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**ELEVENTH AMENDMENT**

**TO**

**CONDOMINIUM OFFERING PLAN**

**THE CENTRIA CONDOMINIUM**  
**18 WEST 48<sup>TH</sup> STREET**  
**NEW YORK, NEW YORK 10017**

**Dated: June 3, 2010**

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**ELEVENTH AMENDMENT  
TO  
CONDOMINIUM OFFERING PLAN  
FOR  
THE CENTRIA CONDOMINIUM**

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This Eleventh Amendment (this "Amendment") modifies and supplements the terms of the Condominium Offering Plan for the premises known as The Centria Condominium at 18 West 48th Street, New York, New York 10017, first accepted for filing on March 14, 2005, as modified by the First Amendment dated April 7, 2005, the Second Amendment dated April 11, 2005, the Third Amendment dated November 5, 2005, the Fourth Amendment dated March 13, 2006, the Fifth Amendment dated March 23, 2007, the Sixth Amendment dated June 1, 2007, the Seventh Amendment dated March 19, 2008, the Eighth Amendment dated July 28, 2008, the Ninth Amendment dated December 4, 2008, and the Tenth Amendment dated June 10, 2009 (hereinafter collectively referred to as the "Plan"), and should be incorporated into and read in conjunction with the Plan.

The terms of this Eleventh Amendment are as follows:

**1. EXTENSION OF OFFERING PLAN**

The Plan, as modified and supplemented by this Amendment, is hereby extended for twelve (12) months following the Filing Date of this Amendment.

**2. BUDGET**

Attached hereto as Exhibit "A" is a copy of the current Budget for fiscal year 2010.

**3. FINANCIAL STATEMENTS**

Attached hereto as Exhibit "B" is a copy of the Condominium's financial statement for the fiscal year ended March 31, 2009. The financial statement for the fiscal year ended March 31, 2010 is currently being prepared.

**4. UNSOLD UNITS**

As of April 30, 2010, there are five (5) Unsold Units owned by the Sponsor. Attached hereto as Exhibit "C" is a list of the Unsold Units.

**5. CONTROL OF CONDOMINIUM BOARD AND RESIDENTIAL BOARD**

The Sponsor no longer controls either the Condominium Board or the Residential Board. The Sponsor relinquished control of the Board on November 5, 2008.

**6. INCORPORATION OF THE PLAN**

The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth at length.

**7. DEFINITIONS**

All terms used in this Amendment not otherwise defined herein shall have the same meanings ascribed to them in the Plan.

**8. NO MATERIAL CHANGES**

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

**SPONSOR**

The RC House LLC

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## **EXHIBIT “A”**

### **BUDGET**

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**CENTRIA CONDOMINIUM**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES**  
**BUDGET, HISTORICAL AND FORECAST**

	<b>For The Year</b>		<b>Next Year</b>
	<b>April 1, 2009 - March 31, 2010</b>		<b>April 1, 2010 - March 31, 2011</b>
	<b>Budget</b>	<b>Actual</b>	<b>Forecast</b>
	<b>(Unaudited)</b>		<b>(Unaudited)</b>
<b><u>Revenues</u></b>			
Member assessments	\$ 2,092,151		\$ 2,072,855
Late fees	5,000		5,000
Laundry income	2,000		1,500
Other income	2,500		2,500
Total revenues	2,101,651		2,081,855
<b><u>Expenses</u></b>			
Salaries	755,935		776,359
Employee benefits	193,253		281,788
Payroll taxes	63,897		65,459
Utilities	282,458		269,306
Management fees	53,833		55,980
Professional fees	31,500		33,500
Insurance	130,645		91,641
Repairs and maintenance	261,928		270,966
Water and sewer	50,000		26,757
Telephone	10,000		10,000
Administrative	17,400		121,468
Taxes - resident manager's unit	6,000		3,600
Mortgage interest - resident manager's unit	92,268		60,032
Fees	3,500		4,000
Uniforms	5,000		10,000
Income taxes	1,000		1,000
Miscellaneous	-		-
Total expenses	1,958,617		2,081,856
<b>Deficiency of revenues over expenses before depreciation and amortization</b>	143,034		(1)
Funding of 2010 projected reserve	(143,034)		-
Depreciation and amortization	-		-
<b>Deficiency of revenues over expenses</b>	\$ -		\$ (1)

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**EXHIBIT “B”**

**FINANCIAL STATEMENTS**

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**CENTRIA CONDOMINIUM**  
**FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED**  
**MARCH 31, 2009 AND 2008**

TARLOW & CO., C.P.A.'S



## CENTRIA CONDOMINIUM

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TARLOW & CO., C.P.A.'S



TARLOW & CO., C.P.A.'S  
A PROFESSIONAL CORPORATION

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### **INDEPENDENT AUDITOR'S REPORT**

To the Board of Managers and Unit Owners  
Centria Condominium  
New York, New York

We have audited the accompanying balance sheets of Centria Condominium as of March 31, 2009 and 2008, and the related statements of revenues and expenses, changes in members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our 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 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Centria Condominium as of March 31, 2009 and 2008 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.

As discussed in Note 5, Centria Condominium has not estimated the remaining lives and replacement costs of the common property and, therefore, has not presented supplementary information on future major repairs and replacements that accounting principles generally accepted in the United States of America require to supplement, although not be a part of, the basic financial statements.

*Tarlow & Co., C.P.A.'s*

New York, New York  
July 30, 2009

## CENTRIA CONDOMINIUM

## BALANCE SHEETS

AS OF MARCH 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 1,233,435	\$ 655,177
Assessments receivable	79,769	134,504
Prepaid expenses	7,668	15,495
Other assets	20,000	-
Investment in resident manager's apartment (net of accumulated depreciation of \$39,664 in 2009 and \$13,221 in 2008)	<u>1,018,044</u>	<u>1,044,487</u>
<b>Total assets</b>	<b><u>\$ 2,358,916</u></b>	<b><u>\$ 1,849,663</u></b>

**LIABILITIES AND MEMBERS' EQUITY**

<b><u>Liabilities</u></b>		
Accounts payable and accrued expenses	\$ 209,573	\$ 157,733
Assessments received in advance	158,224	51,695
Mortgage payable	<u>989,775</u>	<u>997,550</u>
<b>Total liabilities</b>	1,357,572	1,206,978
Members' equity	<u>1,001,344</u>	<u>642,685</u>
<b>Total liabilities and members' equity</b>	<b><u>\$ 2,358,916</u></b>	<b><u>\$ 1,849,663</u></b>

TARLOW &amp; CO., C.PA.'S

The accompanying notes are an integral part of these financial statements.

**CENTRIA CONDOMINIUM**

**STATEMENTS OF REVENUES AND EXPENSES**

**FOR THE YEARS ENDED MARCH 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b><u>Revenues</u></b>		
Member assessments	\$ 2,070,206	\$ 1,959,068
Late fees	56,287	6,135
Laundry income	3,546	1,864
Other income	<u>28,172</u>	<u>4,777</u>
Total revenues	<u>2,158,211</u>	<u>1,971,844</u>
<b><u>Expenses</u></b>		
Salaries	732,623	605,445
Employee benefits	185,062	77,969
Payroll taxes	60,633	58,609
Utilities	214,638	190,651
Management fees	51,831	49,827
Professional fees	27,268	15,453
Insurance	110,823	123,807
Repairs and maintenance	252,376	187,429
Water and sewer	45,178	46,732
Telephone	9,871	11,904
Administrative	14,391	15,155
Taxes - resident manager's unit	2,328	9,494
Mortgage interest - resident manager's unit	91,504	34,682
Other interest expense	-	2,714
Fees	4,110	3,170
Uniforms	3,086	18,264
Income taxes	1,822	480
Miscellaneous	<u>2,271</u>	<u>677</u>
Total expenses	<u>1,809,815</u>	<u>1,452,462</u>
<b>Excess of revenues over expenses before depreciation and amortization</b>	348,396	519,382
Depreciation and amortization	<u>(26,443)</u>	<u>(13,221)</u>
<b>Excess of revenues over expenses</b>	<u>\$ 321,953</u>	<u>\$ 506,161</u>

TARLOW &amp; CO., C.P.A.'S

The accompanying notes are an integral part of these financial statements.

**CENTRIA CONDOMINIUM**

**STATEMENTS OF CHANGES IN MEMBERS' EQUITY**

**FOR THE YEARS ENDED MARCH 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
Members' equity - beginning of period	\$ 642,685	\$ -
Capital contributions	36,706	136,524
Excess of revenues over expenses	<u>321,953</u>	<u>506,161</u>
Members' equity- end of period	<u>\$ 1,001,344</u>	<u>\$ 642,685</u>

TARLOW & CO., C.PA.'S

The accompanying notes are an integral part of these financial statements.

**CENTRIA CONDOMINIUM**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED MARCH 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b><u>Cash flows from operating activities</u></b>		
Excess of revenues over expenses	\$ 321,953	\$ 506,161
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities		
Depreciation	26,443	13,221
(Increase) decrease in:		
Assessments receivable	54,735	(134,504)
Prepaid expenses	7,827	(15,495)
Other assets	(20,000)	-
Increase in:		
Accounts payable and accrued expenses	51,840	157,733
Assessments received in advance	<u>106,529</u>	<u>51,695</u>
Net cash provided by operating activities	<u>549,327</u>	<u>578,811</u>
<b><u>Cash flows from investing activities</u></b>		
Purchase of resident manager's apartment	<u>-</u>	<u>(1,057,708)</u>
<b><u>Cash flows from financing activities</u></b>		
Proceeds from mortgage	-	1,000,000
Payments to reduce mortgage	(7,775)	(2,450)
Capital contributions	<u>36,706</u>	<u>136,524</u>
Net cash provided by financing activities	<u>28,931</u>	<u>1,134,074</u>
Net increase in cash	578,258	655,177
Cash and cash equivalents at beginning of period	<u>655,177</u>	<u>-</u>
Cash and cash equivalents at end of period	<u>\$ 1,233,435</u>	<u>\$ 655,177</u>
<b><u>Supplemental disclosure of cash flow information</u></b>		
Cash paid for interest	\$ 84,492	\$ 37,396
Cash paid for income taxes	\$ 1,151	\$ -

TARLOW &amp; CO., C.P.A.'S

The accompanying notes are an integral part of these financial statements.

**CENTRIA CONDOMINIUM**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS**

Centria Condominium ("the Association") is a statutory condominium association organized in the State of New York on March 29, 2006. The Association is organized for the purposes of preserving the common property of the condominium. The condominium consists of 152 residential units and one commercial unit in New York City. The condominium sponsor currently owns 10 residential units and one commercial unit.

The Association maintains a Residential Board of Managers and a Commercial Board of Managers.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Cash equivalents**

The Association classifies all highly liquid debt instruments with original maturities of three months or less as cash equivalents. Cash includes cash in checking and savings accounts.

**Member assessments**

Association members are subject to monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Assessments receivable at the balance sheet date represent fees due from unit owners at March 31, 2009 and 2008, respectively. The Association's policy is to retain legal counsel and place liens on the units of members whose assessments are unreasonably delinquent. In addition, late fees are assessed once a member is thirty days in arrears. Assessments received in advance represent assessments prepaid by unit owners.

At March 31, 2009, one residential unit is significantly in arrears of more than sixty days. The managing agent is working with the Association's attorney to collect these common charges.

**Property and equipment**

Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements, because those properties are owned by the individual unit owners in common and not by the Association. The Association capitalizes personal property at cost and depreciates it using the straight-line method over its estimated useful life.

Apartment 3E has been acquired by the Association and is carried at cost. Depreciation expense for financial statement purposes is recorded on the straight-line method over an estimated life of 40 years.

**CENTRIA CONDOMINIUM**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income taxes**

The Association qualifies as a tax-exempt homeowners' association under Internal Revenue Code Section 528, and applied the provisions of that section for the fiscal years ended March 31, 2009 and 2008. Section 528 exempts from tax income and expenses related to a homeowners' association's exempt purpose, which is the acquisition, construction management, and care of the common property. Entities electing to apply Section 528 are subject to federal income tax on net nonexempt function income, which includes earned interest and revenues received from nonmembers.

In the absence of an election under Section 528, the Association would be taxed under the provisions of Subchapter C of Chapter 1 of the Internal Revenue Code.

**Estimates**

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 reported period. Actual results could differ from those estimates.

**NOTE 3- INVESTMENT IN RESIDENT MANAGER'S APARTMENT, MORTGAGE PAYABLE AND INTEREST PAYABLE**

On October 1, 2007, the Association purchased apartment 3E from the Sponsor on behalf of all the unit owners for \$1,000,000, to be used to house the resident manager. In connection with the transaction, the Association obtained a \$1,000,000 mortgage, which is held by the Sponsor and secured by real property with a book value of approximately \$1,000,000. The loan bears interest at 8.5% per annum. Equal monthly payments of \$7,689 are applied to interest and principal based on a 30-year amortization schedule. The loan matures on November 1, 2012. The entire principal amount with accrued but unpaid interest is due on the maturity date.

The following principal payments will be due during the next three fiscal years:

<u>Fiscal Year</u> <u>March 31,</u>	<u>Amount</u>
2010	\$ 8,463
2011	9,211
2012	972,101

Interest expense for the year ended March 31, 2009 was \$91,504.



**CENTRIA CONDOMINIUM**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**NOTE 4 - EMPLOYEES' PENSION PLAN**

Substantially all of the Association's employees are covered by a multiemployer pension plan. The Association's contributions to the plan were \$185,062 for the year ended March 31, 2009 and \$77,969 for the year ended March 31, 2008. Information as to the Association's portion of accumulated plan benefits and plan assets is not available. Under the Employee Retirement Income Security Act of 1974, as amended, an employer, upon withdrawal from a multiemployer plan, is required to continue to pay its proportionate share of the plan's unfunded vested benefits. The Association has no intention of withdrawing from the plan.

**NOTE 5 - FUTURE MAJOR REPAIRS AND REPLACEMENTS**

The Association has not conducted a study to determine the remaining useful lives of the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. The Board has also not developed a plan to fund those needs. When replacement funds are needed to meet future needs for major repairs and replacements, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

**NOTE 6 - CONCENTRATION OF CREDIT RISK**

The Association maintains its cash in bank deposit accounts which are participating in the FDIC's Transaction Guarantee Program. Through this program all non-interest bearing accounts of the Association are fully covered by FDIC Insurance through December 31, 2009 for the entire amount in the account.

**NOTE 7 - MANAGEMENT AGREEMENT**

The Association entered into a management agreement which provides for a term of three years commencing on the first closing and thereafter, if not otherwise terminated by the Association on a month-to-month basis. The Managing Agent received an annual fee of \$50,000 for the first year of operation, \$52,000 for the second year and will receive \$54,000 for the third year. In addition, the managing agent is entitled to various additional fees related to its work in connection with the sale, rental or renovation of units.

**NOTE 8 - SUBSEQUENT EVENT**

As of the date of this report, the Association is in the process of refinancing its existing mortgage on the resident manager's apartment at a lower interest rate.



TARLOW & CO., C.P.A.'S  
A PROFESSIONAL CORPORATION

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**INDEPENDENT AUDITOR'S REPORT**  
**ON SUPPLEMENTARY AND PROSPECTIVE INFORMATION**

To the Board of Managers and Unit Owners of  
Centria Condominium  
New York, New York

Our report on our audit of the basic financial statements of Centria Condominium for the years ended March 31, 2009 and 2008 appears on Page 1. These audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying comparative schedule of revenue and expenses – budget, historical and forecast is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, except under the portion marked “unaudited,” on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We have compiled the accompanying forecasted schedule of revenues and expenses of Centria Condominium for the year ending March 31, 2010 in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying forecasted statement or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

*Tarlow & Co., C.P.A.'s*

New York, New York  
July 30, 2009

**CENTRIA CONDOMINIUM**

**COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES**

**BUDGET, HISTORICAL AND FORECAST**

	<b>For The Year</b>		<b>Next Year</b>
	<b>April 1, 2008 - March 31, 2009</b>		<b>April 1, 2009 - March 31, 2010</b>
	<b>Budget</b>	<b>Actual</b>	<b>Forecast</b>
	<b>(Unaudited)</b>		<b>(Unaudited)</b>
<b><u>Revenues</u></b>			
Member assessments	\$ 2,092,147	\$ 2,070,206	\$ 2,092,151
Late fees	5,000	56,287	5,000
Laundry income	2,000	3,546	2,000
Other income	2,500	28,172	2,500
<b>Total revenues</b>	<b>2,101,647</b>	<b>2,158,211</b>	<b>2,101,651</b>
<b><u>Expenses</u></b>			
Salaries	744,824	732,623	755,935
Employee benefits	178,933	185,062	193,253
Payroll taxes	63,047	60,633	63,897
Utilities	460,541	214,638	282,458
Management fees	52,000	51,831	53,833
Professional fees	26,200	27,268	31,500
Insurance	139,271	110,823	130,645
Repairs and maintenance	229,825	252,376	261,928
Water and sewer	65,119	45,178	50,000
Telephone	12,000	9,871	10,000
Administrative	13,700	14,391	17,400
Taxes - resident manager's unit	13,122	2,328	6,000
Mortgage interest - resident manager's unit	92,268	91,504	92,268
Fees	500	4,110	3,500
Uniforms	5,000	3,086	5,000
Income taxes	1,000	1,822	1,000
Miscellaneous	-	2,271	-
<b>Total expenses</b>	<b>2,097,350</b>	<b>1,809,815</b>	<b>1,958,617</b>
<b>Excess of revenues over expenses</b>			
<b>before depreciation and amortization</b>	<b>4,297</b>	<b>348,396</b>	<b>143,034</b>
Funding of 2010 projected reserve			(143,034)
Depreciation and amortization	-	(26,443)	-
<b>Excess of revenues over expenses</b>	<b>\$ 4,297</b>	<b>\$ 321,953</b>	<b>\$ -</b>

See independent auditor's compilation report on supplementary and prospective information and summary of significant accounting policies and forecast assumptions  
TARLOW & CO., C.P.A.'S

**CENTRIA CONDOMINIUM**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**AND FORECAST ASSUMPTIONS**  
**FOR THE YEAR ENDED MARCH 31, 2010**

This financial forecast presents, to the best of management's knowledge and belief, the Association's expected results of operations for the forecast period. Accordingly, the forecast reflects management's judgment, as of July 30, 2009, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of accounting**

This forecast has been prepared on the cash receipts and disbursement basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, that the Association does not expect to use when preparing its financial statements.

**NOTE 2 - SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS**

**Revenue**

Member assessments have been computed based on the prior year. Laundry income, late fees and other income amounts are based upon historical experience and anticipated transactions.

**Expenses**

Utilities and water and sewer charges are based on increases in consumption and price due to prevailing market conditions. Payroll and related expenses are based on anticipated staffing requirements and the current contract rates with Local 32B-32J covering substantially all building employees. Repairs and maintenance are based upon historical experience and expected maintenance requirements. Insurance is based on the most recent policy renewals covering the fiscal year. Other expenses are based upon historical experience or contracts in place.

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**EXHIBIT “C”**

**LIST OF UNSOLD UNITS**

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## EXHIBIT C

<b>UNSOLD UNITS:</b>
<b>4F</b>
<b>24D</b>
<b>31A</b>
<b>34A</b>
<b>34B</b>