

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.

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EIGHTH AMENDMENT TO  
COOPERATIVE OFFERING PLAN  
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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, the Fifth Amendment dated August 19, 1985, and filed by the Department of Law on September 18, 1985, the Sixth Amendment filed by the Department of Law in December, 1986, and the Seventh Amendment filed by the Department of Law on August 4, 1987, as follows:

1. Annexed hereto as Exhibit A is a schedule of unsold units including shares allocated to each unit. The purchase price of such units is increased to \$1,100.00 per share. Occasional sales may be made at negotiated prices other than \$1,100.00 per share. Mortgage allocations remain as indicated in Schedule A of the Offering Plan. However, maintenance charges were set at \$3.80 per share per month by the Board of Directors effective January 1, 1988.

2. The Sponsor is Bleecker Charles Company, a limited partnership, with offices c/o Kenneth B. Newman, located at 488 Madison Avenue, New York, New York 10022. The Sponsor holds 9,616 shares of the 17,202 issued shares of the Cooperative Corporation. However, the Sponsor does not control the Board of Directors as indicated in the Sixth Amendment. Kenneth B. Newman, who sits on the Board, may be considered a sponsor-designee.

3. Tax assessment. The actual total assessed valuation for the fiscal year July 1, 1988 to June 30, 1989 is \$3,050,000. The Cooperative Corporation has filed a certiorari proceeding to reduce the actual total assessed valuation and a settlement has been reached on agreement with the Tax Commission to reduce the actual total assessed valuation by \$600,000.

4. For the year ending December 31, 1987 the Cooperative Corporation's financial statement, prepared on a cash basis, indicates an operating loss of \$4,503. The

Cooperative Corporation's 1987 financial statement is annexed as Exhibit B.

5. Budget. A copy of the budget for the calendar year 1988 is annexed as Exhibit C.

6. Unsold Shares. The Tax Reform Act of 1986 amended Internal Revenue Code Section 216 to expand the definition of "tenant-stockholder" to mean a "person" (and not merely an "individual" as in the former Code provision) who satisfies the requirements otherwise applicable to tenant-stockholders. Under the tax Code a "person" includes a corporation, trust, estate, partnership, association as well as individuals.

Accordingly, the restriction in the Plan that the shares, including Unsold Shares, be held by "individuals" is no longer applicable and is hereby eliminated. However, such elimination will not affect the right of the Apartment Corporation to require approval of its Board of Directors of all resales by tenant-shareholders (other than the holder of Unsold Shares) in accordance with the provisions of the Proprietary Lease. Consequently, the Board of Directors may, in its sole discretion, still limit sales of shares (other than Unsold Shares) to individuals. No representation is made as to whether the Board of Directors will adopt a policy restricting resales of shares (other than Unsold Shares) to individuals only.

The holder of Unsold Shares has the right to resell one or more or all blocks of Unsold Shares to any person or persons including (without limitation) corporations, partnerships and individuals. In the event the holder of Unsold Shares resells one or more blocks of Unsold Shares to a person for other than personal occupancy by such person or the person's family, then the holder of Unsold Shares will amend the Plan to disclose the sale and to designate the purchaser as a new holder of Unsold Shares with respect to the block or blocks of Unsold Shares being purchased, having all of the same rights, powers and privileges as to such block(s) of Unsold Shares as the selling holder of Unsold Shares has the right to exercise under the Plan, as amended, Proprietary Lease, Bylaws and any other agreements or documents given or made in connection with the Plan, but subject to all of the same obligations and limitations imposed thereunder on the selling holder of Unsold Shares.

6. There are no other material changes in the terms of this Offering Plan.

Dated: October 25, 1988

**BLEECKER CHARLES COMPANY**

**SPONSOR**

EXHIBIT A

SCHEDULE OF UNSOLD UNITS

LA-86	3K-130	1T-82
2A-104	4R-132	2T-84
3A-106	5R-134	4T-88
	6K-140	6T-92
LB-124	1L-126	
1B-126	2L-128	3U-108
68-140	3L-130	6U-115
	4L-130	
		2V-106
		3V-108
4C-110	LM-124	
	1M-126	1W-82
	6M-140	2W-84
2D-84		
4D-88	LN-77	1X-92
6D-92	1N-126	4X-110
	2N-128	
	4N-132	
LE-181	6N-140	
1E-185		
4E-194		
5E-200	1P-185	
6E-219	3P-191	
	4P-194	
1F-82	5P-200	
5F-90	6P-206	
6F-92		
2G-187	2R-128	
4G-194	3R-130	
6G-219	4R-132	
	6R-150	
LH-77		
5H-90	1S-185	
	2S-187	
	3S-191	
1J-126	4S-194	
2J-128	5S-200	
33-130	6S-219	
5J-134		
6J-140		

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

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

DECEMBER 31, 1987 AND 1986

**WEISS & FELDMAN**  
CERTIFIED PUBLIC ACCOUNTANTS

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

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

DECEMBER 31, 1986 AND 1985

**WEISS & FELDMAN**  
CERTIFIED PUBLIC ACCOUNTANTS

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

DECEMBER 31, 1987 AND 1986

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WEISS & FELDMAN  
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 sheets of 350 Bleecker Street Apartment Corp. (A Cooperative Housing Corporation) at December 31, 1987 and 1986, and the related statements of operations and accumulated deficit and changes in financial position (all on an income tax basis) for the years then ended. Our examinations were 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 same 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, 1987 and 1986 and the results of its operations and changes in financial position for the years then ended, on the accounting basis described in Note 1 to the financial statements which basis has been applied consistently.

Our examinations were 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 years ended December 31, 1987 and December 31, 1986 taken as a whole. The supplementary information contained herein 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, are fairly stated in all material respects in relating to the basic financial statements taken as a whole.

Manhasset, New York

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

BALANCE SHEET  
(INCOME TAX BASIS)

DECEMBER 31, 1987 AND 1986

<u>ASSETS</u>	<u>1987</u>	<u>1986</u>
Property (Note 1)		
Land	\$ 2,779,843	\$ 2,779,843
Building	<u>10,559,705</u>	<u>10,542,862</u>
	13,339,548	13,322,705
Less accumulated depreciation	<u>1,317,927</u>	<u>763,398</u>
	<u>12,021,621</u>	<u>12,559,307</u>
Cash in bank	-	94,195
Short-term investments	<u>136,555</u>	<u>55,000</u>
	<u>136,555</u>	<u>149,195</u>
Total Assets	\$12,158,176 =====	\$12,708,502 =====
LIABILITIES AND SHAREHOLDERS' CAPITAL		
Liabilities:		
Mortgage obligation	\$ 3,000,000	\$ 3,000,000
Closing adjustment payable-seller	91,943	91,943
Mortgage interest payable	8,521	-
Payroll taxes payable	<u>2,094</u>	<u>1,909</u>
	<u>3,102,558</u>	<u>3,093,852</u>
Shareholders' Capital:		
Common stock, \$1 par; 17,202 shares issued and outstanding	17,202	17,202
Capital in excess of par	10,524,528	10,524,528
Accumulated deficit	<u>(1,486,112)</u>	<u>(927,080)</u>
	<u>9,055,618</u>	<u>9,614,650</u>
Total Liabilities and Shareholders' Capital	\$12,158,176 =====	\$12,708,502 =====

See Notes to Financial Statements

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

STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT  
(INCOME TAX BASIS)

THE YEARS ENDED DECEMBER 31, 1987 AND DECEMBER 31, 1986

	<u>1987</u>	<u>1986</u>
Income:		
Maintenance charges	\$ 740,686	\$ 710,288
Commercial leasehold Income	86,000	86,000
Interest income	8,250	13,728
Coin machine	9,000	12,000
Late Fees	1,350	1,150
Transfer fees (flip tax)	<u>19,800</u>	<u>-</u>
	823,166	823,166
Operating Expenses. Exclusive of Depreciation:		
Taxes and interest	\$561,364	\$541,782
Utilities	67,502	62,588
General and administrative	111,853	103,989
Labor and related expenses	97,154	102,360
Repairs and maintenance	<u>31,716</u>	<u>32,685</u>
Total cost of operations	<u>869,589</u>	<u>843,404</u>
Loss from operations	(4,503)	(20,238)
Less: Non-operating expenses		
Depreciation charge	<u>554,529</u>	<u>554,248</u>
Net loss	(559,032)	(574,488)
Accumulated deficit: beginning of period	<u>(927,080)</u>	<u>(352,594)</u>
Accumulated deficit: end of period	\$(1,486,112) =====	\$(927,080) =====

See Notes to Financial Statements

WEISS & FELDMAN  
CERTIFIED PUBLIC ACCOUNTANTS

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

STATEMENT OF CHANGES IN FINANCIAL POSITION  
(INCOME TAX BASIS)

DECEMBER 31, 1987 AND 1986

	<u>1987</u>	<u>1986</u>
Source of Funds:		
Net loss	\$ (559,032)	\$ (574,486)
Add items not requiring use of cash, depreciation charges	<u>554,529</u>	<u>554,248</u>
Funds used by operations	(4,503)	(20,238)
Decrease (increase) in short-term investments	(81,555)	168,731
Increase in payroll taxes payable	<u>185</u>	<u>1,909</u>
Total Source of Funds	<u>(85,873)</u>	<u>150,402</u>
Application of Funds:		
Building improvements	16,843	85,356
Decrease in prepaid expenses	-	(1,176)
Increase in mortgage interest payable	<u>-</u>	<u>774</u>
Total Application of Funds	<u>16,843</u>	<u>84,954</u>
Increase (decrease) in cash position	(102,716)	65,448
Cash at beginning of year	<u>94,195</u>	<u>28,747</u>
Cash at end of year	\$ (8,521) =====	\$ 94,195 =====

See Notes to Financial Statements

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

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 1987 AND DECEMBER 31, 1986

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 are recognized when paid rather than when the obligation is incurred.

Property and depreciation:

Land and building improvements are stated at cost. The cost allocated to the building and building improvements made during 1986 will be recovered over a 19 year period using the Accelerated Cost Recovery System method of depreciation. Improvements made during 1987 will be recovered over a 27 1/2 year period using the Modified Accelerated Cost Recovery System method of depreciation.

Revenue:

Residential maintenance 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 maintenance based on their respective stock holdings. The corporation retains excess operating funds in short term liquid investments.

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 and consists of 137 residential apartments, two commercial stores and a garage.

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

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 1987 AND DECEMBER 31, 1986

3. Mortgage Obligation:

On November 7, 1986 the Corporation refinanced the mortgages held by its sponsor, Bleecker Charles Company and the Emigrant Savings Bank. The new mortgage was extended to the Corporation by the Development Bank of Singapore, LTD. The new mortgage is for \$3,000,000 for a period of ten years with interest only at an interest rate of 9.75% per annum, requiring monthly payments of \$24,375 with no amortization or real estate escrow.

At the closing of the cooperative conversion the Corporation's property was subject to a mortgage held by the sponsor of the cooperative conversion, Bleecker Charles Company (A Partnership). This mortgage, which was refinanced as indicated above, was for \$3,000,000. The mortgage was wrapped around a first mortgage held by Emigrant Savings Bank. The Corporation made monthly payments of interest only of \$25,000 (10% per annum). No amortization was included or required in the monthly payments of \$25,000.

4. Legal Fees:

\$18,300 of legal fees incurred during 1987 were paid to Schwartz and Weiss, P.C. for their services in petitioning the City of New York certiorari for review of the assessed valuation of the Corporation's real property. This petition and subsequent review resulted in a reduction of the property assessment which has produced and will continue to produce real estate tax savings to the Corporation.

5. 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.

6. Transaction with Related Parties:

The Corporation has a management agreement with a managing agent whose principal is the general partner of Bleecker Charles Company, the coop's sponsor.

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

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 1987 AND DECEMBER 31, 1986

7. Federal Income Taxes:

The Internal Revenue Service has taken the position that real estate cooperatives are subject to Section 277 of the Internal Revenue Code.

Section 277 of the Code provides that a membership organization that is operated to provide services to members is permitted to deduct expenses attributable to the furnishing of services to the members only to the extent of the income derived during such year from its members. Section 277 permits a membership organization to reduce income from non-membership sources only by expenses incurred in generating this income. Accordingly, income from non-membership sources such as interest, commercial rental, professional apartment rental, etc. in excess of expenses properly attributable thereto may be subject to federal tax.

Income tax liability that may result from the above is not reflected in the attached financial statements. If the position of the Internal Revenue Service is sustained by the courts, such liability will be reflected in future financial statements.

8. Master Commercial Lease Provisions:

Under the terms of the Master Commercial Lease between the Sponsor and the Cooperative, a percentage of the increase in real estate taxes and specified overhead costs allocable to the commercial space will be paid by the Sponsor to the Cooperative as additional rent. At December 31, 1987 the amount due to the Cooperative from this provision was \$51,034. This amount was paid prior to the issuance of these financial statements.

SUPPLEMENTARY INFORMATION



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

SCHEDULE OF OPERATING EXPENSES

DECEMBER 31, 1987 AND 1986

	<u>1987</u>	<u>1986</u>
<u>Taxes and Interest</u>		
Real estate taxes	\$252,622	\$256,280
Corporation taxes	16,242	11,002
Wrap mortgage interest	<u>292,500</u>	<u>274,500</u>
	<u>\$561,364</u>	<u>\$541,782</u>
	=====	=====
<u>Utilities</u>		
Fuel and heating	\$ 34,248	\$ 32,491
Electric and gas	17,231	17,113
Water and sewer charges	<u>16,023</u>	<u>12,984</u>
	<u>\$ 67,502</u>	<u>\$ 62,588</u>
	=====	=====
<u>General and Administrative</u>		
Insurance	\$ 45,053	\$ 48,718
Management fees	42,000	42,000
Legal (note 4)	18,500	2,885
Accounting	4,400	5,100
Telephone	320	354
Office expense	1,419	4,354
Permits and licenses	<u>161</u>	<u>578</u>
	<u>\$111,853</u>	<u>\$103,989</u>
	=====	=====
<u>Labor and Related Expenses</u>		
Payroll	\$ 83,780	\$ 85,563
Payroll taxes and employee benefits	<u>13,374</u>	<u>16,797</u>
	<u>\$97,154</u>	<u>\$102,360</u>
	=====	=====
<u>Repairs and Maintenance</u>		
Boiler, heating and plumbing	\$ 7,287	\$ 15,332
Janitorial supplies	5,066	3,813
Elevator	5,369	8,115
Electric	880	-
Incinerator	7,595	1,183
Exterminating	909	1,010
Painting	1,033	-
Miscellaneous	<u>3,575</u>	<u>3,239</u>
	<u>\$ 31,714</u>	<u>\$ 32,685</u>
	=====	=====

WEISS & FELDMAN  
CERTIFIED PUBLIC ACCOUNTANTS

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

ESTIMATED MAINTENANCE REQUIRED

JANUARY 1, 1988 TO DECEMBER 31, 1988

Income Other Than Maintenance		
Coin Machine	\$ 9,000	
Commercial Rent	86,000	
Commercial Rent Additional	8,000	
CD Interest	-	
Flip Tax	-	
		<u>\$ 103,000</u>
Expenses		
Mortgage Interest	\$ 292,500	
Real Estate Taxes	269,000	
Water & Sewer Charges	16,000	
Payroll	98,000	
Payroll Taxes & Employee Benefits	20,000	
Insurance	45,000	
Fuel	35,000	
Gas & Electric	18,000	
Management	42,000	
Repairs & Maintenance	25,000	
Corporate Taxes	10,000	
Accounting	5,000	
Office Expense	2,000	
Fees & Permits	1,000	
Telephone & Sundries	2,000	
		<u>\$ 881,500</u>
Maintenance Required		<u>\$ 778,500</u>
# Shares Outstanding	17,202	
Annual Amount Required Per Share		45.26
Monthly Amount Required Per Share		3.77

Note: Real estate taxes computed on basis of  
July 1, 1987 to June 30, 1986