

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

The purpose of this Forty-Second 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-one 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-First 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 \$35,364.41.

(c) The aggregate monthly rents received from tenants of all units owned by the sponsor or holders of unsold shares is \$31,662.13.

(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
10 Franklin Avenue, White Plains, New York
3601 Johnson Avenue, Bronx, New York
3635 Johnson Avenue, Bronx, 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 9.95% 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 November 20, 2013, after reviewing a projected budget of building operations for the calendar year 2014, the per share monthly maintenance was fixed at \$3.02, without increase above 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 21, 2014, 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

5. **Financial Statements.** The financial statements for Bryant Gardens Corp. for the year ended December 31, 2013, 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, 2014 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. **Capital Improvements.** The Corporation recently completed conversion of its existing oil heating system to a dual-fuel system which uses natural gas. Other capital projects in 2014 include reconstruction of the main entry signage and continuing replacement of underground heating mains.

8. **Change in Identity of Parties.** Upon termination of the Bernard E. Alpern 1978 Trust and Lloyd Alpern 1980 Trust, the interests held by both trusts were transferred, as of August 1, 2014, to AFF Property, LLC. The sole member of AFF Property, LLC is the Alpern Family Foundation, Inc. The address of AFF is c/o Steven Rubin, 400 Jericho Turnpike, Suite 205, Jericho, NY 11753, New York. The Operating Agreement of AFF designates the following three individuals as its Managers: Steven Rubin, 400 Jericho Turnpike, Suite 205, Jericho, New York 11753. Richard Alpern, 39 Hampshire Road, Township of Washington, New Jersey 07676 and Robert Rosenthal, 319 Longwood Avenue, Boston, Massachusetts 02115. AFF's sole asset is its interest as a holder of the Unsold Shares in the Apartment Corporation as shown on Exhibit A annexed hereto, and it does not own more than ten (10%) percent of the shares of any cooperative apartment corporation. The financial disclosure statements set forth in clauses (d) through (g) of Paragraph 2 of this Forty-Second Amendment are also applicable to AFF. An affidavit of AFF as to its net worth and participation in other public offerings of interests in cooperative interests in realty is annexed hereto as Exhibit D.

AFF will use the revised form of Contract of Sale annexed as Exhibit D to the Forty-First Amendment to the Offering Plan (“41st Amendment”) for purchase and sale of its Unsold Shares. AFF has designated the law firm of Peck & Heller, with an address at 805 Third Avenue, New York, New York 10022, telephone number 212-758-5230, as its Escrow Agent. All of the disclosures set forth in Paragraph 8 of the 41st Amendment with respect to escrow trust fund requirements are applicable to AFF, including its adoption of the Escrow Rider annexed as Exhibit A to the foregoing Contract of Sale.

9. **IOLA Account Number.** The correct number of the Peck and Heller Atty IOLA Account referred to in Section 1.1 of the Escrow Rider to Contract of Sale is 195-1-117819.

10. **No Other Material Changes in Plan.** There have been no material changes in the Plan, except as set forth in this Forty-Second 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, LAURA PINZUR, 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-Second Amendment by the undersigned.

Dated: **NOVEMBER 5** , 2014

ROBERT ORLOFSKY, for the holders of all unsold shares



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 18, 2014

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

RE: Bryant Gardens
File Number: C 790438 Amendment No: 42
Date Amendment Filed: 11/05/2014 Filing Fee: \$225.00
Receipt Number: 128055

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,

A handwritten signature in cursive script that reads "Nancy Haber" followed by a circular monogram containing the initials "HB".

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	9-1H	LAURA PINZUR	185
1-1K	LAURA PINZUR	335	10-1K	AFF PROPERTY, LLC	335
2-1G	EDWARD ALPERN	325	10-2G	ROZLEN ASSOCIATES	325
2-1N	ROZLEN ASSOCIATES	325	11-1F	ORLOFSKY	260
3-1C	AFF PROPERTY, LLC	260	11-1G	AFF PROPERTY, LLC	325
3-2H	ORLOFSKY	185	11-2I	EDWARD ALPERN	260
4-1N	AFF PROPERTY, LLC	325	11-2K	ORLOFSKY	335
4-2B	LAURA PINZUR	260	13-1G	AFF PROPERTY, LLC	325
4-2D	ROZLEN ASSOCIATES	335	13-1M	AFF PROPERTY, LLC	260
4-2G	ORLOFSKY	325	15-1B	AFF PROPERTY, LLC	260
4-2K	LAURA PINZUR	335	15-2D	BERNARD ALPERN TRUST	335
5-1A	ORLOFSKY	185	15-2G	LAURA PINZUR	325
5-1B	AFF PROPERTY, LLC	260	15-2N	EDWARD ALPERN	325
5-1D	ROZLEN ASSOCIATES	335	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
8-1A	EDWARD ALPERN	185	175-2E	EDWARD ALPERN	265
8-1C	EDWARD ALPERN	260	185-2L	AFF PROPERTY, LLC	265
Total Units		40	Total Shares		11,200

BRYANT GARDENS CORP.
FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012



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, 2013 and 2012, 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, 2013 and 2012, 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
Certified Public Accountants
March 7, 2014

BRYANT GARDENS CORP.

TABLE OF CONTENTS

DECEMBER 31, 2013

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1
Balance Sheets	2
Statements of Income (Loss)	3
Statements of Retained Earnings (Deficit)	4
Statements of Cash Flows	5-6
Notes to Financial Statements	7-13
INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION	14
Schedule of Budget with Actual Operating Amounts	15-16
Detailed Schedule of Repairs	17

BRYANT GARDENS CORP.

Balance Sheets

As of December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
CURRENT ASSETS		
Cash in Operating Account	41,846	13,541
Cash in Bank - Security Deposits	39,547	34,187
Cash in Bank - Reserve Fund	1,755,068	2,344,225
Tenants' Accounts Receivable	31,793	36,484
Mortgagee Escrow Deposits	351,247	354,514
Prepaid Expenses	<u>14,268</u>	<u>34,066</u>
Total	2,233,769	2,817,018
Less: Allocated to Funds and Deposits (see below)	<u>(1,794,547)</u>	<u>(2,378,187)</u>
Total Current Assets	<u>439,222</u>	<u>438,831</u>
FUNDS		
Contingency Reserve:		
Allocated from Current Assets (see above)	<u>1,755,000</u>	<u>2,344,000</u>
PROPERTY AND EQUIPMENT -		
Net Book Value	<u>6,791,787</u>	<u>6,688,337</u>
OTHER ASSETS		
Security Deposits (see above)	39,547	34,187
Deferred Mortgage Financing Expenses	<u>157,771</u>	<u>178,807</u>
Total Other Assets	<u>197,318</u>	<u>212,994</u>
TOTAL ASSETS	<u><u>9,183,326</u></u>	<u><u>9,684,162</u></u>

	<u>2013</u>	<u>2012</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITES		
Accounts Payable	255,479	285,898
Accrued Interest	38,635	40,175
Star Credit Due to Stockholders	45,403	43,895
Rents Received in Advance	11,392	8,151
Security Deposits	39,547	34,187
Mortgage Amortization Payments due within one year	<u>365,148</u>	<u>346,575</u>
Total Current Liabilities	<u>755,603</u>	<u>758,881</u>
LONG-TERM LIABILITIES		
First Mortgage Payable - Net of Payments due within one year	<u>8,329,801</u>	<u>8,694,949</u>
STOCKHOLDERS' EQUITY		
Common Stock \$1.00 par value; 120,000 shares authorized, 113,065 share issued, 112,880 shares outstanding	113,065	113,065
Paid-in Capital	2,928,405	2,928,405
Retained Earnings (Deficit)	<u>(2,907,126)</u>	<u>(2,780,260)</u>
Total	134,343	261,210
Less: Treasury Stock - 185 Shares	<u>(36,421)</u>	<u>(30,878)</u>
Total Stockholders' Equity	<u>97,922</u>	<u>230,332</u>
TOTAL LIABILITES AND STOCKHOLDERS' EQUITY	<u>9,183,326</u>	<u>9,684,162</u>

See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Statements of Income (Loss)

For the Year Ended December 31,

	<u>2013</u>	<u>2012</u>
INCOME		
Carrying Charges	4,081,780	4,001,738
Garage Income	104,060	103,766
Professional Apartments	25,200	25,200
Rental Income	29,825	25,800
Laundry Room Income	30,000	30,000
Storage Units	19,950	20,300
Interest Income	18,456	10,779
Miscellaneous Income	7,151	9,098
Total Income	<u>4,316,422</u>	<u>4,226,681</u>
EXPENSES		
Administrative Expenses	196,834	184,719
Maintenance Expenses	1,110,468	997,205
Utilities Expenses	745,408	802,416
Taxes and Insurance	1,497,324	1,457,968
Financial Expenses	463,226	482,256
Total Expenses Before Depreciation and Amortization	<u>4,013,259</u>	<u>3,924,565</u>
NET INCOME BEFORE DEPRECIATION AND AMORTIZATION	303,163	302,117
Depreciation and Amortization of Mortgage Financing Expenses and Lease Commissions	<u>(430,029)</u>	<u>(399,309)</u>
NET INCOME (LOSS) FOR THE YEAR	<u>(126,866)</u>	<u>(97,193)</u>

See accompanying notes and auditors' report

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

	<u>2013</u>	<u>2012</u>
RETAINED EARNINGS (DEFICIT) - Beginning of Year	(2,780,260)	(2,683,067)
Net Income (Loss) for the Year	<u>(126,866)</u>	<u>(97,193)</u>
RETAINED EARNINGS (DEFICIT) - End of Year	<u>(2,907,126)</u>	<u>(2,780,260)</u>

See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Statements of Cash Flows

For the Year Ended December 31,

	<u>2013</u>	<u>2012</u>
Cash Flows From Operating Activities		
Net Income (Loss)	(126,866)	(97,193)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Depreciation and Amortization	430,029	399,309
Revenue allocated to financing activities	(346,575)	(327,629)
Decrease (Increase) in operating assets:		
Tenants' Accounts Receivable	4,691	(10,191)
Mortgagee Escrow Deposits	3,267	6,236
Prepaid Expenses	19,799	(4,914)
Increase (Decrease) in operating liabilities:		
Accounts Payable	(24,128)	123,988
Accrued Interest Payable	(1,540)	(1,456)
Rents Received in Advance	3,240	2,477
Deposits and Exchanges	6,868	4,523
Net cash provided (used) by operating activities	<u>(31,214)</u>	<u>95,152</u>
Cash Flows From Investing Activities		
Purchase of Property and Equipment	<u>(518,734)</u>	<u>(936,446)</u>
Net cash provided (used) by investing activities	<u>(518,734)</u>	<u>(936,446)</u>
Cash Flows From Financing Activities		
Portion of Carrying Charges applied to Amortization of Mortgage	346,575	327,629
Additions to Treasury Stock	(5,543)	0
Amortization Payments on Mortgage	<u>(346,575)</u>	<u>(327,629)</u>
Net cash provided (used) by financing activities	<u>(5,543)</u>	<u>0</u>
Increase (Decrease) in Cash and Cash Equivalents (carryforward)	(555,492)	(841,294)

See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Statements of Cash Flows

For the Year Ended December 31,

	<u>2013</u>	<u>2012</u>
Increase (Decrease) in Cash and Cash Equivalents (brought forward)	(555,492)	(841,294)
Cash and Cash Equivalents at Beginning of Year	<u>2,391,953</u>	<u>3,233,247</u>
Cash and Cash Equivalents at End of Year (see below)	<u><u>1,836,461</u></u>	<u><u>2,391,953</u></u>
Represented by:		
Cash in Operating Account	41,846	13,541
Cash in Bank - Security Deposits	39,547	34,187
Cash in Bank - Reserve Account	<u>1,755,068</u>	<u>2,344,225</u>
Cash and Cash Equivalents (as above)	<u><u>1,836,461</u></u>	<u><u>2,391,953</u></u>
Supplemental Disclosure:		
Interest Paid	<u><u>461,686</u></u>	<u><u>480,800</u></u>

See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2013 and 2012

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 realty 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).

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.

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.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2013 and 2012

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

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.

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 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. In accordance with recent government programs, some of these funds may be insured for a limited time.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2013 and 2012

Note 4 Property and Equipment

Property and Equipment consists of the following:

	<u>2013</u>	<u>2012</u>
Land	572,960	572,960
Buildings	5,255,727	5,255,727
Building Equipment	<u>8,949,649</u>	<u>8,437,206</u>
	14,778,336	14,265,893
Less: accumulated depreciation	<u>7,986,549</u>	<u>7,577,556</u>
Total Property and Equipment	<u>6,791,787</u>	<u>6,688,337</u>

Depreciation expense for the year ended December 31, 2013 and 2012 was \$408,993 and \$378,273, respectively.

Note 5 Mortgage Payable

On December 17, 2002, the cooperative refinanced their previous mortgages with NCB (National Cooperative Bank) in the amount of \$7,000,000. Commencing February 1, 2003 and continuing thereafter through January 1, 2013, monthly installments of \$51,586 were due, including interest at 5.62% per annum and reduction of principal based on an 18-year amortization schedule. The entire indebtedness of the loan was due and payable on January 1, 2013.

On July 1, 2011, the cooperative consolidated these mortgages with NCB for a total amount of \$9,500,000. At the time of pay-off, the first mortgage had a balance due of approximately \$4,579,000, the third mortgage had a balance due of approximately \$1,474,000 and the line of credit had a balance due of approximately \$190,000. As part of the refinancing, there was a prepayment penalty of \$60,532.

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.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2013 and 2012

Note 5 **Mortgage - continued**

Principal maturities of the mortgage are as follows:

2014	365,148
2015	384,716
2016	404,158
2017	426,991
2018	449,874
2019 and thereafter	6,664,062

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.

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 and other assorted property improvements. During 2013 and 2012, the cooperative incurred capital improvement costs of approximately \$512,000 and \$872,000 related to the aforementioned items. As of December 31, 2013 and 2012, the cooperative maintained a balance in the reserve fund of approximately \$1,755,000 and \$2,344,000, 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, 2013 and December 31, 2012, the Sponsor and its partners owned 11,535 shares which represents approximately 10.2% of the outstanding shares.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2013 and 2012

Note 8 **Sponsor Ownership - continued**

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.

Note 10 **Real Estate Taxes - Tax Abatements**

The cooperative is entitled to and has received tax abatements on behalf of its stockholders from the State of New York during 2013 and 2012. The abatements, which include Star, Veterans, Senior Citizens and cooperative abatements (where applicable) 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 Star Credit 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, 2013 and 2012. The cooperative participated in this multi-employer plan, for the years ended December 31, 2013 and 2012 under the terms of collective-bargaining agreements that cover its union represented employees. This collective bargaining agreement expires September 30, 2014 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.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2013 and 2012

Note 11

Benefits - continued

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.

In addition to the Pension Fund, the cooperative also participated in a Health Fund for the years ended December 31, 2013 and 2012. 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>2013</u>	<u>2012</u>
Total Pension Contributions	19,052	18,145
Total Health Contributions	90,468	86,772

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.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2013 and 2012

Note 12 **Income Taxes - continued**

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 taxes is calculated by utilizing special tax rates available to cooperative housing corporations based on the cooperative's capital base.

As of December 31, 2013, the cooperative has available net operating loss carryforwards to apply to future taxable income in the approximate amount of \$4,485,000. 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 March 7, 2014, 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
BRYANT GARDENS CORP.**

We have audited the financial statements of Bryant Gardens Corp. as of and for the years ended December 31, 2013 and 2012, and our report thereon dated March 7, 2014 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
Certified Public Accountants
March 7, 2014**

BRYANT GARDENS CORP.

Schedule of Budget with Actual Operating Amounts

	Budget	Actual	Actual
	Year Ended	Year Ended	Year Ended
	<u>Dec. 31, 2013</u>	<u>Dec. 31, 2013</u>	<u>Dec. 31, 2012</u>
	(Unaudited)		
RECEIPTS			
Carrying Charges	4,081,779	4,081,780	4,001,738
Garage Income	104,000	104,060	103,766
Professional Apartments	25,200	25,200	25,200
Rental Income	30,600	29,825	25,800
Laundry Room Income	30,000	30,000	30,000
Storage Units	21,000	19,950	20,300
Interest Income	18,000	18,456	10,779
Miscellaneous Income	6,200	7,151	9,098
Total Receipts	4,316,779	4,316,422	4,226,681
 EXPENDITURES			
ADMINISTRATIVE EXPENSES			
Management Fee	97,360	97,360	97,360
Legal Expense	20,000	18,994	17,218
Auditing	11,700	11,700	11,400
Telecommunication Services	11,000	11,550	11,792
Community Services	20,000	30,319	24,909
Office and Administrative Expenses	25,879	26,911	22,039
Total Administrative Expenses	185,939	196,834	184,719
 MAINTENANCE EXPENSES			
Payroll	373,000	377,251	377,463
Supplies	60,000	70,622	68,708
Repairs (see schedule)	210,000	255,663	208,019
Major Repairs (see schedule)	50,000	77,888	49,807
Exterminating and Trapping Services	31,000	32,849	29,176
Landscaping and Grounds	178,000	175,586	167,882
Tree Care	36,000	42,386	27,115
Snow Removal and Supplies	10,000	9,219	0
Security Services	51,000	51,715	50,704
Truck Expenses	6,000	5,054	13,545
Miscellaneous Maintenance	16,000	12,234	4,787
Total Maintenance Expenses	1,021,000	1,110,468	997,205

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, 2013</u> <u>(Unaudited)</u>	<u>Actual</u> <u>Year Ended</u> <u>Dec. 31, 2013</u>	<u>Actual</u> <u>Year Ended</u> <u>Dec. 31, 2012</u>
UTILITIES EXPENSES			
Fuel and Gas Heat	596,000	533,210	615,817
Electricity	110,000	116,472	108,881
Gas	12,000	14,148	12,065
Water	72,000	81,578	65,653
Total Utilities Expenses	<u>790,000</u>	<u>745,408</u>	<u>802,416</u>
TAXES AND INSURANCE			
Real Estate Taxes (Inclusive of Star Credits)	1,205,000	1,189,196	1,168,567
Payroll Taxes	30,000	30,433	30,050
Licenses and Permits	1,000	700	150
Insurance	140,000	147,801	135,354
Union Welfare and Pension Fund	116,000	116,113	111,581
NYS Franchise Taxes	16,500	13,081	12,267
Total Taxes and Insurance	<u>1,508,500</u>	<u>1,497,324</u>	<u>1,457,968</u>
FINANCIAL EXPENSES			
Interest on Mortgage	464,765	463,226	482,256
Total Financial Expenses	<u>464,765</u>	<u>463,226</u>	<u>482,256</u>
CONTRIBUTIONS TO EQUITY AND RESERVES			
Amortization of Mortgage	346,575	346,575	327,629
Total Contributions to Equity and Reserves	<u>346,575</u>	<u>346,575</u>	<u>327,629</u>
Total Expenditures	<u>4,316,779</u>	<u>4,359,834</u>	<u>4,252,193</u>
NET SURPLUS (DEFICIT) FOR THE YEAR	<u>0</u>	<u>(43,412)</u>	<u>(25,512)</u>

See auditors' report on supplementary information

BRYANT GARDENS CORP.

Detailed Schedule of Repairs

For the Year Ended December 31,

	<u>2013</u>	<u>2012</u>
REPAIRS		
Boiler and Burners	23,775	16,381
Plumbing and Pipes	78,048	44,044
Electrical	39,560	36,437
Painting, Plastering and Carpentry Work	19,881	11,320
Roofing, Waterproofing and Gutter Work	7,603	23,647
Asbestos Abatement	0	3,900
Paving and Excavation	11,688	12,872
Masonry and Sidewalks	36,996	29,480
Fencing and Gates	2,037	2,814
Window Capping and Repairs	8,551	3,652
Locks	5,204	2,577
Engineers and Architects	13,267	8,191
Fire Inspection Fees	5,360	5,360
General	3,694	7,345
Total Repairs	<u>255,663</u>	<u>208,019</u>
MAJOR (NON-RECURRING) REPAIRS		
Emergency Gas Main Repair	26,634	0
Interior and Exterior Painting	17,633	0
Foundation Plantings	12,696	24,514
Tree Services	20,925	25,293
Total Major (Non-Recurring) Repairs	<u>77,888</u>	<u>49,807</u>

See auditors' report on supplementary information

**BRYANT GARDENS CORP.
OPERATING BUDGET
FOR THE YEAR ENDING DEC. 31, 2014**

RECEIPTS

CARRYING CHARGES - APTS	4,081,779	
RENTAL INCOME	30,900	
GARAGES	104,000	
PROFESSIONAL APARTMENTS	26,000	
LAUNDRY ROOM INCOME	30,000	
STORAGE UNITS	22,000	
INTEREST INCOME	0	
MISCELLANEOUS INCOME	9,500	
TOTAL RECEIPTS	<u>4,304,179</u>	<u>4,304,179</u>

EXPENDITURES

ADMINISTRATIVE EXPENSES		
MANAGEMENT FEE	103,000	
LEGAL EXPENSES	20,000	
AUDITING	12,000	
TELECOMMUNICATIONS/SOFTWARE	20,500	
COMMUNITY SERVICES	25,000	
OFFICE AND ADMIN. EXPENSES	25,538	
TOTAL ADMINISTRATIVE EXPENSES	<u>206,038</u>	206,038

MAINTENANCE EXPENSES

PAYROLL	379,000	
SUPPLIES	67,000	
REPAIRS	215,000	
MAJOR REPAIRS	45,000	
EXTERMINATING AND TRAPPING	26,000	
LANDSCAPING AND GROUNDS	185,000	
TREE CARE	26,000	
SNOW REMOVAL AND SUPPLIES	12,000	
SECURITY	52,000	
TRUCK EXPENSES	6,000	
MISC. MAINTENANCE EXPENSE	6,000	
TOTAL MAINTENANCE EXPENSES	<u>1,019,000</u>	1,019,000

UTILITIES EXPENSES

FUEL AND GAS HEAT	452,000	
ELECTRICITY	118,000	
GAS PUBLIC	16,000	
WATER	79,000	
TOTAL UTILITIES EXPENSES	<u>665,000</u>	665,000

TAXES AND INSURANCE		
REAL ESTATE TAXES	1,225,000	
PAYROLL TAXES	30,200	
LICENSES AND PERMITS	800	
INSURANCE	167,800	
UNION WELFARE AND PENSION FUND	120,000	
CORPORATE INCOME TAXES	<u>14,000</u>	
TOTAL TAXES AND INSURANCE		1,557,800
FINANCIAL EXPENSES		
INTEREST ON MORTGAGE		446,193
CONTRIBUTIONS TO EQUITY/RESERVES		
AMORTIZATION OF MORTGAGE	365,148	
RESERVE CONTINGENCY	<u>45,000</u>	
TOTAL CONTRIBUTIONS TO EQUITY		410,148
TOTAL EXPENDITURES		<u>4,304,179</u>
NET SURPLUS(DEFICIT)		<u><u>0</u></u>

NOTES:

1. CARRY CHARGES - NO INCREASE IN 2014

EXHIBIT D

SCHEDULE OF UNSOLD SHARES - AFF PROPERTY, LLC

Unit	Holder of Unsold Shares	# Shares	Unit	Holder of Unsold Shares	# Shares
3-1C	AFF PROPERTY, LLC	260	13-1G	AFF PROPERTY, LLC	325
4-1N	AFF PROPERTY, LLC	325	13-1M	AFF PROPERTY, LLC	260
5-1B	AFF PROPERTY, LLC	260	15-1B	AFF PROPERTY, LLC	260
5-2G	AFF PROPERTY, LLC	325	15-2D	AFF PROPERTY, LLC	335
7-1B	AFF PROPERTY, LLC	260	175-1J	AFF PROPERTY, LLC	260
7-2B	AFF PROPERTY, LLC	260	175-2D	AFF PROPERTY, LLC	335
10-1K	AFF PROPERTY, LLC	335	185-2L	AFF PROPERTY, LLC	265
11-1G	AFF PROPERTY, LLC	325			

Total Units 15
Total Shares 4,390