expenses are associated with labor costs which are tied to 32BJ contract. 20% of our expenses are associated with Utilities and Insurance. Natural gas prices increased from 2024 to 2025 which caused a spike in our utilities expense and insurance rates increased year over year as well. HC is insured by GNY (Greater New York) which is a top rated insurer in the NYC area. 10% of our expenses are associated with Repairs and Maintenance which are costs associated with maintaining the buildings and grounds. Lastly, 5% of our total expenses are associated with general and administrative costs.

- E. Change in Net Assets before Depreciation – A loss of approximately \$280k which can be directly attributed to three areas – increase in utilities, insurance and labor.

- F. Steps Taken to Maintain a Healthy Cash Reserve and Combat Increasing Costs - The Board instituted a 4.5% maintenance increase in 2026 as well as a 5 year assessment to raise \$1M to cover upcoming capital projects, including but not limited to the elevators.

- G. Capital Assessment - Ed Pecker explained that the capital assessment is an addition to cost-basis for individual apartments. Shareholders can reach out to management to obtain their additional cost-basis share.

- H. Summary - The Board is doing everything possible to stay resourceful, which can be reflected by our A energy grade.

IV. Shareholders Questions about the Audit

1. Why was there a 30% increase in administrative fees? Late legal billing.
2. What other kinds of assessments can be added to the cost-basis? None. This applies only to capital assessments
3. How much additional income is generated as a result of the Flip Tax? About \$90K/year
4. Is any additional information available re. Tax Rebates due to HC being featured in the National Registry of Historic Places? No. *FSR Mgmt will follow up.*
5. Who issues the rebate and how is it applied? *FSR Mgmt will follow up.*
6. Why do we have higher late charges? They have been reinstated after being waived for Covid-related issues.

7. If we didn't save the capital assessment letters, how can we obtain them or the total sum added to the cost-basis when our apartment is sold? Reach out to Mgmt.

V. Lobby Touchup - Tony Mavilia, HC Director & Garden Committee Chair

All parts of the touchup will take place post-elevator renovation. Paint colors will match existing colors. Floors & carpets will be thoroughly cleaned. Some carpet will be replaced by matting. Mailrooms & lighting will be upgraded. Steps may be taken to expose terrazzo on the first floor vs replace carpeting. White corticos will be cleaned and painted.

Additionally, the x-ray fluorescence (XRF) testing in common areas has been completed as part of LL111. The x-ray imaging confirmed that any lead that was detected is buried under 25 layers of paint. Those areas will be encapsulated.

VI. Shareholders Questions about the Lobby Touchup

1. What is happening under the stairwell? Scrape and paint. This area did not test positive for lead therefore scraping is not unsafe and wont release lead dust.
2. How does the lead affect our air quality? It has no effect because the lead doesn't interact with our air. It is trapped under many layers of paint. Note: The lead data was collected from x-ray beams. No scraping occurred to obtain the data.
3. Who will lead this project, and when will it begin? A contractor will do the job beginning to end after the elevators are completed. Areas must be prepped first to paint. Discovery process is vital.
4. Were fire escapes tested for lead? Mgmt will follow up and confirm if fire escapes were painted after lead paint was outlawed.
5. What is the latest with the hanging wires in front of people's units? *FSR Mgmt will follow up.*

VII. Thank you & Request for Volunteers

- A. Newsletter - We need volunteers in order to distribute the Hampton Courterly on a quarterly basis. Please contact the Board at HamptonCourtWeb@gmail.com or HamptonCourtOnThePark.com
- B. Clubs - Last year, one of the key objectives after the Annual Shareholders Meeting was to bring back Building Captains and Committees to help shareholders work together towards shared goals. The Art Club, Table Tennis Club, Spanish Book Club & Building Captains all made great use of the Community Room for 2025 - 2026. If you would like to start a new club or social event (such as a summer concert?), contact the Board.
- C. Composting - Thank you to everyone who made this new initiative successful.
- D. Events - We would like to sincerely thank all hosts and participants of the 2025-2026 Events, which include Summer barbecues, Outdoor movies, Community Room Art Exhibition, Halloween festivities, Holiday Party & Easter Egg Hunt. We are very fortunate to live among

such kind, talented & community-oriented people. Thank you to all who continue to make this such a special community.

VIII. Additional Shareholder Questions

1. How can we get more information & details regarding LL97? FSR hosts seminars. Recorded info can be disseminated. Send an email to Kimmarie at kimmarie.mealer@fsresidential.com to obtain access. If you would like to lead an Environmental Committee, email the Board (HamptonCourtweb@gmail.com) and we can help you get started.
2. What is the current status of the roof insulation project? Only Con Edison is offering it. Once our provider National Grid offers it, we will sign on.
3. Heat was not felt until 5:30 a.m. which was a major problem for those of us who wake up at 4 a.m. How will this issue be resolved moving forward? Any new system will have bumps in the road. Once the heating season is fully over, we will get a full overview. We are no longer going to run the boilers on high. No complaints have been received after making the adjustment of 5 pounds of pressure for 45 minutes. The key was an increased run cycle. *FSR Mgmt will follow up with the offer to install a Runwise monitor in this shareholder's unit..*
4. Could the Board recommend a vendor to replace a window? No, liability concerns discourage us from recommending vendors; however, there is nothing preventing shareholders from coming together to trade information on licensed contractors.
5. What is the latest with engineering fees? The process is under review. Moving gas, water, and walls should require intense review to protect fellow shareholders, but not every renovation requires the same level of scrutiny.