

**160 MADISON AVENUE JOINT VENTURE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1998**

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CERTIFIED PUBLIC ACCOUNTANT

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160 MADISON AVENUE JOINT VENTURE
160 MADISON AVENUE
NEW YORK, NY 10016

GENTLEMEN:

I HAVE COMPILED THE ACCOMPANYING BALANCE SHEET OF 160 MADISON AVENUE JOINT VENTURE AS OF DECEMBER 31, 1998 AND THE RELATED STATEMENT OF INCOME FOR THE YEAR THEN ENDED, IN ACCORDANCE WITH STANDARDS ESTABLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

A COMPIILATION IS LIMITED TO PRESENTING IN THE FORM OF FINANCIAL STATEMENTS INFORMATION THAT IS THE REPRESENTATION OF MANAGEMENT. I HAVE NOT AUDITED OR REVIEWED THE ACCOMPANYING FINANCIAL STATEMENTS AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE ON THEM.

JERICHO, NY 11753
APRIL 28, 1999

Allan C. Cohn

ALLAN C COHN, CPA

**160 MADISON AVENUE JOINT VENTURE
BALANCE SHEET
DECEMBER 31, 1998**

ASSETS

DUE FROM AFFILIATED COMPANIES	\$ 96,232
LAND	125,000
BUILDING	\$ 911,250
LESS: ACCUMULATED DEPRECIATION	<u>878,665</u>
	32,585
INTANGIBLE ASSETS	28,226
LESS: ACCUMULATED AMORTIZATION	<u>21,186</u>
SECURITY DEPOSIT	7,040
PREPAID EXPENSES	505
	3,688
TOTAL ASSETS	\$ 265,050

LIABILITIES AND PARTNERS CAPITAL

CURRENT LIABILITIES

ACCOUNTS PAYABLE	63
MORTGAGE PAYABLE - CURRENT PORTION	<u>\$ 38,319</u>
TOTAL CURRENT LIABILITIES	38,382

LONG TERM LIABILITIES

MORTGAGE PAYABLE - LONG TERM	<u>\$ 308,867</u>
TOTAL LONG TERM LIABILITIES	<u>308,867</u>
TOTAL LIABILITIES	<u>\$ 347,249</u>

PARTNERS CAPITAL

JOHN SIMON	(18,840)
160 MADISON AVENUE OWNERS CORP	8,000
BERNAT MIKHLI	(11,267)
SHAMUIL MIKHLI	(11,267)
MOSES SHAYOWITZ	(11,267)
CLAUDE A SIMON	<u>(37,558)</u>
TOTAL PARTNERS CAPITAL	<u>(82,199)</u>
TOTAL LIABILITIES AND PARTNERS CAPITAL	<u>\$ 265,050</u>

160 MADISON AVENUE JOINT VENTURE
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 1998

RENTAL INCOME	\$ 201,600
INTEREST	1,839
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TOTAL INCOME	\$ 203,439

EXPENSES

AMORTIZATION	1,411
DEPRECIATION	48,447
FUEL	5,479
INSURANCE	6,549
INTEREST	32,042
OFFICE EXPENSE	387
PROFESSIONAL FEES	6,465
REPAIRS AND MAINTENANCE	21,596
SECURITY	2,204
TAXES	50,443
UTILITIES	3,539
ADMINISTRATIVE FEES	2,400
WATER	4,773
SPRINKLER	520
LICENSE & FEES	345
BANK CHARGES	105
SUPPLIES & PERMITS	719
MANAGEMENT	<u>7,656</u>

TOTAL EXPENSES	<u>195,080</u>
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NET PROFIT FROM RENTAL ACTIVITIES	\$ 8,359
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