

**FORTY-THIRD AMENDMENT TO OFFERING PLAN**  
**for**  
**BRYANT GARDENS**  
**BRYANT AND MAMARONECK AVENUES**  
**WHITE PLAINS, NEW YORK**

The purpose of this Forty-Third Amendment is to modify and supplement the Offering Plan -- A Plan to Convert to Co-operative Ownership premises located at Bryant and Mamaroneck Avenues, White Plains, New York, dated September 15, 1980 as amended by the filing of forty-two prior amendments.

The Plan is hereby amended as follows:

1. **Extension of Offering.** The term of the offering made by the Plan is hereby extended for an additional twelve (12) month period commencing on the date this Forty-Third Amendment is accepted for filing by the Department of Law.

2. **Financial Disclosure.** The following information is provided in accordance with the regulations of the Attorney General of the State of New York:

(a) The identity of shares owned by sponsor or its designees, including holders of unsold shares, and the apartment to which such shares are allocated, are set forth in the Schedule of Unsold Shares annexed hereto as Exhibit A.

(b) The aggregate monthly maintenance payments for all shares owned by the sponsor or holders of unsold shares is \$25,531.72.

(c) The aggregate monthly rents received from tenants of all units owned by the sponsor or holders of unsold shares is \$24,833.64.

(d) The sponsor or holders of unsold shares have no financial obligations to the Apartment Corporation which will become due within twelve months from the date of this amendment, other than payment of maintenance.

(e) None of the unsold shares has been pledged as collateral for any loan or otherwise represents security for financing arrangements.

(f) The maintenance payments due from sponsor or holders of unsold shares are funded by the monthly rents received from tenants of units owned by sponsor or holders of unsold shares

or if insufficient, from sales of units or other assets of Sponsor or holders of unsold shares or by capital calls on each of the holders of Unsold Shares to cover any shortfalls between rental income received and maintenance owed to the Corporation, or other costs associated with the units owned by the holders of Unsold Shares.

(g) The sponsor and holders of unsold shares are current on all financial obligations under the Plan. Sponsor and holders of unsold shares were current on all such obligations during the year prior to the filing of this amendment.

(h) Sponsor or principals of sponsor, as individual holders of unsold shares or as general partner or principal of sponsor, own more than ten (10%) per cent of the shares of the following buildings which have been converted to cooperative or condominium ownership:

31 Pondfield Road, Bronxville, New York  
445 Gramatan Avenue, Mt. Vernon, New York  
27-47 North Central Avenue, Hartsdale, New York  
17 North Chatsworth Avenue, Larchmont, New York  
Sadore Lane Gardens, Yonkers, New York

The offering plans for these buildings are on file with the Department of Law and are available for public inspection.

(i) The sponsor, principals of sponsor and holders of unsold shares, as individual holders of unsold shares or as general partner or principal of the sponsor, are current in their financial obligations in other cooperatives, condominiums or homeowners associations in which they own shares or units as an individual, general partner or principal.

(j) The sponsor relinquished control of the Board of Directors on December 1, 1983. As of the date hereof, the total of unsold shares held by the Sponsor, principals of Sponsor or holders of unsold shares aggregates approximately 7.15% of the outstanding shares of the Corporation.

3. **Maintenance.** By resolution of the Board of Directors of the Corporation adopted at a meeting duly held October 21, 2015, after reviewing a projected budget of building operations for the calendar year 2016, the per share monthly maintenance was fixed at \$3.15, representing a 2% increase over the prior year.

4. **Election of Officers and Directors.** At the annual meeting of the shareholders of the Corporation, followed by a meeting of the Directors, both duly held on May 20, 2015, the following were elected as Directors and Officers of the Corporation:

Louis J. Bruno	President and Director
Kaiser V. Vallice	Vice President and Director
Rose Hogan	Vice President and Director

Michael Flynn	Treasurer and Director
Michael Magrone	Vice President and Director
Barbara Tighe-McCann	Vice President and Director
*Robert Orlofsky	Secretary and Director

\*Sponsor Designee

Subsequent to the election of Directors, Barbara Tighe-McCann sold her unit and resigned from the Board of Directors. In accordance with Article III, Section 4 of the Corporation's By-Laws, the Board appointed James J. Barrecchia to fill the vacancy.

**5. Financial Statements.** The financial statements for Bryant Gardens Corp. for the year ended December 31, 2014, prepared by Bloom and Streit, LLP, Certified Public Accountants, are attached hereto as Exhibit B.

**6. Budget.** Attached hereto as Exhibit C is the budget for the fiscal year ending December 31, 2016 prepared by the Apartment Corporation's accountant and adopted by the Board of Directors. This budget is contained herein for informational purposes only, and the sponsor, principals of sponsor or holders of unsold shares do not in any way adopt such budget as their own or make any representation as to the adequacy, accuracy or completeness of same or any item shown therein and none should be implied. Robert Orlofsky as agent for the sponsor, principals of sponsor and holders of unsold shares has reviewed the budget and has no knowledge of any matter which would render the budget materially incorrect; however, Robert Orlofsky as such agent has not prepared the budget and has not independently verified the information or estimates contained therein.

**7. Bulk Sale of Units by Principals of Sponsor.** On August 11, 2015, Laura Pinzur, a principal of Sponsor and holder of Unsold Shares, transferred proprietary leases for five apartment units and the 1,440 shares of the Corporation appurtenant thereto to Leonardson, LLC ("Leonardson"). These five units represent all of the unsold shares held by Laura Pinzur and accordingly she is no longer a principal of Sponsor or holder of Unsold Shares. On August 11, 2015, Edward Alpern, also a principal of Sponsor and holder of Unsold Shares, transferred proprietary leases for three apartment units and the 770 shares of the Corporation appurtenant thereto to Dearborn Units Corp. ("Dearborn"). As indicated on Exhibit A, Edward Alpern continues to hold Unsold Shares with respect to three apartment units and remains a principal of Sponsor. The specific apartment units and number of shares appurtenant to the leases for each of the unit transferred to Leonardson and Dearborn are set forth on Exhibit D annexed. In connection with the foregoing sale and transfer, Howard and Susan Finklestein, as principals of both Leonardson and Dearborn, gave personal guaranties to the Corporation for payment of all maintenance payments, assessments and charges whenever the same become due to the Corporation. To the extent that Leonardson and Dearborn have acquired the apartment units listed on Exhibit D for investment purposes, they shall be responsible to comply with such regulations of the Attorney General of the State of New York as may be required in connection with the offering of such units for sale by separate filings. Leonardson and Dearborn are not

principals of Sponsor, the shares held by them are not deemed Unsold Shares by the Corporation, and this Forty-Third Amendment makes no statements or representations with respect to the apartment units now held by Leonardson and Dearborn set forth on Exhibit D.

**8. No Other Material Changes in Plan.** There have been no material changes in the Plan, except as set forth in this Forty-Third Amendment. The Plan, as amended hereby, does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact.

AFF PROPERTY, LLC, EDWARD ALPERN, BLANCHE ORLOFSKY, SHARYN ORLOFSKY, ROBERT ORLOFSKY and ROZLEN ASSOCIATES, the owners of all unsold shares of the Apartment Corporation, have authorized the submission of this Forty-Third Amendment by the undersigned.

Dated: **NOVEMBER 9**, 2015

ROBERT ORLOFSKY, for the holders of all unsold shares

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STATE OF NEW YORK  
OFFICE OF THE ATTORNEY GENERAL

ERIC T. SCHNEIDERMAN  
ATTORNEY GENERAL

(212) 416-8176

DIVISION OF ECONOMIC JUSTICE  
REAL ESTATE FINANCE BUREAU

November 10, 2015

Robert Orlofsky  
c/o Peck & Heller  
Attention: Nancy Heller  
805 Third Avenue  
New York, NY 10022

RE: Bryant Gardens

File Number: C 790438

Date Amendment Filed: 11/09/2015

Receipt Number: 133572

Amendment No: 43

Filing Fee: \$225.00

Dear Sponsor:

The referenced amendment to the offering plan for the subject premises is hereby accepted and filed. Since this amendment is submitted after the post closing amendment has been filed, this filing is effective for twelve months from the date of filing of this amendment. However, any material change of fact or circumstance affecting the property or offering requires an immediate amendment.

Any misstatement or concealment of material fact in the material submitted as part of this amendment renders this filing void ab initio. This office has relied on the truth of the certifications of sponsor, sponsor's principals, and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

Filing this amendment shall not be construed as approval of the contents or terms thereof by the Attorney General of the State of New York, or any waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable law. The issuance of this letter is conditioned upon the collection of all fees imposed by law. This letter is your receipt for the filing fee.

Very truly yours,

*Nancy Haber* (48)

Nancy Haber  
Assistant Attorney General

EXHIBIT A

SCHEDULE OF UNSOLD SHARES

Unit	Holder of Unsold Shares	# Shares	Unit	Holder of Unsold Shares	# Shares
1-1H	BRYANT GARDENS ASSOCIATES	185	11-1F	ORLOFSKY	260
2-1N	ROZLEN ASSOCIATES	325	11-1G	AFF PROPERTY, LLC	325
3-1C	AFF PROPERTY, LLC	260	13-1G	AFF PROPERTY, LLC	325
3-2H	ORLOFSKY	185	13-1M	AFF PROPERTY, LLC	260
4-1N	AFF PROPERTY, LLC	325	15-1B	AFF PROPERTY, LLC	260
4-2D	ROZLEN ASSOCIATES	335	15-2D	AFF PROPERTY, LLC	335
4-2G	ORLOFSKY	325	15-2N	EDWARD ALPERN	325
5-1A	ORLOFSKY	185	175-1A	ORLOFSKY	185
5-2G	AFF PROPERTY, LLC	325	175-1G	ROZLEN ASSOCIATES	325
7-1B	AFF PROPERTY, LLC	260	175-1J	AFF PROPERTY, LLC	260
7-1C	BRYANT GARDENS ASSOCIATES	260	175-2A	ROZLEN ASSOCIATES	185
7-2B	AFF PROPERTY, LLC	260	175-2D	AFF PROPERTY, LLC	335
8-1C	EDWARD ALPERN	260	175-2E	EDWARD ALPERN	265
10-1K	AFF PROPERTY, LLC	335	185-2L	AFF PROPERTY, LLC	265
10-2G	ROZLEN ASSOCIATES	325			
	Total Units		29	Total Shares	8,060

**EXHIBIT B**

**BRYANT GARDENS CORP.  
FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**BRYANT GARDENS CORP.**

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**DECEMBER 31, 2014**

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**BLOOM AND STREIT LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

ROGER BERMAN, CPA  
WILLIAM J. RANK, CPA, CFP  
MARK COHEN, CPA

**INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors  
BRYANT GARDENS CORP.**

We have audited the accompanying financial statements of Bryant Gardens Corp., which comprise the balance sheets as of December 31, 2014 and 2013, and the related statements of income (loss), retained earnings (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bryant Gardens Corp., as of December 31, 2014 and 2013, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 13, the entity has not estimated the remaining lives and replacement costs of the common property and, therefore, has not presented information about the estimates of future costs of major repairs and replacements that will be required in the future that accounting principles generally accepted in the United States of America has determined is required to supplement, although not required to be a part of, the basic financial statements.

*Bloom and Streit LLP*

**BLOOM AND STREIT LLP**  
**Certified Public Accountants**  
**April 5, 2015**

**BRYANT GARDENS CORP.**

**Balance Sheets**

**As of December 31,**

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash in Operating Account	42,294	41,846
Cash in Bank - Security Deposits	38,503	39,547
Cash in Bank - Reserve Fund	1,506,173	1,755,068
Tenants' Accounts Receivable	25,196	31,793
Mortgagee Escrow Deposits	384,070	351,247
Prepaid Expenses	21,883	14,268
<b>Total</b>	<u>2,018,118</u>	<u>2,233,769</u>
Less: Allocated to Funds and Deposits (see below)	<u>(1,544,503)</u>	<u>(1,794,547)</u>
<b>Total Current Assets</b>	<u>473,615</u>	<u>439,222</u>
<b>FUNDS</b>		
Contingency Reserve:		
Allocated from Current Assets (see above)	<u>1,506,000</u>	<u>1,755,000</u>
<b>PROPERTY AND EQUIPMENT -</b>		
<b>Net Book Value</b>	<u>6,614,404</u>	<u>6,791,787</u>
<b>OTHER ASSETS</b>		
Security Deposits (see above)	38,503	39,547
Deferred Mortgage Financing Expenses	136,735	157,771
<b>Total Other Assets</b>	<u>175,238</u>	<u>197,318</u>
<b>TOTAL ASSETS</b>	<u>8,769,258</u>	<u>9,183,326</u>

	<u>2014</u>	<u>2013</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITES</b>		
Accounts Payable	204,853	255,479
Accrued Interest	37,012	38,635
Real Estate Tax Rebate Due to Stockholders	44,309	45,403
Rents Received in Advance	11,741	11,392
Security Deposits	38,503	39,547
Mortgage Amortization Payments due within one year	<u>384,716</u>	<u>365,148</u>
<b>Total Current Liabilities</b>	<u>721,134</u>	<u>755,603</u>
<b>LONG-TERM LIABILITIES</b>		
First Mortgage Payable - Net of Payments due within one year	<u>7,945,085</u>	<u>8,329,801</u>
<b>STOCKHOLDERS' EQUITY</b>		
Common Stock \$1.00 par value; 120,000 shares authorized, 113,065 share issued, 112,615 shares outstanding	113,065	113,065
Paid-in Capital	2,928,405	2,928,405
Retained Earnings (Deficit)	<u>(2,902,010)</u>	<u>(2,907,126)</u>
<b>Total</b>	139,460	134,343
Less: Treasury Stock - 450 Shares	<u>(36,421)</u>	<u>(36,421)</u>
<b>Total Stockholders' Equity</b>	<u>103,039</u>	<u>97,922</u>
<b>TOTAL LIABILITES AND STOCKHOLDERS' EQUITY</b>	<u>8,769,258</u>	<u>9,183,326</u>

*See accompanying notes and auditors' report*

**BRYANT GARDENS CORP.****Statements of Income (Loss)****For the Year Ended December 31,**

	<u>2014</u>	<u>2013</u>
<b>INCOME</b>		
Carrying Charges	4,081,779	4,081,780
Garage Income	105,635	104,060
Professional Apartments	26,300	25,200
Rental Income	31,200	29,825
Laundry Room Income	30,000	30,000
Laundry Room - Renovation Income	44,500	0
Storage Units	19,950	19,950
Interest Income	14,370	18,456
Miscellaneous Income	4,794	7,151
<b>Total Income</b>	<u>4,358,528</u>	<u>4,316,422</u>
<b>EXPENSES</b>		
Administrative Expenses	239,291	196,834
Maintenance Expenses	1,108,676	1,110,468
Utilities Expenses	560,719	745,408
Taxes and Insurance	1,553,786	1,497,324
Financial Expenses	444,570	463,226
<b>Total Expenses Before Depreciation and Amortization</b>	<u>3,907,042</u>	<u>4,013,259</u>
<b>NET INCOME BEFORE DEPRECIATION AND AMORTIZATION</b>	451,486	303,163
Depreciation and Amortization of Mortgage Financing Expenses and Lease Commissions	<u>(446,369)</u>	<u>(430,029)</u>
<b>NET INCOME (LOSS) FOR THE YEAR</b>	<u>5,116</u>	<u>(126,866)</u>

*See accompanying notes and auditors' report*

**BRYANT GARDENS CORP.**  
**Statements of Retained Earnings (Deficit)**  
**For the Year Ended December 31,**

	<u>2014</u>	<u>2013</u>
<b>RETAINED EARNINGS (DEFICIT) - Beginning of Year</b>	(2,907,126)	(2,780,260)
Net Income (Loss) for the Year	<u>5,116</u>	<u>(126,866)</u>
<b>RETAINED EARNINGS (DEFICIT) - End of Year</b>	<u>(2,902,010)</u>	<u>(2,907,126)</u>

*See accompanying notes and auditors' report*

**BRYANT GARDENS CORP.****Statements of Cash Flows****For the Year Ended December 31,**

	<u>2014</u>	<u>2013</u>
<b>Cash Flows From Operating Activities</b>		
Net Income (Loss)	5,116	(126,866)
Adjustments to reconcile net income (loss) to net cash used by operating activities:		
Depreciation and Amortization	446,369	430,029
Revenue allocated to financing activities	(365,148)	(346,575)
(Increase) Decrease in operating assets:		
Tenants' Accounts Receivable	6,597	4,691
Mortgagee Escrow Deposits	(32,822)	3,267
Prepaid Expenses	(7,615)	19,799
(Decrease) Increase in operating liabilities:		
Accounts Payable	(58,506)	(24,128)
Accrued Interest Payable	(1,622)	(1,540)
Rents Received in Advance	349	3,240
Deposits and Exchanges	(2,139)	6,868
<b>Net cash used by operating activities</b>	<u>(9,421)</u>	<u>(31,214)</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of Property and Equipment	<u>(240,070)</u>	<u>(518,734)</u>
<b>Net cash used by investing activities</b>	<u>(240,070)</u>	<u>(518,734)</u>
<b>Cash Flows From Financing Activities</b>		
Portion of Carrying Charges applied to Amortization of Mortgage	365,148	346,575
Additions to Treasury Stock	0	(5,543)
Amortization Payments on Mortgage	<u>(365,148)</u>	<u>(346,575)</u>
<b>Net cash provided (used) by financing activities</b>	<u>0</u>	<u>(5,543)</u>
<b>Decrease in Cash and Cash Equivalents (see next page)</b>	(249,491)	(555,492)

*See accompanying notes and auditors' report*

**BRYANT GARDENS CORP.**

**Statements of Cash Flows**

**For the Year Ended December 31,**

	<u>2014</u>	<u>2013</u>
<b>Decrease in Cash and Cash Equivalents (brought forward)</b>	(249,491)	(555,492)
Cash and Cash Equivalents at Beginning of Year	<u>1,836,461</u>	<u>2,391,953</u>
<b>Cash and Cash Equivalents at End of Year (see below)</b>	<u>1,586,970</u>	<u>1,836,461</u>
<b>Represented by:</b>		
Cash in Operating Account	42,294	41,846
Cash in Bank - Security Deposits	38,503	39,547
Cash in Bank - Reserve Account	<u>1,506,173</u>	<u>1,755,068</u>
<b>Cash and Cash Equivalents (as above)</b>	<u>1,586,970</u>	<u>1,836,461</u>
<b>Supplemental Disclosure:</b>		
Interest Paid	<u>442,948</u>	<u>461,686</u>

*See accompanying notes and auditors' report*



# **BRYANT GARDENS CORP.**

## **Notes to Financial Statements**

**December 31, 2014 and 2013**

**Note 1**

**Organization**

Bryant Gardens Corp., a 409 unit Cooperative Housing Corporation (the Corporation), acquired land, buildings and improvements (the Property) from Bryant Gardens Associates (the Sponsor), on September 15, 1981 and commenced operations on that date. The common real property included in this acquisition consists of parking facilities, public hallways, roofs, sidewalks and professional office space. All of the cooperative's outstanding stock is owned by the residential tenants of the buildings. The primary purpose of the cooperative is to manage the operations of the buildings and maintain the common elements.

**Note 2**

**Summary of Significant Accounting Policies**

The financial statements have been presented in accordance with the accounting principles prescribed by the audit and accounting guide for common interest associations issued by the American Institute of Certified Public Accountants. The guide describes conditions and procedures unique to the industry (including cooperative housing corporations and condominium associations) and illustrates the form and content of the financial statements of common interest realty associations as well as informative disclosures relating to such statements. In addition, the guide requires that all revenues from tenant-stockholders, including maintenance charges and special assessments, be recognized as revenue in the statement of income (loss).

For purposes of the statement of cash flows, the cooperative considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Tenant-stockholders are subject to monthly charges to provide funds for the cooperative's operating expenses, future capital acquisitions, and major repairs and replacements. Tenants' Accounts Receivable at the balance sheet date represent various fees due from tenant-stockholders. The cooperative's policy is to retain legal counsel and place liens on the shares of stock of tenant-stockholders whose assessments are delinquent. Any excess charges at year end are retained by the cooperative for use in the succeeding year.

# BRYANT GARDENS CORP.

## Notes to Financial Statements

December 31, 2014 and 2013

**Note 2**      **Summary of Significant Accounting Policies - continued**

Property and equipment is being carried at cost. Depreciation of the buildings, improvements and equipment is being computed from the date of acquisition by various methods over periods from ten to forty years.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The cooperative accounts for certain revenue items differently for financial reporting and income tax purposes. The principal differences are permanent in nature and relate to any portion of maintenance charges and special assessments allocated for mortgage amortization and capital improvements which are being accounted for as contributions to additional paid-in capital for income tax purposes whereas such items are recognized as revenue for financial reporting.

**Note 3**      **Concentrations of Credit Risk**

The cooperative maintains various bank and money market accounts that at times may exceed insured credit limits. The cooperative has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to such balances. However, should any of these institutions fail, the cooperative could suffer a loss.

The cooperative has investments in money funds which are not bank deposits or F.D.I.C. insured and are not guaranteed by the brokerage house. These funds are subject to investment risks including possible loss of the principal amount invested.

# BRYANT GARDENS CORP.

## Notes to Financial Statements

December 31, 2014 and 2013

**Note 4**      **Property and Equipment**

Property and Equipment consists of the following:

	<u>2014</u>	<u>2013</u>
Land	572,960	572,960
Buildings	5,255,727	5,255,727
Building Equipment	<u>9,197,599</u>	<u>8,949,649</u>
	15,026,286	14,778,336
Less: accumulated depreciation	<u>8,411,882</u>	<u>7,986,549</u>
Total Property and Equipment	<u>6,614,404</u>	<u>6,791,787</u>

Depreciation expense for the year ended December 31, 2014 and 2013 was \$425,333 and \$408,993, respectively.

**Note 5**      **Mortgage Payable**

On July 1, 2011, the cooperative consolidated their mortgages with NCB for a total amount of \$9,500,000. Commencing August 1, 2011 and continuing thereafter through July 1, 2021, monthly installments of \$67,612 are due, including interest at 5.16% per annum and reduction of principal based on an 18-year amortization schedule. The entire indebtedness of the loan is due and payable on January 1, 2021.

Principal maturities of the mortgage are as follows:

2015	384,716
2016	404,158
2017	426,991
2018	449,874
2019	473,982
2020 and thereafter	6,190,080

As part of the aforementioned refinancings, the cooperative has paid closing costs of approximately \$210,000 which are being amortized over the life of the new mortgage.

# **BRYANT GARDENS CORP.**

## **Notes to Financial Statements**

**December 31, 2014 and 2013**

**Note 6**

**Reserve Fund**

The proceeds from all of the mortgage refinancings have been added to the cooperative's existing investments to establish a reserve fund which has been and will be used to finance capital improvements such as hallway renovations, new entrances, roof/window/garage door replacements, landscaping upgrades, danfoss valve replacement, signage, siding, boilers, gas conversion and other assorted property improvements. During 2014 and 2013, the cooperative incurred capital improvement costs of approximately \$248,000 and \$512,000 related to the aforementioned items. As of December 31, 2014 and 2013, the cooperative maintained a balance in the reserve fund of approximately \$1,506,000 and \$1,755,000, respectively.

**Note 7**

**Treasury Stock**

During the year ended August 31, 1997, 185 shares of stock were recorded as treasury stock due to an eviction of one of the cooperative's shareholders. In 2010, an additional 265 shares of stock, at a cost basis of \$27,304, was added as treasury stock due to another eviction of one of the cooperative's shareholders. The shares are recorded as treasury stock by the cooperative with a cost basis representing the unpaid carrying charges of the previous stockholder plus the cost of improvements to restore the apartment. Both apartments are rented and the income from the apartments is shown on the Statement of Income as Rental Income.

**Note 8**

**Sponsor Ownership**

As of both December 31, 2014 and 2013, the Sponsor and its partners owned 10,865 and 11,535 shares, respectively which represents approximately 10% of the outstanding shares.

As of these dates, the Sponsor and its partners were current in the payment of carrying charges and garage charges.

**Note 9**

**Future Professional Income**

A portion of the cooperative's property is leased to one tenant under a lease for five years which expired on December 31, 2005. This lease continues to operate on a month-to-month basis until a new lease can be finalized.

# BRYANT GARDENS CORP.

## Notes to Financial Statements

December 31, 2014 and 2013

### Note 10

#### Real Estate Taxes - Tax Abatements

The cooperative is entitled to and has received tax abatements on behalf of its stockholders during 2014 and 2013. The abatements, which include Star, Veterans and Senior Citizens are passed on to the stockholders by direct payment or as a credit against carrying charges. Any undistributed abatements as of the fiscal year end have been included on the Balance Sheet in Current Liabilities as Real Estate Tax Rebate Due to Stockholders. As the abatements benefit the stockholders, the real estate tax expense reflected in these financial statements is gross of all the aforementioned tax abatements.

### Note 11

#### Benefits

The cooperative participated in the 32BJ North Pension Fund, Employer Identification Number 13-1819138, Plan 001, for the years ended December 31, 2014 and 2013. The cooperative participated in this multi-employer plan, for the years ended December 31, 2014 and 2013 under the terms of collective-bargaining agreements that cover its union represented employees. This collective bargaining agreement expires September 30, 2018 and the cooperative has no intention of withdrawing from the plan.

The risks of participating in multi-employer plans are different from single-employer plans for the following reasons: 1) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, 2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers and 3) if the cooperative chooses to stop participating in its multi-employer pension plan, the cooperative may be required to pay the plan an amount based on the underfunded status of the plan, which is referred to as a withdrawal liability.

The zone status is based on information that the cooperative received from the plan and is certified by the plan's actuary. Plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are less than 80 percent funded and plans in the green zone are at least 80 percent funded. The most recent Pension Protect Act (PPA) zone status available is for the plan's year-end at December 31, 2013 and December 31, 2012. The certified zone status for the plan for each of these years was red and a rehabilitation plan has been implemented. It is possible that this rehabilitation plan may involve a surcharge to the cooperative.

# BRYANT GARDENS CORP.

## Notes to Financial Statements

### December 31, 2014 and 2013

#### Note 11

##### **Benefits - continued**

In addition to the Pension Fund, the cooperative also participated in a Health Fund for the years ended December 31, 2014 and 2013. The fund provides health benefits (medical, surgical, hospital, prescription drugs, behavioral health, optical, dental) and life insurance coverage for eligible participants and their covered dependents. Retired employees are eligible for health benefits if they retire before age 65, but after age 62; accumulated 15 combined years of pension service credit; worked both 90 days immediately before retirement and at least 36 months of the 60 months before retiring; and are receiving an early or regular retirement pension from the 32BJ North Pension Fund. These benefits continue for the retired employee and eligible dependents until they become eligible for Medicare, until age 65, or until the retiree's pension is suspended, whichever occurs first.

The cooperative made the following contributions to the plans at December 31:

	<u>2014</u>	<u>2013</u>
Pension Contributions	19,590	19,052
Health Contributions	93,281	90,468

The cooperative's contributions to the plan were not greater than 5% of the plan's total contributions.

#### Note 12

##### **Income Taxes**

Federal income tax is computed pursuant to Subchapter T of the Internal Revenue Code. Under Subchapter T, income from non-patronage sources in excess of expenses properly attributable thereto may be subject to tax. The cooperative believes that all of its income is patronage sourced.

Accordingly, no provisions for taxes, if any, that could result from the application of Subchapter T to the cooperative's income has been reflected in the accompanying financial statement. New York State Franchise tax is calculated by utilizing special tax rates available to cooperative housing corporations based on the cooperative's capital base.

# **BRYANT GARDENS CORP.**

## **Notes to Financial Statements**

**December 31, 2014 and 2013**

**Note 12**

**Income Taxes - continued**

As of December 31, 2014, the cooperative has available net operating loss carryforwards to apply to future taxable income in the approximate amount of \$4,846,000. If not used, these carryforwards expire beginning in 2018 and continuing through 2033.

In accordance with accounting rules for uncertainty in income tax guidance, which clarifies the accounting and recognition for tax positions taken or expected to be taken in its income tax returns, the cooperative's tax filings are subject to audit by various taxing authorities. The cooperative's federal and state income tax returns for the last three years remain open to examination. In evaluating its tax provisions and accruals, the cooperative believes that its estimates are appropriate based on current facts and circumstances.

**Note 13**

**Future Major Repairs and Replacements**

The cooperative has not conducted a study to determine the remaining useful lives of the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. When replacement funds are needed to meet future needs for major repairs and replacements, the cooperative may borrow, utilize available cash, increase carrying charges, pass special assessments or delay repairs and replacements until the funds are available. The effect on future assessments has not been determined at this time.

**Note 14**

**Subsequent Events**

Management has evaluated subsequent events through April 5, 2015, the date at which the financial statements became available for issuance. No events have occurred that would require adjustments to, or disclosure in, the financial statements.

**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY INFORMATION**

**To the Board of Directors  
BRYANT GARDENS CORP.**

We have audited the financial statements of Bryant Gardens Corp. as of and for the years ended December 31, 2014 and 2013, and our report thereon dated April 5, 2015, which expressed an unqualified opinion on those financial statements, appears on Page 1. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of budget with actual operating amounts and detailed schedule of repairs, which are the responsibility of the entity's management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information, except for the portion marked "unaudited" was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Bloom and Streit LLP*

**BLOOM AND STREIT LLP  
Certified Public Accountants  
April 5, 2015**



**BRYANT GARDENS CORP.**

**Schedule of Budget with Actual Operating Amounts**

	<u>Budget</u> <u>Year Ended</u> <u>Dec. 31, 2014</u> <u>(Unaudited)</u>	<u>Actual</u> <u>Year Ended</u> <u>Dec. 31, 2014</u>	<u>Actual</u> <u>Year Ended</u> <u>Dec. 31, 2013</u>
<b>RECEIPTS</b>			
Carrying Charges	4,081,779	4,081,779	4,081,780
Garage Income	104,000	105,635	104,060
Professional Apartments	26,000	26,300	25,200
Rental Income	30,900	31,200	29,825
Laundry Room Income	30,000	30,000	30,000
Storage Units	22,000	19,950	19,950
Miscellaneous Income	9,500	4,794	7,151
<b>Total Receipts</b>	<u>4,304,179</u>	<u>4,299,658</u>	<u>4,297,966</u>
<b>EXPENDITURES</b>			
<b>ADMINISTRATIVE EXPENSES</b>			
Management Fee	106,000	106,388	97,360
Management Fee - Retro	0	15,000	0
Legal Expense	17,000	15,247	18,994
Auditing	12,000	12,000	11,700
Telecommunication Services/Software	20,500	22,174	11,550
Community Services	25,000	35,769	30,319
Office and Administrative Expenses	25,538	32,714	26,911
<b>Total Administrative Expenses</b>	<u>206,038</u>	<u>239,291</u>	<u>196,834</u>
<b>MAINTENANCE EXPENSES</b>			
Payroll	379,000	421,338	377,251
Supplies	67,000	97,495	70,622
Repairs (see schedule)	215,000	220,625	255,663
Major Repairs (see schedule)	45,000	16,252	77,888
Exterminating and Trapping Services	26,000	18,014	32,849
Landscaping and Grounds	185,000	196,945	175,586
Tree Care	26,000	30,020	42,386
Snow Removal and Supplies	12,000	35,046	9,219
Security Services	52,000	53,164	51,715
Truck Expenses	6,000	7,927	5,054
Miscellaneous Maintenance	6,000	11,850	12,234
<b>Total Maintenance Expenses</b>	<u>1,019,000</u>	<u>1,108,676</u>	<u>1,110,468</u>

*See auditors' report on supplementary information*

## BRYANT GARDENS CORP.

### Schedule of Budget with Actual Operating Amounts

	<u>Budget</u> <u>Year Ended</u> <u>Dec. 31, 2014</u> <u>(Unaudited)</u>	<u>Actual</u> <u>Year Ended</u> <u>Dec. 31, 2014</u>	<u>Actual</u> <u>Year Ended</u> <u>Dec. 31, 2013</u>
<b>UTILITIES EXPENSES</b>			
Fuel and Gas Heat	452,000	343,946	533,210
Electricity	118,000	120,037	116,472
Gas	16,000	13,423	14,148
Water	79,000	83,314	81,578
<b>Total Utilities Expenses</b>	<u>665,000</u>	<u>560,719</u>	<u>745,408</u>
<b>TAXES AND INSURANCE</b>			
Real Estate Taxes (Inclusive of Star Credits)	1,225,000	1,221,162	1,189,196
Payroll Taxes	30,200	34,782	30,433
Licenses and Permits	800	1,250	700
Insurance	167,800	170,599	147,801
Union Welfare and Pension Fund	120,000	113,222	116,113
NYS Franchise Taxes	14,000	12,772	13,081
<b>Total Taxes and Insurance</b>	<u>1,557,800</u>	<u>1,553,786</u>	<u>1,497,324</u>
<b>FINANCIAL EXPENSES</b>			
Interest on Mortgage	446,193	444,570	463,226
<b>Total Financial Expenses</b>	<u>446,193</u>	<u>444,570</u>	<u>463,226</u>
<b>CONTRIBUTIONS TO EQUITY AND RESERVES</b>			
Amortization of Mortgage	365,148	365,148	346,575
Reserve Contingency	45,000	0	0
<b>Total Contributions to Equity and Reserves</b>	<u>410,148</u>	<u>365,148</u>	<u>346,575</u>
<b>Total Expenditures</b>	<u>4,304,179</u>	<u>4,272,190</u>	<u>4,359,834</u>
<b>NET SURPLUS (DEFICIT) FOR THE YEAR</b>	<u>0</u>	<u>27,467</u>	<u>(61,868)</u>

*See auditors' report on supplementary information*

**BRYANT GARDENS CORP.**

**Detailed Schedule of Repairs**

**For the Year Ended December 31,**

	<u>2014</u>	<u>2013</u>
<b>REPAIRS</b>		
Boiler and Burners	35,471	23,775
Plumbing and Pipes	65,722	78,048
Electrical	25,662	39,560
Painting, Plastering and Carpentry Work	7,810	19,881
Roofing, Waterproofing and Gutter Work	13,468	7,603
Paving and Excavation	7,761	11,688
Masonry and Sidewalks	28,324	36,996
Fencing and Gates	0	2,037
Window Capping and Repairs	10,419	8,551
Locks	4,204	5,204
Engineers and Architects	9,056	13,267
Fire Inspection Fees	5,628	5,360
General	7,101	3,694
<b>Total Repairs</b>	<u>220,625</u>	<u>255,663</u>
<b>MAJOR (NON-RECURRING) REPAIRS</b>		
Emergency Gas Main Repair	0	26,634
Interior and Exterior Painting	16,252	17,633
Foundation Plantings	0 "	12,696
Tree Services	0	20,925
<b>Total Major (Non-Recurring) Repairs</b>	<u>16,252</u>	<u>77,888</u>

*See auditors' report on supplementary information*

**BRYANT GARDENS CORP.  
APPROVED OPERATING BUDGET  
FOR THE YEAR ENDING DEC. 31, 2016**

**RECEIPTS**

CARRYING CHARGES - APTS	4,246,678	
RENTAL INCOME	33,000	
GARAGES	116,000	
PROFESSIONAL APARTMENTS	26,500	
LAUNDRY ROOM INCOME	31,200	
STORAGE UNITS	20,000	
MISCELLANEOUS INCOME	7,000	
TOTAL RECEIPTS	<u>4,480,378</u>	

**EXPENDITURES****ADMINISTRATIVE EXPENSES**

MANAGEMENT FEE	112,867	
LEGAL EXPENSES	15,000	
AUDITING	12,600	
TELECOMMUNICATIONS/SOFTWARE	20,000	
COMMUNITY SERVICES	37,000	
OFFICE AND ADMIN. EXPENSES	26,570	
TOTAL ADMINISTRATIVE EXPENSES	<u>224,037</u>	

**MAINTENANCE EXPENSES**

PAYROLL	446,000	
SUPPLIES	100,000	
REPAIRS	270,000	
FLOORING PROJECT	72,000	
EXTERMINATING AND TRAPPING	20,000	
LANDSCAPING AND GROUNDS	210,000	
TREE CARE	35,000	
SNOW REMOVAL AND SUPPLIES	38,000	
SECURITY	60,000	
TRUCK EXPENSES	5,000	
UNIFORMS AND RUBBISH REMOVAL	12,000	
TOTAL MAINTENANCE EXPENSES	<u>1,268,000</u>	

**UTILITIES EXPENSES**

GAS HEAT	300,000	
ELECTRICITY	126,000	
GAS PUBLIC	12,000	
WATER	94,000	
TOTAL UTILITIES EXPENSES	<u>532,000</u>	

**BRYANT GARDENS CORP.**

<b>TAXES AND INSURANCE</b>	
REAL ESTATE TAXES	1,278,000
PAYROLL TAXES	34,500
LICENSES AND PERMITS	1,500
INSURANCE & WORKERS COMP	192,000
UNION WELFARE AND PENSION FUND	124,000
CORPORATE INCOME TAXES	15,000
TOTAL TAXES AND INSURANCE	<u>1,645,000</u>
<b>FINANCIAL EXPENSES</b>	
INTEREST ON MORTGAGE	407,183
<b>CONTRIBUTIONS TO EQUITY/RESERVES</b>	
AMORTIZATION OF MORTGAGE	404,158
RESERVE CONTINGENCY	0
TOTAL CONTRIBUTIONS TO EQUITY	<u>404,158</u>
TOTAL EXPENDITURES	<u>4,480,378</u>
NET SURPLUS(DEFICIT)	<u>0</u>

**NOTES:**

2% INCREASE IN CARRYING CHARGES EFFECTIVE JANUARY 1, 2016

**EXHIBIT D**

**SHARES SOLD BY LAURA PINZUR**

<b>Unit</b>	<b>Sold To</b>	<b># Shares</b>
1-1-K	Leonardson, LLC	335
4-2-B	Leonardson, LLC	260
4-2-K	Leonardson, LLC	335
9-1-H	Leonardson, LLC	185
15-2G	Leonardson, LLC	325
	Total Units	5
	Total Shares	1,440

**SHARES SOLD BY EDWARD ALPERN**

<b>Unit</b>	<b>Sold To</b>	<b># Shares</b>
2-1-G	Dearborn Units Corp.	325
8-1-A	Dearborn Units Corp.	185
11-2-I	Dearborn Units Corp.	260
	Total Units	3
	Total Shares	770