

BRYANT GARDENS CORP.
FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

BRYANT GARDENS CORP.
TABLE OF CONTENTS
DECEMBER 31, 2024 AND 2023

	Page
INDEPENDENT AUDITORS' REPORT	1
Balance Sheets	2
Statements of Loss	3
Statements of Retained Earnings (Deficit)	4
Statements of Cash Flows	5-6
Notes to Financial Statements	7-15
Schedule of Budget with Actual Operating Amounts	16-17
Detailed Schedule of Repairs	18



BLOOM AND STREIT LLP
CERTIFIED PUBLIC ACCOUNTANTS

MARK COHEN, CPA
WILLIAM J. RANK, CPA, CFP
LORI B. LERMAN, CPA

INDEPENDENT AUDITORS' REPORT

To the Board
BRYANT GARDENS CORP.

Opinion

We have audited the accompanying financial statements of Bryant Gardens Corp., which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of loss, retained earnings (deficit) and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Bryant Gardens Corp., as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We have conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bryant Gardens Corp., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bryant Gardens Corp.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Bryant Gardens Corp.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bryant Gardens Corp.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of budget with actual operating amounts and detailed schedule of repairs are presented for purposes of additional analysis and are not a required part of the financial statements. Such information, except for the portion marked "unaudited" is the responsibility of the entity's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Omission of Required Supplementary Information about Future Major Repairs and Replacements

Management has not estimated the remaining lives and replacement costs of the 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 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, which 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 this missing information.

Bloom and Streit LLP

BLOOM AND STREIT LLP
Certified Public Accountants
March 17, 2025

BRYANT GARDENS CORP.

Balance Sheets

As of December 31,

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash in Operating Account	32,022	31,191
Cash in Bank - Money Market Account	0	2,794
Cash in Bank - Security Deposits	67,868	61,003
Cash in Bank - Reserve Fund	173,634	198,132
Investments at amortized cost- Reserve Fund	832,206	1,387,812
Miscellaneous Receivable	6,598	0
Tenants' Accounts Receivable	14,977	21,254
Mortgagee Escrow Deposits	822,009	788,902
Prepaid Expenses	91,586	5,003
Total	<u>2,040,900</u>	<u>2,496,091</u>
Less: Allocated to Funds and Deposits (see below)	<u>(1,073,708)</u>	<u>(1,646,947)</u>
Total Current Assets	<u>967,192</u>	<u>849,144</u>
FUNDS		
Contingency Reserve:		
Allocated from Current Assets (see above)	<u>1,005,840</u>	<u>1,585,944</u>
PROPERTY AND EQUIPMENT -		
Net Book Value	<u>7,663,193</u>	<u>7,721,221</u>
OTHER ASSETS		
Security Deposits (see above)	67,868	61,003
Investment in National Cooperative Bank	109,053	109,053
Total Other Assets	<u>176,921</u>	<u>170,056</u>
TOTAL ASSETS	<u><u>9,813,146</u></u>	<u><u>10,326,365</u></u>

	<u>2024</u>	<u>2023</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts Payable	257,621	391,780
Accounts Payable - Capital Improvements	8,850	0
Accrued Interest	44,405	45,877
Real Estate Tax Rebate Due to Stockholders	21,485	23,488
Rents Received in Advance	53,011	37,346
Security Deposits	67,868	61,003
Mortgage Payable - Amortization Payments due within one year (Net of Unamortized Debt Issuance Costs)	<u>393,147</u>	<u>373,926</u>
Total Current Liabilities	<u>846,387</u>	<u>933,420</u>
LONG-TERM LIABILITIES		
Mortgage Payable - Net of Payments due within one year	11,337,613	11,746,421
Less: Unamortized Debt Issuance Costs	<u>(37,845)</u>	<u>(53,505)</u>
Total Long-Term Liabilities	<u>11,299,768</u>	<u>11,692,916</u>
STOCKHOLDERS' DEFICIT		
Common Stock \$1.00 par value; 120,000 shares authorized, 113,065 shares issued and 112,620 shares outstanding	113,065	113,065
Paid-in Capital	2,989,897	2,989,897
Retained Earnings (Deficit)	<u>(5,295,971)</u>	<u>(5,262,933)</u>
Total	<u>(2,193,009)</u>	<u>(2,159,971)</u>
Less: Treasury Stock - 445	<u>(140,000)</u>	<u>(140,000)</u>
Total Stockholders' Deficit	<u>(2,333,009)</u>	<u>(2,299,971)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>9,813,146</u>	<u>10,326,365</u>

See See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Statements of Loss

For the Year Ended December 31,

	<u>2024</u>	<u>2023</u>
INCOME		
Carrying Charges	5,196,769	4,972,994
Garage Income	157,637	159,323
Rental Income	60,320	58,790
Verizon Fee Income	0	10,500
Laundry Room Income	31,200	65,700
Storage Units	20,465	25,400
Interest and NCB Dividend Income	60,225	92,954
Miscellaneous Income	14,253	8,953
Total Income	<u>5,540,869</u>	<u>5,394,614</u>
EXPENSES		
Administrative Expenses	233,900	223,793
Maintenance Expenses	1,461,997	1,574,103
Utilities Expenses	829,554	832,890
Taxes and Insurance Expenses	2,041,156	1,921,372
Financial Expenses	532,282	547,812
	15,660	15,660
Total Expenses Before Depreciation	<u>5,114,549</u>	<u>5,115,630</u>
NET INCOME BEFORE DEPRECIATION	426,320	278,984
Depreciation	<u>(459,358)</u>	<u>(441,555)</u>
NET LOSS FOR THE YEAR	<u>(33,038)</u>	<u>(162,571)</u>

See See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Statements of Retained Earnings (Deficit)

For the Year Ended December 31,

	<u>2024</u>	<u>2023</u>
RETAINED EARNINGS (DEFICIT) - Beginning of Year	(5,262,933)	(5,100,362)
Net Loss for the Year	<u>(33,038)</u>	<u>(162,571)</u>
RETAINED EARNINGS (DEFICIT) - End of Period	<u><u>(5,295,971)</u></u>	<u><u>(5,262,933)</u></u>

See See accompanying notes and auditors' report

BRYANT GARDENS CORP.**Statements of Cash Flows**

For the Year Ended December 31,

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities		
Net Loss	(33,038)	(162,571)
Adjustments to reconcile net loss to net cash (used) provided by operating activities:		
Depreciation	459,358	441,555
Interest Expense - Debt Issuance Costs	15,660	15,660
Revenue allocated to financing activities	(389,587)	(374,114)
Decrease (Increase) in operating assets:		
Tenants' Accounts Receivable	6,277	(1,638)
Other Receivables	(6,598)	0
Mortgagee Escrow Accounts	(33,107)	(38,141)
Prepaid Expenses	(86,583)	4,371
Increase (Decrease) in operating liabilities:		
Accounts Payable	(134,159)	146,941
Accrued Interest	(1,472)	(1,415)
Real Estate Tax Rebate Due to Stockholders	(2,003)	(2,642)
Rents Received in Advance	15,665	(3,388)
Security Deposits	6,865	5,325
Net cash (used) provided by operating activities	<u>(182,722)</u>	<u>29,943</u>
Cash Flows From Investing Activities		
Purchase of Property and Equipment	(392,480)	(527,705)
Purchase of Investments	(1,832,206)	(2,602,812)
Proceeds from Maturity of Investments	2,387,812	2,911,000
Net cash provided (used) by investing activities	<u>163,126</u>	<u>(219,517)</u>
Cash Flows From Financing Activities		
Portion of Carrying Charges applied to Amortization of Mortgage	389,587	374,114
Amortization of Mortgage	(389,587)	(374,114)
Net cash provided (used) by financing activities	<u>0</u>	<u>0</u>
Decrease in Cash and Cash Equivalents (carryforward)	(19,596)	(189,574)

See accompanying notes and auditors' report

BRYANT GARDENS CORP.**Statements of Cash Flows****For the Year Ended December 31,**

	<u>2024</u>	<u>2023</u>
Decrease in Cash and Cash Equivalents (carryforward)	(19,596)	(189,574)
Cash and Cash Equivalents at Beginning of Year	<u>293,120</u>	<u>482,694</u>
Cash and Cash Equivalents at End of Year (see below)	<u><u>273,524</u></u>	<u><u>293,120</u></u>
Represented by:		
Cash in Operating Account	32,022	31,191
Cash in Bank - Money Market Account	0	2,794
Cash in Bank - Security Deposits	67,868	61,003
Cash in Bank - Reserve Account	<u>173,634</u>	<u>198,132</u>
Cash and Cash Equivalents (as above)	<u><u>273,524</u></u>	<u><u>293,120</u></u>
Supplemental Disclosure:		
Taxes Paid - State	<u>4,600</u>	<u>2,000</u>
Interest Paid	<u><u>533,754</u></u>	<u><u>549,227</u></u>

See accompanying notes and auditors' report

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2024 and 2023

Note 1

Organization

Bryant Gardens Corp., a 409 unit Cooperative Housing Corporation (the Corporation), acquired land, buildings and improvements (the Property) from Bryant Gardens Associates (the Sponsor), on September 15, 1981 and commenced operations on that date. The common real property included in this acquisition consists of parking facilities, public hallways, roofs, sidewalks and professional office space. All of the cooperative's outstanding stock is owned by the residential tenants of the buildings. The primary purpose of the cooperative is to manage the operations of the buildings and maintain the common elements.

Note 2

Summary of Significant Accounting Policies

The financial statements have been presented in accordance with the accounting principles prescribed by the audit and accounting guide for common interest realty associations issued by the American Institute of Certified Public Accountants. The guide describes conditions and procedures unique to the industry (including cooperative housing corporations and condominium associations) and illustrates the form and content of the financial statements of common interest realty associations as well as informative disclosures relating to such statements. In addition, the guide requires that all revenues from tenant-stockholders, including maintenance charges and special assessments, be recognized as revenue in the statements of loss.

For purposes of the statement of cash flows, the cooperative considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

The cooperative classifies its marketable debt securities as "held to maturity" since it has the positive intent and ability to hold the securities to maturity. Securities classified as "held to maturity" are carried at amortized cost, including accrued interest.

Tenant-stockholders are subject to monthly charges to provide funds for the cooperative's operating expenses, future capital acquisitions, and major repairs and replacements. Tenants' Accounts Receivable at the balance sheet date represent various fees due from tenant-stockholders. The cooperative's policy is to retain legal counsel and place liens on the shares of stock of tenant-stockholders whose assessments are delinquent. Any excess charges at year end are retained by the cooperative for use in the succeeding year.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2024 and 2023

Note 2

Summary of Significant Accounting Policies - continued

Property and equipment is being carried at cost. Depreciation of the buildings, improvements and equipment is being computed from the date of acquisition by various methods over periods from ten to forty years.

Costs incurred in obtaining long-term financing, included under mortgage payable on the balance sheets, are amortized on a straight-line basis, which approximates the effective interest method, over the terms of the related debt agreement. The amortization of these costs are being recognized as interest expense-debt issuance costs on the statements of loss.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

The cooperative accounts for certain revenue items differently for financial reporting and income tax purposes. The principal differences are permanent in nature and relate to any portion of maintenance charges and special assessments allocated for mortgage amortization and capital improvements which are being accounted for as contributions to additional paid-in capital for income tax purposes whereas such items are recognized as revenue for financial reporting.

Tenant-stockholders are subject to monthly charges that provide funds for the cooperative's operating expenses and major repairs and replacements, and the revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The cooperative's performance obligations related to its ongoing annual charges are satisfied over time on a daily pro-rata basis using the input method.

The cooperative also recognizes revenues from non-member customers that generate additional funds for the cooperative's operating expenses and major repairs and replacements. The revenue from these ancillary operations is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The cooperative's performance obligations related to these other revenue sources are satisfied over time on a daily pro-rata basis using the input method.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2024 and 2023

Note 2

Summary of Significant Accounting Policies - continued

The performance obligations related to special assessments and replacement fund (reserve fund) assessments are satisfied when these funds are expended for their designated purpose at transaction amounts expected to be collected using the input method. The cooperative recognizes revenue from special assessments and replacement fund (reserve fund) assessments as the related performance obligations are satisfied. A contract liability (assessments received in advance) is recognized when the cooperative has the right to receive payment in advance of the satisfaction of performance obligations related to replacement (reserve) assessments.

Note 3

Concentrations of Credit Risk

The cooperative maintains various bank and money market accounts that at times may exceed insured credit limits. The cooperative has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to such balances. However, should any of these institutions fail, the cooperative could suffer a loss.

The cooperative has investments in money funds which are not bank deposits or F.D.I.C. insured and are not guaranteed by the brokerage house. These funds are subject to investment risks including possible loss of the principal amount invested.

Note 4

Investments

The following investments were held by the cooperative as of December 31:

Fixed Income:	<u>2024</u>	<u>2023</u>
Amortized Cost	832,206	1,387,812
Fair Value	832,768	1,389,137

The following investments were held as of December 31, 2024:

	<u>Amortized Cost</u>	<u>Fair Value</u>
Due Within One Year	832,206	832,768
Due In One to Five Years	0	0
Due After Five Years	<u>832,206</u>	<u>0</u>
Total	832,206	832,768

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2024 and 2023

Note 4

Investments - continued

The cooperative measures expected credit losses on held to maturity debt securities on a collective basis by major security type. These securities are either explicitly or implicitly guaranteed by the US government, are highly rated by major rating agencies and have a long history of no credit losses. As a result, no allowance for credit losses was recorded on held to maturity securities as of December 31, 2024 and 2023.

Note 5

Property and Equipment

Property and Equipment consists of the following:

	<u>2024</u>	<u>2023</u>
Land	572,960	572,960
Buildings	5,255,727	5,255,727
Building Equipment	<u>14,801,773</u>	<u>14,400,443</u>
	20,630,460	20,229,130
Less: accumulated depreciation	<u>12,967,267</u>	<u>12,507,909</u>
Total Property and Equipment	<u>7,663,193</u>	<u>7,721,221</u>

Capital Improvements completed during the years ended December 31, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
HVAC/Heat Lines/Boiler	118,651	20,594
Apartment Renovation	0	(3,902)
Playground	0	129,702
Brickwork	0	154,204
Roofs	17,400	0
Waterproofing	243,484	132,971
Garages	21,795	0
Storage Lockers/Benches	<u>0</u>	<u>16,904</u>
	401,330	450,473

Depreciation expense for the years ended December 31, 2024 and 2023 was \$459,358 and \$441,555, respectively.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2024 and 2023

Note 6

Mortgage Payable

In May 2018, the cooperative refinanced their previous mortgage for a new mortgage in the amount of \$14,000,000. The mortgage requires monthly payments of \$76,945 applied first to interest at a rate of 4.39% and the remainder to the reduction of principal based on a 25-year amortization schedule. The mortgage matures June 1, 2028 at which time a balloon payment of approximately \$10,233,000 is due and payable.

Principal maturities of the mortgage are as follows:

2025	408,807
2026	427,379
2027	446,795
2028 (including payoff)	10,463,439

As part of the aforementioned refinancing, the cooperative has paid closing costs of approximately \$157,000 which are being amortized over the life of the mortgage.

As part of previous refinancings, the cooperative was required to purchase shares of NCB's Class B1 stock. Class B1 shares earn a patronage dividend payable in cash and Class B2 stock, as determined by NCB. Class B1 shares are redeemable by NCB upon satisfactory repayment of all loans made to or guaranteed by eligible customers. Class B2 shares are non-redeemable, non-transferable, and pay no dividends. As of December 31, 2024 and 2023, the cooperative owned approximately 1,091 Class B1 shares. Cash dividends of \$6,598 and \$15,930 were received during the years ended December 31, 2024 and 2023, respectively.

Note 7

Reserve Fund

The proceeds from all the mortgage refinancings have been added to the cooperative's existing investments to establish a reserve fund to finance capital improvements such as hallways, maintenance office, apartment and laundry renovations, new entrances, roof/window/garage door replacements, landscaping upgrades, danfoss valve replacements, signage, siding, boilers, gas conversion, waterproofing, parking lots, garage upgrades, charging stations and other assorted property improvements. During December 31, 2024 and 2023, the cooperative incurred capital improvement costs of approximately \$401,000 and \$450,000, respectively, related to the aforementioned items.

As of December 31, 2024 and 2023, the cooperative maintained a balance in the reserve fund of approximately \$1,006,000 and \$1,586,000, respectively.

BRYANT GARDENS CORP.

Notes to Financial Statements

December 31, 2024 and 2023

Note 8

Treasury Stock

In 2016, 445 shares, at a cost basis of \$140,000, were added as treasury stock from the acquisition of two units. The cost basis of the shares represents the unpaid carrying charges of the previous stockholders plus the costs of improvements to restore the apartments. The apartments are rented and the income is shown as Rental Income on the statements of loss.

Note 9

Real Estate Taxes - Tax Abatements

The cooperative is entitled to and has received tax abatements on behalf of its stockholders during 2024 and 2023. The abatements, which include Star, Veterans and Senior Citizens are passed on to the stockholders by direct payment or as a credit against carrying charges. Any undistributed abatements as of the fiscal year end have been included on the Balance Sheet in Current Liabilities as Real Estate Tax Rebate Due to Stockholders. As the abatements benefit the stockholders, the real estate tax expense reflected in these financial statements is gross of all the aforementioned tax abatements.

Note 10

Benefits

The cooperative participated in the 32BJ North Pension Fund, Employer Identification Number 13-1819138, Plan 001, for the years ended December 31, 2024 and 2023. The cooperative participated in this multi-employer plan, for the years ended December 31, 2024 and 2023 under the terms of collective -bargaining agreements that cover its union represented employees. This collective bargaining agreement expires September 30, 2026 and the cooperative has no intention of withdrawing from the plan.

The risks of participating in multi-employer plans are different from single-employer plans for the following reasons: 1) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, 2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers and 3) if the cooperative chooses to stop participating in its multi-employer pension plan, the cooperative may be required to pay the plan an amount based on the underfunded status of the plan, which is referred to as a withdrawal liability.

The zone status is based on information that the cooperative received from the plan and is certified by the plan's actuary. Plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are less than 80 percent funded and plans in the green zone are at least 80 percent funded. The most recent Pension Protect Act (PPA) zone status available is for the plan's year-end beginning January 1, 2023 and 2022. The certified zone status for the plan for both years was green.