

**THIRTEENTH AMENDMENT
TO THE CONDOMINIUM OFFERING PLAN
FOR THE SANTORINI CONDOMINIUM, LOCATED AT
35-40 30TH STREET, ASTORIA, NEW YORK**

The Offering Plan dated July 5, 2006 for Condominium ownership of premises located at 35-40 30th Street, Astoria, New York, (the "Plan") is hereby amended by this Thirteenth Amendment as follows:

1. The Sponsor currently retains ownership of thirty-four (34) parking units. There are no unsold residential units. Annexed hereto as Exhibit A is a list of the unsold units. All parking units are held for sale; none are rented.

2. The Sponsor has relinquished control of the Board in December 2012. The following are the members of the Condominium Board (an asterisk indicates an individual who is the nominee of the Sponsor):

Sean C. O'Rourke
Christina DeCurtis
David Hollis
Thomas Lieberman*
Zevi Chaskelson*

FINANCIAL DISCLOSURE INFORMATION

3. The current budget and most recent financial statements are attached as Exhibit B.

4. (a) The monthly abated real estate taxes for the condominium units held by the Sponsor is approximately \$133.33. Separate real estate tax assessments for the condominium units have been apportioned.

(b) The aggregate monthly common charge payments for all units held by the Sponsor is approximately \$771.43.

(c) All of the unsold parking units are being held for sale. No rents are being collected. No unsold units are pledged as collateral for a financing arrangement

(d) There are no financial obligations to the condominium which will become due within 12 months from the date of the amendment (other than payment of common charges). The Sponsor is current on the payment of the common charges.

(e) The financial obligations set forth in paragraphs (a) and (b) will be funded by the sales of units and from other holdings of the Sponsor.

(f) The Sponsor is current on all financial obligations under the offering plan,

including but not limited to, common charges set forth above, and has been current for the past twelve months.

5. Sponsor or its principals do not own more than 10% of the units in any other building.

6. Other than as set forth above, there are no other material changes in the terms of this Offering Plan.

Dated: December 9th, 2015

Sponsor: LA PERLA TERRACE DEVELOPERS, LLC
580 5TH Avenue, Suite 1200
New York, NY 10036

EXHIBIT A
UNSOLD UNITS

Exhibit A

Unsold Parking Units

SCP1

SCP2

SCP3

SCP4

SCP5

SCP6

SCP7

SCP8

SCP9

SCP10

SCP11

SCP12

SCP13

SCP14

SCP15

SCP16

SCP17

SCP18

SCP19

SCP20

SCP21

SCP22

SCP23

SCP24

SCP25

SCP26

SCP27

SCP28

SCP29

SCP30

SCP31

SCP32

SCP33

CP27

EXHIBIT B
BUDGET AND FINANCIAL STATEMENTS

SANTORINI CONDOMINIUM

BUDGET

for the fiscal year ending July 31, 2016

	Budget Year 2016
REVENUES:	
Common charges	\$246,300
Parking	17,400
Laundry income	18,000
Storage and other	5,500
Total revenues	<u>287,200</u>
EXPENSES:	
Salaries and wages	71,023
Management fees	21,000
Electricity and gas	60,000
Water and sewer	26,500
Repair, services and supplies	42,000
Insurance	25,000
Legal fees	2,500
Audit fees	4,300
Telephone	3,800
Office expense	1,000
Miscellaneous	4,000
	<u>261,123</u>
	26,077
Reserve requirements per FHA	<u>24,700</u>
Net surplus	<u>\$1,377</u>

SANTORINI CONDOMINIUM

**Financial Statements
as of July 31, 2015 and 2014
and for the years then ended**

Syed N. Haque, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Managers and Unit Owners of
Santorini Condominium:

We have audited the accompanying financial statements of Santorini Condominium (the "Condominium"), which comprise the balance sheets as of July 31, 2015 and 2014, and the related statements of revenues, expenses and changes in fund balances, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's judgment, 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 auditor considers 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 Santorini Condominium as of July 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

As discussed in Note 11, the Condominium has not conducted a study to determine the remaining useful lives of the components of 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 have determined is required to supplement, although not required to be a part of, the basic financial statements.

Sud N. Hague, CPA

Rego Park, New York
October 2, 2015

SANTORINI CONDOMINIUM

BALANCE SHEETS

as of July 31, 2015 and 2014

ASSETS:	2015	2014
Cash (Note 3)	\$158,991	\$89,782
Receivables from unit owners (Note 4)	2,356	234
Prepaid expenses	17,835	2,787
Security deposits	5,265	5,265
Equipment, net of accumulated depreciation and amortization of \$7,749 and 4,563 (Notes 2 and 5)	30,281	7,206
Working capital fund receivable (Note 10)	4,114	16,114
 Total assets	 <u>\$218,842</u>	 <u>\$121,388</u>
 LIABILITIES AND FUND BALANCES:		
Accounts payable and accrued expenses	\$41,229	\$18,852
Deferred common charges	4,002	3,012
Security deposits payable	500	
Lease obligation payable (Note 6)	23,818	
 Total liabilities	 <u>69,549</u>	 <u>21,864</u>
 Fund balances	 149,293	 99,524
 Total liabilities and fund balances	 <u>\$218,842</u>	 <u>\$121,388</u>

The accompanying notes are an integral
part of these financial statements

SANTORINI CONDOMINIUM

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

for the years ended July 31, 2015 and 2014

	2015	2014
REVENUES:		
Common charges (Note 2)	\$251,693	\$239,787
Late fees	1,900	1,650
Laundry income	17,315	17,919
Storage income	2,570	1,670
Interest income	192	121
Other	804	501
	<u>274,474</u>	<u>261,648</u>
EXPENSES:		
Wages and related expenses	68,954	60,046
Insurance	24,167	22,907
Management fees (Note 8)	21,000	21,000
Repairs, maintenance and supplies	41,224	40,412
Gas and electric	58,460	62,765
Professional fees	6,638	8,078
Water and sewer	25,958	27,555
Telephone	3,679	3,734
Interest expense	1,449	
License and permits	1,073	1,837
Office expense	902	3,234
Income tax (Note 7)	158	130
Other	1,408	1,186
	<u>255,070</u>	<u>252,884</u>
Excess of revenues over expenses before insurance claim, depreciation and amortization, and major repairs and replacements	19,404	8,764
Add: insurance claim	218,385	36,560
Less: depreciation and amortization	(3,186)	(2,882)
major repairs and replacements	<u>(185,000)</u>	<u>(20,955)</u>
Excess of revenues over expenses	49,603	21,487
Beginning fund balance at August 1, 2014 and 2013	99,524	76,710
Working capital contributions (Note 10)	166	1,327
Ending fund balance at July 31, 2015 and 2014	<u>\$149,293</u>	<u>\$99,524</u>

The accompanying notes are an integral part of these financial statements

SANTORINI CONDOMINIUM
STATEMENTS OF CASH FLOWS

for the years ended July 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenues over expenses	\$49,603	\$21,487
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:		
Depreciation	3,186	2,882
Working capital contributions	166	1,327
(Increase) decrease in:		
Receivables from unit owners	(2,122)	728
Prepaid expenses	(15,048)	3,085
Other receivable	12,000	
Increase (decrease) in:		
Accounts payable and accrued expenses	22,377	(2,530)
Deferred common charges	990	(1,204)
Security deposits payable	500	
Net cash provided by operating activities	71,652	25,775
CASH FLOWS FROM INVESTING ACTIVITIES:		
Increase in equipment under capital lease	(26,261)	
Net cash used in investing activities	(26,261)	
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in lease obligation payable	23,818	
Net cash provided by financing activities	23,818	
Net increase in cash	69,209	25,775
Cash, beginning of year	89,782	64,007
Cash, end of year	\$158,991	\$89,782
SUPPLEMENTAL DISCLOSURE FOR STATEMENTS OF CASH FLOWS:		
Interest paid	\$1,449	
Income taxes paid	\$130	\$211

The accompanying notes are an integral
part of these financial statements

SANTORINI CONDOMINIUM
NOTES TO FINANCIAL STATEMENTS

1. Organization:

Santorini Condominium (the "Condominium") was organized pursuant to Article 9-B of the Real Property Law of the State of New York for the purposes of maintaining and preserving common property of the Condominium. Santorini Condominium consists of 62 residential units and 64 parking spaces, located in Astoria, New York.

2. Summary of Significant Accounting Policies:

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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.

Fund Accounting:

The Condominium uses fund accounting, which requires that funds, such as operating funds and funds designated for future major repairs and replacements, be classified separately for accounting and reporting purposes. As of July 31, 2015 and 2014, the Condominium had only operating fund.

Common Charges:

Common charges are based on an annual budget determined by the board of managers. Unit owners are billed monthly in accordance with the common interest appurtenant to the unit. Effective February 1, 2015, the Condominium increased common charges by 10%.

Common Property:

The Condominium does not recognize common property as assets, as they are owned by the individual unit owners in common. Capital improvements to such common property are not capitalized. Accordingly, capital improvements are expensed as incurred.

Cash and Cash Equivalent:

For purpose of the statement of cash flows, the Condominium considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents.

Equipment:

Equipment is stated at cost. Depreciation is computed on the straight-line method over the estimated useful life. Equipment under capital lease is amortized on a straight line basis over the term of the lease.

SANTORINI CONDOMINIUM
NOTES TO FINANCIAL STATEMENTS

3. Cash:

At July 31, 2015 and 2014, cash balances consist of the following:

	2015	2014
Checking account	\$97,350	\$40,499
Savings account	61,641	49,283
	\$158,991	\$89,782

4. Receivables from Unit Owners:

The Condominium's policy is to retain legal counsel and place liens on the properties of unit owners whose common charges and other assessments are over sixty days in arrears. As of July 31, 2015 and 2014, the Condominium had receivables from unit owners of \$2,356 and \$234, respectively.

5. Equipment:

Equipment is comprised of the following:

	2015	2014
Security system	\$11,769	\$11,769
Equipment under capital lease	26,261	
	38,030	\$11,769
Less: accumulated depreciation and amortization	(7,749)	(4,563)
	\$30,281	\$7,206

6. Lease Obligations Payable:

The Condominium leases gym equipment under lease classified as capital lease. The following is a schedule showing the future minimum lease payments under capital lease by years and the present value of the minimum lease payments as of July 31, 2015. The interest rate related to the lease obligation is 9.85% and maturity date is December 2019.

SANTORINI CONDOMINIUM
NOTES TO FINANCIAL STATEMENTS

The future minimum lease payments under capital lease by years at July 31:

<u>Year</u>	
2016	\$6,672
2017	6,672
2018	6,672
2019	3,802
Total minimum lease payments	<u>23,818</u>
Less: amount representing interest	<u>(5,650)</u>
Present value of minimum lease payments	<u><u>\$18,168</u></u>

7. Income Taxes:

The Condominium qualifies as a "Homeowners' Association" under section 528 of the Internal Revenue Code. Under that section, the Condominium is not subject to tax on amounts received as membership dues, fees or common charges from its unit owners. However, the Condominium's investment income and other nonexempt income net of direct costs are subject to tax. The Condominium is also subject to state franchise taxes which amounted to \$158 and \$130 for 2015 and 2014.

The Condominium's tax filings are subject to audit by various taxing authorities. The Condominium's federal, state and city income tax returns for fiscal years ended July 31, 2013 and 2015 remain open to examination by various taxing authorities. In evaluating the Condominium's tax provisions and accruals, the Condominium believes that its estimates are appropriate based on current facts and circumstances.

8. Management Agreement:

The Condominium has retained First Management Corp. to act as managing agent of the property. For each of the year ended July 31, 2015 and 2014, management fee amounted to \$21,000.

9. Related Party Transactions:

As of July 31, 2015 and 2014, the sponsor, La Perla Terrace Developers, LLC, owned 41 and 43 parking units, respectively.

SANTORINI CONDOMINIUM
NOTES TO FINANCIAL STATEMENTS

10. Working Capital Contributions:

At the time of closing, each initial purchaser is required to pay an initial working capital contribution equal to four months of common charges. For the years ended July 31, 2015 and 2014, such working capital contributions amount to \$166 and \$1,327, respectively.

The previous managing agent collected working capital contributions of \$16,114. However, it was not transferred to the new managing agent, First Management Corp. This amount was recorded as working capital fund receivable. As of July 31, 2014, such balance remained outstanding. In August 2014, the sponsor, La Perla Terrace developers, LLC, agreed to reimburse the condominium by paying \$1,000 per month until fully paid-off. As of July 31, 2015, the outstanding balance amounted to \$4,114.

11. Future Major Repairs and Replacements:

The Condominium has not conducted a study to determine the remaining useful lives of the components of common property and current estimates of the costs of major repairs and replacements that may be required in the future. The board has also not developed a plan to fund those needs. When replacement funds are needed to meet future needs for major repairs and replacements, the Condominium has the right to increase regular maintenance, pass special assessments, or delay major repairs and replacements until funds are available. The effect on future assessments has not been determined at this time.

12. Concentration of Credit Risk:

The Condominium maintains accounts with financial institutions. At times, cash balances may exceed the maximum coverage provided by the Federal Deposit Insurance Corporation ("FDIC") on insured depositor accounts. The Condominium believes it mitigates risk by investing its cash and cash equivalents with major financial institutions. As of July 31, 2015 and 2014, all cash balances are insured by FDIC.

13. Date of Management's Review:

Management has evaluated subsequent events through October 2, 2015, the date on which the financial statements were available to be issued. As of October 2, 2015, there are no subsequent events to be recognized or reported.