



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

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Attorney General

DIVISION OF ECONOMIC JUSTICE
REAL ESTATE FINANCE BUREAU

(212) 416-6384

January 23, 2015

Lee Pokoik And Gary Pokoik
c/o Franklin J. Barr, Esq
Attention: Franklin Barr
12 Beekman Place
New York, NY 10022

RE: 221 East 76th Street
File Number: C 800496 Amendment No: 37
Date Amendment Filed: 01/14/2015 Filing Fee: \$225.00
Receipt Number: 129070

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,

A handwritten signature in blue ink that reads "Lisa Wallace". To the right of the signature is a circular stamp containing the initials "LB".

Lisa Wallace
Assistant Attorney General

THIRTY-SEVENTH AMENDMENT
TO THE OFFERING PLAN - A PLAN
TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT
221 EAST 76TH STREET
NEW YORK, NEW YORK

The offering plan - a plan to convert to cooperative ownership premises at 221 East 76th Street, New York, New York dated April 15, 1982, as amended, is hereby further amended as follows:

1 Updated financial Information

This Amendment is presented pursuant to the requirements of the Department of Law and contains the following up-to-date information regarding the building subject to the offering Plan:

- a. Annexed hereto as Exhibit A is the list of Unsold Shares and the Apartments to which they are allocated, all of which are held by Lee Pokoik and Gary Pokoik, the hereinafter collectively referred to as "Holder of Unsold Shares".
- b. The aggregate maintenance of all Apartments owned by the Holder of Unsold Shares is \$4,410.75. The monthly maintenance is shown on the annexed Exhibit "A".
- c. The aggregate monthly rents received from tenants of the Apartments owned the Holder of Unsold Shares is \$6,217.76.
- d. The Holder of Unsold Shares does not have any financial obligations to the Apartment Corporation which will become due within the twelve month (12) months from the date of this Amendment other than the payment of maintenance.
- e. The Unsold Shares have not been used as collateral and are not subject to a loan commitment.

f. The means by which the payments/obligations disclosed in subparagraph (b) above will be funded are as follows:

(1) Rents received from tenants of Apartments owned by Sponsor/Holder of Unsold Shares

(2) Projected sales of Unsold Apartments.

(3) Other assets of the holder of Unsold Shares

g. The Holder of Unsold Shares is current and was current during the year prior to the filing of this amendment on all of its financial obligations under the Offering Plan including all monthly maintenance

h. The following is a list of all other buildings in which the principals of the Holder of Unsold Shares have more than a ten (10%) percent ownership interest in shares or Apartments:

a. 69-10 Yellowstone Boulevard
Forest Hills, New York

b. 99-45 67th Road
Forest Hills, New York

i. The Holder of Unsold Shares is current in all of its financial obligations in all other cooperatives that it has an ownership interest of more than ten (10%) percent of the shares or apartments. The offering Plans for the aforementioned buildings are on file with the Department of Law and are available for public inspection.

j. The Holder of Unsold Shares does not control the Board of Directors of the Apartment Corporation. The current members of the Board of Directors are: ????

Tanya Walker
Jonathan Pokoik*
Diane Schadoff
Daniell Valenti
Clarissa Season

* Director related to Holder of Unsold Shares.

2. Financial Statement

Annexed is a copy of the Independent Auditors Report (“Report”) for the period ending December 31, 2013. No projected budget was available for inclusion in this amendment.

3. Sales Prices and Maintenance

The current Sales Prices and monthly maintenance for the apartments are shown on the annexed Schedule “A”.

4. Except as set forth herein there are no material changes to the terms and conditions of the Offering Plan.

Dated: January 14, 2015

Lee Pokoik and Gary Pokoik
Holder of Unsold Shares

Exhibit A

<u>Apts.</u>	<u>Shares</u>	<u>Maintenance</u>	<u>Sales Price</u>
2C	183	\$ 976.02	\$540,000
3D	182	970.69	545,000
3E	139	741.34	385,000
6A	199	1,061.35	555,000
6F	124	661.35	385,000
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5	827	\$4,410.75	

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Independent Auditors' Report

221 EAST 76TH ST. OWNERS CORP.
221 East 76th Street
New York, NY 10021

We have audited the accompanying balance sheets of 221 East 76th St. Owners Corp. as of December 31, 2013, and 2012, and the related statement of income, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provided a reasonable basis for our opinion.

As described in Note D, the Company has not performed any estimates of the remaining useful lives and replacement costs of the common property and, therefore, has not presented the estimated future costs of major repairs and replacements that is required by the American Institute of Certified Public Accountants as a supplement to, although is not required to be part of, the basic financial statements. We have applied certain limited procedures which consisted principally of inquiries of management regarding the method of measurement of such information. However, we did not audit the information and do not express any opinion on it.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 221 East 76th St. Owners Corp. as of December 31, 2013, 2012 and the result of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America.



Ling Qin

CPA, EA

March 28, 2014

221 EAST 76TH ST. OWNERS CORP.
Balance Sheet
December 31, 2013 and 2012

	<u>December 31,</u>	
	<u>2013</u>	<u>2012</u>
ASSETS		
Current Assets		
Cash	\$ 36,926	\$ 12,987
Prepaid Expenses	1,783	4,343
Shareholder Maintenance Receivable	8,697	2,488
Total Current Assets	47,406	19,818
Fixed Assets		
Land	115,399	115,399
Building and Other Assets	1,460,282	1,405,552
Less: Accumulated Depreciation	(1,222,971)	(1,181,109)
Total Fixed Assets	352,710	339,842
Total Assets	400,116	359,660
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accrued Expenses	12,321	\$ 9,576
Line of Credit (Note C)	83,897	83,897
State and Local Taxes Payable	6,832	3,759
Total Liabilities	103,050	97,232
Stockholders' Equity		
Common Stock, \$1 par value		
6,370 shares authorized and issued	6,370	6,370
Paid in Capital	1,211,145	1,211,145
Retained Earnings	(920,449)	(955,087)
Total Stockholders' Equity	297,066	262,428
Total Liabilities and Stockholders' Equity	400,116	359,660

See accompanying notes to Financial Statements

221 EAST 76TH ST. OWNERS CORP.
Statement of Income and Retained Earnings
For the Years Ending December 31, 2013 and 2012

	<u>For the year ended December 31,</u>	
	<u>2013</u>	<u>2012</u>
REVENUES		
Maintenance Income	\$ 393,185	\$ 408,004
Assessment Income	84,798	0
Real Estate Tax Abatement	31,405	28,204
Laundry Income	6,092	4,777
Total Revenue	<u>515,480</u>	<u>440,985</u>
EXPENSES		
Water and Sewer	10,965	15,276
Fuel	42,936	39,110
Repairs	9,580	21,723
Utilities	9,833	9,317
Salaries - Superintendent and Doorman	84,193	83,592
Insurance	18,498	16,130
Interest Expense	3,180	3,188
Professional Fees	7,521	17,219
Management Fees	18,000	18,000
Payroll Taxes	8,554	9,898
Real Estate Taxes	197,593	191,703
Maintenance and Supplies	11,191	17,567
Exterminator	1,370	1,185
State and Local Taxes	2,414	2,021
Elevator Maintenance	3,560	6,318
Permits and Dues	5,643	1,665
Miscellaneous	3,949	5,211
Total Expenses	<u>438,980</u>	<u>459,123</u>
(LOSS) FROM OPERATIONS BEFORE DEPRECIATION	76,500	(18,138)
DEPRECIATION	(41,862)	(41,604)
INCOME (LOSS) BEFORE PROVISION FOR FEDERAL INCOME TAXES	<u>34,638</u>	<u>(59,742)</u>
PROVISION FOR FEDERAL INCOME TAXES	0	0
NET INCOME (LOSS)	<u><u>34,638</u></u>	<u><u>(59,742)</u></u>
RETAINING EARNINGS (DEFICIT) AT BEGINNING OF YEAR	<u>(955,087)</u>	<u>(895,345)</u>
RETAINING EARNINGS (DEFICIT) AT END OF YEAR	<u><u>(920,449)</u></u>	<u><u>(955,087)</u></u>

See accompanying notes to Financial Statements

221 EAST 76TH ST. OWNERS CORP.
Statement of Cash Flows
December 31, 2013 and 2012

	December 31,	
	2013	2012
CASH FLOWS FROM OPERATION ACTIVITIES		
Net Income (Loss)	\$ 34,638	\$ (59,742)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	41,862	41,604
Decrease (Increase) In -		
Prepaid Expenses	2,560	3,475
Shareholder Maintenance Receivable	(6,209)	6,334
Improvements to Building	(54,730)	0
Accrued Expenses	2,745	685
Insurance Payable	0	0
State and Local Taxes	3,073	(685)
Net Cash Provided by Operating Activities	(10,699)	51,413
Cash Flows from Financial Activities:		
Line of Credit	0	0
Net Cash Provided by Financial Activities	0	0
NET INCREASE (DECREASE) IN CASH	23,939	(8,329)
CASH AT THE BEGINNING OF YEAR	12,987	21,316
CASH AT THE END OF YEAR	36,926	12,987
SUPPLEMENTAL DISCLOSURES -		
Cash paid during the year for taxes	2,414	2,021
Interest paid	3,180	3,188

See accompanying notes to Financial Statements

221 EAST 76TH ST. OWNERS CORP.
Notes to Financial Statements
December 31, 2013 and 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The 221 East 76th St. Owners Corp. (The "Company") prepares its financial statement for reporting purposes on the accrual basis of accounting in conformity with generally accepted accounting principles in the United States of America. Under this method of accounting, income is recognized when earned and expenses are recognized when incurred. For tax purposes, the tax returns are prepared on the cash basis of accounting. Under this method of accounting, certain revenues are recognized when received rather than when earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

PROPERTIES AND DEPRECIATION

The Company purchased the land and building, located at 221 East 76th Street on January 11, 1983. Building and building improvements are stated at cost and depreciated on the straight line method over an estimated useful life of 27.5 to 40 years. Other assets are also being depreciated on the straight line method but over shorter useful lives. Maintenance and repairs are expensed as incurred. Expenditures which significantly increase asset values or extend useful lives are capitalized.

TAX STATUS

Under Internal Revenue Code Section 216, the Company is considered a Cooperative Housing Company. Real estate taxes paid or incurred by the Company are therefore reverted to the tenant-stockholders. These expenses are deductible by them on their personal tax returns on a pro-rata basis, based upon the number of shares owned and the date of purchase.

USE OF ESTIMATES

The presentation of financial statements 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

221 EAST 76TH ST. OWNERS CORP.
Notes to Financial Statements
December 31, 2013 and 2012

NOTE B - NET OPERATING LOSS CARRYFORWARD

As of December 31, 2013, the Company has not utilized net operating losses for Federal tax purposes in the amount \$547,971 which may be used to offset future taxable income, if any. Unless utilized, these losses in the amounts of \$24,083, \$47,990, \$50,119, \$44,456, \$40,410, \$20,548, \$50,415, \$31,068, \$40,645, \$41,076, \$58,366, \$40,097, AND \$58,698 will expire in 2013, 2014, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, and 2031 respectively,

NOTE C - OPERATING COSTS AND MAJOR REPAIRS AND REPLACEMENTS

The corporation has incurred additional financing for the replacement costs of the building's systems and major components in accordance with the corporation's governing documents.

A secured Line of Credit in the amount of \$500,000 was established in March 2007 with Capital One Bank. The interest rate is based on the Bank's prime rate plus .50%. The interest rate as of December 31, 2013 is 3.75%. This is a revolving line of credit with minimum monthly-payments being interest only. At December 31, 2013, the balance is \$83,897.

NOTE D - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Company does not require the accumulation of funds to be available for major repairs and replacements. The Company 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. Should additional funds be required to meet future needs for major repairs and replacements, the Company has the right to borrow, increase maintenance charges, pass special assessments, or delay repairs and replacements until funds are available. The effect on future assessments has not been determined at this time.

221 EAST 76TH ST. OWNERS CORP.
Notes to Financial Statements
December 31, 2013 and 2012

