-THE VIEW-

36 NEW YORK AVENUE, HALESITE, NY



Tenant newsletter Issue no. 1, August 2007

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PRESIDENT'S MESSAGE



It is with great pleasure that I announce KMF Property Group, Inc.'s acquisition of 36 New York Avenue, Halesite. We are proud to own this building and look forward to maintaining a positive working relationship with each of our tenants.

Below you'll learn a bit more about me, the company's background, and our plans to improve the property. As a long time real estate professional with a variety of business tenants, I'm keenly aware that one's environment has a significant impact on business success. It's my goal to ensure yours is conducive to a well-run enterprise.

We manage our portfolio of investment properties ourselves and you'll find we're proactive and responsive property owners. I've had the

opportunity to meet some of you during the transition of ownership. If you see me around the property or building, please stop to introduce yourself. In the coming weeks, I look forward to meeting all of you, learning more about your businesses and how KMF Property Group can assist you with respect to your business environment.

WE'RE HERE, WE'RE LISTENING, AND WE'RE MAKING IMPROVEMENTS!

If you have a concern, complaint or compliment...we're here and ready to listen! It is our firm belief that landlords and tenants can work together to create a positive and responsive relationship that meets each party's respective needs. Let's get to work doing just that!

We're serious about partnering with our tenants, and we had an opportunity to convey this commitment in a variety of ways since acquiring the property just six weeks ago. On the following pages you will <u>see</u> what we are doing to improve your working environment, your safety and convenience, and your sense of well-being during the many hours you spend in the building.

KMF PROPERTY GROUP, INC.



NEGLECTED LANDSCAPING THAT PREVIOUSLY HID THE TENANT SIGNAGE (PHOTO LEFT) WAS CUT BACK





OVERGROWN TREES WERE PRUNED TO MAKE THE BUILDING MORE VISIBLE FROM THE STREET





MAINTENANCE CREWS WEEDED AND CLEANED THE ENTIRE AREA SURROUNDING THE PROPERTY, LEAVING A MUCH NEATER APPEARANCE





THE HEAVILY RUSTED DOOR ON THE ROOF WAS SANDED AND PAINTED TO PROTECT IT FROM THE HARSH ELEMENTS. AND A NEW LOCK AND CLOSING DEVICE WERE INSTALLED TO MAKE THE ROOF ACCESS MORE SECURE



KMF PROPERTY GROUP, INC.



THE LIGHT SWITCHES IN EVERY BATHROOM, AND THE BREAK ROOM, WERE REPLACED WITH ELECTRONIC SENSORS TO REDUCE THE BUILDING'S TOTAL ENERGY USAGE, AND HELP IMPROVE OUR ENVIRONMENT





THE TOASTER OVEN IN THE BREAK ROOM (WHICH HAS SEEN BETTER DAYS) WAS REPLACED WITH A BRAND NEW, LARGER UNIT





A LOCK PROTECTOR PLATE WAS INSTALLED ON THE TWO TELEPHONE EQUIPMENT ROOM DOORS TO MAKE THEM MORE SECURE. THIS HELPS PROTECT YOUR BUSINESS' PHONE SYSTEM





FOR YOUR SAFETY AND CONVENIENCE, A NEW LOCK WAS INSTALLED ON EACH RESTROOM DOOR THAT VISIBLY INDICATES WHETHER IT IS "VACANT" OR "OCCUPIED" SO TENANTS WON'T HAVE TO LEAVE A KEY IN THE LOCK TO INDICATE THAT THE ROOM IS IN USE



KMF PROPERTY GROUP, INC.



A BENCH WAS INSTALLED TO OFFER A COMFORTABLE PLACE TO SIT AND RELAX WHILE BREATHING IN THE FRESH SALT AIR





WINDOW BOXES WERE PLACED IN FRONT OF THE BUILDING TO PROVIDE AN ATTRACTIVE ATMOSPHERE (LEFT), AND PLANTERS WERE INSTALLED BY THE MAIN ENTRANCE TO GREET TENANTS AND VISITORS









PAINTINGS, SCULPTURES, AND PHOTOGRAPHS WERE PLACED AROUND THE BUILDING TO IMPROVE ITS APPEARANCE

THE FOLLOWING REPAIRS HAVE ALSO BEEN COMPLETED

- The hole in the sheetrock wall behind the door in the break room has been repaired
- Various hinges and door closing devices have been replaced in the building to enhance security
- Burned out and missing light bulbs have been installed throughout the building
- All door hinges inside the building (including those for tenants' suites) have been lubricated

WHAT'S IN STORE DURING THE MONTHS AHEAD?

Because we manage our portfolio of investment properties ourselves, we remain keenly aware of our tenants' needs. We are proactive and responsive property owners, as you've seen with the improvements made so far. More will come! We ask for your patience as we evaluate the condition of the property. Through informal conversations with you and written surveys we will gain a better understanding of your needs. During this transitional period, certain installed devices will need to be tweaked so they operate safely and effectively. Please let us know if any adjustments are needed. And, during the next several months we will continue making capital improvements such as:

- Upgrading the heating, ventilation, and air conditioning system
- Replacing the dented, round metal covers on the main support beams in the parking areas
- Replacing broken glass windows
- Enhancing the security in and around the building
- Improving the level of maintenance throughout the building

EVERY CLOUD HAS A SILVER LINING

On the morning of Wednesday, July 18th, the skies were more than cloudy. Mother Nature unleashed a barrage of heavy rain, erratic thunder and lightning, and high winds resulting in severe local flooding. Thousands of motorists were affected all over Long Island. This powerful storm severely affected our Halesite area with downed trees, stranded motorists, abandoned vehicles, and

the total closure of New York Avenue leading to our building. Those who persevered found alternative routes and made it to the building safely.

Every cloud - no matter how filled with rain has a silver lining, and for those who fought through the downed wires, snapped tree limbs, and seemingly bottomless flooding, a special reward was provided (courtesy of KMF Property Group): a fully-catered breakfast set up in the lobby to greet them, exhausted at the struggle and yet, still at the beginning of their working day. A cup of



coffee and a bagel with a shmear went a long way. We're glad you made it through to your office!

ABOUT OUR COMPANY



KMF Property Group, Inc. was established in 1982 and currently owns and manages a portfolio of investment properties and development sites in New York. Over the years, our tenants have included businesses at every stage of development from newly formed, experimental ventures to world-renown, multi-million dollar companies. Our portfolio of strategically located properties is sure to meet your company's real estate needs.

Kevin M. Fogel serves as President. He also serves as a Director of the Long Island City Business Development Corporation, and as a Founder and Director of the Long Island City Business Improvement District. Kevin earned a Master of Science degree in Real Estate Investment and Development from New York University, and has published more than 30 articles on various real estate topics including effective property management techniques. He and his family reside in Oceanside, NY.

OUR MISSION STATEMENT

Our goal is to assist you in finding the right property, or space within a property, for your specific needs and help you achieve the growth that will push you into the next stage of your business' development.

We take the time to understand your needs, then work hard to ensure you are fully satisfied with the property or space you choose, and strive to make your tenancy both profitable and enjoyable. During the past 25 years, we have enjoyed placing tenants in our company-owned buildings and then watched as their businesses grew and grew. And that's exactly what we like to see: tenants who utilize our properties to improve their bottom line. We look forward to helping you achieve that growth.

OUR BUSINESS PHILOSOPHY

We see our tenants as partners in our business model. As such, we strive to always show respect and genuine concern for your opinions and ideas regarding ways to improve the tenant experience at each of our properties. And, we <u>promise</u> to keep you informed about any problems that might occur and what we're doing to resolve them.



JUST ONE MORE THING ...

We'll continue to nurture the building as we hope to nurture our relationship with you. KMF Property Group is eager and able to handle those needs that will continue to deliver a well-run and well-appointed work space for you. We believe in showing respect in all interactions with you and we recognize the value your tenancy adds to this building, and all our properties.

We care about your opinions, concerns, and the quality of your experience as a tenant at 36 New York Avenue. And, we'll strive to exceed your expectations, every day.

Your questions and suggestions will find us through these means:

TELEPHONE: 516.536.5881 Fax: 516.766.4611

E-MAIL: KFOGEL@KMFPROPERTYGROUP.COM

CORPORATE OFFICES: 49 IRMA DRIVE, OCEANSIDE, NY 11572-5715

WE HOPE YOU ENJOY ... THE VIEW!



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