

350 BLEECKER STREET
NEW YORK, NEW YORK 10014

Apartment Corporation:
350 Bleecker Street Apartment Corp.

Sponsor:
Bleecker Charles Company

Selling Agent:
Kenneth B. Newman Realty Corp.

SIXTH AMENDMENT TO
COOPERATIVE OFFERING PLAN

This Amendment modifies and supplements the terms of the Offering Plan dated December 31, 1984 (the "Plan"), as amended by First Amendment dated January 22, 1985, the Second Amendment dated February 28, 1985 and filed by the Department of Law on March 12, 1985, the Third Amendment dated April 5, 1985 and filed by the Department of Law on April 11, 1985, the Fourth Amendment dated May 1, 1985 and filed by the Department of Law on June 26, 1985, and the Fifth Amendment dated August 19, 1985 and filed by the Department of Law on September 18, 1985 as follows:

1. At the first meeting of shareholders the following were elected directors of the Corporation:

Kenneth B. Newman

Malcolm S. Taub

John Istel

Ronald Siena

Linda Schloss

Helene Taylor

Robin Morlock

The Board then elected the following officers:

Kenneth S. Newman President

Robin Morlock Vice President

Malcolm S. Taub Secretary

Linda Schloss Treasurer

All of the officers and directors of the Corporation reside in the building owned by the Corporation except Kenneth B. Newman and Malcolm S. Taub. All of the directors were elected by vote of the shareholders at a shareholder's meeting held for that purpose. The Sponsor did not vote for any director. However, Malcolm S. Taub, although elected by the shareholders and although not a member of the Sponsor, may be deemed to be a Sponsor's representative because of certain

business affiliations with Kenneth B. Newman who is a principal of and representative of the Sponsor.

2. Effective July 1, 1986, maintenance was increased by \$.35 per share per month to \$3.66 per share per month.

3. Annexed is a copy of the Corporation's financial statements for the period ending December 31, 1985.

4. Annexed is a copy of the Corporation's budget for the calendar year 1986.

5A. THE REGULATION:

This amendment is presented pursuant to the provisions of 13 NYCRR 18-7(aa) (or 20-.7(z) or 21.7(z)), a regulation promulgated by the Department of Law on August 8, 1986.

B. ASBESTOS STATEMENT:

Sponsor shall perform such tests as are necessary to determine whether Asbestos Containing Material (ACM) is present in insulating or fireproofing material anywhere in the building, and shall disclose such results in a duly filed amendment to the Plan no later than February, 8, 1987.

C. ASBESTOS REPORT:

If ACM is present, sponsor shall have a person who is qualified to render an opinion on asbestos prepare a report on the asbestos in the building(s) (the "asbestos report").

Such asbestos report shall contain at least the following information:

- (i) The qualifications of the person preparing the report.
- (ii) A detailed inventory of the asbestos in each apartment and in all other areas of the property, including the location, amount of ACM, type and concentration of asbestos in the ACM, and condition; whether the presence of any of the ACM poses an immediate health or safety hazard; which apartments, if any, were not examined and a description of efforts made to gain access to any such apartments.
- (iii) Recommendations for handling each and every item of the asbestos inventory, i.e., removal, enclosure, encapsulation, or leaving undisturbed.
- (iv) How the recommendations should be implemented, whether apartments must be vacated or whether use of certain rooms will be limited and the projected duration thereof and whether the work must be performed in compliance with New York City Local Law 76 of 1985 or any other applicable laws.

(v) A recommended protocol for the future handling and maintenance of asbestos which will remain in the building, whether encapsulated, enclosed or left undisturbed.

The asbestos report will be disclosed in a duly filed amendment to the plan by February 8, 1987.

D. RIGHT TO POSTPONE CLOSINGS:

Subscribers (or purchasers) have the right to delay closings on their individual units until 30 days after the amendment containing the asbestos statement and asbestos report is served.

E. LITIGATION DISCLOSURE:

The regulations promulgated on August 8, 1986 contained the following additional language:

In addition, the offering plan must state that the recommendations of the asbestos report will be expeditiously carried out by the sponsor if the closing has not occurred, or the apartment corporation if the closing has occurred but the sponsor is in control, and that it will be the responsibility of the apartment corporation to monitor and, whenever necessary, to treat or remove ACM which remains in the building(s) after the conversion to a cooperative.

If any closings take place prior to the completion of asbestos removal and treatment work, sponsor shall place in escrow a sum of money sufficient to pay for said work, the amount to be determined by a person qualified to render an opinion on asbestos, but in no event less than \$2,500.00 per unit.

A lawsuit was brought to invalidate the emergency asbestos regulations - - Application of Council For Owner Occupied Housing Inc.- v. Robert Abrams, Supreme Court, Albany County, Index Number 9505-86. On October 6, 1986 Justice John G. O'Connor issued an opinion upholding that part of the regulations set out in paragraphs 2 and 3. The decision invalidated that part of the regulations set out in this paragraph.

The Attorney General has appealed that part of the decision invalidating that part of the regulations set forth in this paragraph.

F. UPDATE:

This plan will be amended disclose the outcome of this litigation as well as its ramifications on sponsors' obligations in this offering plan. If the final court determination or stipulation upholds the decision invalidating the provisions of the regulations set forth in paragraph 5, sponsor will have no obligation to carry out the recommendations

of the asbestos report or to escrow a sum of money sufficient to pay for said work. If the final court determination reverses the decision invalidating the provisions of the regulations set forth in paragraph 5, sponsor will have the obligation to perform such work and to escrow money sufficient to pay for said work, if the closing has not occurred or if sponsor is in control of the Board of Directors.

G. There are no other material changes in the terms of this offering plan.

6. There are no other material changes to the plan.

Bleecker Charles Company

Sponsor

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

DECEMBER 31, 1985

WEISS & FELDMAN
CERTIFIED PUBLIC ACCOUNTANTS

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

DECEMBER 31, 1985

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WEISS & FELDMAN
CERTIFIED PUBLIC ACCOUNTANTS

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CERTIFIED PUBLIC ACCOUNTANTS

BURTON FELDMAN, C.P.A.
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Board of Directors
350 Bleecker Street Apartment Corp.

We have examined the accompanying balance sheet of 350 Bleecker Street Apartment Corp. (A Cooperative Housing Corporation) at December 31, 1985, and the related statements of operations and accumulated deficit and changes in financial position (all on an income tax basis) for the five month period ended August 1, to December 31, 1985. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As described in the notes to these financial statements, the Corporation's policy is to prepare its financial statements on the accounting basis used for income tax purposes. Consequently, revenues and the related assets are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly the financial position of 350 Bleecker Street Apartment Corp. (A Cooperative Housing Corporation) at December 31, 1985 and the results of its operations and changes in financial position for the five month period ended August 1, to December 31, 1985, on the accounting basis described in Note 1 to the financial statements on a consistent basis throughout the period.

Our examination was made for the purpose of forming an opinion on the basic financial statements of 350 Bleecker Street Apartment Corp. (A Cooperative Housing Corporation) for the five month period ended December 31, 1985 taken as a whole. The supplementary information on page 7 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Weiss and Feldman

March 15, 1986
Manhasset, New York

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

BALANCE SHEET
(INCOME TAX BASIS)

DECEMBER 31, 1985

ASSETS

Property (Note 1)	
Land	\$2,779,843
Building	<u>10,457,506</u>
	13,237,349
Less accumulated depreciation	<u>209,150</u>
	13,028,199
Cash in bank	28,747
Certificate of deposit	223,731
Prepaid payroll expense	<u>1,176</u>
	<u>253,654</u>
Total Assets	\$13,281,853
	=====

LIABILITIES AND SHAREHOLDERS' CAPITAL

Liabilities:	
Mortgage obligation	\$3,000,000
Closing adjustment payable-seller	91,943
Mortgage interest payable	<u>774</u>
Total Liabilities	3,092,717
Shareholders' Capital:	
Common stock, \$1 par; 17,202 shares issued and outstanding	17,202
Capital in excess of par	10,524,528
Accumulated deficit	<u>(352,594)</u>
Total Shareholders' Capital	<u>10,189,136</u>
Total Liabilities and Shareholders' Capital	\$13,281,853

See Notes to Financial Statements

WEISS & FELDMAN
CERTIFIED PUBLIC ACCOUNTANTS

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

STATEMENT OF OPERATIONS AND ACCUMULATED DEPICIT
(INCOME TAX BASIS)

FOR THE FIVE MONTH PERIOD ENDED DECEMBER 31, 1985

Income:		
Maintenance charges		\$284,448
Commercial Income		35,833
Interest income-money market		5,717
Coin machine		750
Miscellaneous and other income		<u>150</u>
		326,898
Operating Expenses, Exclusive of Depreciation:		
Taxes and interest	\$342,296	
Utilities	40,728	
General & Administrative	43,477	
Labor and related expenses	35,679	
Repairs and maintenance	<u>8,162</u>	
Total cost of operations		<u>470,342</u>
Loss from operations		(143,444)
Less: Non-Operating Expenses		
Depreciation charges		<u>209,150</u>
Net loss		\$(352,594)
Accumulated deficit; beginning of period		<u>-</u>
Accumulated deficit; end of period		\$(352,594)
		=====

See Notes to Financial Statements

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

STATEMENT OF CHANGES IN FINANCIAL POSITION
(INCOME TAX BASIS)

FOR THE FIVE MONTH PERIOD ENDED DECEMBER 31, 1985

Source of Funds:	
Net loss	\$ (352,594)
Add items not requiring use of cash, depreciation charges	<u>209,150</u>
Funds used by operations	(143,444)
Capital contributed and paid in by shareholders	10,541,730
Wrap mortgage proceeds	3,000,000
Closing adjustments payable	91,943
Accrued taxes payable	<u>774</u>
Total Source of Funds	13,491,003
Application of Funds:	
Cooperative purchase of:	
Land	2,779,843
Building	10,457,506
Investment of funds in certificate of deposit	223,731
Prepaid expenses	<u>1,176</u>
Total Application of Funds	13,462,256
Increase in cash position	28,747
Cash at beginning of year	<u>-0-</u>
Cash at end of year	\$ 28,747 =====

See Notes to Financial Statements

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

NOTES TO FINANCIAL STATEMENTS
(INCOME TAX BASIS)

DECEMBER 31, 1985

1. Summary of significant accounting policies:

Basis of presentation:

The accompanying financial statements have been prepared on the same basis as the Corporation files its federal income tax return. Accordingly, revenues and related assets are recognized when received rather than when earned, and expenses were recognized when paid rather than when the obligation was incurred.

Property and depreciation:

Land and building are stated at cost. The cost allocated to the building \$10,457,506 at December 31, 1985 will be recovered over a 19 year period using the Accelerated Cost Recovery System method of depreciation.

Revenue:

Residential rent is based on an annual budget determined by the Board of Directors. Commercial revenues are based upon existing lease agreements. Tenant-shareholders are billed monthly for proprietary rents based on their respective stock holdings. The Corporation retains excess operating funds in a money market account that serves both as an operating account and an investment account.

2. Organization:

The Corporation was incorporated in 1981, under the laws of the state of New York and qualifies under the Internal Revenue Code section 216 (b)(1) as a Cooperative Housing Corporation. The Corporation was authorized 17,202 shares of \$1 par common stock, which it has issued and is outstanding. On August 1, 1985 the Corporation purchased from the sponsor Bleecker Charles Company, the apartment complex at 350 Bleecker Street and commenced its business as a Cooperative Housing Corporation. The Corporation owns the six story building located at 350 Bleecker Street New York, New York and consists of 137 residential apartments, two commercial stores and a garage.

WEISS & FELDMAN
CERTIFIED PUBLIC ACCOUNTANTS

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

NOTES TO FINANCIAL STATEMENTS
(INCOME TAX BASIS)

DECEMBER 31, 1985

3. Mortgage Obligation:

The Corporation has a mortgage from the sponsor of the cooperative conversion, Bleecker Charles Company (A Partnership). The mortgage is for \$3,000,000 subject to a 10 year wrap around mortgage. The Corporation's mortgage is wrapped by the sponsor's first mortgage with the Emigrant Savings Bank. The Corporation makes monthly payments of interest only of \$25,000 (10% per annum). No amortization is included or required in the monthly payments of \$25,000.

4. Future major repairs and replacements:

The Corporation intends to use the funds currently invested in a Certificate of Deposit to defray the costs of any future major repairs and replacements.

5. Transaction with related parties:

The Corporation has entered into a management agreement with a managing agent controlled by the general partner, Bleecker Charles Company, the coop's sponsor.

SUPPLEMENTARY INFORMATION

WEISS & FELDMAN
CERTIFIED PUBLIC ACCOUNTANTS

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

SCHEDULE OF OPERATING EXPENSES

DECEMBER 31, 1985

Taxes and Interest	
Real estate taxes	\$ 217,296
Wrap mortgage interest	125,000
	<u>\$ 342,296</u>
	= = = = =
Utilities	
Fuel & Heating	\$ 20,813
Electric & gas	9,087
Water & sewer charges	10,828
	<u>\$ 40,728</u>
	= = = = =
General & Administrative	
Insurance	\$ 24,364
Management fees	17,500
Legal	175
Telephone	161
Office expense	727
Permits & Licenses	550
	<u>\$ 43,477</u>
	= = = = =
Labor and Related expenses	
Payroll	\$30,705
Payroll taxes & employee benefits	4,974
	<u>\$ 35,679</u>
	= = = = =
Repairs & Maintenance	
Boiler. heating & plumbing	\$ 4,147
Janitorial supplies	1,310
Elevator	1,345
Electric	103
Compactor repair	473
Miscellaneous	784
	<u>\$ 8,162</u>
	= = = = =

WEISS & FELDMAN
CERTIFIED PUBLIC ACCOUNTANTS

350 BLEECKER STREET APARTMENT CORP.
(A Cooperative Housing Corporation)

ESTIMATED MAINTENANCE REQUIRED

JANUARY 1, 1986 TO DECEMBER 31, 1986

Income Other Than Maintenance	
Coin Machine	\$ 9,000
Commercial Rent Income	86,000
CD Interest	<u>15,000</u>
Total Income	<u>\$ 110,000</u>
Expenses	
Mortgage Interest	\$ 300,000
Real Estate Taxes	248,000
Water & Sewer Charges	12,000
Payroll	88,000
Payroll Taxes & Employee Benefits	17,000
Insurance	33,000
Fuel	46,000
Gas & Electric	21,000
Management	42,000
Repairs & Maintenance	25,000
Corporate Taxes	15,000
Accounting	4,500
Office Expense	3,000
Fees & Permits	1,500
Telephone & Sundries	<u>2,000</u>
Total Expenses	<u>\$ 858,000</u>
Maintenance Required	<u>\$ 748,000</u>
*Shares Outstanding	17,202
Annual Amount Required Per Share	43.48
Monthly Amount Required Per Share	3.62