

# THIRTY-EIGHTH AMENDMENT

A Plan to Convert to Cooperative Ownership

## GOTHAM HOUSE

83-25 Vietor Avenue  
Elmhurst, New York

Dated: April 3, 2018

The Plan to Convert to Cooperative Ownership premises Gotham House, 83-25 Vietor Avenue, Elmhurst, New York, accepted for filing December 18, 1985 and amended by First Amendment dated March 6, 1986, Second Amendment dated April 14, 1986, Third Amendment dated May 1, 1986, Fourth Amendment dated June 13, 1986, Fifth Amendment dated September 25, 1986, Sixth Amendment dated November 7, 1986, Seventh Amendment dated January 6, 1987, Eighth Amendment dated August 13, 1987, Ninth Amendment dated July 10, 1988, Tenth Amendment dated August 17, 1989, Eleventh Amendment dated June 14, 1990, Twelfth Amendment dated January 22, 1991, the Thirteenth Amendment dated October 27, 1992, the Fourteenth Amendment dated November 23, 1993, the Fifteenth Amendment dated November 15, 1994, the Sixteenth Amendment dated November 28, 1995, the Seventeenth Amendment dated November 18, 1996, the Eighteenth Amendment dated November 17, 1997, the Nineteenth Amendment dated November 23, 1998, the Twentieth Amendment dated November 29, 1999, the Twenty-First Amendment dated November 8, 2001, the Twenty-Second Amendment dated December 7, 2001, the Twenty-Third Amendment dated December 18, 2002, the Twenty-Fourth Amendment dated May 19, 2004, the Twenty-Fifth Amendment dated June 9, 2005, the Twenty-Sixth Amendment dated August 31, 2006; the Twenty-Seventh Amendment dated September 21, 2007, the Twenty-Eighth Amendment dated October 10, 2008, Amendment No. 29 dated September 21, 2009, Amendment No. 30 dated September 10, 2010, Amendment No. 31 dated September 6, 2011, Amendment No. 32 dated September 6, 2012, Amendment No. 33 dated September 5, 2013, Amendment No. 34 dated August 1, 2014, Amendment No. 35 dated July 22, 2015, Amendment No. 36 dated June 28, 2016 and Amendment No. 37 dated April 12, 2017 is hereby further amended as follows:

### **I. APARTMENTS**

As of March 15, 2018, shares allocated to eight (8) apartments remain unsold. Annexed hereto and made a part of this amendment as Exhibit "A" is a list of the unsold apartments and the shares allocated to each apartment. The current maximum price per share for the unsold shares is \$500.

### **II. AGGREGATE MONTHLY MAINTENANCE FOR SPONSOR**

The aggregate monthly maintenance for all shares owned by the Sponsor is currently \$5,879.65.

**III. AGGREGATE MONTHLY RENTS RECEIVED FROM TENANTS BY SPONSOR**

The aggregate monthly rents received from tenants of all units owned by the Sponsor is currently \$7,686.33.

**IV. FINANCIAL OBLIGATIONS TO COOPERATIVE**

The Sponsor has no financial obligations to the cooperative which will become due within the next twelve (12) months, other than payment of maintenance charges.

**V. UNSOLD SHARES SUBJECT TO MORTGAGE OR FINANCING COMMITMENTS**

There are no unsold units or unsold shares which are subject to any mortgage or financing commitments.

**VI. MEANS OF SPONSOR OBLIGATIONS**

The monthly maintenance payments required of Sponsor will be paid from the rentals referred to in Paragraph III, proceeds from prior sales and Sponsor's assets which are currently adequate to meet Sponsor's obligations.

**VII. STATUS OF CURRENT OBLIGATIONS OF SPONSOR**

Sponsor is current on all financial obligations due to the cooperative under the Offering Plan. In addition, Sponsor has been current on all obligations during the twelve (12) month period prior to the filing of this amendment.

**VIII. LIST AND STATUS OF SPONSOR'S OTHER PUBLIC OFFERINGS**

Principals of the Sponsor herein are principals of Sponsors that currently own more than ten (10%) percent of the units or shares in the following buildings:

83-30 Vietor Avenue Owners Corp.  
83-45 Vietor Avenue Owners Corp.  
42-26 81st Street Owners Corp.  
108-48 70<sup>TH</sup> Road Owners, Inc.  
108-37 71<sup>st</sup> Avenue Owners, Inc.

Copies of the Offering Plans for the above projects are on file with the New York State Department of Law located at 120 Broadway, 23rd Floor, New York, New York 10271 and are available for public inspection.

The Sponsors of the above projects are current in all their financial obligations for the respective units or shares they have in each project.

**IX. BOARD OF DIRECTORS**

The Sponsor relinquished control of the Board of Directors in July of 1991. The current Members of the Board of Directors are as follows:

Steven Yedvarb – Sponsor Representative – President  
Allen Shapiro – Sponsor Representative – Treasurer/Secretary  
Jimmy Joshi – Unit Owner – Director  
Bhanwald Nawal – Unit Owner – Director  
Judy Sang – Unit Owner - Director

**X. BUDGET/FINANCIAL STATEMENT**

Annexed hereto and made a part of this Amendment as Exhibit “B” is a copy of the budget for year ending December 31, 2018 for the Apartment Corporation. Annexed hereto as Exhibit “C” is a copy of the Financial Statement for the year ending December 31, 2016. The Financial Statement for year ending December 31, 2017 is not yet available. Prospective purchasers are advised to inquire regarding the availability of the financial statement for the year ending December 31, 2017 and, if available, request a copy of them for review at same time.

**XI. TAX CUTS AND JOBS ACT OF 2017**

Purchasers should note as a Special Risk that on January 1, 2018, the Tax Cuts and Jobs Act of 2017 (the “Act”) went into effect. This Act significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Accordingly, the tax information and projections disclosed in the Offering Plan, as amended, may be inaccurate because such are based on federal tax law as it existed prior to 2018. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the Purchaser's taxes. Purchasers should not rely on any representation in the Offering Plan, as amended, addressing taxes without first consulting a tax expert.

**XII. EXTENSION OF EFFECTIVE PERIOD**

This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further Amendment to be filed.

Other than as set forth above, there are no material changes which require an Amendment to the Offering Plan.

**CENTRE EQUITIES, LLC**  
**d/b/a CENTRE REALTY CO.**  
Sponsor

**GOTHAM HOUSE**  
83-25 Vietor Avenue  
Elmhurst, NY 11735

**Unsold Shares**

	<u>Apartment Number</u>	<u>Shares</u>
	3-A	415
	6-C	430
	4-E	555
	7-F	485
	6-K	425
	3-L	425
	7-L	445
	3-M	<u>325</u>
TOTALS	<u>8</u>	<u>3,505</u>

EXHIBIT "A"

**83-25 VIETOR AVENUE OWNERS CORP.  
BUDGET SUPPORTING SCHEDULES  
2018**

**ADMINISTRATIVE EXPENSES**

Management Fees	\$ 28,200
Insurance	38,000
Auditing Fees	8,300
Legal Fees and Consulting	7,000
Office and Miscellaneous Administrative Expenses	2,600
Telephone	3,400

**TOTAL ADMINISTRATIVE EXPENSES** \$ 87,500

**OPERATING EXPENSES**

Salaries and Wages	\$ 91,000
Gas and Electric	58,000
Water and Sewer Charges	80,500
Payroll Taxes	7,200
Employee Benefits - Medical Insurance	12,500
Permits, Licenses and Fees	2,700
Fuel	18,000

**TOTAL OPERATING EXPENSES** \$ 269,900

**REPAIRS AND MAINTENANCE EXPENSES**

Supplies and Janitorial Materials	\$ 13,500
Elevator	9,800
Boiler	9,000
Plumbing	8,500
General Repairs and Maintenance	7,000
Electrical	750
Exterminating	3,000
Compactor	2,500

**TOTAL REPAIRS AND MAINTENANCE EXPENSES** \$ 54,050

**TAXES**

New York City Real Estate Taxes	\$ 113,000
State and City Corporate Taxes	2,300

**TOTAL TAXES** \$ 115,300

**83-25 VIETOR AVENUE OWNERS CORP.**  
**BUDGET**  
**2018**

	<u>BUDGET</u> <u>2018</u>
<b><u>REVENUE</u></b>	
Maintenance Charges to Tenant Shareholders	\$ 659,200
Garage Income	10,320
Laundry Income	7,200
Late Fees and Other Income	5,500
Interest Income	<u>4,000</u>
Total Income	\$ 686,220
<b><u>COST OF OPERATIONS</u></b>	
Administrative Expenses	87,500
Operating Expenses	269,900
Maintenance Expenses	54,050
Taxes	115,300
Interest on Mortgage	<u>158,300</u>
Total Expenses	<u>685,050</u>
<b><u>OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION</u></b>	1,170
Amortization of Mortgage Costs	1,007
Depreciation	<u>102,320</u>
Total Depreciation and Amortization	<u>103,327</u>
<b>NET LOSS FOR THE PERIOD</b>	<u><b>(102,157)</b></u>

**83-25 VIETOR AVENUE OWNERS CORP.**  
(A Cooperative Housing Corporation)

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FINANCIAL STATEMENTS for the  
Years Ended December 31, 2016 and 2015

83-25 VIETOR AVENUE OWNERS CORP.

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**DiVenti & Lee C.P.A.'s, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

Member  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
NEW YORK STATE SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

67 GRAND AVENUE  
MASSAPEQUA, NEW YORK 11758  
(516) 798-7788  
Fax (516) 798-8067

**Independent Auditors' Report**

To the Board of Directors and Shareholders of  
83-25 Viator Avenue Owners Corp.  
34-03 Broadway  
Astoria, New York 11106

We have audited the accompanying financial statement of 83-25 Viator Avenue Owners Corp. which comprise the balance sheet as of December 31, 2016 and 2015, and the related statements of operations and retained earnings (deficit) (with supporting schedules), 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 my 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 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 auditors' judgment, including the assessment of the risk of material misstatement of the financial statement, 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 statement 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 83-25 Vietor Avenue Owners Corp as of December 31, 2016 and 2015 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.

**Omission of Required Supplementary Information about Future Major Repairs and Replacements**

83-25 Vietor Avenue Owners Corp has omitted the supplementary information on future major repairs and replacements of common property that accounting principles generally accepted in the United States of America require to be presented to supplement 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 the missing information.

*DiVenti & Lee, CPAs, P.C.*

DiVenti & Lee CPA's, P.C.  
Certified Public Accountants  
Massapequa, New York  
July 15, 2017

**83-25 VIETOR AVENUE OWNERS CORP.**  
**BALANCE SHEETS**  
**DECEMBER 31, 2016 and 2015**

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 115,714	\$ 225,183
Prepaid Expenses and Taxes	66,708	69,113
Receivables	1,010	2,569
Mortgage Escrow Account	162,766	137,059
Total Current Assets	<u>346,198</u>	<u>433,924</u>
<u>Other Assets</u>		
Mortgage Costs (Note 4)	84,421	84,421
Less: Accumulated Amortization	<u>(71,351)</u>	<u>(59,296)</u>
Total Other Assets	13,070	25,125
<u>Fixed Assets</u>		
Land	773,165	773,165
Building and Building Improvements (Note 4)	3,795,816	3,688,850
Less: Accumulated Depreciation	<u>(2,591,020)</u>	<u>(2,487,899)</u>
Net Property and Improvements	<u>1,977,961</u>	<u>1,974,116</u>
Total Assets	<u>\$ 2,337,229</u>	<u>\$ 2,433,165</u>
 <u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
<u>Current Liabilities</u>		
Accounts Payable and Accrued Expenses	\$ 125,648	\$ 47,257
Due to Sponsor	5,829	5,351
Security Deposits	840	720
Advanced Maintenance	1,043	-
Taxes Payable	5,068	3,516
Total Current Liabilities	<u>138,428</u>	<u>56,844</u>
<u>Other Liabilities</u>		
Mortgage Payable (Note 3)	<u>3,400,000</u>	<u>3,400,000</u>
Total Liabilities	3,538,428	3,456,844
<u>Stockholders' Equity</u>		
Common Stock \$1.00 par value, 32,745 shares Issued and outstanding	32,745	32,745
Paid-In Capital in Excess of Par Value	2,656,805	2,656,805
Accumulated Deficit	<u>(3,890,749)</u>	<u>(3,713,229)</u>
Total Stockholders' Equity	<u>(1,201,199)</u>	<u>(1,023,679)</u>
Total Liabilities and Stockholders' Equity	<u>\$ 2,337,229</u>	<u>\$ 2,433,165</u>

The accompanying notes are an Integral part of this statement.

83-25 VIETOR AVENUE OWNERS CORP.  
**STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	2016	2015
<b><u>REVENUE</u></b>		
Maintenance Charges to Tenant Shareholders	\$ 655,972	\$ 660,630
Garage Income	10,320	10,320
Laundry Income	-	7,169
Late Fees and Other Income	3,111	1,805
Interest Income	3,989	3,626
 Total Income	 673,392	 683,550
<b><u>COST OF OPERATIONS</u></b>		
Administrative Expenses	90,509	82,389
Operating Expenses	299,178	267,372
Maintenance Expenses	71,623	60,820
Taxes	117,149	91,130
Interest on Mortgage (Note 3)	157,278	158,302
 Total Expenses	 735,737	 660,013
 <b><u>OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION</u></b>		
	(62,345)	23,537
Depreciation and Amortization	115,175	110,945
 NET LOSS FOR THE PERIOD	 (177,520)	 (87,408)
 <b><u>ACCUMULATED DEFICIT-JANUARY 1</u></b>	 (3,713,229)	 (3,625,821)
 <b><u>ACCUMULATED DEFICIT-DECEMBER 31</u></b>	 \$ (3,890,749)	 \$ (3,713,229)

The accompanying notes are an integral part of this statement.

**83-25 VIETOR AVENUE OWNERS CORP.**  
**SUPPORTING SCHEDULES**  
**DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b><u>ADMINISTRATIVE EXPENSES</u></b>		
Management Fees	\$ 27,150	\$ 26,400
Insurance	37,858	36,666
Auditing Fees	8,300	8,300
Legal Fees and Consulting (Note 6)	9,787	3,959
Office and Miscellaneous Administrative Expenses	2,987	3,683
Telephone	4,427	3,371
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$ 90,509</b>	<b>\$ 82,389</b>
<b><u>OPERATING EXPENSES</u></b>		
Salaries and Wages	\$ 92,272	\$ 94,027
Gas and Electric	34,222	53,728
Water and Sewer Charges	80,035	78,061
Payroll Taxes	8,193	8,764
Employee Benefits - Medical Insurance	12,793	12,022
Permits, Licenses and Fees	6,056	2,657
Fuel	65,607	18,113
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 299,178</b>	<b>\$ 267,372</b>
<b><u>REPAIRS AND MAINTENANCE EXPENSES</u></b>		
Supplies and Janitorial Materials	\$ 17,073	\$ 12,863
Elevator	13,398	9,457
Boiler (Note 7)	9,198	22,483
Plumbing	8,044	3,955
General Repairs and Maintenance	17,256	7,574
Electrical	775	250
Exterminating	2,874	4,238
Compactor	3,005	-
<b>TOTAL REPAIRS AND MAINTENANCE EXPENSES</b>	<b>\$ 71,623</b>	<b>\$ 60,820</b>
<b><u>TAXES</u></b>		
New York City Real Estate Taxes (Note 11)	\$ 114,976	\$ 89,808
State and City Corporate Taxes (Note 5)	2,173	1,322
<b>TOTAL TAXES</b>	<b>\$ 117,149</b>	<b>\$ 91,130</b>

The accompanying notes are an integral part of this statement.

**83-25 VIETOR AVENUE OWNERS CORP.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

	<u>2016</u>	<u>2015</u>
Net Loss for the year	\$ (177,520)	\$ (87,408)
<u>Adjustments to reconcile net loss to net cash (used) provided by operating activities:</u>		
Depreciation and amortization	115,175	110,945
(Increase) Decrease in receivables	1,559	13
(Increase) Decrease in prepaid expenses	2,405	(5,342)
(Increase) Decrease in mortgage escrow account	(25,707)	(23,305)
Increase (Decrease) in accounts payable and accrued expenses	78,392	5,828
Increase (Decrease) in advanced maintenance	1,043	-
Increase (Decrease) in taxes payable	1,552	(91)
Increase (Decrease) in security deposits payable	120	600
Increase (Decrease) in due to sponsor	478	(1,960)
Cash provided (used) by operating activities	(2,503)	(720)

**CASH FLOWS FROM INVESTING ACTIVITIES:**

(Increase) in fixed assets	(106,966)	(14,650)
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Net Increase (Decrease) in cash and cash equivalents	(109,469)	(15,370)
Cash and cash equivalents, beginning of year	225,183	240,553
Cash and cash equivalents, end of year	<u>\$ 115,714</u>	<u>\$ 225,183</u>

**Supplemental Information:**

Interest paid	\$ 157,278	\$ 158,302
Income taxes paid	\$ 2,173	\$ 1,322

The accompanying notes are an integral part of this statement.

83-25 VIETOR AVENUE OWNERS CORP.

Notes to Financial Statements

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**1. ORGANIZATION**

83-25 Vietor Avenue Owners Corp. (the "Corporation") is a qualified Housing Cooperative Corporation under Section 216 (b) (1) of the Internal Revenue Code. On July 15, 1986, conversion to cooperative ownership took place. The primary purpose of the Corporation is to manage the operations of the property and maintain the common elements. The building contains 77 apartment units plus one unit for the superintendent.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation and Use of Estimates**

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Future Major Repairs and Replacements**

The Corporation's governing documents do not require the accumulation of funds in advance of actual need to finance estimated future major repairs and replacements. The corporation has not promulgated a study to determine the remaining useful lives of the components of the building and estimates of the costs of major repairs and replacements that may be required. When funds are required for major repairs and replacements, the Corporation has the right to utilize available cash reserves and/or borrow, increase maintenance, implement special assessments, or delay repairs until funds are available.

**Revenue Recognition**

Stockholder maintenance is based on an annual budget determined by the Board of Directors. Stockholders maintenance is payable monthly based on their respective share ownership. This income is recognized when due and payable. The Corporation retains excess operating funds at the end of the operating year, if any, for use in future operating periods.

**Statement of Cash Flows**

Cash and cash equivalents are stated at fair value. The Corporation considers all highly liquid investments with a maturity of three months or less at date of purchase to be cash equivalents.

**3. Mortgage Payable**

On February 7, 2011 the corporation refinanced its mortgage. A new mortgage was placed with Sovereign Bank in the amount of \$3,400,000.00. The salient terms of the mortgage are as follows:

**83-25 VIETOR AVENUE OWNERS CORP.**

Notes to Financial Statements

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**Mortgage Payable - (continued)**

(a) Payment Terms: Commencing April 1, 2011 and on the first of each month thereafter until February 1, 2018, constant monthly payments of \$12,032.22 on a 28 day month, \$12,461.94 on a 29 day month, \$12,891.67 on a 30 day month and \$13,321.39 on a 31 day month, constant monthly payments applied to interest only at the rate of 4.55% per annum.

(b) Term: The term of the Mortgage is (7) years.

(c) Maturity Date: March 1, 2018 when the entire remaining outstanding principal shall be due and payable.

(d) The mortgage requires the deposit of monthly escrow installments equal to 1/12 of the estimated annual real estate taxes and water and sewer charges.

Mortgage closing costs have been deferred and are being amortized over a period of seven years on the straight-line basis.

**4. DEPRECIATION AND AMORTIZATION**

The building is being depreciated in accordance with the straight-line method over a useful life of 40 years. The mortgage refinancing expense is being amortized in accordance with the straight-line method over a term of 12 years. Expenses incurred in connection with the J-51 real estate abatement program are being amortized in accordance with the straight-line method over a term of 11 years. Building improvements are being depreciated in accordance with the straight-line method over a useful life of 27.5 years.

**5. CORPORATION INCOME TAXES**

The Corporation has incurred cumulative net operating losses for tax purposes which are available to be carried forward to future tax periods. Federal income tax is computed pursuant to Subchapter T of the Internal Revenue Code. New York State Franchise and New York City Corporation taxes are calculated by utilizing special tax rates available to cooperative housing corporations, based on the Corporation's capital base. Corporation tax for the years ended December 31, 2016 and 2015 was as follows:

	<u>2016</u>	<u>2015</u>
NY City Corporation Tax	\$ 845	\$ 583
NYS Franchise Tax	\$ 1,308	\$ 705
NYS MTT Tax	<u>\$ 20</u>	<u>\$ 34</u>
	\$ 2,173	\$ 1,322



**83-25 VIETOR AVENUE OWNERS CORP.**

**Notes to Financial Statements**

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**6. GAS LINE REPLACEMENT**

During 2016, National Grid detected a gas leak and suspended service to the building until the repair were completed. The repair work was extensive, with a cost in excess of \$100,000. As a result of not having the gas supply to heat the building, fuel oil was used until the repairs were completed. An insurance claim was filed for reimbursement of these repairs, but at this time it is not possible to estimate the extent of this insurance reimbursement. The increased consulting fees were due to this gas leak.

**7. REPAIRS AND MAINTENANCE EXPENSES**

The extensive repairs to the boiler were completed in 2015.

**8. STOCKHOLDER INCOME TAX DEDUCTIONS**

Under the provisions of Section 216 of the Internal Revenue Code, a tenant stockholder of a Cooperative apartment is entitled to deduct from personal gross income a proportionate share of real estate tax and mortgage interest paid or incurred by the Corporation. These deductions are only available if the taxpayer itemizes tax deductions.

For the years ended December 31, 2016 and 2015, stockholder of the Corporation received personal income tax deductions of \$3.4450 and \$3.1585 per share, respectively, for real estate tax (exclusive of reductions for abatement programs and \$4.8301 and \$4.7900 per share, respectively, for mortgage interest.

**9. CONCENTRATION OF CREDIT RISK**

The Corporation maintains its cash in bank deposit accounts at financial institutions which, at times, may exceed federally insured limits and in money market funds that are not FDIC insured. The Corporation has not experienced any losses in such accounts.

**10. CLAIMS OR LITIGATION**

From time to time, claims or matters of litigation may arise in the ordinary conduct of the Corporation's business. As of December 31, 2016, the Board of Directors was not aware of any claims or litigation against the Corporation.

**11. REAL ESTATE TAXES**

The Corporation will implement a special assessment to offset the annual cooperative tax abatement resulting in lower real estate costs to the Corporation.

83-25 VIETOR AVENUE OWNERS CORP.

Notes to Financial Statements

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**12. DATE OF MANAGEMENT'S REVIEW**

In preparing the financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through July 15, 2017, the date that the financial statements were available to be issued.

July 15, 2017

DiVenti & Lee CPA's P.C.  
67 Grand Avenue  
Massapequa, New York 11758

This representation letter is provided in connection with your audit of the financial statements of 83-25 Vietor Avenue Owners Corp., which comprise the balance sheets as of December 31, 2016 and 2015, and the related statements of operations, retained earnings (deficit), and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of July 15, 2017, the following representations made to you during your audit.

#### Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 15, 2017, including our responsibility for the preparation and fair presentation of the financial statements.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility for 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Material concentrations have been properly disclosed in accordance with U.S. GAAP.

11) Guarantees, whether written or oral, under which the Company is contingently liable, have been properly recorded or disclosed in accordance with U.S. GMP.

**Information Provided**

12) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
- b) Additional information that you have requested from us for the purpose of the audit.
- c) Unrestricted access to persons within the Company from whom you determined it necessary to obtain audit evidence.

13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

15) We have no knowledge of any fraud or suspected fraud that affects the Company and involves:

- a) Management,
- b) Employees who have significant roles in internal control, or
- c) Others where the fraud could have a material effect on the financial statements.

16) We have no knowledge of any allegations of fraud or suspected fraud affecting the Company's financial statements communicated by employees, former employees, analysts, regulators, or others.

17) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

18) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

19) We have disclosed to you the identity of the Company's related parties and all the related party relationships and transactions of which we are aware.

20) The Company has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

21) We acknowledge our responsibility for presenting the supplementary information in accordance with U.S. GMP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GMP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_