

160 MADISON AVENUE JOINT VENTURE
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2003

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April 30th, 2004

160 Madison Avenue Joint Venture
160 Madison Avenue
New York, New York 10016

Gentlemen:

I have compiled the accompanying balance sheet for 160 Madison Avenue Joint Venture as of December 31, 2003 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 compilation is limited to presenting in the form of financial statements information that is 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.

Respectfully submitted,

ALLAN C. COHN, CPA

acc/am

**160 MADISON AVENUE JOINT VENTURE
BALANCE SHEET
DECEMBER 31, 2003**

ASSETS:

| | | |
|--------------------------------|----------------|--------------|
| Due from Affiliated Companies | | 62,393 |
| Land | | 125,000 |
| Building | 939,516 | |
| Less: Accumulated Depreciation | <u>939,516</u> | ---0--- |
| Intangible Assets | 28,226 | |
| Less: Accumulated Amortization | <u>28,226</u> | ---0--- |
| Deposits | | <u>1,279</u> |

TOTAL ASSETS: 188,672

LIABILITIES AND PARTNERS' CAPITAL:

CURRENT LIABILITIES:

| | | |
|------------------------------------|---------------|---------------|
| Mortgage Payable - Current Portion | <u>31,802</u> | |
| Total Current Liabilities | | <u>31,802</u> |

TOTAL LIABILITIES: 31,802

PARTNERS' CAPITAL:

| | |
|----------------------------------|---------------|
| John Simon | 31,015 |
| 160 Madison Avenue Owners' Corp. | 8,000 |
| Bernat Mikhli | 18,608 |
| Shamuil Mikhli | 18,610 |
| Moses Shayowitz | 18,610 |
| Claude A. Simon | <u>62,027</u> |

TOTAL PARTNERS' CAPITAL: 156,870

TOTAL LIABILITIES AND PARTNERS' CAPITAL: 188,672

**160 MADISON AVENUE JOINT VENTURE
STATEMENT OF INCOME
YEAR ENDED DECEMBER 31ST, 2003**

| | |
|-----------------------------|-------------------|
| Rental Income: | 201,600 |
| Interest | <u>588</u> |
| <u>TOTAL INCOME:</u> | 202,188 |

EXPENSES:

| | |
|--------------------------------|---------------------|
| Depreciation | 4,130 |
| Fuel | 8,217 |
| Insurance | 14,355 |
| Interest | 15,086 |
| Office Expense | 2,857 |
| Professional Fees | 5,200 |
| Repairs and Maintenance | 25,609 |
| Security | 11,580 |
| Taxes | 62,602 |
| Utilities | 5,624 |
| Administrative Fees | 2,400 |
| Water | 2,030 |
| Bank Charges | 150 |
| Management | 7,200 |
| Advertising Expense | <u>3,807</u> |

| | |
|-------------------------------|-----------------------|
| <u>TOTAL EXPENSES:</u> | <u>168,847</u> |
|-------------------------------|-----------------------|

| | |
|---|----------------------|
| <u>NET PROFIT from OPERATIONS:</u> | <u>33,341</u> |
|---|----------------------|