

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

The purpose of this Forty-Fourth 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-three 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-Fourth 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 \$20,439.91.

(c) The aggregate monthly rents received from tenants of all units owned by the sponsor or holders of unsold shares is \$16,203.44.

(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 5.73% 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 19, 2016, after reviewing a projected budget of building operations for the calendar year 2017, the per share monthly maintenance was fixed at \$3.17, representing a 1% increase over the prior year.

4. Election of Officers and Directors. A quorum was not present at the annual meeting of the shareholders of the Corporation, held on May 17, 2017. Accordingly, the existing slate of Directors named below remained in office, and at a meeting of those Directors held on May 17, 2017, the following were elected as 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	Vice President, Treasurer and Director
Michael Magrone	Vice President and Director
Jim Barrecchiia	Vice President and Director
*Robert Orlofsky	Secretary and Director

*Sponsor Designee and agent for holders of Unsold Shares

5. **Financial Statements.** The financial statements for Bryant Gardens Corp. for the year ended December 31, 2016, 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, 2017 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. **Change in Identity of Parties** – Blanche Orlofsky died on February 22, 2017. Robert Orlofsky and Nancy R. Heller have been duly appointed by the Surrogate's Court of Westchester County as Executors of her Estate which is the owner of the unsold shares previously owned by Blanche Orlofsky. The address of the Estate is c/o Robert Orlofsky Realty, Inc., 7 Bryant Crescent, Suite #1C, White Plains, New York 10605.

8. **Sale of Assets of Bryant Gardens Associates.** In connection with the dissolution of the Sponsor entity, Bryant Gardens Associates ("BGA"), a New York partnership, Sponsor sold cooperative apartment units #1C, 7 Bryant Crescent, White Plains, New York and #1H, 1 Bryant Crescent, White Plains, New York to the Apartment Corporation. Both apartments are leased by the Apartment Corporation which generates an aggregate monthly income of \$2,047.21. To insure the continuation of the benefit of having a management office onsite, Unit #1C is leased to Robert Orlofsky Realty, Inc., the Apartment Corporation's Managing Agent. BGA no longer maintains a bank account, has no assets and filed its final tax return for the year ending December 31, 2016.

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

Dated: August 17, 2017

ROBERT ORLOFSKY, for the holders of all unsold shares

PlanAm44.docx



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

ERIC T. SCHNEIDERMAN
ATTORNEY GENERAL

(212) 416-8966

DIVISION OF ECONOMIC JUSTICE
REAL ESTATE FINANCE BUREAU

August 22, 2017

Aff Property, Llc
c/o Peck & Heller
Attention: Nancy Heller, Esq.
805 Third Avenue
New York, NY 10022

RE: Bryant Gardens
File Number: C 790438 Amendment No: 44
Date Amendment Filed: 08/17/2017 Filing Fee: \$225.00
Receipt Number: 142428

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,

Constance Leperides

Constance Leperides
Assistant Attorney General

EXHIBIT A

SCHEDULE OF UNSOLD SHARES

<u>Unit</u>	<u>Holder of Unsold Shares</u>	<u># Shares</u>	<u>Unit</u>	<u>Holder of Unsold Shares</u>	<u># Shares</u>
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	13-1G	AFF PROPERTY, LLC	325
4-1N	AFF PROPERTY, LLC	325	13-1M	AFF PROPERTY, LLC	260
4-2D	ROZLEN ASSOCIATES	335	15-1B	AFF PROPERTY, LLC	260
4-2G	ORLOFSKY	325	15-2D	AFF PROPERTY, LLC	335
5-1A	ORLOFSKY	185	175-1A	ORLOFSKY	185
5-2G	AFF PROPERTY, LLC	325	175-1J	AFF PROPERTY, LLC	260
7-2B	AFF PROPERTY, LLC	260	175-2A	ROZLEN ASSOCIATES	185
8-1C	EDWARD ALPERN	260	175-2D	AFF PROPERTY, LLC	335
10-1K	AFF PROPERTY, LLC	335	185-2L	AFF PROPERTY, LLC	265
10-2G	ROZLEN ASSOCIATES	325			
	Total Units	23		Total Shares	6,440

BRYANT GARDENS CORP.
FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

BRYANT GARDENS CORP.
TABLE OF CONTENTS
DECEMBER 31, 2016 AND 2015

	Page
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 AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION	14
Schedule of Budget with Actual Operating Amounts	15-16
Detailed Schedule of Repairs	17



INDEPENDENT AUDITORS' REPORT

To the Board BRYANT GARDENS CORP.

We have audited the accompanying financial statements of Bryant Gardens Corp., which comprise the balance sheets as of December 31, 2016 and 2015, 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, 2016 and 2015, 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. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.


BLOOM AND STREIT LLP
Certified Public Accountants
March 6, 2017

BRYANT GARDENS CORP.**Balance Sheets**

As of December 31,

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT ASSETS		
Cash in Operating Account	58,497	26,676
Cash in Bank - Security Deposits	39,472	33,096
Cash in Bank - Reserve Fund	744,000	972,995
Tenants' Accounts Receivable	12,686	30,445
Mortgagee Escrow Deposits	390,833	373,910
Prepaid Expenses	3,689	50,742
Total	<u>1,249,177</u>	<u>1,487,864</u>
Less: Allocated to Funds and Deposits (see below)	<u>(782,147)</u>	<u>(1,006,095)</u>
Total Current Assets	<u>467,030</u>	<u>481,769</u>
FUNDS		
Contingency Reserve:		
Allocated from Current Assets (see above)	<u>742,675</u>	<u>973,000</u>
PROPERTY AND EQUIPMENT -		
Net Book Value	<u>6,509,257</u>	<u>6,692,613</u>
OTHER ASSETS		
Security Deposits (see above)	39,472	33,095
Deferred Mortgage Financing Expenses	94,663	115,699
Total Other Assets	<u>134,135</u>	<u>148,794</u>
TOTAL ASSETS	<u><u>7,853,097</u></u>	<u><u>8,296,176</u></u>

20162015**LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)****CURRENT LIABILITIES**

Accounts Payable	189,394	180,874
Accounts Payable - Capital Improvements	14,092	12,295
Accrued Interest	33,507	35,303
Real Estate Tax Rebate Due to Stockholders	127,975	46,410
Rents Received in Advance	9,608	12,840
Security Deposits	39,472	33,096
Mortgage Amortization Payments due within one year	426,991	404,158
Total Current Liabilities	<u>841,039</u>	<u>724,976</u>

LONG-TERM LIABILITIES

First Mortgage Payable - Net of Payments due within one year	<u>7,113,936</u>	<u>7,540,927</u>
---	------------------	------------------

STOCKHOLDERS' EQUITY (DEFICIENCY)

Common Stock \$1.00 par value; 120,000 shares authorized, 113,065 share issued, 112,170 in 2016 and 112,615 in 2015 shares outstanding	113,065	113,065
Paid-in Capital	2,928,405	2,928,405
Retained Earnings (Deficit)	<u>(2,966,927)</u>	<u>(2,974,776)</u>
Total	74,543	66,694
Less: Treasury Stock - 895 and 450 Shares	<u>(176,421)</u>	<u>(36,421)</u>
Total Stockholders' Equity (Deficiency)	<u>(101,878)</u>	<u>30,273</u>

**TOTAL LIABILITIES AND STOCKHOLDERS'
EQUITY (DEFICIENCY)**

<u>7,853,097</u>	<u>8,296,176</u>
------------------	------------------

See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Statements of Income (Loss)

For the Year Ended December 31,

	<u>2016</u>	<u>2015</u>
INCOME		
Carrying Charges	4,236,923	4,163,414
Garage Income	116,926	115,772
Professional Apartments	26,840	26,400
Rental Income	38,859	29,420
Laundry Room Income - Net Prior Year Write off	21,200	30,800
Storage Units	20,475	19,950
Investment Income	4,048	6,768
Miscellaneous Income	6,181	6,768
Total Income	<u>4,471,452</u>	<u>4,399,292</u>
EXPENSES		
Administrative Expenses	217,395	216,737
Maintenance Expenses	1,186,517	1,276,980
Utilities Expenses	481,442	506,184
Taxes and Insurance Expenses	1,643,080	1,598,989
Real Estate Tax Abatement Adjustment	84,433	0
Financial Expenses	405,387	424,916
Total Expenses Before Depreciation and Amortization	<u>4,018,254</u>	<u>4,023,806</u>
NET INCOME BEFORE DEPRECIATION AND AMORTIZATION	453,198	375,486
Depreciation and Amortization of Mortgage Financing Expenses	<u>(445,349)</u>	<u>(448,251)</u>
NET INCOME (LOSS) FOR THE YEAR	<u><u>7,849</u></u>	<u><u>(72,765)</u></u>

See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Statements of Retained Earnings (Deficit)

For the Year Ended December 31,

	<u>2016</u>	<u>2015</u>
RETAINED EARNINGS (DEFICIT) - Beginning of Year	(2,974,776)	(2,902,011)
Net Income (Loss) for the Year	<u>7,849</u>	<u>(72,765)</u>
RETAINED EARNINGS (DEFICIT) - End of Year	<u>(2,966,927)</u>	<u>(2,974,776)</u>

See accompanying notes and auditors' report

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

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities		
Net Income (Loss)	7,849	(72,765)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Depreciation and Amortization	445,349	448,251
Revenue allocated to financing activities	(404,158)	(384,716)
Decrease (Increase) in operating assets:		
Tenants' Accounts Receivable	17,759	(5,249)
Mortgagee Escrow Accounts	(16,923)	10,160
Prepaid Expenses	47,053	(28,859)
Increase (Decrease) in operating liabilities:		
Accounts Payable	8,520	(16,099)
Accrued Interest Payable	(1,796)	(1,709)
Rents Received in Advance	(3,232)	1,099
Deposits and Exchanges	87,941	(3,307)
Net cash provided (used) by operating activities	<u>188,362</u>	<u>(53,194)</u>
Cash Flows From Investing Activities		
Purchase of Property and Equipment	(239,160)	(501,011)
Net cash used by investing activities	<u>(239,160)</u>	<u>(501,011)</u>
Cash Flows From Financing Activities		
Purchase of Treasury Stock	(140,000)	0
Portion of Carrying Charges applied to Amortization of Mortgage	404,158	384,716
Amortization of Mortgage	(404,158)	(384,716)
Net cash used by financing activities	<u>(140,000)</u>	<u>0</u>
Decrease in Cash and Cash Equivalents (carryforward)	(190,798)	(554,205)

See accompanying notes and auditors' report

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

	<u>2016</u>	<u>2015</u>
Decrease in Cash and Cash Equivalents (brought forward)	(190,798)	(554,205)
Cash and Cash Equivalents at Beginning of Year	<u>1,032,767</u>	<u>1,586,972</u>
Cash and Cash Equivalents at End of Year (see below)	<u><u>841,969</u></u>	<u><u>1,032,767</u></u>
Represented by:		
Cash in Operating Account	58,497	26,676
Cash in Bank - Security Deposits	39,472	33,096
Cash in Bank - Reserve Account	<u>744,000</u>	<u>972,995</u>
Cash and Cash Equivalents (as above)	<u><u>841,969</u></u>	<u><u>1,032,767</u></u>
Supplemental Disclosure:		
Taxes Paid	<u>18,945</u>	<u>14,729</u>
Interest Paid	<u>407,183</u>	<u>426,625</u>

See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2016 and 2015

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).

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.

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.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2016 and 2015

Note 2

Summary of Significant Accounting Policies - continued

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.

Note 4

Property and Equipment

Property and Equipment consists of the following:

	<u>2016</u>	<u>2015</u>
Land	572,960	572,960
Buildings	5,255,727	5,255,727
Building Equipment	<u>9,943,982</u>	<u>9,703,025</u>
	15,772,669	15,531,712
Less: accumulated depreciation	<u>9,263,412</u>	<u>8,839,099</u>
Total Property and Equipment	<u>6,509,257</u>	<u>6,692,613</u>

Depreciation expense for the year ended December 31, 2016 and 2015 was \$424,313 and \$427,215, respectively.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2016 and 2015

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 July 1, 2021.

Principal maturities of the mortgage are as follows:

2017	426,991
2018	449,874
2019	473,982
2020	498,472
2021	5,691,608

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, maintenance office and laundry renovations, new entrances, roof/window/garage door replacements, landscaping upgrades, danfoss valve replacement, signage, siding, boilers, gas conversion, parking lots, charging stations and other assorted property improvements. During December 31, 2016 and 2015, the cooperative incurred capital improvement costs of approximately \$241,000 and \$505,000 related to the aforementioned items. As of December 31, 2016 and 2015, the cooperative maintained a balance in the reserve fund of approximately \$742,675 and \$973,000, respectively.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2016 and 2015

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. In 2016, additional shares totaling 445 shares, at a cost basis of \$140,000 was added as treasury stock due to the acquisition of two units. 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. All the apartments are rented and the income from the apartments is shown on the statement of income (loss) as rental income.

Note 8

Sponsor Ownership

As of both December 31, 2016 and 2015, the Sponsor and its partners owned 6,440 and 8,060 shares, respectively which represents approximately 6% and 7% of the outstanding shares, respectively.

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 during December 31, 2016 and 2015. 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.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2016 and 2015

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, 2016 and 2015. The cooperative participated in this multi-employer plan, for the years ended December 31, 2016 and 2015 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, 2015 and December 31, 2014. 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, 2016 and 2015. 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.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2016 and 2015

Note 11 **Benefits - continued**

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

	<u>2016</u>	<u>2015</u>
Pension Contributions	22,903	21,405
Health Contributions	105,924	100,296

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.

As of December 31, 2016, the cooperative has available federal net operating loss carryforwards to apply to future taxable income in the approximate amount of \$5,714,000. If not used, these carryforwards expire beginning in 2018 and continuing through 2036. Recently, New York State enacted changes to their rules with respect to net operating loss carryforwards that substantially limit their use.

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.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2016 and 2015

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 6, 2017, 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, 2016 and 2015, and our report thereon dated March 6, 2017, 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
March 6, 2017**

BRYANT GARDENS CORP.

Schedule of Budget with Actual Operating Amounts

	Budget Year Ended <u>Dec. 31, 2016</u> (Unaudited)	Actual Year Ended <u>Dec. 31, 2016</u>	Actual Year Ended <u>Dec. 31, 2015</u>
RECEIPTS			
Carrying Charges	4,246,678	4,236,923	4,163,414
Garage Income	116,000	116,926	115,772
Professional Apartments	26,500	26,840	26,400
Rental Income	33,000	38,859	29,420
Laundry Income	31,200	31,200	30,800
Storage Units	20,000	20,475	19,950
Miscellaneous Income	7,000	6,181	6,768
Total Receipts	<u>4,480,378</u>	<u>4,477,404</u>	<u>4,392,524</u>
EXPENDITURES			
ADMINISTRATIVE EXPENSES			
Management Fee	112,867	112,870	109,580
Legal Expense	15,000	12,924	12,264
Auditing	12,600	12,600	12,300
Telecommunication Services/Software	20,000	21,403	20,735
Community Services	37,000	30,901	36,544
Office and Administrative Expenses	28,365	26,697	25,314
Total Administrative Expenses	<u>225,832</u>	<u>217,395</u>	<u>216,737</u>
MAINTENANCE EXPENSES			
Super and Maintenance Payroll	446,000	448,447	452,284
Supplies	100,000	95,118	115,896
Repairs (see schedule)	336,000	324,524	305,705
Major Repairs (see schedule)	0	0	29,207
Exterminating and Trapping Services	26,000	29,660	25,139
Landscaping and Grounds	200,000	155,918	192,178
Tree Care	48,000	46,400	39,036
Snow Removal and Supplies	27,000	5,315	38,192
Security Services	63,000	64,578	59,654
Truck Expense	10,000	8,068	9,513
Miscellaneous Maintenance	12,000	8,489	10,176
Total Maintenance Expenses	<u>1,268,000</u>	<u>1,186,517</u>	<u>1,276,980</u>

See auditors' report on supplementary information

BRYANT GARDENS CORP.

Schedule of Budget with Actual Operating Amounts

	Budget Year Ended Dec. 31, 2016 <u>(Unaudited)</u>	Actual Year Ended Dec. 31, 2016 <u></u>	Actual Year Ended Dec. 31, 2015 <u></u>
UTILITIES EXPENSES			
Gas Heat	300,000	253,730	284,628
Electricity and Gas	134,000	129,036	130,194
Water	98,000	98,676	91,362
Total Utilities Expenses	<u>532,000</u>	<u>481,442</u>	<u>506,184</u>
TAXES AND INSURANCE			
Real Estate Taxes	1,276,000	1,266,716	1,252,364
Payroll Taxes	34,500	35,874	35,790
Licenses and Permits	1,500	1,456	1,310
Insurance	178,000	179,474	176,945
Health and Welfare	140,000	140,615	117,851
Franchise Taxes	15,000	18,945	14,729
Total Taxes and Insurance	<u>1,645,000</u>	<u>1,643,080</u>	<u>1,598,989</u>
FINANCIAL EXPENSES			
Interest on Mortgage	405,387	405,387	424,916
Total Financial Expenses	<u>405,387</u>	<u>405,387</u>	<u>424,916</u>
CONTRIBUTIONS TO EQUITY			
Amortization of Mortgage	404,159	404,158	384,716
Total Contributions to Equity	<u>404,159</u>	<u>404,158</u>	<u>384,716</u>
Total Expenditures	<u>4,480,378</u>	<u>4,337,979</u>	<u>4,408,522</u>
NET SURPLUS (DEFICIT) FOR THE YEAR	<u>0</u>	<u>139,425</u>	<u>(15,998)</u>

See auditors' report on supplementary information

BRYANT GARDENS CORP.

Detailed Schedule of Repairs

For the Year Ended December 31,

	<u>2016</u>	<u>2015</u>
REPAIRS		
Boiler and Burners	22,942	22,958
Plumbing and Pipes	80,187	59,682
Electrical Repairs	42,232	44,212
Painting, Plastering, Flooring and Carpentry Work	70,255	86,696
Roofing, Waterproofing and Gutter Work	35,317	30,317
Paving, Excavation, Fencing, Gates and Signage	18,855	5,429
Masonry and Sidewalks	34,345	28,115
Window Capping and Repairs	7,065	10,561
Locks	927	3,377
Engineers and Architects	7,500	4,940
Fire Inspection Fees	0	5,628
General	4,899	3,790
Total Repairs	<u><u>324,524</u></u>	<u><u>305,705</u></u>

MAJOR REPAIRS

Interior and Exterior Painting	<u>0</u>	<u>29,207</u>
Total Major Repairs	<u><u>0</u></u>	<u><u>29,207</u></u>

See auditors' report on supplementary information

**BRYANT GARDENS CORP.
APPROVED OPERATING BUDGET
FOR THE YEAR ENDING DEC. 31, 2017**

RECEIPTS

CARRYING CHARGES - APTS	4,272,191	
GARAGES	116,500	
RENTAL INCOME	45,000	
PROFESSIONAL APARTMENTS	27,300	
LAUNDRY ROOM INCOME	31,200	
STORAGE UNITS	21,000	
MISCELLANEOUS INCOME	6,500	
TOTAL RECEIPTS	<u>4,519,691</u>	4,519,691

EXPENDITURES**ADMINISTRATIVE EXPENSES**

MANAGEMENT FEE	116,000	
LEGAL EXPENSES	13,500	
AUDITING	12,900	
TELECOMMUNICATIONS/SOFTWARE	20,500	
COMMUNITY SERVICES	37,000	
OFFICE AND ADMIN. EXPENSES	28,848	
TOTAL ADMINISTRATIVE EXPENSES	<u>228,748</u>	228,748

MAINTENANCE EXPENSES

PAYROLL	452,000	
SUPPLIES	80,000	
REPAIRS	260,000	
FLOORING AND CARPENTRY EXPENSES	60,000	
EXTERMINATING AND TRAPPING	26,000	
LANDSCAPING AND GROUNDS	200,000	
TREE CARE	50,000	
SNOW REMOVAL AND SUPPLIES	20,000	
SECURITY	64,000	
TRUCK EXPENSES	10,000	
UNIFORMS AND RUBBISH REMOVAL	10,000	
TOTAL MAINTENANCE EXPENSES	<u>1,232,000</u>	1,232,000

UTILITIES EXPENSES

GAS HEAT	280,000	
ELECTRICITY	118,000	
GAS PUBLIC	10,000	
WATER	102,000	
TOTAL UTILITIES EXPENSES	<u>510,000</u>	510,000

BRYANT GARDENS CORP.

TAXES AND INSURANCE		
REAL ESTATE TAXES	1,279,000	
PAYROLL TAXES	36,000	
LICENSES AND PERMITS	1,500	
INSURANCE & WORKERS COMP	182,000	
UNION WELFARE AND PENSION FUND	142,000	
CORPORATE INCOME TAXES	15,000	
TOTAL TAXES AND INSURANCE	<u>1,655,500</u>	
FINANCIAL EXPENSES		
INTEREST ON MORTGAGE		382,452
CONTRIBUTIONS TO EQUITY/RESERVES		
AMORTIZATION OF MORTGAGE	426,991	
RESERVE CONTINGENCY	84,000	
TOTAL CONTRIBUTIONS TO EQUITY	<u>510,991</u>	
TOTAL EXPENDITURES		<u>4,519,691</u>
NET SURPLUS(DEFICIT)		<u><u>0</u></u>

NOTES:

1% INCREASE IN CARRYING CHARGES EFFECTIVE JANUARY 1, 2017