

tion and the American Stock Exchange.

Also, in December of 2003, CharterMac's Board of Trustees elected Alan P.

Hirmes to the position of Chief Financial Officer, effective March 31, 2004. Mr. Hirmes has replaced Stuart A. Rothstein, who left CharterMac to pursue other opportunities. Mr. Hirmes has 24 years of real estate finance experience, 20 of which have been with RCC, and he has been a Certified Public Accountant in New York since 1978.

Looking to 2004

CharterMac's varied business lines allow the Company to offer comprehensive capital solutions to developers and owners of multifamily rental housing throughout the country. As such, we believe the Company is well positioned to gain market share in all four of its core business lines in the year ahead. In addition, we will continue to pursue opportunities to add complimentary lines of business to our platform and to diversify our products to better serve the developer and investor community.

With our growing balance sheet, our ability to access capital, and our focused management team, we expect that CharterMac will continue to explore new growth opportunities and become an even stronger company in 2004. Additionally, we will continue to develop the financial community's awareness of and interest in CharterMac as an investment opportunity, as we continue to maintain our commitment to increasing shareholder value.

Shareholders' Meeting

We invite you to join us at our annual shareholders' meeting on Thursday, June 10, 2004,

at 10:00 a.m. The meeting will be held at the offices of Paul, Hastings, Janofsky & Walker LLP at 75 East 55th Street, New York, New York. Your attendance will be very much appreciated.

We thank our shareholders for their support, and we look forward to reporting on CharterMac's progress and achievements in the year ahead.



Stuart J. Boesky
Chief Executive Officer



Stephen M. Ross
Chairman



Marc D. Schnitzer
President