

# Community Access, Inc. and Subsidiaries

Consolidated Financial Statements  
and Supplementary Information  
Year Ended June 30, 2024

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



## **Community Access, Inc. and Subsidiaries**

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Consolidated Financial Statements and Supplementary Information  
Year Ended June 30, 2024

# Community Access, Inc. and Subsidiaries

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## Independent Auditor's Report

The Board of Directors  
Community Access, Inc. and Subsidiaries  
New York, New York

### *Opinion*

We have audited the consolidated financial statements of Community Access, Inc. and its subsidiaries (collectively, the Organization), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audit 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 the Organization 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 Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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



### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Organization'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 evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 Summarized Comparative Information**

We have previously audited Community Access, Inc. and Subsidiaries' consolidated financial statements for the year ended June 30, 2023 and our report dated November 30, 2023 expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.



***Other Matters***

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary consolidating schedule of financial position and consolidating schedule of activities are presented for purposes of additional analysis and are not required parts of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements, or to the consolidated financial statements themselves, and to other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*BDO USA, P.C.*

November 26, 2024

# Community Access, Inc. and Subsidiaries

## Consolidated Statement of Financial Position (with comparative totals for 2023)

June 30,	2024	2023
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 6,166,513	\$ 6,791,021
Restricted cash and funded reserve	21,227,241	12,409,726
Investments at fair value	3,931,341	7,577,615
Due from government funding sources, net	4,830,792	7,424,479
Medicaid receivables, net	1,386,231	1,803,788
Rent receivables, net	2,997,005	2,011,436
Pledges receivable - current portion	1,822,622	1,490,932
Due from related parties	1,153,491	496,529
Prepaid expenses and other current assets	4,063,103	3,603,470
<b>Total Current Assets</b>	<b>47,578,339</b>	<b>43,608,996</b>
<b>Property and Equipment, Net</b>	<b>382,864,300</b>	<b>347,916,733</b>
<b>Operating Lease Assets, Net</b>	<b>24,001,872</b>	<b>17,691,114</b>
<b>Pledges Receivable, net of current portion and discounts</b>	<b>1,593,474</b>	<b>1,400,000</b>
<b>Security Deposits and Other Assets</b>	<b>4,432,875</b>	<b>1,975,713</b>
<b>Total Assets</b>	<b>\$ 460,470,860</b>	<b>\$ 412,592,556</b>
<b>Liabilities, Net Assets, and Non-Controlling Interest</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 23,279,445	\$ 10,968,750
Accrued compensation and related taxes	1,934,551	1,832,454
Due to related parties	5,156,749	496,528
Operating lease liabilities, current portion	459,721	682,322
Deferred revenue and due to government funding sources	11,343,753	9,494,949
Mortgages and notes payable, current portion	920,774	900,166
Loans payable, current portion	2,974,677	3,183,016
<b>Total Current Liabilities</b>	<b>46,069,670</b>	<b>27,558,185</b>
<b>Security Deposits and Other Liabilities</b>	<b>5,925,283</b>	<b>272,075</b>
<b>Developer's Fee Payable</b>	<b>5,904,249</b>	<b>2,899,364</b>
<b>Operating Lease Liabilities, net of current portion</b>	<b>24,255,993</b>	<b>16,459,873</b>
<b>Mortgage and Loan Interest Payable</b>	<b>17,540,083</b>	<b>12,186,595</b>
<b>Mortgages and Notes Payable, net of current portion and unamortized mortgage costs</b>	<b>97,316,939</b>	<b>86,502,726</b>
<b>Loans Payable, net of current portion and unamortized loan issuance costs</b>	<b>205,765,337</b>	<b>196,664,387</b>
<b>Total Liabilities</b>	<b>402,777,554</b>	<b>342,543,205</b>
<b>Commitments and Contingencies</b>		
<b>Net Assets</b>		
Without donor restrictions	21,259,866	24,686,050
With donor restrictions	2,129,880	2,006,250
<b>Non-Controlling Interest in Affiliates</b>	<b>34,303,560</b>	<b>43,357,051</b>
<b>Total Net Assets and Non-Controlling Interest</b>	<b>57,693,306</b>	<b>70,049,351</b>
<b>Total Liabilities, Net Assets, and Non-Controlling Interest</b>	<b>\$ 460,470,860</b>	<b>\$ 412,592,556</b>

*See accompanying notes to consolidated financial statements.*

# Community Access, Inc. and Subsidiaries

## Consolidated Statement of Activities (with comparative totals for 2023)

*Year ended June 30,*

	Without Donor Restrictions	With Donor Restrictions	2024	2023
<b>Public Support and Revenue</b>				
Operating revenues:				
Government and other grants	\$ 36,348,469	\$ -	\$ 36,348,469	\$ 33,373,039
Medicaid income	6,758,060	-	6,758,060	8,544,009
Clients' fees	723,459	-	723,459	875,665
Rental income	9,550,202	-	9,550,202	8,719,880
Contributions	1,244,835	1,000,000	2,244,835	2,747,483
Special events revenue (net of cost of special events expenses of \$21,946 and \$88,495 in 2024 and 2023, respectively)	750,684	-	750,684	354,384
Net assets released from restrictions	876,370	(876,370)	-	-
<b>Total Operating Revenues</b>	<b>56,252,079</b>	<b>123,630</b>	<b>56,375,709</b>	<b>54,614,460</b>
<b>Total Public Support and Revenue</b>	<b>56,252,079</b>	<b>123,630</b>	<b>56,375,709</b>	<b>54,614,460</b>
<b>Operating Expenses</b>				
Program services:				
Housing programs	27,833,585	-	27,833,585	26,304,036
Education and training programs	948,313	-	948,313	888,011
Other programs	12,310,520	-	12,310,520	12,686,487
<b>Total Program Services</b>	<b>41,092,418</b>	<b>-</b>	<b>41,092,418</b>	<b>39,878,534</b>
Supporting services:				
Management and general	7,692,309	-	7,692,309	9,017,324
Fundraising	1,922,702	-	1,922,702	1,705,338
<b>Total Supporting Services</b>	<b>9,615,011</b>	<b>-</b>	<b>9,615,011</b>	<b>10,722,662</b>
Subsidiaries' operating expenses	24,974,735	-	24,974,735	19,093,313
<b>Total Operating Expenses</b>	<b>75,682,164</b>	<b>-</b>	<b>75,682,164</b>	<b>69,694,509</b>
<b>Change in Net Assets from Operating Activities</b>	<b>(19,430,085)</b>	<b>123,630</b>	<b>(19,306,455)</b>	<b>(15,080,049)</b>
<b>Non-Operating Activities</b>				
Interest and other income	1,237,221	-	1,237,221	2,928,951
Lease surrender income	-	-	-	4,184,012
<b>Change in Net Assets</b>	<b>\$ (18,192,864)</b>	<b>\$ 123,630</b>	<b>\$ (18,069,234)</b>	<b>\$ (7,967,086)</b>

*See accompanying notes to consolidated financial statements.*

**Community Access, Inc. and Subsidiaries**  
**Consolidated Statement of Changes in Net Assets**  
**(with comparative totals for 2023)**

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	Controlling Interest			Non-Controlling Interest in Affiliates	Total
	CAI and Affiliates Net Assets (Without Donor Restrictions)	CAI and Affiliates Net Assets (With Donor Restrictions)			
<b>Net Assets, June 30, 2023</b>	\$ 24,686,050	\$ 2,006,250	\$ 43,357,051	\$ 70,049,351	
Change in net assets	(3,426,755)	123,630	(14,766,109)	(18,069,234)	
Capital contribution	571	-	5,712,618	5,713,189	
<b>Net Assets, June 30, 2024</b>	<b>\$ 21,259,866</b>	<b>\$ 2,129,880</b>	<b>\$ 34,303,560</b>	<b>\$ 57,693,306</b>	

*See accompanying notes to consolidated financial statements.*

**Community Access, Inc. and Subsidiaries**

**Consolidated Statement of Functional Expenses  
(with comparative totals for 2023)**

Year ended June 30,

	Program Services						Supporting Services					Total		
	Housing Programs			Education and Training Programs - CAI	Other Programs - CAI	Total Program Services	Management and General			Fundraising - CAI	Total Supporting Services	Subsidiaries' Operating Expenses	2024	2023
	CAI	HDFC Entities	Total Housing				CAI	HDFC Entities	Total Management and General					
<b>Salaries and Related Expenses</b>														
Salaries	\$ 9,562,085	\$ 146,021	\$ 9,708,106	\$ 463,863	\$ 7,729,321	\$ 17,901,290	\$ 2,342,742	\$ -	\$ 2,342,742	\$ 386,523	\$ 2,729,265	\$ 738,014	\$ 21,368,569	\$ 20,932,833
Fringe benefits	2,679,321	40,277	2,719,598	130,577	2,163,427	5,013,602	616,129	-	616,129	108,806	724,935	206,257	5,944,794	5,543,637
<b>Total Salaries and Related Expenses</b>	<b>12,241,406</b>	<b>186,298</b>	<b>12,427,704</b>	<b>594,440</b>	<b>9,892,748</b>	<b>22,914,892</b>	<b>2,958,871</b>	<b>-</b>	<b>2,958,871</b>	<b>495,329</b>	<b>3,454,200</b>	<b>944,271</b>	<b>27,313,363</b>	<b>26,476,470</b>
<b>Other Expenses</b>														
Contracted and professional fees	3,329,528	90,870	3,420,398	28,845	413,922	3,863,165	1,662,416	38,642	1,701,058	658,794	2,359,852	816,853	7,039,870	7,200,666
Supplies and equipment	399,263	34,802	434,065	10,591	221,379	666,035	301,651	17,375	319,026	96,044	415,070	232,387	1,313,492	1,210,766
Occupancy and insurance	1,599,982	1,446,730	3,046,712	260,997	711,927	4,019,636	1,174,086	-	1,174,086	97	1,174,183	6,684,912	11,878,731	10,341,099
Participant expense	4,684,962	16,325	4,701,287	46,049	713,553	5,460,889	31,774	-	31,774	277	32,051	15,712	5,508,652	5,367,544
Staff expense	124,224	-	124,224	2,080	254,645	380,949	239,744	-	239,744	76,698	316,442	-	697,391	964,842
Events and other fundraising costs	-	-	-	-	15,744	15,744	1,050	-	1,050	520,699	521,749	-	537,493	377,407
Vehicle expenses	21,945	-	21,945	-	14,539	36,484	66	-	66	-	66	-	36,550	37,228
Fees and other expenses	31,613	390,683	422,296	4,210	31,309	457,815	1,207,998	(99,023)	1,108,975	74,764	1,183,739	542,327	2,183,881	3,801,102
Interest expense	-	1,049,326	1,049,326	-	-	1,049,326	22,827	-	22,827	-	22,827	5,483,316	6,555,469	4,031,737
Provision for allowance	-	1,140,877	1,140,877	-	-	1,140,877	5,000	-	5,000	-	5,000	1,222,581	2,368,458	1,522,706
Depreciation and amortization	58,558	986,193	1,044,751	1,101	40,754	1,086,606	129,832	-	129,832	-	129,832	9,032,376	10,248,814	8,362,942
<b>Total Expenses</b>	<b>\$ 22,491,481</b>	<b>\$ 5,342,104</b>	<b>\$ 27,833,585</b>	<b>\$ 948,313</b>	<b>\$ 12,310,520</b>	<b>\$ 41,092,418</b>	<b>\$ 7,735,315</b>	<b>\$ (43,006)</b>	<b>\$ 7,692,309</b>	<b>\$ 1,922,702</b>	<b>\$ 9,615,011</b>	<b>\$ 24,974,735</b>	<b>\$ 75,682,164</b>	<b>\$ 69,694,509</b>

*See accompanying notes to consolidated financial statements.*

# Community Access, Inc. and Subsidiaries

## Consolidated Statement of Cash Flows (with comparative totals for 2023)

<i>Year ended June 30,</i>	2024	2023
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (18,069,234)	\$ (7,967,086)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	10,108,916	8,362,942
Non-cash operating lease expenses	1,743,306	320,560
Amortization expense related to deferred financing costs	139,898	121,766
Forgiveness of debt	(441,392)	(507,872)
Provision for allowance loss	1,938,287	1,116,517
Net unrealized and realized gain on investments	(303,726)	(157,717)
Decrease (increase) in assets:		
Due from government funding sources, net	2,588,232	(1,380,869)
Medicaid receivables	417,557	46,210
Rent receivables	(2,477,009)	(1,633,462)
Pledges receivable	(600,243)	11,821
Due from related parties	(104,678)	(932,726)
Prepaid expenses and other current assets	(384,554)	(797,480)
Security deposits and other assets	542,838	6,412,698
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	3,706,968	(3,831,010)
Accrued compensation and related taxes	102,097	1,291,810
Deferred revenue and due to government funding sources	1,848,804	(92,442)
Security deposits and other liabilities	5,653,208	(52)
Mortgage and loan interest payable	5,353,488	3,245,134
Developer's fee payable	5,240,799	-
Principal reduction in operating lease liabilities	(480,545)	(1,314,449)
<b>Net Cash Provided by Operating Activities</b>	<b>16,523,017</b>	<b>2,314,293</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(24,284,487)	(39,500,079)
Purchase of investments	(20,396,812)	(23,604,317)
Proceeds from sale of investments	24,346,812	16,204,317
<b>Net Cash Used in Investing Activities</b>	<b>(20,334,487)</b>	<b>(46,900,079)</b>
<b>Cash Flows from Financing Activities</b>		
Capital contributions	5,713,189	2,838,789
Capital distributions	-	(3,000)
Proceeds from line of credit	-	2,250,000
Proceeds from loans payable	4,550,734	14,361,100
Proceeds from mortgages and notes payable	3,922,799	22,417,221
Repayment of line of credit	(250,000)	-
Principal payments on loans payable	(509,496)	(58,096)
Principal payments on mortgages and notes payable	(502,326)	(1,671,595)
Payment of deferred financing costs	(920,423)	-
<b>Net Cash Provided by Financing Activities</b>	<b>12,004,477</b>	<b>40,134,419</b>

## Community Access, Inc. and Subsidiaries

### Consolidated Statement of Cash Flows (with comparative totals for 2023)

<i>Year ended June 30,</i>	<b>2024</b>	<b>2023</b>
<b>Net Increase (Decrease) in Cash, Cash Equivalents, Restricted Cash, and Funded Reserve</b>	<b>\$ 8,193,007</b>	<b>\$ (4,451,367)</b>
<b>Cash, Cash Equivalents, Restricted Cash, and Funded Reserve, beginning of year</b>	<b>19,200,747</b>	<b>23,652,114</b>
<b>Cash, Cash Equivalents, Restricted Cash, and Funded Reserve, end of year</b>	<b>\$ 27,393,754</b>	<b>\$ 19,200,747</b>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid for interest	\$ 1,370,517	\$ 3,354,780
<b>Supplemental Disclosure for Non-Cash Transactions</b>		
Capitalized interest	\$ 1,274,166	\$ 6,697,340
Capitalized construction cost	19,497,830	147,361
Operating lease assets obtained in exchange for operating lease liabilities	8,054,064	-
Operating lease assets obtained in exchange for operating lease liabilities - upon adoption	-	18,089,192

*See accompanying notes to consolidated financial statements.*

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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### 1. Organization

Community Access, Inc. (CAI) is a not-for-profit organization founded in 1974 for the purpose of developing housing and providing support and training to clients with mental health issues attempting to achieve a transition to community life in the New York City metropolitan area.

In furtherance of this mission, CAI has formed various corporations and partnerships to develop and to own and operate affordable supportive housing for formerly homeless adults with mental health issues and low-income families and individuals.

### 2. Summary of Significant Accounting Policies

#### *Principles of Consolidation*

The consolidated financial statements include the accounts of CAI and its subsidiaries (collectively, the Organization). All material intercompany transactions and balances have been eliminated. The following entities are included in the consolidated financial statements:

- Access House, Inc. (Access House) owns and operates a 15-unit community residence for adults with mental health issues. The directors of Access House are required to be directors of CAI or to have been approved by the directors of CAI. As a result, CAI controls Access House.
- 202 West 108<sup>th</sup> Street Housing Development Fund Company, Inc. (202 West 108<sup>th</sup> St) owns and operates a five-unit supportive housing project for adults with mental health issues. The directors of 202 West 108<sup>th</sup> St are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 202 West 108<sup>th</sup> St.
- Community Recovery Houses Housing Development Fund Company, Inc. (Community Recovery Houses) owns and operates three residential buildings. Two of the buildings serve as community residences for adults with mental health issues. The third building is used as a short-stay respite center for individuals experiencing an emotional or mental crisis. The directors of Community Recovery Houses are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls Community Recovery Houses.
- 107-109 Avenue Limited Partnership (107-109 Ave LP) owns and operates a 45-unit supportive housing facility located at 107-109 Avenue D, New York, New York for low-income adults and adults with mental health issues. A wholly owned subsidiary of CAI is the sole limited partner of 107-109 Ave LP. As a result, CAI controls 107-109 Ave LP.
- 258 East 4<sup>th</sup> Street Limited Partnership (258 East 4<sup>th</sup> Street LP) owns and operates a 51-unit housing facility located at 258 East 4<sup>th</sup> Street, New York, New York for low-income families and adults with mental health issues. A wholly owned subsidiary of CAI is the sole limited partner of 258 East 4<sup>th</sup> Street LP. As a result, CAI controls 258 East 4<sup>th</sup> Street LP.
- 1854 Cedar Avenue Housing Development Fund Company, Inc. (1854 Cedar Ave HDFC) owns land at 1854 Cedar Avenue to 1854 Cedar Avenue, LLC (1854 Cedar Ave LLC). A majority of the directors of 1854 Cedar Ave HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 1854 Cedar Ave HDFC.
- 1710 Vyse Avenue Housing Development Fund Company, Inc. (1710 Vyse Ave HDFC) has a nominee agreement with 1710 Vyse Avenue Limited Partnership (Vyse Ave LP) under which 1710 Vyse Ave HDFC retains legal title to the property. The directors of 1710 Vyse Ave HDFC

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 1710 Vyse Ave HDFC.

- Gouverneur Court Housing Development Fund Company, Inc. (Gouverneur Court HDFC) owns and operates a 124-unit housing facility located at 621 Water Street, New York, New York for low-income adults and adults with mental health issues. The directors of Gouverneur Court HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls Gouverneur Court HDFC.
- 111 East 172<sup>nd</sup> Street Housing Development Fund Company, Inc. (111 East 172<sup>nd</sup> Street HDFC) owns a site with a 126-unit housing facility for adults with mental health issues and low-income families. 111 East 172<sup>nd</sup> Street HDFC has a nominee agreement with 111 East 172<sup>nd</sup> Street Owners LLC (111 East 172<sup>nd</sup> Street LLC) under which 111 East 172<sup>nd</sup> Street HDFC retains legal title to the property. The directors of 111 East 172<sup>nd</sup> Street HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 111 East 172<sup>nd</sup> Street HDFC.
- 985 Bruckner Boulevard Housing Development Fund Company, Inc. (985 Bruckner Blvd HDFC) owns a site with a 215-unit housing facility for adults with mental health issues, families that have experienced chronic homelessness, and low-income adults and families. On December 28, 2017, 985 Bruckner Blvd HDFC transferred all beneficial and equitable interest in the property to 985 Bruckner Boulevard Owners, LLC (985 Bruckner Blvd LLC) under a nominee agreement pursuant to which 985 Bruckner Blvd HDFC retains legal title to the property. The directors of 985 Bruckner Blvd HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 985 Bruckner Blvd HDFC.
- 1159 River Avenue Housing Development Fund Company, Inc. (1159 River Ave HDFC) owns a site on with a 245-unit housing facility for adults with mental health issues, families that have experienced chronic homelessness, and low-income adults and families. On December 18, 2019, 1159 River Ave HDFC entered into a nominee agreement with 1159 River Avenue Owners LLC (1159 River Ave LLC) under which 1159 River Ave HDFC retains legal title to the property. The directors of 1159 River Ave HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 1159 River Ave HDFC.
- Community Access Housing Development Fund Company, Inc. (Community Access HDFC) owns a site on which it is building and plans to operate rental housing for adults with mental health issues, frail/elderly individuals who have experienced homelessness, and low-income adults and families (to be known as the Baez Place Project). On March 25, 2022, Community Access HDFC entered into a nominee agreement with 1861 Carter Avenue Owners LLC (1861 Carter Ave LLC) under which Community Access HDFC retains legal title to the property. The directors of Community Access HDFC are required to be directors of CAI or to have been appointed or elected by directors of CAI. As a result, CAI controls Community Access HDFC.
- 1461 Bryant Avenue Housing Development Fund Corporation (1461 Bryant Ave HDFC) owns a site on which it plans to build and operate rental housing for formerly homeless adults with mental health issues, frail elderly individuals who have experienced homelessness, and low-income adults and families. The directors of 1461 Bryant Ave HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 1461 Bryant Ave HDFC.

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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- 96 Rockwell Place Housing Development Fund Corporation (96 Rockwell Place HDFC) owns a residential condominium unit used as housing for adults with mental health issues. CAI is the sole member of 96 Rockwell Place HDFC. As a result, CAI controls 96 Rockwell Place HDFC.
- CHICA Housing Development Fund Corporation (CHICA HDFC) owns and operates a 68-unit housing facility located at 1022 Reverend James A. Polite Avenue, Bronx, New York for low-income adults and adults with mental health issues. On December 14, 2021, with HPD's approval, CHICA Limited Partnership transferred and assigned all its rights in the project to CHICA HDFC at no cost. The directors of CHICA HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls CHICA HDFC. CHICA LP transferred ownership of the property to CHICA HDFC in December 2021.
- 521 East Tremont Housing Development Fund Corporation (521 East Tremont) owns a site of housing for formerly homeless and low-income individuals and families located at 521 Tremont Avenue in Bronx, New York, on which it plans to build 213 units, ground floor retail space, and a community health clinic.
- 1185 River Avenue Housing Development Fund Corporation (1185 River Ave HDFC) has a site at 1185 River Avenue in the Bronx on which it plans to build a 276-unit residential mixed-use development that is currently in predevelopment.
- St. Emeric Development I Housing Development Fund Corporation (Emeric I) and St. Emeric Development II Housing Development Fund Corporation (Emeric II) (collectively, Emeric DVLP HDFC) own two adjacent sites on East 12 Street at Avenue D on the Lower East Side of Manhattan on which they plan to build a 558-unit affordable housing project for formerly homeless and low-income individuals and families.

CAI has investments in stock ownership for the following entities, which, by themselves or through partnerships, develop and manage rental apartment buildings that provide housing to low-income individuals, families, and adults with mental health issues. The ownership interest in these entities is reported as controlling and non-controlling interest in the consolidated financial statements. These entities and a description of their operations are as follows:

- 910 Dekalb Avenue, Inc. is the general partner of 910 Dekalb Avenue Limited Partnership (910 Dekalb Ave LP), which owns and operates a 64-unit housing facility located at 910 Dekalb Avenue, Brooklyn, New York for low-income families and adults with mental health issues. 910 Dekalb Ave LP has completed its 15-year compliance period. Management is in the process of change in ownership.
- 1363 Franklin Avenue, Inc. is the general partner of 1363 Franklin Avenue Limited Partnership (1363 Franklin Ave LP), which owns and operates a 66-unit housing facility located at 1363 Franklin Avenue, Bronx, New York for low-income families and adults with mental health issues. 1363 Franklin Ave LP completed its 15-year compliance period in 2020. Management has not commenced the process for change in ownership.
- 772 East 168<sup>th</sup> Street Corporation is the managing member of 772 East 168<sup>th</sup> Street LLC (Tinton Ave), which owns and operates a 60-unit housing facility located at 772 East 168<sup>th</sup> Street, Bronx, New York for low-income adults and adults with mental health issues. Tinton Ave has completed its 15-year compliance period. Management is in the process of change in ownership and refinancing.
- 29 East 2<sup>nd</sup> Street Corporation is the general partner of 29 East 2<sup>nd</sup> Street Limited Partnership (29 East 2<sup>nd</sup> Street LP), which owns and operates a 54-unit housing facility located at 29 East

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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2<sup>nd</sup> Street, New York, New York for low-income adults and adults with mental health issues. 29 East 2<sup>nd</sup> Street LP has completed its 15-year compliance period. Management is in the process of change in ownership and refinancing.

- 1750 Davidson Avenue GP, Inc. is the general partner of 1750 Davidson Avenue Limited Partnership (1750 Davidson Ave LP), which owns a 74-unit housing facility located at 1750 Davidson Avenue, Bronx, New York for low-income adults and adults with mental health issues. 1750 Davidson Ave LP has completed its 15-year compliance period. Management is in the process of change in ownership and refinancing.
- 1854 Cedar Avenue Managers, LLC is the managing member of 1854 Cedar Avenue LLC (1854 Cedar Ave LLC), which operates a 106-unit housing facility located at 1854 Cedar Avenue, Brooklyn, New York for low-income families and adults with mental health issues. 1854 Cedar Ave LLC has completed its 15-year compliance period. Management is in the process of change in ownership and refinancing.
- 1710 Vyse Avenue GP Corp. is the general partner of 1710 Vyse Avenue Limited Partnership (1710 Vyse Ave LP), which owns and operates a 65-unit housing facility located at 1710 Vyse Avenue, Bronx, New York for adults with mental health issues.
- CA 172<sup>nd</sup> Street, Inc. is the managing member of East 172<sup>nd</sup> Street MM LLC, which is the managing member of 111 East 172<sup>nd</sup> Street LLC, which owns and operates a 126-unit housing facility for adults with mental health issues and low-income families.
- CA Bruckner Boulevard, Inc. is the managing member of Bruckner Boulevard MM LLC, which is the managing member of 985 Bruckner Blvd LLC, which owns and operates a 215-unit housing facility for adults with mental health issues, families that have experienced chronic homelessness, and low-income adults and families.
- CA River Avenue Inc. is the managing member of 1159 River Ave. JV LLC, which is the managing member of 1159 River Ave LLC, which owns and operates a 245-unit housing facility for adults with mental health issues, families that have experienced chronic homelessness, and low-income adults and families.
- CA Carter Avenue Inc. is the managing member of 1861 Carter Avenue JV LLC, which controls the managing member of 1861 Carter Ave LLC, which is building a housing project that will include 154 residential units for adults with mental health issues, frail/elderly individuals who have experienced homeless, and low-income individuals and families.
- 200 East Tremont JV LLC (200 ETJV) leases a vacant property at 200 East Tremont Avenue in the Bronx on which it plans to build a 134-unit housing property for formerly homeless and low-income individuals and families.

### ***Basis of Presentation***

The consolidated financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (GAAP), as applicable to not-for-profit organizations. In the consolidated statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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### ***Non-Controlling Interests***

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 810, *Consolidation*, the Organization reports non-controlling interests, sometimes referred to as minority interests, as part of total net assets in the consolidated statement of financial position. Furthermore, the Organization reports the changes in net assets of both the controlling and non-controlling interests, for the period presented, in the consolidated statement of changes in net assets.

### ***Consolidated Financial Statement Presentation***

The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the two classes of net assets—with donor restrictions and without donor restrictions—be displayed in the consolidated statement of financial position and that the amounts of change in each of those classes of net assets be displayed in the consolidated statement of activities.

These classes are defined as follows:

*Net Assets Without Donor Restrictions* - This class consists of net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

*Net Assets with Donor Restrictions* - Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time, and/or purpose restrictions. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

At June 30, 2024, there were no net assets with donor restrictions that are perpetual in nature.

### ***Measure of Operations***

The Organization includes in its measure of operations:

- All revenues and expenses that are an integral part of its programs and supporting activities.
- Net assets released from restrictions to support operating expenditures.

The Organization excludes from its measure of operations:

- Other income resulting from the lease surrender.
- Interest and other income.

### ***Cash, Cash Equivalents, Restricted Cash, and Funded Reserve***

The Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash and cash equivalents. Restricted cash and funded reserve include tenant security

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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deposits and operating and replacement reserves, which are deposited in separate bank accounts. These funds are carried at cost plus interest, which approximates fair value. Withdrawals of operating and replacement reserves can only be made with the prior approval from the custodian. These funds are not eligible for operating use and are not included in cash and cash equivalents below.

The Organization's investments are held with an initial maturity over three months and are therefore not considered cash and cash equivalents.

Cash, cash equivalents, restricted cash, and funded reserve consist of the following:

*June 30, 2024*

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Cash and cash equivalents	\$ 6,166,513
Restricted cash and funded reserve	21,227,241
<b>Total</b>	<b>\$ 27,393,754</b>

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### **Revenue Recognition**

#### *Government and Other Grants*

The Organization mainly receives government funding from the New York State Office of Mental Health (OMH), New York City Department of Health and Mental Hygiene (DMH), New York City Department of Social Services (DSS), HIV/AIDS Services Administration (HASA), U.S. Department of Housing and Urban Development (HUD), and New York State Office of Vocational and Educational Services for Individuals with Disabilities (VESID). Government and other grants revenues are nonexchange transactions in which no commensurate value is exchanged. Accordingly, contribution accounting is applied under ASC Topic 958, *Not-for-Profit Entities*. Government and other grants contracts are evaluated for contributions that are conditional. Factors indicating the existence of a conditional contribution include the presence of a barrier that must be overcome and either a right of return of assets transferred or a right of release of a funder's obligation to transfer the assets. Government and other grant revenues are recognized when the conditions are satisfied, which is generally when the expenditures for each contract are incurred.

Reimbursements are subject to audit and retroactive adjustment by respective third-party fiscal intermediaries. Revenue from retroactive adjustments is recognized in the year the adjustments are made.

Deferred revenue and due to government funding sources represent advances received from governmental agencies, where these agencies have not notified the Organization that the claims were approved, and advances will be recouped against those claims.

#### *Medicaid Income*

Medicaid income is generated from providing services to individuals with developmental disabilities and mental health services, as well as other services. Medicaid income is recorded at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services. These amounts are due from the patients and/or third-party payors (including government programs and health insurers), and others, and includes an estimate for variable consideration for retroactive revenue adjustments due to rate changes, settlement of audits and disallowances, reviews, and investigations. Generally, the Organization submits Medicaid claims to

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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OMH or third-party payors electronically through a state-wide system several days after the services are performed.

Revenue is recognized as performance obligations are satisfied over time based on actual charges incurred in relation to total expected (or actual) charges. The Organization measures revenue from the commencement of services, through the continuation of services, and until services are no longer required. The Organization believes that this method provides a reasonable representation of the transfer of services over the term of the performance obligation based on the services needed to satisfy the obligation. Revenue for performance obligations satisfied at a point in time is recognized when services are provided, and the Organization does not believe it is required to provide additional services.

As substantially all of its performance obligations relate to the established rate agreements covering a duration of less than one year, the Organization has elected, as part of its adoption of the new revenue recognition standard, to apply the optional exemption provided in Accounting Standards Update (ASU) 2014-09 and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Throughout the year, rates may vary, as determined by New York State, and the Organization will record additional revenue resulting from a rate increase and record a reduction of revenue with a rate decrease. These rate adjustments represent variable consideration in the form of explicit or implicit price concessions and the Organization considers these amounts in determination of the transaction price. The Organization determines its estimates of contractual adjustments based on contractual agreements, its policies, and historical experience. The Organization determines its estimates of explicit or implicit price concessions based on its historical collection experience.

Laws and regulations governing Medicaid programs are subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Additionally, noncompliance with such laws and regulations could result in fines, penalties, and exclusion from Medicaid programs. The Organization is not aware of any allegations of noncompliance that could have a material adverse effect on the accompanying consolidated financial statements and believes that it is in compliance with all applicable laws and regulations.

The following table shows the Organization's Medicaid revenue disaggregated by payor:

*Year ended June 30, 2024*

Medicaid	\$	4,678,629
Medicaid Managed Care		724,339
Other		1,355,092
<b>Total</b>	<b>\$</b>	<b>6,758,060</b>

### *Clients' Fees*

Clients' fees include Supplemental Security Income (SSI) and Social Security Income (SSA) payments that cover the housing allowance for certain participants of the OMH programs. Participant fees also include food stamps revenue, clothing allowance, and incidental expenses. Participant fees are accounted for as either ASC Topic 842, *Leases*, or ASC Topic 958, *Not-for-Profit Entities*.

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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### *Rental Income*

Rental income is recognized for apartment rentals as earned. Advance receipts of rental income are deferred and classified as prepaid rent liability until earned. Rentals are generally under annual lease arrangements. Tenant leases are for periods not exceeding one year and are accounted for as operating leases. Payments by OMH for loans payable are recognized as income when made.

### *Contributions*

Contributions and promises to give are recorded as revenue at the time they are made or pledged unconditionally and supported by a written commitment. Contributions of property and equipment are recorded at the fair market value of the property and equipment at the time of contribution.

Contributions are classified as either with or without donor restrictions. Contributions are nonexchange transactions in which no commensurate value is exchanged. Therefore, contributions fall under the purview of ASC Topic 958, *Not-for-Profit Entities*.

### *Developer Fee*

CAI acts as a developer for several Low-Income Housing Tax Credit (LIHTC) projects in New York City and oversees the construction and development of these projects. In return for the services provided, CAI is entitled to developer's fees. Developer fees earned in accordance with terms detailed for each specific developer agreement are performance obligations that are satisfied over time.

### *Promises to Give*

Unconditional promises to give (pledges) that are expected to be collected within one year are recorded at estimated net realizable value, while those that are expected to be collected beyond one year are recorded at the present value of estimated future cash flows. Discount rates are applied using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. As of June 30, 2024, the discounted pledges were \$74,026.

Conditional promises to give are recognized when the conditions on which they depend upon are substantially met. Until that point, any amounts received are recorded as refundable advances.

### *Fair Value Measurements*

GAAP establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are those that market participants operating within the same marketplace as the Organization would use in pricing the Organization's asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the Organization are traded. The Organization estimates the price of any asset or liability for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets or liabilities would use as determined by the money managers for each investment based on best information available in the

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

*Level 1* - Valuations are based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

*Level 2* - Valuations are based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* - Valuations are based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

Net investment income (including realized and unrealized gains on trading investments, interest, and dividends) is included in the consolidated statement of activities. Purchases and sales of securities are recorded on a trade-date basis.

Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of the Organization's investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

### ***Use of Estimates***

In preparing the consolidated financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and revenue and expenses during the reported period. Actual results could differ from those estimates.

### ***Deferred Financing Costs***

Deferred financing costs represent the costs incurred in connection with obtaining financing. Deferred financing costs are amortized over the life of the mortgage and loan and netted with the mortgage and loan liability.

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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### ***Property and Equipment***

Property and equipment are stated at cost. Donations of property and equipment are stated at the estimated fair value at the date of the donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of the Organization's fixed assets are as follows:

<u>Asset Category</u>	<u>Years</u>
Building and building improvements	15-40
Furniture and equipment	3-10
Leasehold improvements	Lesser of 5-15 or the life of the lease

Costs associated with the development and rehabilitation of any projects are capitalized and included in construction-in-progress and are recorded at cost. Depreciation is not applied until assets are put into service.

### ***Long-Lived and Depreciable Assets***

Contracts with funding agencies generally provide that purchases of fixed assets are expensed at the time of acquisition for cost-reporting and reimbursement purposes, although certain contracts contain reversion of title or similar provisions with respect to fixed assets purchased under the contract, principally in the event of early termination of the agreements or cancelation of the programs. For financial reporting purposes, such acquisitions are capitalized and depreciated over their estimated useful lives. Since the ongoing operation of the Organization's programs is assumed, the resulting net assets are presented in the consolidated financial statements as net assets without donor restrictions.

Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets, are reported as restricted support.

### ***Impairment of Long-Lived Assets***

The Organization reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. As of June 30, 2024, there were no impairments.

### ***Leases***

The Organization determines whether an arrangement contains a lease at inception by determining if the contract conveys the right to control the use of identified property, plant, or equipment for a period of time in exchange for consideration and other facts and circumstances.

Right-of-use assets (ROU assets) represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent Organization's obligation to make lease payments arising from the lease. ROU assets are calculated based on the lease liability adjusted for any lease payments paid to the lessor at or before the commencement date and initial direct costs incurred

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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by the Organization and exclude any lease incentives received from the lessor. Lease liabilities are recognized based on the present value of lease payments over the lease term. The present value of the lease liability is determined using the risk-free discount rate at lease inception for operating leases.

Lease expense for operating leases is recognized on a straight-line basis over the term of the lease. Variable lease payments are the portion of lease payments that are not fixed over the lease term. Variable lease payments are expensed as incurred and include certain non-lease components, such as maintenance and other services provided by the lessor, and other charges included in the lease, as applicable. The Organization intends to combine lease and non-lease components as a single lease component and to exclude short-term leases, defined as leases with an initial term of 12 months or less, from its consolidated statement of financial position.

### *Provision for Allowance*

Accounts receivable consist primarily of amounts due from government funding sources and rent receivables. The Organization maintains an allowance for doubtful accounts for the contracts, rent, and pledge receivables that are specifically identified by management as to their uncertainty in regard to collectability. The allowance for doubtful accounts for the contracts, rent, and pledge receivables was \$5,441,701 at June 30, 2024.

### *Accrued Compensation*

The Organization's policy is to accrue all vested vacation benefits as earned by employees.

### *Income Taxes*

CAI and certain affiliated entities were incorporated in the state of New York and are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), and, therefore, have made no provision for income taxes in the accompanying consolidated financial statements. CAI and those affiliated entities have been determined by the Internal Revenue Service (IRS) not to be "private foundations" within the meaning of Section 509(a) of the Code. 111 East 172<sup>nd</sup> Street HDFC, 1159 River Ave HDFC, 1461 Bryant Ave HDFC, 96 Rockwell Place HDFC, and 985 Bruckner Blvd HDFC are exempt under Section 501(c)(4) of the Code. Community Recovery Houses and CHICA HDFC are currently in the process of applying for retroactive reinstatement with IRS under Section 501(c)(4). 107-109 HDFC, 29 East 2<sup>nd</sup> Street HDFC, 772 East 168<sup>th</sup> Street HDFC, 910 Dekalb Ave HDFC, 1363 Franklin Ave HDFC, and 1710 Vyse Ave HDFC have not filed for Federal tax-exemption and as a result could be for-profit entities and subject to U.S. federal, state, and local income tax provisions.

Certain CAI-affiliated entities are for-profit entities and are subject to federal, state, and local taxes. The income tax regulations associated with these entities provide that all taxes on income of the limited partnership or limited liability company are payable by the partners or members.

Except for the matters noted above for 107-109 HDFC, 29 East 2<sup>nd</sup> Street HDFC, 772 East 168<sup>th</sup> Street HDFC, 910 Dekalb Ave HDFC, 1363 Franklin Ave HDFC, and 1710 Vyse Ave HDFC, the Organization has not taken an uncertain tax position that would require provision of a liability under ASC 740, *Income Taxes*. Under ASC 740, an organization must recognize the financial statement effects of a tax position taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination. The Organization does not believe there are any material uncertain

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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tax positions and, accordingly, it will not recognize the consolidated financial statement effects for unrecognized tax positions. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed IRS Form 990 tax returns, as required, and all other applicable returns in jurisdictions when it is required.

### ***Concentration of Credit Risk***

The Organization maintains its cash balances in several financial institutions. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank. Money market fund balances, classified as cash and cash equivalents or restricted cash on the consolidated statement of financial position, are protected up to \$500,000 by the Security Investor Protection Corporation (SIPC). As of June 30, 2024, the balances in these accounts exceed the FDIC and SIPC insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government-provided insurance, and management evaluates its cash position quarterly to mitigate significant loss exposure. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal and that no significant concentration of credit risk exists with respect to these cash balances at June 30, 2024.

### ***Functional Classification of Expenses***

The cost of providing the Organization's programs and other activities has been summarized on a functional basis and by natural classification in the consolidated statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited based upon the rates listed in the chart below. Management and general expenses include those costs that are not directly identifiable with any specific program, but that provide for the overall support and direction of the Organization. A portion of the management and general costs has been allocated to housing and education programs in the consolidated statement of functional expenses. The amount of administrative expense allocated from management and general to the programs represents the portion of administration costs funded by the Organization's contracts. Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with its other activities.

Most expenses are charged to individual programs as actually incurred. Salaries and fringe of certain personnel who work on multiple programs are allocated, as are certain expenses recorded as part of agency-wide purchasing programs. Such allocations are determined by management on an equitable basis and are disclosed to and audited by program funders. Costs that are allocated include the following:

Expense	Allocation Methodology
Salaries and fringe benefits	Based on the number of beds in the program as a percentage of the total number of beds in the program for which the employee is responsible, adjusted for the percentage of time that the employee dedicates to other functions. Allocation for certain contracts is reduced based on available funding.
Rent	Based on square footage occupied by program as a percentage of total rental space.
Insurance	Based on premium information provided by insurer and insurance broker, which are based on size of program and historical claims and loss experience.
Subscriptions/dues	Based on number of staff at program and available funding.

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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### ***Current Expected Credit Loss***

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326)*. The ASU introduces a new credit loss methodology, Current Expected Credit Loss (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk.

The CECL methodology utilizes a lifetime “expected credit loss” measurement objective for the recognition of credit losses for loans at the time the financial asset is originated. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The methodology replaces the multiple existing impairment methods in current GAAP, which generally require that a loss be incurred before it is recognized.

On July 1, 2023, CAI adopted the guidance modified retrospective method with no cumulative adjustment to retained earnings.

CAI recognizes an allowance for credit losses for the financial assets carried at amortized cost to present the net amount expected to be collected as of the consolidated statement of financial position date. Such allowance is based on the credit losses expected to arise over the life of the asset (contractual term) which includes consideration of prepayments and based on our expectation as of the consolidated statement of financial position date, restructurings that will be executed.

Assets are written off when CAI determine that such financial assets are deemed uncollectable or based on regulatory requirements, whichever is earlier. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, not to exceed the aggregate amount previously written off, are included in determining the necessary reserve at the consolidated statement of financial position date.

CAI pools its Medicaid receivable based on similar risk characteristics in estimating its expected credit losses. CAI continuously evaluates such pooling decisions and adjusts as needed from period to period as risk characteristics change. As of June 30, 2024, the amount of Medicaid receivables subject to credit loss was \$1,386,231.

Prior to July 1, 2023, an allowance for doubtful accounts was maintained at a level considered necessary to provide for doubtful accounts that was specifically identified by management as to their uncertainty for collectability.

CAI utilizes a loss rate approach in determining its lifetime expected credit losses on its Medicaid receivables from patients and/or third-party payors (including government programs and health insurers), and others based on services to individuals with development disabilities and mental health services, as well as other treatment services. This method is used for calculating any estimated losses based primarily on peer group loss experience. In determining the loss rates, CAI evaluates information related to its peer losses, adjusted for current condition, and further adjusted for the period of time that can be reasonably forecast. For the fiscal year ended June 30, 2024, based on CAI’s evaluation, no allowance for credit losses were necessary.

### ***Comparative Financial Information***

The consolidated financial statements include certain prior-year summarized comparative information. The consolidated statement of activities is presented in total rather than by net asset

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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class. With respect to the consolidated statement of functional expenses, the prior-year expenses are presented by expense classification in total rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2023.

### ***Reclassifications***

Certain prior-year balances have been reclassified to be consistent with the current-year consolidated financial statement presentation. The reclassifications had no impact on net assets.

### ***Recently Adopted Accounting Pronouncements***

#### *Leases (Topic 842) - Remaining Entities with Stock Ownership and Calendar Year Ended December 31*

On February 25, 2016, the FASB issued ASU 2016-02, *Leases*, which will require lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and a ROU asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The FASB also issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606)*, which deferred the effective date for the remaining entities with stock ownership and calendar year ended December 31 until annual periods beginning after December 15, 2021 for those leases classified as operating leases under previous FASB guidance. These entities adopted the guidance on July 1, 2023 using the transition method provided by ASU 2018-11, *Leases (Topic 842): Targeted Improvements*. Under this transition method, these entities applied the new requirements to only those leases that existed as of July 1, 2023, rather than at the earliest comparative period presented in the financial statements. Prior periods will be presented under the existing lease guidance. Upon transition, these entities applied the package of practical expedient permitted under the ASC 842 transition guidance. As a result, these entities did not reassess (1) whether expired or existing contracts contain leases under the new definition of a lease, including whether an existing or expired contract contains an embedded lease, (2) lease classification for expired or existing leases, and (3) any initial direct costs of existing leases. Additionally, these entities did not elect the hindsight practical expedient to determine the applicable term for leases within these entities' population. The guidance adoption in the remaining entities with stock ownership and calendar year ended December 31 did not have a material effect on the consolidated financial statements.

#### *Financial Instruments - Credit Losses (Topic 326)*

In June 2016, the FASB issued ASU 2016-03, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended. The new credit loss standard changes the impairment model for most financial assets and certain other instruments. For trade and other receivables, contract assets recognized as a result of applying *Revenue from Contracts with Customers (Topic 606)*, loans, and certain other instruments, entities are required to use a new forward-looking "expected-loss" model that generally results in earlier recognition of credit losses than under the incurred-loss model. ASU 2016-03 is effective for fiscal years beginning after December 15, 2022. On July 1, 2023, the Organization adopted the guidance modified retrospective method with no cumulative adjustment to net assets. There was no material effect on the consolidated financial statements upon adoption.

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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### 3. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the consolidated statement of financial position for general expenditure are as follows:

*June 30, 2024*

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Cash and cash equivalents	\$	6,166,513
Investments at fair value		3,931,341
Due from government funding sources, net of allowance for uncollectable accounts		4,830,792
Medicaid receivables		1,386,231
Rent receivables, net of allowance for uncollectable accounts		2,997,005
Pledges receivable - current portion		1,822,622
Due from related parties		1,153,491
<b>Total Assets Available to Management</b>		<b>22,287,995</b>
Less: those unavailable for general expenditures within one year due to contractual, board, or donor-imposed restrictions		(2,129,880)
<b>Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year</b>	<b>\$</b>	<b>20,158,115</b>

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#### *Liquidity Management*

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization also has a committed line of credit in the amount of \$3,000,000. The outstanding balance as of June 30, 2024 was \$2,000,000, which will be subsequently repaid. The Organization has restricted cash and funded reserves, which are available for use with approval from the custodian. The Organization primarily funds its housing development with construction loans and investor limited partner capital contributions. The Organization's goal is to maintain without donor restrictions net assets of CAI to meet 90 days of that entity's expenses. Without donor restriction net assets includes unrestricted cash and amounts undrawn and available under the line of credit.

### 4. Investments and Fair Value Measurement

The fair value of investments is as follows:

*June 30, 2024*

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		Fair Value Level 1
Mutual Funds	\$	25,988
Money Market Funds		60,114
U.S. Treasury Bonds		3,845,239
<b>Total</b>	<b>\$</b>	<b>3,931,341</b>

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# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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The Organization's assets recorded at fair value have been categorized based upon a fair value hierarchy, in accordance with ASC 820, *Fair Value Measurements*. See Note 2 for a discussion of the Organization's policies regarding this hierarchy. A description of the valuation techniques applied to the Organization's major categories of assets and liabilities measured at fair value is as follows:

*Mutual Funds* - For the Organization's investments in mutual funds, the Organization has ownership interest in the mutual fund but not in the individual securities held by the fund. The assets of each mutual fund consist primarily of shares of the underlying holdings. These mutual funds are invested primarily in equity securities. Mutual funds are valued at the net asset value (NAV) of each share (which is actively traded on national securities exchanges) and are classified as Level 1.

*Money Market Funds* - The assets of each money market fund consist primarily of cash and government securities and short-term U.S. government debt securities collateralized fully by government and U.S. Treasury Securities. Money Market Funds are valued at the daily closing price as reported by the fund and are classified as Level 1.

*U.S. Treasury Bonds* - The bonds are debt securities issued by a government with relatively short maturity period and are valued based on quoted market prices of identical instruments in active markets. Therefore, U.S. treasury bonds are classified as Level 1.

There were no transfers between levels during the year ended June 30, 2024.

### 5. Amounts Due from Government Funding Sources

The Organization had amounts reimbursable under the terms of agreements signed with various governmental agencies, totaling \$4,830,792, comprising the following:

*June 30, 2024*

New York City Department of Social Services	\$	1,564,197
New York City Department of Health and Mental Hygiene		4,931,625
New York City Department of Human Resources Administration		399,284
New York State Office of Mental Health		65,006
U.S. Department of Housing and Urban Development		92,315
Other		(139,040)
		6,913,387
Less: allowance for uncollectable accounts		(2,082,595)
<b>Due from Government Funding Sources, net of allowance</b>	<b>\$</b>	<b>4,830,792</b>

### 6. Related Party Transactions

#### *Contributions*

The Organization receives contributions from its employees and members of the Board of Directors from time to time. Total contributions due from related parties as of June 30, 2024 were \$1,153,491.

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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### *Development Advances*

During the current fiscal year, the Organization received \$2,900,000 refundable advance payment from a tax credit investor to purchase a land for future project development. The advanced payment is payable during construction closing. This amount is included in the due to related parties balance on the consolidated statement of financial positions.

During the current fiscal year, the Organization received \$999,628 refundable advance payment from a tax credit investor for 521 East Tremont project development. The advanced payment is payable during construction closing. This amount is included in the due to related parties balance on the consolidated statement of financial positions.

## **7. Property and Equipment, Net**

Major classes of property and equipment, net, consist of the following:

*June 30, 2024*

Land	\$	47,743,103
Building and building improvements		365,199,161
Leasehold improvements		2,357,232
Office furniture and equipment		2,809,309
Apartment furniture and equipment		624,036
Construction-in-progress*		56,316,278
		<hr/>
		475,049,119
Less: accumulated depreciation		(92,184,819)
		<hr/>
<b>Net Property and Equipment</b>	<b>\$</b>	<b>382,864,300</b>

\* At June 30, 2024, the estimated cost to complete construction-in-progress, which related primarily to construction of 1861 Carter Ave LLC and 521 East Tremont, was \$165,338,895.

Depreciation and amortization expense for the year ended June 30, 2024 was \$10,248,814.

## **8. Pledges Receivable**

Pledges receivable are unconditional promises to give.

At June 30, 2024, the pledge receivable balance collectible within one year was \$1,822,622. The pledge receivable balance collectible more than one year was \$1,593,474, which is net of discount amount of \$74,026.

## **9. Restricted Cash and Funded Reserve**

### *Replacement and Operating Reserves*

Under regulatory and operating agreements, the Organization is required to establish and fund amounts for the replacement of property and other project expenditures, such as major repairs, approved by HUD, NYC Department of Housing Preservation and Development (HPD), the Housing Trust Fund Corporation (HTFC), and The Community Preservation Corporation (CPC). The

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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replacement reserves totaled \$11,656,028 at June 30, 2024. In addition to the replacement reserves, the Organization is required to maintain operating reserves to fund operating deficits in the respective projects financed by HPD and HTFC. The operating reserves totaled \$6,059,601 at June 30, 2024. Replacement reserves and operating reserves are held in separate accounts and are not available for operating purposes without prior regulatory approval.

### *Interest Reserve*

Under loan agreements with lenders, the Organization is required to establish and fund amounts for making monthly interest payment. The interest reserve totaled \$3,238,109 at June 30, 2024.

### *Tenant Security Deposits*

Under rental agreements with tenants, the Organization collects security deposits at the inception of the rental agreement, which will be subsequently repaid to the tenants when the rental term ends. The security deposits are held in separate accounts and are not available for operating purposes. The tenant security deposits totaled \$273,503 at June 30, 2024.

## **10. Mortgages and Notes Payable**

### *Access House*

In August 2013, Access House executed a mortgage note agreement with CPC to borrow \$973,190 to refinance an outstanding mortgage. The mortgage note is secured by a related property. The new mortgage is payable in monthly installments of \$7,130 and bears interest at 3.86% per annum. The note is due at September 1, 2028. At June 30, 2024, the outstanding principal was \$334,898. Mortgage interest expense for the year ended June 30, 2024 was \$14,423.

### *Community Recovery Houses*

In November 2010, CAI acquired three sites from an unrelated not-for-profit organization. As part of the purchase and sale agreement, CAI assumed the unpaid principal of the mortgages payable to OMH and the Dormitory Authority of the State of New York (DASNY). Subsequent to the acquisition, title to the properties was transferred and the mortgages were assumed by Community Recovery Houses HDFC. These mortgages, which bear interest rates ranging from 4.83% to 6.63% per annum, are payable in semi-annual installments ranging from \$4,409 to \$67,435 and have maturity dates ranging from February 2016 to June 2035. As of June 30, 2024, the outstanding principal was \$321,328. Mortgage interest expense for the year ended June 30, 2024 was \$16,277. The mortgages are secured by the related buildings and land.

### *Gouverneur Court HDFC*

In October 1992, Gouverneur Court HDFC acquired a building from 107-109 HDFC (a related party at the time of acquisition) through the assumption of the building loan contract under financing provided by HPD. The entire principal balance of \$8,253,369 was due and payable in March 2022. Interest was payable monthly at the rate of 1% per year. In addition, an annual service fee of 0.25% was required. In July 2006, HPD reduced the outstanding mortgage balance by \$234,343, which represents the unspent construction funds. As a result, the monthly interest payment has been reduced from \$8,597 to \$8,353. All other terms of the mortgage loan remain the same. During 2006, HPD agreed to amend the terms of the HPD loan to defer payment of interest, service, and

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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replacement reserve deposits for a period of two years. In July 2012, Gouverneur Court HDFC and HPD modified the terms of the agreement. The mortgage, as restated, bears no interest and requires no service fees. The new principal balance of \$8,180,548 is due on May 1, 2039. As part of the modified financing agreement, HPD transferred the balance of the sinking fund under the old agreement in the amount of \$1,327,076 to Gouverneur Court HDFC's replacement and operating reserves. There is no liability to repay the funds to HPD at maturity of the mortgage. The outstanding balance on the mortgage as of June 30, 2024 was \$8,180,548. The mortgage is secured by the related land and building.

### ***107-109 Ave LP***

In June 1992, 107-109 Ave LP acquired a building through assumption of the mortgage with HPD representing all costs incurred during construction. The entire principal balance of \$2,833,520 was due and payable in July 2022. In January 2006, HPD agreed to amend the terms of the loan to defer payment of interest and replacement reserve deposits until January 1, 2008. The deferred interest payments were to be paid on the maturity date of the mortgage. Effective June 15, 2009, HPD and 107-109 Ave LP agreed to modify the terms of the mortgage. The deferred interest in the amount of \$70,248 was added to the principal balance to form a new principal amount of \$2,903,768. The new principal amount bears no interest. The new principal amount is due and payable on July 15, 2037. On June 15, 2009, as part of the new financing, HPD transferred \$403,775 to 107-109 Ave LP's operating reserve account with the understanding that the funds will be repaid to HPD at maturity of the mortgage. The amount, which is included in amounts due to HPD, is non-interest bearing. At June 30, 2024, the outstanding principal under the mortgage was \$3,307,543.

### ***1710 Vyse Ave LP***

In December 2010, 1710 Vyse Ave LP entered into a note payable agreement with 1710 Vyse Ave HDFC and signed a promissory note in the amount of \$10,576,577. The note bears interest at 0% per annum, and the entire balance is due in December 2050. The note is secured by the low-income housing project (the Project) and is subject to a regulatory agreement, which was entered into by HDFC and OMH. The intent of HDFC is to forgive the loan to 1710 Vyse Ave LP once the 15-year compliance period for LIHTC is over, which is expected to be in December 2025, and the related OMH loan payable is repaid.

### ***29 East 2<sup>nd</sup> Street LP***

On June 12, 2002, 29 East 2<sup>nd</sup> Street LP entered into an agreement with HPD and signed a promissory note in the amount of \$5,897,934 to cover costs during construction. The entire principal balance is due and payable in June 2032. On March 11, 2011, the loan principal amount had reduced to \$5,889,933. The loan is non-interest bearing and is secured by the Project. As of June 30, 2024, \$5,889,933 has been advanced to 29 East 2<sup>nd</sup> Street LP.

In August 2002, 29 East 2<sup>nd</sup> Street LP received a 30-year loan from the sponsors, affiliates of the general partner, in the amount of \$379,762. The note bears interest at 1% per annum. The entire principal balance plus accrued interest are due and payable on January 31, 2021. The Organization believes that the loan qualifies for forgiveness under its terms and is currently in the process of applying for loan forgiveness from the lender.

29 East 2<sup>nd</sup> Street Housing Development Fund Company, Inc. (a related party with the general partner through common Board of Directors) acquired the land for the Project from the city of

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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New York (the City) and issued a \$1,000,000 promissory note to the City. The land, along with the promissory note obligation, was assigned to 29 East 2<sup>nd</sup> Street LP. 29 East 2<sup>nd</sup> Street Housing Development Fund Company, Inc. will continue to hold legal title to the land and 29 East 2<sup>nd</sup> Street LP will have all the beneficial and equitable interest in the land. The note is non-interest bearing and is due and payable in June 2032.

### ***1363 Franklin Ave LP***

In June 2005, 1363 Franklin Ave LP entered into a permanent financing agreement with HTFC and signed a promissory note in the amount of \$2,000,000. The note bears interest at 1% per annum and matures in June 2035. The note is secured by the Project and a regulatory agreement. Interest is accrued annually and paid on April 30 of the following year out of excess income prior to distribution of any return of equity, as defined. As of June 30, 2024, interest totaling \$170,000 has been accrued and is included in interest payable on the consolidated statement of financial position. Loan costs, included in deferred costs, totaling \$20,015 at June 30, 2024 are being amortized over the term of the related loan using the straight-line method over the life of the loan. Amortization for the year ended June 30, 2024 was \$667, which is included in depreciation and amortization on the consolidated statement of functional expenses. At June 30, 2024, accumulated amortization was \$12,898.

### ***1750 Davidson Ave LP***

In February 2008, 1750 Davidson Ave LP entered into a permanent financing agreement with HTFC and signed a promissory note in the amount of \$1,940,000, of which the entire amount was drawn down as of December 31, 2009. The note bears interest at 1% per annum and matures in February 2038. The note is secured by the Project and a regulatory agreement. Interest is accrued annually and paid on April 30 of the following year out of excess income prior to distribution of any return of equity, as defined. As of June 30, 2024, interest totaling \$126,700 has been accrued and is included in interest payable on the consolidated statement of financial position. Loan costs, included in deferred costs, totaling \$12,693 at June 30, 2024 are being amortized over the term of the related loan using the straight-line method over the life of the loan. The Loan costs is fully amortized as of June 30, 2024.

### ***772 East 168<sup>th</sup> Street LLC***

In October 2004, 772 East 168<sup>th</sup> Street LLC entered into an agreement with HPD and signed a promissory note in the amount of \$6,000,000. The entire principal balance is due and payable in October 2034. Interest is accrued at a rate of 0.25% per annum and is payable on the maturity date of the loan. In addition, an annual service fee of \$3,000 increasing by 3% each year is required. The loan is secured by the property. As of December 31, 2013, \$6,000,000 has been advanced to 772 East 168<sup>th</sup> Street LLC. As of June 30, 2024, interest totaling \$258,288 has been accrued and is included in interest payable on the consolidated statement of financial position. Deferred financing costs totaling \$60,000 at June 30, 2024 are being amortized over the term of the related loan using the straight-line method. Amortization for the year ended June 30, 2024 was \$2,000. At June 30, 2024, the accumulated amortization was \$35,000.

### ***CHICA HDFC***

On May 27, 2003, CHICA LP acquired a building on 1022 Rev James Polite Avenue through the assumption of a building loan agreement with the New York City Housing Development

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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Corporation (HDC). Through December 31, 2009, \$7,323,632 has been advanced to CHICA HDFC. During 2014, the loan was transferred to HPD. Interest accrues monthly at a rate of 0.25% per year. The entire mortgage balance and accrued interest are due and payable in May 2033. As of June 30, 2024, interest totaling \$353,070 has been accrued and is included in interest payable on the consolidated statement of financial position. Deferred financing costs totaling \$73,326 at June 30, 2024 are being amortized over the term of the related loan using the straight-line method. Amortization for the year ended June 30, 2024 was \$2,441. At June 30, 2024, the accumulated amortization was \$46,381.

### ***910 Dekalb Ave LP***

In June 2004, 910 Dekalb Ave LP entered into a permanent financing agreement with HTFC and signed a promissory note in the amount of \$2,000,000. The note bears interest at 1% per annum and matures in June 2034. The note is secured by the Project and a regulatory agreement. Interest is accrued annually and paid on April 30 of the following year out of excess income prior to distribution of any return of equity, as defined. As of June 30, 2024, interest expense totaling \$149,020 has been accrued and is included in interest payable on the consolidated statement of financial position.

### ***111 East 172<sup>nd</sup> Street LLC***

On September 22, 2016, 111 East 172<sup>nd</sup> Street LLC entered into a mortgage agreement with the New York State Housing Finance Agency (HFA) in the amount of \$25,400,000 to finance the costs of acquiring and constructing a 126-unit housing project. The mortgage includes both the short-term principal amount of \$5,050,000 and the long-term principal amount of \$20,350,000. The mortgage bears an interest rate at 2.5% for the short-term portion of the mortgage. The long-term portion of the mortgage bears interest at a rate of 5.35% from the date until the conversion from construction to permanent financing, and 4.1% per annum on the outstanding principal amount until payment in full. The long-term principal amount of \$20,350,000 has a maturity date in July 2049. Prior to the loan conversion date, in addition to payments of principal and interest, the Organization is obligated for monthly equal installments of the HFA Servicing Fee equal to 0.75% per annum on the maximum principal amount of the short-term mortgage and 0.25% per annum on the original principal amount of the long-term mortgage. Upon the loan conversion date, the Organization is also obligated for the State of New York Mortgage Agency (SONYMA) premium in the amount of 0.5% per annum of the outstanding principal amount of the mortgage. The short-term mortgage of \$5,050,000 was repaid with investor members' capital contributions and additional HFA mortgage drawn down at the permanent financing conversion on August 12, 2020. The outstanding amount of principal at June 30, 2024 was \$18,397,291.

As stated within the mortgage agreement, upon completion of construction of the Project, OMH will enter into an agreement with the Organization for OMH to pay the principal, interest, SONYMA premium, and HFA loan service fee on behalf of the Organization on a portion of the long-term mortgage in the amount of \$15,000,000. In connection with this agreement, the Organization made 60 supportive housing units located in the Project available to tenants with a diagnosis of serious mental illness. The Organization recognized the OMH payments as capital advances from funding since the permanent financing conversion on August 12, 2020. The outstanding amount of principal at June 30, 2024 was \$13,560,804. As of June 30, 2024, the principal, interest, SONYMA premium, and HFA loan service fees paid by OMH totaling \$4,812,755 were included in capital advances from funding sources.

# Community Access, Inc. and Subsidiaries

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On September 22, 2016, the Organization entered into a subordinate mortgage agreement with HFA in the amount of \$1,225,000 to finance the costs of constructing the housing project. The mortgage bears an interest rate of 6% per annum accruing only to the extent that funds have been disbursed to the Organization. The interest rate of the mortgage shall be at the rate of 1% upon issuance of the SONYMA-issued mortgage insurance policy in connection with the first mortgage loan. The mortgage has a maturity date at July 1, 2049. As of June 30, 2024, the outstanding balance was \$1,224,800.

### **1861 Carter Avenue LLC**

On March 31, 2022, 1861 Carter Ave LLC entered into a sponsor loan agreement with CAI in the amount of \$700,000 to finance the costs of construction of the housing project. The mortgage bears an interest rate of 8% per annum, compounded annually. The principal sum, together with all the accrued and unpaid interest, shall be due and payable on the 30<sup>th</sup> anniversary of the date of the permanent conversion of the first mortgage loan. As of June 30, 2024, the outstanding balance was \$700,000.

On March 31, 2022, 1861 Carter Ave LLC entered into a loan agreement with HFA in the amount of \$51,020,000 to finance the cost of acquiring and constructing residential housing projects. During the construction period, the short-term loan bears an interest rate at 1.75% and the long-term portion of the loan bears an interest rate of 3.85%. Upon completion of construction, the entire outstanding loan balance will be converted into permanent financing and bear an interest rate of 3.85% per annum until paid in full. 1861 Carter Ave LLC is also obligated for an HFA Servicing Fee in the amount of 5% plus prime rate or interest rate otherwise payable under the note. The loan has a maturity date on April 1, 2025. As of June 30, 2024, 1861 Carter Ave LLC has not drawn the entire amount of the loan. The outstanding principal at June 30, 2024 was \$23,486,626.

On March 31, 2022, 1861 Carter Ave LLC entered into a Subsidy Mortgage agreement with HFA in the amount of \$9,513,731 to finance the construction cost of the project. The loan bears an interest rate of 3.01% per annum accrued on a monthly basis, beginning the first month after the first advance of the subsidy mortgage proceeds, and continuing through the conversion date. As of June 30, 2024, 1861 Carter Ave LLC has not drawn the entire amount of the mortgage. The outstanding amount of principal at June 30, 2024 was \$2,248,503.

Principal maturities on the related obligations are as follows:

### *Year ending June 30,*

2025	\$	920,774
2026		562,438
2027		584,716
2028		607,877
2029		566,951
Thereafter		95,911,996
<b>Total</b>		<b>99,154,752</b>
Less:		
Current portion		(920,774)
Unamortized mortgage costs		(917,039)
<b>Total Mortgage Payable, net of current portion and deferred financing costs</b>	<b>\$</b>	<b>97,316,939</b>

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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### 11. Loans Payable

#### *Access House*

On October 7, 2016, Access House executed a loan agreement with the CPC in the amount of \$1,119,121. The loan was made in response to Superstorm Sandy. The City, acting by and through its HPD, awarded funds (the CDBG-DR Funds) under the CDBG Disaster Recovery Program for Sandy. The mortgage bears no interest rate and shall be deemed satisfied on March 7, 2028, subject to Access House's compliance with all terms, covenants, and conditions contained in the loan documents. The advanced disbursement as of June 30, 2024 was \$1,084,224.

#### *Gouverneur Court HDFC*

On October 7, 2016, Gouverneur Court HDFC executed a loan agreement with CPC in the amount of \$1,426,557. The loan was made in response to Superstorm Sandy. The City, acting by and through HPD, awarded the CDBG-DR Funds under the CDBG Disaster Recovery Program for Sandy. The mortgage bears no interest rate and shall be deemed satisfied on December 7, 2027, subject to Gouverneur Court HDFC's compliance with all terms, covenants, and conditions contained in the loan documents. The advanced disbursement as of June 30, 2024 was \$998,342.

#### *258 East 4<sup>th</sup> Street LP*

In May 1993, 258 East 4<sup>th</sup> Street LP entered into a permanent financing agreement with HTFC and signed a promissory note in the amount of \$5,923,192. In 1995 and 1997, pursuant to the agreement, 258 East 4<sup>th</sup> Street LP made loan principal payments of \$520,363 and \$221,876, respectively, as a result of 258 East 4<sup>th</sup> Street LP's sale of limited partnership interests. The balance of the note in the amount of \$5,180,953 bore interest at 1.4% per annum and matured in April 2008. In 1995, 258 East 4<sup>th</sup> Street LP elected to prepay the entire interest on the loan, which amounted to \$997,719, as provided in the loan agreement. Interest expense was recognized over the initial 15-year term of the loan. During 2010, 258 East 4<sup>th</sup> Street LP made a payment of \$4,623 towards the loan payable. On March 13, 2012, based on the terms of the original agreement, HTFC has exercised the option to extend the principal balance of the loan to December 6, 2092. The note bears interest at the annual uncompounded rate of 1% of the outstanding principal of the loan. The interest obligation is limited by the extent of excess income calculated annually. If at any time excess income is insufficient to pay all or a portion of any payment of interest due, that amount of interest that exceeds excess income will be forgiven. The outstanding principal under the mortgage was \$5,176,330 for June 30, 2024. The interest accrued as of June 30, 2024 was \$395,558.

#### *1461 Bryant Ave HDFC*

On March 21, 2021, 1461 Bryant Ave HDFC entered into a loan agreement with Leviticus Fund in the amount of \$3,467,000 to finance costs in connection with a purchase of property located at 1461 Bryant Ave, Bronx, New York. The loan bears interest at 5.75% per annum and matures on the fourth-year anniversary of the first day of the first month following the property closing date. The outstanding amount of principal balance at June 30, 2024 was \$3,348,737.

#### *1854 Cedar Ave LLC*

In May 2009, 1845 Cedar Ave LLC obtained financing of \$10,100,000 (the Senior Leasehold Loan) for the construction of the Project from HFA. The loan requires monthly payments of interest at a fixed

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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rate of 5.75% on a loan principal amount of \$2,400,000 and 4.50% on a loan principal amount of \$7,700,000. The loan requires an annual HFA Servicing Fee of 0.25%, as well as an annual premium on a SONYMA policy. The loan matures in July 2041. The loan is secured by the Project and has an outstanding balance of \$1,820,631 for the year ended June 30, 2024. Interest expense for the year ended June 30, 2024 is \$106,616.

In May 2009, 1845 Cedar LLC also obtained a “Subsidy Loan” from the HFA. The principal amount of \$2,951,000 was made available during the construction period. The amount borrowed required interest at 6% per annum through February 15, 2012. Deferred interest in the amount of \$317,308 during this period was not payable but added to the outstanding principal amount of the Subsidy Loan. The new loan payable amounted to \$3,268,308. Effective February 16, 2012, the loan bears interest at 1% per annum. Monthly payments of \$5,030 are to commence on January 1, 2027. The payments are to be applied first to the current interest due and then to the outstanding principal. The balance of the Subsidy Loan and any unpaid interest is payable on the earlier of July 1, 2041, the prepayment in full of the portion of the Senior Leasehold Loan, any default under the credit terms of the portion of the Senior Leasehold Loan, or at the option of the holder in the event of default. Interest expense for the year ended June 30, 2024 was \$32,683. As of June 30, 2024, interest totaling \$405,277 has been accrued and is included in mortgage and loan interest payable on the consolidated statement of financial position. The outstanding loan balance was \$3,268,308 for the year ended June 30, 2024.

Also, in May 2009, 1845 Cedar LLC obtained additional financing from HTFC. The principal amount of \$2,951,000 was made available during the construction period. The amount borrowed required interest at 6% per annum through February 15, 2012. Deferred interest in the amount of \$83,572 during this period was not payable but added to the outstanding principal amount of the HTFC loan. The new loan amount is \$3,034,572. Effective February 16, 2012, the loan bears interest at 1% per annum. The deferred interest is not currently payable. Beginning on February 15, 2028, annual payments of \$60,356 are due. The payments are to be applied first to the deferred interest due, then to the current interest due, and finally to the outstanding principal. The balance of the loan and any unpaid interest are due and payable on February 15, 2042. Interest expense for the year ended June 30, 2024 was \$30,345. As of June 30, 2024, interest totaling \$375,930 has been accrued and is included in mortgage and loan interest payable on the consolidated statement of financial position. The outstanding balance was \$3,034,572 for the year ended June 30, 2024.

### ***111 East 172<sup>nd</sup> Street LLC***

On September 22, 2016, 111 East 172<sup>nd</sup> Street LLC entered into a loan agreement with HPD in the amount of \$3,300,000 to finance the costs of constructing the housing project. The loan bears an interest rate at 0.25% and matures on August 12, 2050. As of June 30, 2024, the outstanding balance was \$3,300,000.

On September 22, 2016, 111 East 172<sup>nd</sup> Street LLC entered into a Subordinate Loan Agreement with Citibank, N.A. in the amount of \$2,000,000 to finance costs of constructing the housing project. The loan bears interest at 1% per annum and matures on September 22, 2071. The outstanding amount of principal balance at June 30, 2024 was \$2,000,000.

### ***985 Bruckner Blvd LLC***

In December 2017, 985 Bruckner Blvd LLC entered into loan agreements with HDC in the amount of \$71,400,000 to finance the construction of a 215-unit housing project. Prior to the conversion to

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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permanent financing, the loan bore interests at 2.4% and 5% on 61.27% and 38.73% of the outstanding principal amount, respectively. After conversion, the loan bears an interest rate of 5.7% per annum and matures in September 2051. As of June 30, 2024, the principal amount of the loan was not fully drawn. The outstanding principal amount for the year ended June 30, 2024 was \$46,991,397. Pursuant to the terms of the loan, a financial institution issued a letter of credit to HDC for the account of 985 Bruckner Blvd LLC in the amount of \$42,854,167 for the construction of the projects.

### ***1159 River Ave LLC***

On December 18, 2019, 1159 River Ave LLC entered into a loan agreement with HFA in the amount of \$65,265,000 to finance the costs of acquiring and constructing a three-unit condominium housing project. During the construction period, the short-term loans bear interest rates at 2.00% and 3.25%, respectively, and the long-term portion of the loan bears an interest rate of 4.00%. Upon completion of construction, the entire outstanding loan balance will be converted into permanent financing and bear an interest rate of 4.00% per annum until payment in full. 1159 River Ave LLC is also obligated for the HFA Servicing Fee in the amount of 0.25% per annum of the outstanding principal amount of the loan. The loan has a maturity date at July 1, 2053. As of June 30, 2024, 1159 River Ave LLC has not drawn the entire amount of the loan. The outstanding amount of principal at June 30, 2024 was \$64,951,443.

On December 18, 2019, 1159 River Ave LLC entered into a Subsidy Loan agreement with HFA in the amount of \$15,925,000 to finance the construction of the project. The loan bears interest rates of 1.92% and 0.50% per annum accrued on a monthly basis, beginning the first month after the first advance of Subsidy Loan proceeds, and continuing through the conversion date. As of June 30, 2024, 1159 River Ave LLC has not drawn the entire amount of the loan. The outstanding amount of principal at June 30, 2024 was \$9,409,654.

On December 18, 2019, 1159 River Ave LLC entered into a loan agreement with HPD in the amount of \$25,950,000 to finance the costs of constructing the project. The loan bears an interest rate at 0.25% and matures on February 18, 2024. As of June 30, 2024, the outstanding balance was \$25,950,000.

### ***1710 Vyse Avenue HDFC***

On December 21, 2010, 1710 Vyse Avenue L.P. entered into a mortgage agreement with 1710 Vyse Avenue HDFC, which is the recipient of the loan from Dormitory Authority of the State of New York acting as agent in behalf of New York State Office of Mental Health to finance a portion of the costs of construction of residential housing project to be operated as a community mental health facility. The mortgage bears an interest rate of 4.08% and 0.34% per annum accrued in semi-annual installments, beginning the first month.

### ***521 East Tremont***

On April 16, 2024, 521 East Tremont and 521 Tremont MM LLC entered into an acquisition loan agreement and project loan agreement with Supportive Housing Solution Fund LLC in the amount of \$10,975,000 and \$7,275,000, respectively, to finance the costs of acquiring and constructing a 276-unit condominium housing project. During the construction period, the acquisition loan and project loan bear interest rate at 7% per annum. Upon completion of construction, the entire outstanding loan balance will be converted into permanent financing until payment in full. The acquisition loan and project loan have a maturity date at April 16, 2027. As of June 30, 2024, 521

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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East Tremont has not drawn the entire amount of the project loan. The outstanding amount of principal at June 30, 2024 was \$16,534,355.

### ***BankUnited, N.A. Line of Credit***

In February 2016, CAI entered into a loan agreement with BankUnited, N.A. to provide a \$2,000,000 line of credit. Borrowings under the line of credit bear interest at the one-month LIBOR plus 2.5%. The line of credit was subsequently increased to \$3,000,000. At June 30, 2024, the outstanding borrowing under the line of credit was \$2,000,000.

Principal maturities on the loans payable are as follows:

### *Year ending June 30,*

2025	\$	2,974,677
2026		1,029,606
2027		1,081,874
2028		1,136,877
2029		1,194,761
Thereafter		203,181,558
<b>Total</b>		<b>210,599,353</b>
Less:		
Current portion		(2,974,677)
Unamortized loan issuance costs		(1,859,339)
<b>Total Loan Payable, net of current portion and deferred financing costs</b>	<b>\$</b>	<b>205,765,337</b>

## **12. Commitments and Contingencies**

### ***Leases***

The Organization is obligated under various noncancelable operating lease agreements for properties used as offices and or shelters and expiring at various dates through 2122.

The Organization's property leases generally contain renewal options for periods ranging from one to five years. If the Organization is reasonably certain to exercise these renewal options at lease inception, the options are considered in determining the lease term, and payments associated with the option years. Aggregate rent expense under the above leases for the year ended June 30, 2024 is \$2,082,413, which is included as occupancy and insurance on the consolidated statement of functional expenses. The weighted-average remaining lease term, in years, for operating leases is 58 years, and the weighted-average discount rate is 4.03%.

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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The aggregate remaining maturities or operating lease liabilities as of June 30, 2024 are as follows:

*Year ending June 30,*

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2025	\$	1,037,064
2026		1,204,665
2027		1,229,968
2028		1,294,633
2029		1,633,663
Thereafter		95,779,692
<b>Total Future Minimum Lease Payments</b>		<b>102,179,685</b>
Less: imputed interest		(77,463,971)
<b>Present Value of Minimum Lease Payments</b>	<b>\$</b>	<b>24,715,714</b>

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*Year ended June 30, 2024*

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Other information:

Cash paid for accounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$	791,409

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The Organization has entered into several apartment leases on behalf of certain clients, with terms of one year or less. Rent expense under these leases for the year ended June 30, 2024, which includes leases with month-to-month terms and related party transactions, amounted to approximately \$90,271.

### ***Federal, State, and City Funding***

The Organization participates in various federal, state, and city programs for the benefit of clients with mental health issues. These programs have strict requirements for participation and, accordingly, the Organization is subject to government program reviews covering compliance with laws and regulations.

The expenses of programs that have been reimbursed pursuant to federal, state, and city government contracts and grants are subject to audit by the respective granting agencies.

The Organization has quantified it received an overpayment of \$1,483,380 for certain Medicaid claims for services rendered and will repay in 24 monthly installments. The installment start date is pending to be determined. The overpayment amount is included in deferred revenue and due to government funding sources on the consolidated statement of financial position.

### ***Developer Guarantees***

CAI acted as developer or co-developer of the housing projects owned or controlled by CAI and its subsidiaries. As the developer, CAI acts as guarantor of various obligations of the development entities, principally the timely completion of building construction (Completion Guarantees) and the ability of a building to achieve break-even operations within a certain period after completion (Operating Deficit Guarantees). These guarantees are generally limited to the amount of the developer's fee CAI expects to receive in connection with the project. At June 30, 2024, CAI had outstanding Completion Guarantees and Operating Deficit Guarantees in connection with the

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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construction-in-progress at 1159 River Ave LLC and 1861 Carter Ave LLC. CAI also acts as guarantor of certain continuing obligations of the development entities with respect to potential tax credit adjustments (see below).

### **Low-Income Housing Tax Credits**

The Projects' LIHTCs are contingent on their ability to maintain compliance with applicable provisions of Section 42, which primarily relate to occupant eligibility and unit gross rent. Failure to maintain compliance or to correct non-compliance within a specified time period could result in a reduction in tax credits for which the Project is eligible, and recapture of tax credits previously taken plus accrued interest, which could also require an adjustment to the capital contributed by the investing members. If such non-compliance is due to events within the control of the managing members, then the managing members shall compensate the investing members for any resulting tax credit reduction and/or recapture. If such non-compliance is not due to events within the control of the managing members, then the limited partnerships or limited liability companies may be required to compensate the investing members for any resulting tax credit reduction and/or recapture out of operating cash flow or from the proceeds of a refinancing or sale of the Project.

### **13. Employee Benefit Plan**

In January 2004, the Organization established a 403(b) retirement plan (the Plan) covering all eligible employees. Employees are eligible to participate if they have completed one year of service. Participating employees may contribute a percentage of their pay to the Plan up to the maximum amount allowed by the IRS. The Plan provides for a discretionary basic contribution that can vary year to year. For the year ended June 30, 2024, contributions to the Plan totaled \$762,603.

### **14. Net Assets with Donor Restrictions**

Net assets with donor restrictions were as follows:

*June 30, 2024*

Specific purpose:	
Housing program services	\$ 3,006,250
Released during the year ended June 30, 2024:	
Release of net assets from restrictions	(876,370)
<b>Total</b>	<b>\$ 2,129,880</b>

### **15. Subsequent Events**

In July 2024, two newly formed affiliates of the Organization, Emeric I and Emeric II, acquired two adjacent lot on East 12<sup>th</sup> Street in Manhattan for \$58 million. The cash portion of the purchaser price was financed with a \$44 million mortgage loan from a group of lenders led by the Corporation for Supportive Housing, with the balance financed through mortgage loan with the seller. The Organization and its partners on the project plan to develop a 558-unit affordable housing project on the site with units set aside for formerly homeless individuals and families.

In August 2024, the LIHTC investors in 910 Dekalb Ave LP and 1363 Franklin Ave LP transferred their 99.99% limited partnership interests to the Housing Development Fund Corporations (HDFCs) that

# Community Access, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

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control 910 DeKalb Ave, Inc. and 1363 Franklin Avenue, Inc. As a result, the two housing projects are indirectly wholly owned by the Organization. In connection with the ownership transfers, the projects also secured new financing from HPD to fund renovation and rehabilitation of the buildings.

The Organization has evaluated subsequent events through November 26, 2024, which is the date these consolidated financial statements were available to be issued. There were no other subsequent events requiring adjustments or disclosures to the consolidated financial statements.

## Supplementary Information

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**Community Access, Inc. and Subsidiaries**

**Consolidating Schedule of Financial Position  
(with comparative totals for 2023)**

June 30,

	Subsidiaries											
	CAI	Access House	202 West 108 <sup>th</sup> St	1710 Vyse Ave HDFC	1854 Cedar Ave HDFC	Community Access HDFC	Community Recovery Houses HDFC	1185 River Ave HDFC	Gouverneur Court HDFC	96 Rockwell Place HDFC	258 East 4 <sup>th</sup> Street LP	107-109 Ave LP
<b>Assets</b>												
<b>Current Assets</b>												
Cash and cash equivalents	\$ 1,678,317	\$ 110,901	\$ 2,990	\$ -	\$ -	\$ -	\$ 952	\$ -	\$ 493,401	\$ 1,329	\$ 37,413	\$ 77,363
Restricted cash and funded reserve	331,820	446,581	165,135	-	-	-	-	-	1,751,958	2,341	513,239	803,576
Investments at fair value	3,931,341	-	-	-	-	-	-	-	-	-	-	-
Due from government funding sources, net	4,830,792	-	-	-	-	-	-	-	-	-	-	-
Medicaid receivables	1,386,231	-	-	-	-	-	-	-	-	-	-	-
Rent receivables, net	-	15,000	6,344	-	-	2,200	-	-	284,947	(1,100)	151,384	32,196
Pledges receivable - current portion	1,822,622	-	-	-	-	-	-	-	-	-	-	-
Due from related parties	16,225,012	-	-	-	-	7,382	-	-	522,050	-	-	-
Prepaid expenses and other current assets	2,590,533	5,220	164,386	-	75,833	-	-	-	3,576	-	-	2,420
<b>Total Current Assets</b>	<b>32,796,668</b>	<b>577,702</b>	<b>338,855</b>	<b>-</b>	<b>75,833</b>	<b>9,582</b>	<b>952</b>	<b>-</b>	<b>3,055,932</b>	<b>2,570</b>	<b>702,036</b>	<b>915,555</b>
<b>Property and Equipment, Net</b>	<b>1,354,734</b>	<b>1,364,220</b>	<b>916,414</b>	<b>-</b>	<b>4,000,000</b>	<b>-</b>	<b>2,182,417</b>	<b>2,319,251</b>	<b>4,248,190</b>	<b>-</b>	<b>574,881</b>	<b>801,525</b>
<b>Operating Lease Assets, Net</b>	<b>10,841,555</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Pledges Receivable, net of current portion and discounts</b>	<b>1,593,474</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Security Deposits and Other Assets</b>	<b>1,151,412</b>	<b>670</b>	<b>265</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,360</b>	<b>-</b>	<b>6,255</b>	<b>485</b>
<b>Developer's Fee Receivable, Net</b>	<b>10,813,917</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Loans Receivable, Net</b>	<b>3,851,200</b>	<b>-</b>	<b>-</b>	<b>5,890,420</b>	<b>8,744,278</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>\$ 62,402,960</b>	<b>\$ 1,942,592</b>	<b>\$ 1,255,534</b>	<b>\$ 5,890,420</b>	<b>\$ 12,820,111</b>	<b>\$ 9,582</b>	<b>\$ 2,183,369</b>	<b>\$ 2,319,251</b>	<b>\$ 7,317,482</b>	<b>\$ 2,570</b>	<b>\$ 1,283,172</b>	<b>\$ 1,717,565</b>

**Community Access, Inc. and Subsidiaries**

**Consolidating Schedule of Financial Position  
(with comparative totals for 2023)**

June 30,

	Subsidiaries											
	CAI	Access House	202 West 108 <sup>th</sup> St	1710 Vyse Ave HDFC	1854 Cedar Ave HDFC	Community Access HDFC	Community Recovery Houses HDFC	1185 River Ave HDFC	Gouverneur Court HDFC	96 Rockwell Place HDFC	258 East 4 <sup>th</sup> Street LP	107-109 Ave LP
<b>Liabilities and Net Assets (Deficit) and Non-Controlling Interest</b>												
<b>Current Liabilities</b>												
Accounts payable and accrued expenses	\$ 4,433,834	\$ 33,722	\$ 248,303	\$ -	\$ 1,001	\$ 2,500	\$ 136,200	\$ 510	\$ 61,413	\$ 1,251	\$ 40,040	\$ 33,623
Accrued compensation and related taxes	1,934,551	-	-	-	-	-	-	-	-	-	-	-
Due to related parties	522,715	-	520,629	-	-	-	37,300	2,318,741	555,861	3,753	607,877	93,158
Operating lease liabilities, current portion	328,659	-	-	-	-	-	-	-	-	-	-	-
Deferred revenue and due to government funding sources	11,342,860	893	-	-	-	-	-	-	-	-	-	-
Mortgages and notes payable, current portion	-	73,938	-	-	-	-	22,762	-	-	-	-	-
Loans payable, current portion	2,000,000	-	-	459,594	455,569	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>20,562,619</b>	<b>108,553</b>	<b>768,932</b>	<b>459,594</b>	<b>456,570</b>	<b>2,500</b>	<b>196,262</b>	<b>2,319,251</b>	<b>617,274</b>	<b>5,004</b>	<b>647,917</b>	<b>126,781</b>
<b>Security Deposits and Other Liabilities</b>	-	-	908	-	-	-	-	-	19,391	-	15,318	9,126
<b>Developer's Fee Payable</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Operating Lease Liabilities, net of current portion</b>	<b>11,266,603</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Mortgage and Loan Interest Payable</b>	-	-	-	-	-	-	-	-	5,998	-	395,558	108,891
<b>Mortgages and Notes Payable, net of current portion and unamortized mortgage costs</b>	-	237,017	-	-	-	-	298,566	-	8,180,548	-	-	403,775
<b>Loans Payable, net of current portion and unamortized loan issuance costs</b>	-	1,084,224	-	5,430,826	12,288,709	-	-	-	998,342	-	5,176,330	2,903,768
<b>Total Liabilities</b>	<b>31,829,222</b>	<b>1,429,794</b>	<b>769,840</b>	<b>5,890,420</b>	<b>12,745,279</b>	<b>2,500</b>	<b>494,828</b>	<b>2,319,251</b>	<b>9,821,553</b>	<b>5,004</b>	<b>6,235,123</b>	<b>3,552,341</b>
<b>Commitments and Contingencies</b>												
<b>Net Assets (Deficit)</b>												
Without donor restrictions	28,443,858	512,798	485,694	-	74,832	7,082	1,688,541	-	(2,504,071)	(2,434)	(4,951,951)	(1,834,776)
With donor restrictions	2,129,880	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Controlling Interest in Affiliates</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Net Assets (Deficit) and Non-Controlling Interest</b>	<b>30,573,738</b>	<b>512,798</b>	<b>485,694</b>	<b>-</b>	<b>74,832</b>	<b>7,082</b>	<b>1,688,541</b>	<b>-</b>	<b>(2,504,071)</b>	<b>(2,434)</b>	<b>(4,951,951)</b>	<b>(1,834,776)</b>
<b>Total Liabilities and Net Assets (Deficit) and Non-Controlling Interest</b>	<b>\$ 62,402,960</b>	<b>\$ 1,942,592</b>	<b>\$ 1,255,534</b>	<b>\$ 5,890,420</b>	<b>\$ 12,820,111</b>	<b>\$ 9,582</b>	<b>\$ 2,183,369</b>	<b>\$ 2,319,251</b>	<b>\$ 7,317,482</b>	<b>\$ 2,570</b>	<b>\$ 1,283,172</b>	<b>\$ 1,717,565</b>

**Community Access, Inc. and Subsidiaries**

**Consolidating Schedule of Financial Position  
(with comparative totals for 2023)**

June 30,

	Subsidiaries										Total			
	111 East 172 <sup>nd</sup> Street HDFC	985 Bruckner Blvd HDFC	1461 Bryant Ave HDFC	1159-River Ave HDFC	CHICA HDFC	521 East Tremont	Emeric DVLP HDFC	Subsidiaries Subtotal	Subsidiaries in Syndication	Total Subsidiaries	Subtotal	Eliminations	2024	2023
<b>Assets</b>														
<b>Current Assets</b>														
Cash and cash equivalents	\$ 1	\$ -	\$ 5,458	\$ 23,482	\$ 11,731	\$ -	\$ -	\$ 765,021	\$ 3,723,175	\$ 4,488,196	\$ 6,166,513	\$ -	\$ 6,166,513	\$ 6,791,021
Restricted cash and funded reserve	-	-	-	-	901,450	3,238,109	-	7,822,389	13,073,032	20,895,421	21,227,241	-	21,227,241	12,409,726
Investments at fair value	-	-	-	-	-	-	-	-	-	-	3,931,341	-	3,931,341	7,577,615
Due from government funding sources, net	-	-	-	-	-	-	-	-	-	-	4,830,792	-	4,830,792	9,228,267
Medicaid receivables	-	-	-	-	-	-	-	-	-	-	1,386,231	-	1,386,231	-
Rent receivables, net	-	-	-	-	27,147	-	-	518,118	2,478,887	2,997,005	2,997,005	-	2,997,005	2,011,436
Pledges receivable - current portion	-	-	-	-	-	-	-	-	-	-	1,822,622	-	1,822,622	1,490,932
Due from related parties	664	-	-	-	-	-	-	530,096	100,680	630,776	16,855,788	(15,702,297)	1,153,491	496,529
Prepaid expenses and other current assets	-	-	-	-	7,743	-	-	259,178	1,213,392	1,472,570	4,063,103	-	4,063,103	3,603,470
<b>Total Current Assets</b>	<b>665</b>	<b>-</b>	<b>5,458</b>	<b>23,482</b>	<b>948,071</b>	<b>3,238,109</b>	<b>-</b>	<b>9,894,802</b>	<b>20,589,166</b>	<b>30,483,968</b>	<b>63,280,636</b>	<b>(15,702,297)</b>	<b>47,578,339</b>	<b>43,608,996</b>
<b>Property and Equipment, Net</b>	<b>-</b>	<b>-</b>	<b>4,623,582</b>	<b>-</b>	<b>3,045,785</b>	<b>14,296,124</b>	<b>108,059</b>	<b>38,480,448</b>	<b>355,510,451</b>	<b>393,990,899</b>	<b>395,345,633</b>	<b>(12,481,333)</b>	<b>382,864,300</b>	<b>347,916,733</b>
<b>Operating Lease Assets, Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,160,317</b>	<b>13,160,317</b>	<b>24,001,872</b>	<b>-</b>	<b>24,001,872</b>	<b>17,691,114</b>
<b>Pledges Receivable, net of current portion and discounts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,593,474</b>	<b>-</b>	<b>1,593,474</b>	<b>1,400,000</b>
<b>Security Deposits and Other Assets</b>	<b>367</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,140</b>	<b>-</b>	<b>3,000,000</b>	<b>3,033,542</b>	<b>247,921</b>	<b>3,281,463</b>	<b>4,432,875</b>	<b>-</b>	<b>4,432,875</b>	<b>1,975,713</b>
<b>Developer's Fee Receivable, Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,813,917</b>	<b>(10,813,917)</b>	<b>-</b>	<b>-</b>
<b>Loans Receivable, Net</b>	<b>-</b>	<b>651,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,285,698</b>	<b>-</b>	<b>15,285,698</b>	<b>19,136,898</b>	<b>(19,136,898)</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>\$ 1,032</b>	<b>\$ 651,000</b>	<b>\$ 4,629,040</b>	<b>\$ 23,482</b>	<b>\$ 4,005,996</b>	<b>\$ 17,534,233</b>	<b>\$ 3,108,059</b>	<b>\$ 66,694,490</b>	<b>\$ 389,507,855</b>	<b>\$ 456,202,345</b>	<b>\$ 518,605,305</b>	<b>\$ (58,134,445)</b>	<b>\$ 460,470,860</b>	<b>\$ 412,592,556</b>

**Community Access, Inc. and Subsidiaries**

**Consolidating Schedule of Financial Position  
(with comparative totals for 2023)**

June 30,

	Subsidiaries										Total			
	111 East 172 <sup>nd</sup> Street HDFC	985 Bruckner Blvd HDFC	1461 Bryant Ave HDFC	1159-River Ave HDFC	CHICA HDFC	521 East Tremont	Emeric DVLP HDFC	Subsidiaries Subtotal	Subsidiaries in Syndication	Total Subsidiaries	Subtotal	Eliminations	2024	2023
<b>Liabilities and Net Assets (Deficit) and Non-Controlling Interest</b>														
<b>Current Liabilities</b>														
Accounts payable and accrued expenses	\$ 1,185	\$ -	\$ 31,796	\$ -	\$ 136,855	\$ -	\$ -	\$ 728,399	\$ 21,370,825	\$ 22,099,224	\$ 26,533,058	\$ (3,253,613)	\$ 23,279,445	\$ 10,968,750
Accrued compensation and related taxes	-	-	-	-	-	-	-	-	-	-	1,934,551	-	1,934,551	1,832,454
Due to related parties	-	-	1,067,745	23,721	678,834	999,878	3,108,059	10,015,556	10,320,775	20,336,331	20,859,046	(15,702,297)	5,156,749	496,528
Operating lease liabilities, current portion	-	-	-	-	-	-	-	-	131,062	131,062	459,721	-	459,721	682,322
Deferred revenue and due to government funding sources	-	-	-	-	-	-	893	-	-	893	11,343,753	-	11,343,753	9,494,949
Mortgages and notes payable, current portion	-	-	-	-	-	-	96,700	824,074	920,774	920,774	920,774	-	920,774	900,166
Loans payable, current portion	-	-	-	-	-	-	915,163	59,514	974,677	2,974,677	-	-	2,974,677	3,183,016
<b>Total Current Liabilities</b>	<b>1,185</b>	<b>-</b>	<b>1,099,541</b>	<b>23,721</b>	<b>815,689</b>	<b>999,878</b>	<b>3,108,059</b>	<b>11,756,711</b>	<b>32,706,250</b>	<b>44,462,961</b>	<b>65,025,580</b>	<b>(18,955,910)</b>	<b>46,069,670</b>	<b>27,558,185</b>
Security Deposits and Other Liabilities	-	-	-	-	13,662	-	-	58,405	5,866,878	5,925,283	5,925,283	-	5,925,283	272,075
Developer's Fee Payable	-	-	-	-	-	-	-	-	28,581,480	28,581,480	28,581,480	(22,677,231)	5,904,249	2,899,364
Operating Lease Liabilities, net of current portion	-	-	-	-	-	-	-	-	12,989,390	12,989,390	24,255,993	-	24,255,993	16,459,873
Mortgage and Loan Interest Payable	-	-	-	-	353,070	-	-	863,517	17,019,666	17,883,183	17,883,183	(343,100)	17,540,083	12,186,595
Mortgages and Notes Payable, net of current portion and unamortized mortgage costs	-	-	-	-	7,296,777	-	-	16,416,683	81,150,256	97,566,939	97,566,939	(250,000)	97,316,939	86,502,726
Loans Payable, net of current portion and unamortized loan issuance costs	-	-	3,348,737	-	-	16,534,355	-	47,765,291	176,886,944	224,652,235	224,652,235	(18,886,898)	205,765,337	196,664,387
<b>Total Liabilities</b>	<b>1,185</b>	<b>-</b>	<b>4,448,278</b>	<b>23,721</b>	<b>8,479,198</b>	<b>17,534,233</b>	<b>3,108,059</b>	<b>76,860,607</b>	<b>355,200,864</b>	<b>432,061,471</b>	<b>463,890,693</b>	<b>(61,113,139)</b>	<b>402,777,554</b>	<b>342,543,205</b>
<b>Commitments and Contingencies</b>														
<b>Net Assets (Deficit)</b>														
Without donor restrictions	(153)	651,000	180,762	(239)	(4,473,202)	-	-	(10,166,117)	3,431	(10,162,686)	18,281,172	2,978,694	21,259,866	24,686,050
With donor restrictions	-	-	-	-	-	-	-	-	-	-	2,129,880	-	2,129,880	2,006,250
<b>Non-Controlling Interest in Affiliates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,303,560</b>	<b>34,303,560</b>	<b>34,303,560</b>	<b>-</b>	<b>34,303,560</b>	<b>43,357,051</b>
<b>Total Net Assets (Deficit) and Non-Controlling Interest</b>	<b>(153)</b>	<b>651,000</b>	<b>180,762</b>	<b>(239)</b>	<b>(4,473,202)</b>	<b>-</b>	<b>-</b>	<b>(10,166,117)</b>	<b>34,306,991</b>	<b>24,140,874</b>	<b>54,714,612</b>	<b>2,978,694</b>	<b>57,693,306</b>	<b>70,049,351</b>
<b>Total Liabilities and Net Assets (Deficit) and Non-Controlling Interest</b>	<b>\$ 1,032</b>	<b>\$ 651,000</b>	<b>\$ 4,629,040</b>	<b>\$ 23,482</b>	<b>\$ 4,005,996</b>	<b>\$ 17,534,233</b>	<b>\$ 3,108,059</b>	<b>\$ 66,694,490</b>	<b>\$ 389,507,855</b>	<b>\$ 456,202,345</b>	<b>\$ 518,605,305</b>	<b>\$ (58,134,445)</b>	<b>\$ 460,470,860</b>	<b>\$ 412,592,556</b>

**Community Access, Inc. and Subsidiaries**

**Consolidating Schedule of Activities  
(with comparative totals for 2023)**

Year ended June 30,

	CAI			Subsidiaries								
	Without Donor Restrictions	With Donor Restrictions	Total	Access House (Without Donor Restrictions)	202 West 108 <sup>th</sup> St (Without Donor Restrictions)	1710 Vyse Ave HDFC (Without Donor Restrictions)	1854 Cedar Ave HDFC (Without Donor Restrictions)	Community Access HDFC (Without Donor Restrictions)	Community Recovery Houses (Without Donor Restrictions)	1185 River Avenue HDFC (Without Donor Restrictions)	Gouverneur Court HDFC (Without Donor Restrictions)	96 Rockwell Place HDFC (Without Donor Restrictions)
<b>Public Support and Revenue</b>												
Operating revenues:												
Government and other grants	\$ 34,341,973	\$ -	\$ 34,341,973	\$ -	\$ -	\$ 695,398	\$ 1,273,118	\$ -	\$ 37,980	\$ -	\$ -	\$ -
Medicaid income	6,758,060	-	6,758,060	-	-	-	-	-	-	-	-	-
Clients' fees	723,459	-	723,459	-	-	-	-	-	-	-	-	-
Rental income	-	-	-	470,777	84,195	-	-	-	-	-	1,291,131	13,200
Contributions	1,244,835	1,000,000	2,244,835	-	-	-	-	-	-	-	-	-
Special events revenue, (net of direct benefit expenses of \$21,946 and \$88,495 in 2024 and 2023, respectively)	750,684	-	750,684	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	876,370	(876,370)	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>44,695,381</b>	<b>123,630</b>	<b>44,819,011</b>	<b>470,777</b>	<b>84,195</b>	<b>695,398</b>	<b>1,273,118</b>	<b>-</b>	<b>37,980</b>	<b>-</b>	<b>1,291,131</b>	<b>13,200</b>
Other operating revenues:												
Developer's fee	3,596,204	-	3,596,204	-	-	-	-	-	-	-	-	-
<b>Total Public Support and Revenue</b>	<b>48,291,585</b>	<b>123,630</b>	<b>48,415,215</b>	<b>470,777</b>	<b>84,195</b>	<b>695,398</b>	<b>1,273,118</b>	<b>-</b>	<b>37,980</b>	<b>-</b>	<b>1,291,131</b>	<b>13,200</b>
<b>Operating Expenses</b>												
Program services:												
Housing programs	27,687,187	-	27,687,187	419,383	258,794	695,398	1,274,119	-	93,509	-	1,405,778	569
Education and training programs	948,313	-	948,313	-	-	-	-	-	-	-	-	-
Other programs	12,310,520	-	12,310,520	-	-	-	-	-	-	-	-	-
<b>Total Program Services</b>	<b>40,946,020</b>	<b>-</b>	<b>40,946,020</b>	<b>419,383</b>	<b>258,794</b>	<b>695,398</b>	<b>1,274,119</b>	<b>-</b>	<b>93,509</b>	<b>-</b>	<b>1,405,778</b>	<b>569</b>
Supporting services:												
Management and general	9,295,975	-	9,295,975	25,610	10,471	-	-	2,900	-	-	117,589	19,125
Fundraising	1,922,702	-	1,922,702	-	-	-	-	-	-	-	-	-
<b>Total Supporting Services</b>	<b>11,218,677</b>	<b>-</b>	<b>11,218,677</b>	<b>25,610</b>	<b>10,471</b>	<b>-</b>	<b>-</b>	<b>2,900</b>	<b>-</b>	<b>-</b>	<b>117,589</b>	<b>19,125</b>
Subsidiaries' operating expenses	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>52,164,697</b>	<b>-</b>	<b>52,164,697</b>	<b>444,993</b>	<b>269,265</b>	<b>695,398</b>	<b>1,274,119</b>	<b>2,900</b>	<b>93,509</b>	<b>-</b>	<b>1,523,367</b>	<b>19,694</b>
<b>Change in Net Assets from Operating Activities</b>	<b>(3,873,112)</b>	<b>123,630</b>	<b>(3,749,482)</b>	<b>25,784</b>	<b>(185,070)</b>	<b>-</b>	<b>(1,001)</b>	<b>(2,900)</b>	<b>(55,529)</b>	<b>-</b>	<b>(232,236)</b>	<b>(6,494)</b>
<b>Non-Operating Activities</b>												
Interest and other income	3,393,187	-	3,393,187	12,538	816	-	5,000	-	-	-	154,288	113
Lease surrender fee	-	-	-	-	-	-	-	-	-	-	-	-
<b>Change in Net Assets</b>	<b>\$ (479,925)</b>	<b>\$ 123,630</b>	<b>\$ (356,295)</b>	<b>\$ 38,322</b>	<b>\$ (184,254)</b>	<b>\$ -</b>	<b>\$ 3,999</b>	<b>\$ (2,900)</b>	<b>\$ (55,529)</b>	<b>\$ -</b>	<b>\$ (77,948)</b>	<b>\$ (6,381)</b>

**Community Access, Inc. and Subsidiaries**

**Consolidating Schedule of Activities  
(with comparative totals for 2023)**

Year ended June 30,

	Subsidiaries									Total					
	258 East 4 <sup>th</sup> Street LP (Without Donor Restrictions)	107-109 LP (Without Donor Restrictions)	111 East 172 Street HDFC (Without Donor Restrictions)	985 Bruckner Blvd HDFC (Without Donor Restrictions)	1159-River Ave HDFC (Without Donor Restrictions)	1461 Bryant Ave HDFC (Without Donor Restrictions)	CHICA HDFC (Without Donor Restrictions)	Subsidiaries in Syndication (Without Donor Restrictions)	Subtotal (Without Donor Restrictions)	Eliminations	Without Donor Restrictions	With Donor Restrictions	2024	2023	
<b>Public Support and Revenue</b>															
Operating revenues:															
Government and other grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,348,469	\$ -	\$ 36,348,469	\$ -	\$ 36,348,469	\$ 33,373,039
Medicaid income	-	-	-	-	-	-	-	-	-	6,758,060	-	6,758,060	-	6,758,060	8,544,009
Clients' fees	-	-	-	-	-	-	-	-	-	723,459	-	723,459	-	723,459	875,665
Rental income	663,283	412,066	-	-	-	-	556,361	11,254,895	14,745,908	(5,195,706)	9,550,202	-	9,550,202	8,719,880	
Contributions	-	-	-	-	-	-	-	-	1,244,835	-	1,244,835	1,000,000	2,244,835	2,747,483	
Special events revenue, (net of direct benefit expenses of 21,946 and \$88,495 in 2024 and 2023, respectively)	-	-	-	-	-	-	-	-	750,684	-	750,684	-	750,684	354,384	
Net assets released from restrictions	-	-	-	-	-	-	-	-	876,370	-	876,370	(876,370)	-	-	-
<b>Total Operating Revenues</b>	<b>663,283</b>	<b>412,066</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>556,361</b>	<b>11,254,895</b>	<b>61,447,785</b>	<b>(5,195,706)</b>	<b>56,252,079</b>	<b>123,630</b>	<b>56,375,709</b>	<b>54,614,460</b>	
Other operating revenues:															
Developer's fee	-	-	-	-	-	-	-	-	3,596,204	(3,596,204)	-	-	-	-	
<b>Total Public Support and Revenue</b>	<b>663,283</b>	<b>412,066</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>556,361</b>	<b>11,254,895</b>	<b>65,043,989</b>	<b>(8,791,910)</b>	<b>56,252,079</b>	<b>123,630</b>	<b>56,375,709</b>	<b>54,614,460</b>	
<b>Operating Expenses</b>															
Program services:															
Housing programs	-	-	722	-	179	-	1,193,653	-	33,029,291	(5,195,706)	27,833,585	-	27,833,585	26,304,036	
Education and training programs	-	-	-	-	-	-	-	-	948,313	-	948,313	-	948,313	888,011	
Other programs	-	-	-	-	-	-	-	-	12,310,520	-	12,310,520	-	12,310,520	12,686,487	
<b>Total Program Services</b>	<b>-</b>	<b>-</b>	<b>722</b>	<b>-</b>	<b>179</b>	<b>-</b>	<b>1,193,653</b>	<b>-</b>	<b>46,288,124</b>	<b>(5,195,706)</b>	<b>41,092,418</b>	<b>-</b>	<b>41,092,418</b>	<b>39,878,534</b>	
Supporting services:															
Management and general	-	-	-	-	-	-	-	-	9,471,670	(1,779,361)	7,692,309	-	7,692,309	9,017,324	
Fundraising	-	-	-	-	-	-	-	-	1,922,702	-	1,922,702	-	1,922,702	1,705,338	
<b>Total Supporting Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,394,372</b>	<b>(1,779,361)</b>	<b>9,615,011</b>	<b>-</b>	<b>9,615,011</b>	<b>10,722,662</b>	
Subsidiaries' operating expenses	610,433	446,667	-	-	-	-	-	26,160,888	27,217,988	(2,243,253)	24,974,735	-	24,974,735	19,093,313	
<b>Total Operating Expenses</b>	<b>610,433</b>	<b>446,667</b>	<b>722</b>	<b>-</b>	<b>179</b>	<b>-</b>	<b>1,193,653</b>	<b>26,160,888</b>	<b>84,900,484</b>	<b>(9,218,320)</b>	<b>75,682,164</b>	<b>-</b>	<b>75,682,164</b>	<b>69,694,509</b>	
<b>Change in Net Assets from Operating Activities</b>	<b>52,850</b>	<b>(34,601)</b>	<b>(722)</b>	<b>-</b>	<b>(179)</b>	<b>-</b>	<b>(637,292)</b>	<b>(14,905,993)</b>	<b>(19,856,495)</b>	<b>426,410</b>	<b>(19,430,085)</b>	<b>123,630</b>	<b>(19,306,455)</b>	<b>(15,080,049)</b>	
<b>Non-Operating Activities</b>															
Interest and other income	2,886	11,109	-	-	-	-	42,592	138,409	3,760,938	(2,523,717)	1,237,221	-	1,237,221	2,928,951	
Lease surrender fee	-	-	-	-	-	-	-	-	-	-	-	-	-	4,184,012	
<b>Change in Net Assets</b>	<b>\$ 55,736</b>	<b>\$ (23,492)</b>	<b>\$ (722)</b>	<b>\$ -</b>	<b>\$ (179)</b>	<b>\$ -</b>	<b>\$ (594,700)</b>	<b>\$ (14,767,584)</b>	<b>\$ (16,095,557)</b>	<b>\$ (2,097,307)</b>	<b>\$ (18,192,864)</b>	<b>\$ 123,630</b>	<b>\$ (18,069,234)</b>	<b>\$ (7,967,086)</b>	