

**Fifth Avenue Committee, Inc.
and Subsidiaries**

Consolidated Financial Statements

June 30, 2020

Independent Auditors' Report

Board of Directors Fifth Avenue Committee, Inc.

We have audited the accompanying consolidated financial statements of Fifth Avenue Committee, Inc. and Subsidiaries (the "Corporation"), which comprise the consolidated statement of financial position as of June 30, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of 588 Park Place Housing Development Fund Corporation, FAC Advance Housing Development Fund Corporation, FAC Center Local Development Corp, FAC Renaissance HDFC, FAC Homeownership HDFC, 50th Street HDFC, 573 Warren St HDFC, 551 Warren St LP, FAC Renaissance LP, FAC Sunset Park LP, FAC 6309 Fourth Ave LP and Neighbors Helping Neighbors, Inc., (collectively the "Subsidiaries") which statements reflect total assets constituting \$72,728,337 of consolidated total assets as of June 30, 2020 and total revenue constituting \$5,741,818 of consolidated total revenue for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included for these entities is based solely on the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Fifth Avenue Committee, Inc. and Subsidiaries as of June 30, 2020, and the consolidated changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 37 through 46 is presented for purposes of additional analysis and is not a required part 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. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and 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 other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, which insofar as it relates to the Subsidiaries, is based on the reports of other auditors, is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

PKF O'Connor Davies, LLP

December 7, 2020

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Financial Position June 30, 2020

ASSETS

Current Assets

Cash	\$ 6,616,642
Restricted cash	8,810,917
Grants receivable	2,455,409
Accounts receivable, net	1,417,796
Prepaid expenses	312,435
Advances to unconsolidated affiliates	<u>330,818</u>
Total Current Assets	19,944,017

Investment in unconsolidated affiliates	100,117
Property, plant and equipment, net	139,766,406
Property held for sale	1,250,853
Other assets	<u>997,878</u>

\$ 162,059,271

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 3,313,188
Accrued expenses	3,464,388
Mortgages and notes payable, current portion	69,250,910
Grants payable, subsidiary	5,289
Tenants' deposits payable	252,365
Due to related parties	<u>1,031,898</u>
Total Current Liabilities	77,318,038

IDA funds	98,541
Refundable grants payable	946,250
Other payables	933,457
Mortgages and notes payable, net of current portion and unamortized debt issuance costs	<u>54,632,585</u>
Total Liabilities	<u>133,928,871</u>

Net Assets

Without donor restriction	6,018,209
With donor restriction	<u>183,036</u>
	6,201,245

Non-controlling Limited Partners' interest in consolidated affiliates	<u>21,929,155</u>
Total Net Assets	<u>28,130,400</u>

\$ 162,059,271

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Activities Year Ended June 30, 2020

	Without Donor Restriction		Total		Total
	Undesignated	For Profit Subsidiaries	Without Donor Restriction	With Donor Restriction	
SUPPORT AND REVENUE					
Government grants	\$ 3,666,806	\$ 164,972	\$ 3,831,778	\$ -	\$ 3,831,778
Contributions - corporations	775,198	-	775,198	140,000	915,198
Contributions - foundations and trusts	4,613,512	-	4,613,512	156,000	4,769,512
Contributions - individuals	260,962	-	260,962	-	260,962
Special events income	15,380	-	15,380	-	15,380
In-kind contributions	232,604	-	232,604	-	232,604
Management and reimbursable fees	325,459	-	325,459	-	325,459
Development and marketing fees	724,474	-	724,474	-	724,474
Program services	106,293	-	106,293	-	106,293
Rental income	778,714	4,309,631	5,088,345	-	5,088,345
Interest income	9,606	414	10,020	-	10,020
Subcontract income	198,670	-	198,670	-	198,670
Other revenue	17,894	688,905	706,799	-	706,799
Net assets released from restrictions	511,002	-	511,002	(511,002)	-
Total Support and Revenue	<u>12,236,574</u>	<u>5,163,922</u>	<u>17,400,496</u>	<u>(215,002)</u>	<u>17,185,494</u>
EXPENSES					
Program services	11,084,128	3,672,115	14,756,243	-	14,756,243
Management and general	1,516,808	1,342,052	2,858,860	-	2,858,860
Fundraising	780,242	-	780,242	-	780,242
Total Expenses	<u>13,381,178</u>	<u>5,014,167</u>	<u>18,395,345</u>	<u>-</u>	<u>18,395,345</u>
Change in Net Assets from Operations	(1,144,604)	149,755	(994,849)	(215,002)	(1,209,851)
OTHER CHANGES					
Capital contributions	-	1,656	1,656	-	1,656
Non-controlling interest in income of consolidated affiliates	-	1,595,321	1,595,321	-	1,595,321
Change in Net Assets	(1,144,604)	1,746,732	602,128	(215,002)	387,126
NET ASSETS (DEFICIT)					
Beginning of year	<u>6,291,662</u>	<u>(875,581)</u>	<u>5,416,081</u>	<u>398,038</u>	<u>5,814,119</u>
End of year	<u>\$ 5,147,058</u>	<u>\$ 871,151</u>	<u>\$ 6,018,209</u>	<u>\$ 183,036</u>	<u>\$ 6,201,245</u>

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Functional Expenses Year Ended June 30, 2020

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
PERSONNEL				
Salaries	\$ 5,552,915	\$ 312,310	\$ 513,792	\$ 6,379,017
Contributed services - salaries	86,904	-	-	86,904
Payroll taxes and fringe benefits	1,701,179	156,841	118,619	1,976,639
Total Personnel	<u>7,340,998</u>	<u>469,151</u>	<u>632,411</u>	<u>8,442,560</u>
OTHER THAN PERSONNEL				
Administrative	17,238	3,839	-	21,077
Consultants	523,609	170,991	13,268	707,868
Wage subsidy	32,363	-	-	32,363
Repairs and maintenance	20,784	1,131,853	1,419	1,154,056
Office supplies and printing	82,103	24,075	4,778	110,956
Telephone and postage	88,558	28,859	8,224	125,641
Utilities	729,855	8,059	2,569	740,483
Professional fees	228,097	116,182	-	344,279
Donated professional services	61,465	81,235	-	142,700
Occupancy	288,898	203,067	52,882	544,847
Miscellaneous	226,010	-	-	226,010
Meetings and events	14,102	15,837	650	30,589
Marketing	26,421	17,132	12,289	55,842
Conference, travel, and training	42,679	24,689	5,199	72,567
Contractual services	185,943	32,274	-	218,217
Staff outing	-	3,703	-	3,703
Dues and subscriptions	2,200	2,191	90	4,481
Software and support	24,063	853	9,055	33,971
Insurance	506,644	22,945	1,465	531,054
Equipment, furniture and fixtures	55,103	14,912	5,233	75,248
Fees and bank charges	72,902	29,134	3,439	105,475
Program expenses	889,154	8,979	11,803	909,936
Publications and books	7,572	14	1,267	8,853
Management fees	-	242,047	-	242,047
Relocation expense	432,435	-	-	432,435
Bad debts	40,915	119,857	1,000	161,772
Interest and debt issuance costs	810,434	15,224	-	825,658
Property taxes	87,592	-	-	87,592
Direct fundraising expense	-	-	11,104	11,104
Depreciation and amortization	1,918,106	71,758	2,097	1,991,961
Total Other Than Personnel	<u>7,415,245</u>	<u>2,389,709</u>	<u>147,831</u>	<u>9,952,785</u>
Total Expenses	<u>\$14,756,243</u>	<u>\$ 2,858,860</u>	<u>\$ 780,242</u>	<u>\$ 18,395,345</u>

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Cash Flows Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets from operations	\$ (1,209,851)
Adjustments to reconcile change in net assets from operations to net cash from operating activities	
Depreciation and amortization	1,991,961
Amortization of debt issuance costs	32,699
Bad debts	161,772
Changes in operating assets and liabilities	
Grants receivable	90,452
Accounts receivable	162,359
Prepaid expenses	(32,877)
Other assets	(199,561)
Accounts payable	(2,362,439)
Accrued expenses	1,193,354
Tenants' deposits payable	30,498
Refundable grants payable	(16,250)
Other payables	(708,439)
Due to related parties	137,731
Net Cash from Operating Activities	<u>(728,591)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment in unconsolidated affiliates	(88,134)
Advances to unconsolidated affiliates	(154,231)
Purchase of investments	(45,902)
Purchases of property, plant and equipment	<u>(37,000,922)</u>
Net Cash from Investing Activities	<u>(37,289,189)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Contributions from members	16,563,129
Payment of debt issuance costs	(136,851)
Proceeds from notes and mortgage payable	27,508,292
Mortgage and note principal payments	<u>(1,010,040)</u>
Net Cash from Financing Activities	<u>42,924,530</u>
Net Change in Cash and Restricted Cash	4,906,750

CASH AND RESTRICTED CASH

Beginning of year	<u>10,520,809</u>
End of year	<u>\$ 15,427,559</u>

SUPPLEMENTAL CASH FLOW INFORMATION

Cash Paid for:

Interest, capitalized interest of \$1,354,574	\$ 2,147,533
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See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status

Fifth Avenue Committee, Inc. ("FAC") is a comprehensive community development corporation and chartered member of the NeighborWorks America network whose mission is to advance economic and social justice by building vibrant, diverse communities where residents have genuine opportunities to achieve their goals as well as the power to shape the community's future. FAC is a nationally recognized nonprofit community development corporation formed in 1978 that works to transform the lives of over 5,500 low and moderate income New Yorkers annually so that we can all live and work with dignity and respect while making our communities more equitable, sustainable, inclusive and just. To achieve its mission, FAC develops and manages affordable housing and community facilities; creates economic opportunities, and ensures access to economic stability through workforce training and job placement assistance; connects families with public benefits, tax preparation assistance and legal, financial, and credit counseling; provides student-centered adult education and literacy classes; organizes community members, public housing residents, immigrants and youth; and combats displacement caused by gentrification.

The following entities are included in the consolidated financial statements:

Entities in which FAC is the sole member:

LEAP, Inc., d.b.a. Brooklyn Workforce Innovations, ("LEAP") is a not-for-profit organization that works to empower low and moderate-income individuals by creating living-wage employment opportunities and access to career paths. LEAP creates stable, long-term employment through job-training and placement programs.

FAC Center Local Development Corporation ("FAC LDC") was incorporated in May 2006 under Section 402 of the New York Not-For-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. FAC LDC holds title to and manages the following projects: 182 Fourth Avenue and 621 DeGraw Street, a commercial building that serves as the headquarters of FAC, and FAC affiliates and provides additional space which has been rented to other not-for-profit organizations.

Neighbors Helping Neighbors, Inc. ("NHN") is a not-for-profit HUD-certified counseling agency that empowers low and moderate-income Brooklyn residents to secure quality housing and build assets. NHN was incorporated on December 31, 1990.

Sunset Garden LLC ("Sunset") was established on February 21, 2012 to own and operate real estate and related activity at 219 34th Street in Sunset Park, Brooklyn. Sunset Garden LLC had no activity in fiscal 2020. The parcel is utilized by La Union, a separate 501(c)(3) not-for-profit that FAC incubated. La Union utilizes the space as a community garden and chicken coop.

FAC AT Member LLC (the "LLC") was formed on December 17, 2012. The LLC currently is inactive with no financial activity and may be used in future real estate projects.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status (*continued*)

FAC Solar LLC (“FAC Solar” was formed on July 1, 2019. The LLC entered into a Power Purchase Agreement (PPA) for solar energy creation on FAC owned and/or managed affordable housing and community facility roofs to extend the affordability of projects by lowering maintenance costs, lowering the utility expenses of low and moderate income tenants and reducing greenhouse gas emissions.

The following entities are corporations in which FAC is the sole member. These entities all act as nominee deed holders for various properties and as such have no financial activity: *FAC HDFC d/b/a FAC Renaissance, 575 Fifth Avenue HDFC, FAC Sunset Park HDFC, FAC 6309 Fourth Avenue HDFC, and FAC Fulton Street HDFC.*

FAC Renaissance HDFC is a not-for-profit New York State corporation incorporated on December 28, 2015. In June 2016, FAC closed a real estate transaction assuming the assets and liabilities from two limited partnerships, Fifth Avenue Corridor LP and South Brooklyn Mutual LP which included 13 buildings, comprised of 82 apartments and 9 commercial storefronts. The properties have undergone moderate rehabilitation which included much needed upgrades to heating and electrical systems as well as implementation of energy conservation measures.

Entities in which FAC wholly owns:

FAC Red Hook Homes, Inc. was formed on April 29, 2005 as a for-profit corporation in New York State. It was created for the purpose of developing, constructing, and reselling affordable, mixed income cooperative housing units to qualified buyers in the Red Hook Section of Brooklyn.

FAC, owns the general partner in several Limited Partnerships as follows:

575 Fifth Avenue, Inc. is the general partner of Supportive Slope Limited Partnership with a .01% interest. Supportive Slope Limited Partnership was created in 2008 to operate as a 49-unit low income affordable housing building for formerly homeless individuals with special needs and other low income community residents in South Park Slope, Brooklyn.

551 Warren Street 1, Inc. is the general partner of 551 Warren Street 1 Limited Partnership, with a .01% interest. 551 Warren Street 1 Limited Partnership was established in 1999 to develop and operate 68 single occupancy supportive housing units and 1 superintendent unit in Brooklyn for formerly homeless and low-income adults.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status (*continued*)

FAC Renaissance GP, Inc. is the general partner of FAC Renaissance Limited Partnership, with a .01% interest. In November of 2016, FAC closed a real estate transaction assuming the assets and liabilities from four HDFC's, South Brooklyn Mutual HDFC, 76 Fifth Avenue HDFC, 320-322 Bergen Street HDFC and FAC HDFC d/b/a FAC Renaissance. At closing, ownership to eight buildings, comprising sixty-four apartments and two commercial storefronts were transferred to FAC Renaissance Limited Partnership. The properties have undergone moderate and substantial rehabilitations including much-needed upgrades to heating and electrical systems as well as the implementation of energy conservation measures.

FAC Sunset Park GP, Inc. is the general partner of FAC Sunset Park Limited Partnership, with a .01% interest. The FAC Sunset Park Limited Partnership was created in September 2014 to redevelop the existing Sunset Park Library into a 50 unit mixed-use, 100% affordable, mixed income housing development in Sunset Park, Brooklyn. The proposed development will also expand and upgrade the public library facility and provide 100% deeply affordable housing at mixed incomes in a neighborhood with increased displacement pressure due to gentrification. The project closed construction financing on June 28, 2018 and is scheduled for completion in mid-2021.

FAC 6309 Fourth Avenue GP is the general partner of FAC 6309 Fourth Avenue LP, with a .01% interest. FAC 6309 Fourth Avenue LP was formed in late 2015, and construction financing closed November 26, 2019. This 100% affordable senior housing project involving 84 units in three buildings is now in the construction phase and scheduled for completion in 2022.

Northeastern Towers Annex GP LLC is the general partner of Northeastern Towers Annex LP and was incorporated on July 21, 2016. Northeastern Towers Annex LP was formed on December 9, 2016. It was formed for the purpose operating a future 100% affordable senior housing project producing 159 units of affordable housing in the Jamaica, Queens area of New York City. The project closed construction on June 28, 2018 and is now in the rent-up phase.

FAC Brownsville Apartments GP is the general partner of FAC Brownsville apartments LP and was incorporated on January 18, 2019. FAC Brownsville Apartments LP was formed on January 18, 2019 for the purpose of developing and eventually operating scattered site new construction project that will result in affordable rental apartments in mixed use buildings and include a community facility or retail space.

Other entities included are:

FAC Atlantic Terrace, Inc. is a member of Atlantic Terrace 12, LLC, with a 33.33% interest. Atlantic Terrace 12, LLC was established on November 7, 2005 to sponsor and develop an 80 unit affordable, mixed-income, mixed-use homeownership project in the Fort Greene section of Brooklyn, NY, as well as manage parking and retail condominiums on site. FAC is the sole stock holder of FAC Atlantic Terrace, Inc.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status *(continued)*

588 Park Place Housing Development Fund Corporation was incorporated on January 29, 2004 under Section 402 as a Not-For-Profit Corporation and Article XI of the Private Housing Finance Law of New York State. It was created for the purpose of acquiring and rehabilitating a multiple-dwelling building in Brooklyn, New York under the New York State Homeless Housing Assistance Program and is home to formerly homeless and low-income families. FAC is the guarantor of the enforcement notes with the New York Department of housing and Preservation owed by 588 Park Place Housing Development Fund Corporation.

FAC Advance Housing Development Fund Corporation was incorporated in 2009 under Section 402 as a Not-For-Profit Corporation and Article XI of the Private Housing Finance Law of New York State. It was created to develop and manage three buildings in Brooklyn, New York for the purpose of offering affordable rental housing to community residents. FAC is the guarantor of enforcement notes with the New York Department of Housing Preservation and Development owned by FAC Advance HDFC. It is also the sole member of FAC Gowanus Green, LLC, which in turn has a 25% interest in Gowanus Green Partners, LLC, a real estate developer in the Gowanus section of Brooklyn, New York, which will re-develop the Public Place site.

50th Street Housing Development Fund Corporation was formed on September 25, 1995 pursuant to Article XI of the Private Housing Finance Law and Section 402 of the Not-For-Profit Corporation Law of New York State. It owns, operates and provides support services to the tenants of apartment buildings located at 329 50th Street (24 apartments) and at 345 50th Street (24 apartments), Brooklyn, New York under the confines of the regulatory agreements with the New York City Department of Housing Preservation and Development. The regulatory agreements require it to serve homeless and low-income tenants from the Brooklyn, New York area.

FAC Homeownership Housing Development Fund Corporation was formed on June 19, 1998 pursuant to Article XI of the Private Housing Finance Law and Section 402 of the Not-For-Profit Corporation Law of New York State. It owns and operates an apartment building located at 713 Third Avenue in Brooklyn, New York under the confines of the regulatory agreements with the New York City Department of Housing Preservation and Development. The regulatory agreements require it to serve low income tenants from the Brooklyn, New York area. The building contains 6 residential apartments.

573 Warren Street Housing Development Fund Corporation was formed on January 6, 1993 pursuant to Article XI of the Private Housing Finance Law and Section 402 of the Not-For-Profit Corporation Law of New York State. It owns and operates an affordable supportive housing apartment building (14 apartments) located at 573 Warren Street, Brooklyn, New York under the confines of the regulatory agreements with the City of New York and the New York State Office of Mental Health. The regulatory agreements require it to serve low income formerly homeless tenants that qualify as needing mental health assistance from the Brooklyn, New York area.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status *(continued)*

Tax Status

FAC, LEAP, FAC Center LDC, NHN and 588 Park Place HDFC are exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and are not considered to be a private foundation within the meaning of Section 509 (a) of the Internal Revenue Code and therefore, are exempt from Federal, State and City corporate income taxes. The Limited Partnerships and the limited liability corporations are for profit domestic limited partnerships and limited liability corporations and file Federal and State tax returns. No provision or benefit for income taxes has been included in these financial statements since taxable income or loss of the Limited Partnerships and limited liability corporations pass through to and is reported by, the partners and members individually. These Limited Partnerships except for Atlantic Terrace 12, LLC are eligible for low income housing tax credits from the New York State Division of Housing and Community Renewal as established under the program as described in section 42 of the Internal Revenue Code. FAC Advance HDFC and FAC Renaissance HDFC are exempt from Federal income taxes under section 501 (c) (4) of the Internal Revenue Code and are exempt from Federal, State and City corporate income taxes.

FAC and consolidated entities operate the following programs:

Affordable Housing and Community Facilities Development

FAC manages over 450 units of affordable housing and nearly 30 retail and community facility spaces and is in the process of developing and preserving over 1,800 more, representing nearly \$900 million in direct investment in affordable housing throughout South and Central Brooklyn (over 1,700 units) and in Jamaica, Queens (159 units), as well as several community facility spaces including a public library, pre-K classrooms and a public park.

The ***FAC Sunset Park Library project***, a partnership between FAC, the Brooklyn Public Library (BPL) and the New York City Department of Housing Preservation and Development (HPD), and with LITHC financing from New York State Homes and Community Renewal (HCR), that will establish a new affordable housing development model – a first in NYC - wherein the creation of 50 units of deeply affordable housing is paired with the a new and expanded local public library facility in one of the most heavily used public library branches in NYC. The project closed on construction financing on June 28, 2018

A new senior housing development and universal Pre-K facility in Sunset Park on 6309 Fourth Avenue. In a partnership with the Lutheran Synod, FAC will construct a new building at the corner of 63rd Street and 4th Avenue to contain 76 apartments and a pre-kindergarten facility for 5 classes on the ground and cellar floors. The two adjacent 63rd Street townhomes will be rehabilitated into eight additional senior units. The project will meet the needs for deeply affordable housing by very low- and extremely low-income senior citizens (identified as age 62 and over) for a total of 84 new affordable apartments. The project closed on construction financing on November 26, 2019.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status (*continued*)

The ***development of a new senior housing development Northeastern Towers Annex in Jamaica, Queens***, wherein FAC is partnering with the Northeastern Conference of Seventh Day Adventists and Mega to add an annex to an existing senior housing development located in Jamaica, Queens. The annex will consist of 159 new affordable apartments on the southern portion of the property, adjacent to an existing 110 apartment senior housing building (a recently refinanced Section 202 building). A new public senior center is also planned on site. Now in the rent-up phase, the project closed construction financing on June 26, 2018, and is FAC's first affordable housing project in Queens, NY.

Three separate ***Brownsville projects*** include: a scattered site new construction project that will result in more than 80 affordable rental apartments in mixed use buildings and a community facility or retail space.

FAC Renaissance is a preservation project that will preserve 146 existing units of low-income rental housing and 11 storefronts in 21 buildings for local businesses in Gowanus, Carrol Gardens, Park Slope and South Park Slope, Brooklyn. Twenty buildings have completed construction with the final building – 332 Bergen Street – slated to be completed in late 2021.

Gowanus Green is the redevelopment of a former manufactured gas plant (brownfield) site adjacent to NYC's first US EPA Superfund site – the Gowanus Canal – on the 5.8-acre City owned Public Place site in Carroll Gardens, Brooklyn. The project will create 950 units of 100% affordable housing, a public park and a public school and include retail and community facility space. FAC is co-developing the site with partners The Hudson Companies, The Jonathan Rose Companies and the Bluestone Organization. The project is in pre-development and anticipated to begin ULURP as part of the larger Gowanus area-wide rezoning in January 2021.

Organizing and Advocacy

FAC's organizing and advocacy programs empower low-income residents through social justice and tenant rights campaigns, prevent over 200 evictions each year, and help empower traditionally marginalized groups, such as rent stabilized and public housing residents, and immigrants. In fiscal year ("FY") 2020 FAC continued its leadership of Turning the Tide, climate justice campaign with local partners as well as the Gowanus Neighborhood Coalition for Justice ("GNCJ"). GNCJ is a broad-based coalition that advocates for equitable development and rezoning outcomes.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status *(continued)*

Organizing and Advocacy (continued)

Active campaigns and efforts include:

- 1) ***Gowanus Neighborhood Coalition for Justice “(GNCJ)”*** is led by FAC with broad representation of local residents and stakeholders to elevate the priorities of low and moderate-income residents, industrial firms, and the neighborhood-based organizations that serve them. To ensure the community’s comprehensive needs are met as part of planned future land-use actions in Gowanus. The coalition’s five overarching principles are to advance racial, economic and environmental justice as part of planned future public and private land use actions in Gowanus.
- 2) ***Grassroots member-led organizing campaigns*** at FAC includes work around NYCHA Accountability led by Families Organized in Unity for a New Democracy (FOUND)—an advocacy group comprised of local public housing residents with support from FAC staff.
- 3) FAC is part of ***Stabilizing NYC***, a citywide initiative to organize tenants in buildings owned or threatened by predatory equity firms and speculative landlords who seek to displace low and moderate income rent stabilized tenants as part of their business model.
- 3) ***Turning the Tide (“T3”)*** is a climate justice initiative focused on engaging and empowering South Brooklyn’s low-income public housing residents in the climate movement, and on informing significant resilience and sustainability investments at NYCHA and in the low-lying, coastal neighborhoods of Red Hook and Gowanus.
- 5) ***5th Avenue Key Food Campaign*** – FAC led a successful community coalition over 18 months that secured a full-service community supermarket to replace the beloved 5th Avenue Key Food. The owners of the local Key Food decided to sell their property to a developer thought time remains on the Butler Street Urban Renewal Plan which provided a mechanism for community input. Additionally, the coalition’s advocacy resulted in the project being more deeply affordable – providing 25% affordable housing for a non-MIH project with at least 10% of the units at 40% of AMI – and providing a mechanism for community input on minimizing the project’s impact. In FY 2020, the coalition continues to be in contact with the developer since construction of the new project has yet to begin.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status (continued)

Organizing and Advocacy (continued)

- 6) ***BrooklynSpeaks*** is a coalition founded by FAC and several local civic and community based organization focused on ensuring that the Atlantic Yards/Pacific Park \$6+ billion dollar project is accountable to the local community and delivers on promised public benefits in a timely fashion. In June of 2014, BrooklynSpeaks entered into an agreement with NYS Empire State Development Corporation for the developer to deliver the 2,250 affordable housing units by 2025 or face significant financial penalties and to create the Atlantic Yards Local Development Corporation with local representation to oversee and monitor the project. BrooklynSpeaks continues to be active to ensure the project is publicly accountable.

Adult Education and Literacy Programs

Offering a range of classes, including English for Speakers of Other Languages (“ESOL”), Adult Basic Education (“ABE”), High School Equivalency (“HSE”), Family Literacy Classes and Bridge Programming at local public schools and churches, this program served over 500 students in FY 2020. Per the NYS Department of Education, the program performs in the top quartile of adult education programs state-wide. The New American Bridge Program Pilot in Sunset Park launched in late 2018, served over 200 foreign born students with barriers to employment in FY 2020 supporting students to access FAC nonprofit workforce development affiliate, Brooklyn Workforce Innovations (“BWI”) Red Hook On the Road CDL program and Brooklyn Networks tele-data cable installation program and being placed successfully into employment.

Community Services

Providing a range of free services including benefits access (SNAP, unemployment insurance, Medicare/aid and more), tax preparation, financial and legal counseling and (in 2020) emergency COVID-19 relief (i.e., food, cash assistance) to over 1,000 working poor and low-income New Yorkers each year. FAC’s Community Services is a Robin Hood Benefits Assistance Site (formerly Single Stop) and a Financial Opportunity Center (FOC) site—proven models that help low income individuals gain financial security and build assets.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

1. Organization and Tax Status (*continued*)

Workforce Development

Through its Neighborhood Employment Services (“NES”) and FAC affiliate BWI, FAC assists over 900 jobless and working poor New Yorkers each year by offering sector-based job training and direct placement services. These programs provide access to living-wage employment, established careers, and continuing job support. NES also continued its Digital Steward Training Program in support of Gowanus Community WIFI (“GCW”) bringing connectivity, disaster preparedness, and resiliency to Gowanus through a network of WIFI sites that we oversaw the installation of. NES also continues to support **Stronger Together** participants – an anti-poverty program offering access to wrap around services, workforce training, bridge programming and job placement to public housing residents in Red Hook and Gowanus. In FY 2020, NES also oversaw FAC’s Census 2020 outreach and engagement activities with over 90,000 NYers reached and nearly 7k completing the 2020 Census.

Community Controlled Resilient Infrastructure

In 2020, FAC continued the final installation and maintenance of **Gowanus WIFI-Mesh**, a project focused creating a free WI-FI Mesh Network in Gowanus to benefit local businesses impacted by Superstorm Sandy and local residents who are impacted by the digital divide.

In 2020, FAC advanced **FAC Solar**—a project to install over 225,000 kw of solar power on FAC owned and managed affordable housing and community facility buildings in Phase 1 as part of reducing our greenhouse gas emissions, reducing maintenance expenses to contribute to permanent affordability and reduce utility expenses for low and moderate-income tenants living in FAC properties.

COVID-19

COVID-19 has amplified long-standing inequities suffered by the low-income people and communities of color FAC, BWI and NHN serve. In response, we have expanded and pivoted our existing comprehensive community development efforts to include direct COVID-19 related supports to serving more people with deeper, more urgent needs while continuing our core existing programs.

We launched the FAC/BWI/NHN COVID Relief Fund, conducted COVID Vulnerability Assessments of tenants living in FAC affordable housing, neighborhood residents and program participants to better understand current and evolving needs, launched **Operation Community Food Basket** to provide access to emergency food to thousands of families in need, distributed electronic equipment and hot spots and provided needed IT training to bridge the digital divide, distributed PPE, hosted and participated in town halls to explain the impact of renter and foreclosure moratoriums and assisted those who lost employment to access needed benefits and new employment.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Principles of Consolidation

The consolidated financial statements include the accounts of FAC, entities for which it is the sole member and subsidiaries which it has a controlling interest through wholly owned general partners, limited partnerships, and control of voting rights by the FAC board or ownership of more than 50% interest. All significant inter-company accounts and transactions have been eliminated. Collectively, the entities are referred to as the Corporation.

Non-Controlling Limited Partners' Interests

Non-Controlling Limited Partners' Interest in the Corporation's consolidated statement of activities represents the profits or losses of the Limited Partnerships' allocated to limited partners for that period. Limited Partners' Interest in the Corporation's consolidated statement of financial position represents the undistributed profits or losses and capital of the Limited Partnerships.

Change in Accounting Principle

Revenue from Contracts with Customers

Effective July 1, 2019, the Corporation adopted Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers, as amended. The guidance provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance. The new revenue recognition guidance does not apply to how contributions and pledges are recognized, as they are specifically scoped out of the new guidance. The core principle of the new guidance is that an entity should recognize revenue from the transfer of promised goods or services to customers in an amount that reflects the consideration the entity expects to receive for those promised goods or services to customers. The guidance includes a five-step framework to determine the timing and amount of revenue to recognize related to contracts with customers. In addition, this guidance requires new or expanded disclosures related to judgments made by entities when following this framework.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

Change in Accounting Principle (continued)

Revenue from Contracts with Customers (continued)

Analysis of various provisions of this standard resulted in no significant changes in the way the Corporation recognizes revenue, and therefore no changes to the previously issued audited consolidated financial statements were required on a retrospective basis. When revenue is earned over a period that spans the year end, it is recognized in the applicable period in which it is earned. The new guidance requires the Corporation to not recognize revenue until it is probable of collection. Based on the Corporation's strong collection experience, the Corporation has concluded that all revenue recognized is probable of collection.

Recognition of Contributions

Effective July 1, 2019, the Corporation adopted ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made ("ASU 2018-08"). This guidance provides a framework for evaluating whether grants and contributions should be accounted for as exchange transactions or as nonexchange transactions. Analysis of various provisions of this standard resulted in no significant changes in the way the Corporation recognizes grants and contributions, and therefore no changes to the previously issued audited consolidated financial statements were required on a retrospective basis.

Restricted Cash

Effective July 1, 2019, the Corporation adopted accounting standard update ASU 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash for all periods presented. ASU 2016-18 requires inclusion of restricted cash with cash and cash equivalents when reconciling the beginning of period and end of period total amounts shown on the statement of cash flows to the statement of financial position. Previously, changes in restricted cash were reported on the consolidated statement of cash flows as operating, investing or financing activities based on the nature of the underlying activity.

Net Asset Presentation

The Corporation reports information regarding financial position and activities according to two classes of net assets: without and with donor restrictions.

Without donor restrictions – consist of resources available for the general support of the Corporation's operations. Net assets without donor restrictions may be used at the discretion of the Corporation's management and Board of Directors.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

Net Asset Presentation (continued)

With donor restrictions – represent amounts restricted by donors to be used for specific activities or at some future date, or which require the Corporation to maintain in perpetuity, including funds that are subject to restrictions or gift instruments requiring that the principal be invested in perpetuity and the income be used for specific or general purposes. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. At June 30, 2020, the Corporation has no net assets with donor restrictions that are perpetual in nature.

Fair Value Measurements

The Corporation follows U.S. GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with a maturity of three months or less at the time of purchase.

Significant concentrations

The Corporation may at times, maintain cash balances in financial institutions in excess of federally insured limits. The Corporation has not experienced any losses on its deposits.

Allowance for Doubtful Accounts

The collectability of receivables is based on a combination of factors. When management is aware of a customer's inability to meet its financial obligation, an allowance for the potential bad debt to reduce the receivable to the estimated realizable value is recorded. Past due status is based on how recently payments have been received. The allowance for doubtful accounts at June 30, 2020 was \$76,868.

Investment in Unconsolidated Affiliates

Investments in which the Corporation does not exercise significant influence and holds less than 20% interest are accounted for under the cost method.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

2. Summary of Significant Accounting Policies *(continued)*

Debt Issuance Costs

Debt issuance costs are reported on the consolidated statement of financial position as a direct deduction from the face amount of the debt. The debt issuance costs are being amortized over the term of the debt on a method that approximates the effective interest method. The Corporation reflects amortization of debt issuance costs within interest and finance costs.

Property, Plant and Equipment

Property, plant, and equipment are stated at cost. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by related costs and accumulated depreciation. The resulting gains or losses are reflected in the consolidated statement of activities.

The useful lives of property, plant, and equipment are summarized as follows:

Buildings	40 years
Furniture and equipment	5 - 10 years
Leasehold improvements	10 years

Leasehold improvements are amortized over the lesser of the estimated useful life of the asset or the term of the lease inclusive of expected renewals.

Investment in Real Estate

The Corporation reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. If management's estimate of the aggregate future cash flows to be generated by the property, undiscounted and without interest charges, and any estimated proceeds from the eventual disposition of the real estate is less than its carrying amount, an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. The determination of undiscounted cash flows requires significant estimates by management. Subsequent changes in estimated undiscounted cash flows could impact the determination of whether impairment exists. No impairment loss has been recognized during the year ended June 30, 2020.

Capitalized Mortgage Interest

The Corporation capitalizes mortgage interest incurred for financing of its properties during the development period until the property is placed in service or is available for resale. Interest incurred after the property is placed in service is expensed when incurred. For the year ended June 30, 2020 \$1,354,574 of construction interest was capitalized.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

Expenses are summarized and categorized based upon their functional classification as either program services, management and general expenses or fundraising. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain expenses are attributable to more than one program or supporting function and have been allocated in reasonable ratios determined by management. The more significant expenses that are allocated include salaries, payroll taxes and employee benefits and professional fees, which are allocated based on estimates of time and effort and full time equivalent.

Contributions

Contributions received are recorded as net assets without donor restriction or net assets with donor restriction depending on the existence or nature of any donor imposed stipulations.

Revenue Recognition

The Corporation records earned revenues on an accrual basis. In addition, the Corporation records as revenue the following types of contributions, when they are received unconditionally at their fair value: cash, promises to give (contributions receivable), grants receivable, certain contributed services and gifts of other assets. Conditional contributions and grants are recognized as revenue when the conditions on which they depend have been substantially met. The Corporation also raises funds through special events. Event revenues, net of related costs with a direct-benefit to donors, are recorded as contributions without donor restrictions since such funds can be used for general operations unless there are donor-imposed restrictions. Costs to generate donations with or without donor restriction and grants are expensed as incurred.

Rental income is recognized as it accrues. Advance receipts of rental income are deferred and classified as liabilities until earned or recouped. All leases between the Corporation and the tenants of the property are operating leases of one to two years.

Fees received for management, development and marketing, and program services are recognized as the services are performed or expenditures are incurred.

Donated Professional Services

Contributed services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated professional services are reflected in the accompanying consolidated statement of activities at their fair value at the time the services are rendered.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

Accounting for Uncertainty in Income Taxes

The Corporation recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Corporation had no uncertain tax positions that would require financial statement recognition or disclosure. The Corporation is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to June 30, 2017.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the consolidated financial statements through the date that the consolidated financial statements were available to be issued, which date is December 7, 2020.

3. Related Party Transactions

Advances to Non-Consolidated Affiliates

Advances to affiliates of \$330,818 are non-interest bearing and have no specific date of repayment.

Limited Partnerships

The Corporation, through its wholly-owned subsidiaries, is a general partner in several limited partnerships. U.S. GAAP guidance requires the Corporation to consolidate these limited partnerships in the consolidated financial statements. Furthermore, the Corporation has provided various guarantees of operating deficits, credit adjustment advances, fee guarantee advances and has a purchase option of certain limited partners' interest at the end of stated periods.

The Corporation has certain transactions with other entities that are not required to be consolidated. The "Due to Related Parties" as of June 30, 2020 amount due was \$1,031,898, which is reflected in the consolidated statement of financial position.

The Corporation has consolidated the Limited Partnerships as required by U.S. GAAP by the inclusion of the assets, liabilities, partners' capital and results of operations of these partnerships to provide the user of the financial statements meaningful information about the financial position and results of operations of the Corporation.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

3. Related Party Transactions *(continued)*

Limited Partnerships (continued)

The Limited Partnerships for which the Corporation is the general partner are consolidated in the accompanying consolidated financial statements. The non-controlling limited partners' interest at June 30, 2020 are as follows:

For Profit Affiliates	Percent of Non- Controlling Ownership	Non-Controlling Interest
Supportive Slope LP	99.99%	\$ 155,605
551 Warren Street 1 LP	99.99	2,934,537
Atlantic Terrace 12, LLC	66.67	1,538,056
FAC Renaissance LP	99.99	10,732,547
FAC Sunset Park LP	99.99	144,136
Northeastern Towers Annex LP	99.99	6,425,039
FAC 6309 Fourth Avenue, LP	99.99	1
FAC Brownsville LP	99.99	(766)
		\$ 21,929,155

In connection with the inclusion of these Limited Partnerships', the change in non-controlling limited partners' interest for the year ended June 30, 2020 is as follows:

Inclusion of Limited Partners' non-controlling interest as of July 1, 2019	\$ 6,963,003
Equity Adjustments of LP's non-controlling interests	16,561,473
Non-controlling Limited Partners' Interest in losses of consolidated affiliates	(1,595,321)
Non controlling Limited Partners' interest in consolidated affiliates as of June 30, 2020	\$ 21,929,155

4. Restricted Cash

In accordance with the Limited Partnerships' regulatory agreements, the Limited Partnerships are required to maintain certain reserve accounts. The Operating Reserve account is funded from the partners' capital contributions and surplus cash as defined in the limited partnerships' agreements. The Replacement Reserve is required to fund future repairs and replacements as well as capital projects. The Social Service Reserve is to be used for bridging any delays in receipt of any Section 8 rental assistance payments and/or Social Service subsidiaries.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

4. Restricted Cash (continued)

The following is a reconciliation of the cash, cash equivalents and restricted cash reported on the consolidated statement of financial position to the statement of cash flows at June 30, 2020:

Cash	\$ 6,616,642
Restricted cash	<u>8,810,917</u>
	<u>\$ 15,427,559</u>

The following reserves amounts are included in restricted cash on the accompanying consolidated statement of financial position at June 30, 2020:

Replacement reserve	\$ 938,128
Operating reserves	7,136,514
Social service reserve	<u>736,275</u>
	<u>\$ 8,810,917</u>

5. Property, Plant and Equipment

Property, plant and equipment consists of the following at June 30, 2020:

Land	\$ 1,780,839
Buildings	70,579,414
Furniture and equipment	1,528,747
Leashold improvements	3,515,112
Construction in progress	<u>81,089,184</u>
	158,493,296
Accumulated depreciation and amortization	<u>(18,726,890)</u>
	<u>\$ 139,766,406</u>

Depreciation and amortization expense for the year ended June 30, 2020 was \$1,991,961.

6. Property Held for Sale

Property held for sale consists of residential affordable and mixed income co-operative units developed using a combination of government grants and mortgage financing. Upon completion, these properties will be sold, in accordance with the terms of the government grants, to qualified buyers in the Red Hook section of Brooklyn, New York. No depreciation is recorded on properties held for sale.

In 2018, two units were sold to unrelated parties for a total of \$1,490,000. The two remaining co-ops are being rented and then are expected to be sold and the related mortgages repaid in 2020. Costs for these properties amounted to \$1,250,853 at June 30, 2020.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

7. IDA Funds

The Corporation operated an IDA program for eligible individuals who were interested in saving money towards future educational expenses or entrepreneurial projects. The Corporation matched participants' contributions on a 3:1 or 2:1 basis, with specific limitations, for a period of 1 to 3 1/2 years. At June 30, 2020, the Corporation has a liability of \$98,541 for future participant matching funds. The Corporation has stopped participating in this program and management is making its best effort to return the unspent funds as outlined in the funding agreement.

8. Refundable Grants Payable

During 2008, the Corporation received a \$745,000 recoverable grant from the Federal Home Loan Bank to be used to support affordable housing in the Supportive Slope Project. This project is a single occupancy residential facility with 49 units in the Park Slope Section of Brooklyn. The grantor requires the Corporation to sponsor the project and that the project remains affordable for a 15 year period ending 2025, at which time the conditions will have been satisfied. The Corporation loaned these funds to Supportive Slope Limited Partnership, a consolidated entity, at 0% interest rate and payable on the fiftieth (50th) anniversary of the receipt of a certificate of occupancy for the project. On April 29, 2014 a certificate of occupancy was issued by the City of New York. Accordingly, the amount due from the consolidated affiliated companies is eliminated upon consolidation. However, the \$745,000 due to Federal Home Loan Bank from the Corporation is included within refundable grants payable in the accompanying consolidated financial statements.

9. Mortgages and Notes Payable

Mortgages and notes payable consists of the following at June 30, 2020:

Fifth Avenue Committee, Inc.

FAC has four lines of credit. The first line of credit is with JPMorgan Chase Bank for \$406,000, bears a variable interest rate and was renewed on July 21, 2016. It is collateralized by a condominium unit located at 294 Smith Street, Brooklyn, NY. The outstanding borrowing under this line is **\$169,859** at June 30, 2020. The second line of credit is with JPMorgan Chase Bank for \$2,000,000, bears a fixed interest rate of 5.65% and expires on August 2, 2020. The outstanding borrowing under this line is **\$-0-** at June 30, 2020. The third line of credit is with the Contact Loan Fund for \$600,000, bears interest at prime plus .50% of the outstanding principal balance of the borrowings and payable on demand and renewable annually. This line has an outstanding principal balance of **\$309,215** at June 30, 2020. The fourth line of credit is with Wells Fargo Bank in the amount of \$500,000 and matures on July 1, 2024 and carries an interest rate of 2% each quarter. As of June 30, 2020, the outstanding balance was **\$500,000.**

Carry forward

\$	979,074
	<u>979,074</u>

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable (*continued*)

Carry forward \$ 979,074

Paycheck Protection Program Loans

On various dates in FY20, FAC, LEAP, and NHN all applied for and received funding under this program. FAC received **\$854,694**, LEAP received **\$533,300**, and NHN **\$63,846**. The program allows recipients to apply for forgiveness of the loan in full by applying within 9 months of the receipt of funds.

1,451,840

588 Park Place HDFC

588 Park Place HDFC obtained two mortgages on May 25, 2005 (project awards) from New York State Homeless Housing and Assistance Corporation for an original amount of \$1,425,694 and \$41,506 (total **\$1,467,200**), respectively. The purpose of the proceeds was to fund the development of the building. The mortgages secure the land and building, do not require the payment of interest or principal and will be completely forgiven on May 25, 2035 if the Corporation complies with the terms of the regulatory agreements. There are no principal maturities due in the next five years if the Corporation continues to comply with the regulatory agreements. In addition, on May 25, 2005, the Corporation obtained a mortgage from New York City Department of Housing Preservation and Development for a maximum amount of \$709,186, of which, **\$243,743** has been drawn down as of June 30, 2020. The purpose of the proceeds was to fund the development of the building.

1,710,943

50th Street HDFC

On May 31, 1996 the land and building were transferred to the 50th Street HDFC by New York City Department of Housing Preservation and Development at an appraised value of **\$1,407,000** in order to provide housing to low income residents of the Brooklyn NY Area.

The enforcement lien secures the land and building, does not require the payment of interest (0%) or principal and will be completely forgiven on May 31, 2028 if the Corporation is in compliance to the terms of the regulatory agreements.

There are no principal maturities due in the next five years as long as the Corporation continues to be in compliance with the regulatory agreements.

On June 30, 2008 the Corporation obtained a mortgage from New York City Department of Housing Preservation and Development for a maximum amount of **\$1,645,496** in order to fund renovation costs.

Carry forward

4,141,857

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable (continued)

Carry forward \$ 4,141,857

50th Street HDFC (continued)

The mortgage secures the land and building of the Corporation and does not require the monthly payment of principal or interest (0%) if the Corporation is in compliance with the regulatory agreements. The mortgage matures on June 30, 2033 whereby a balloon payment is due.

There are no principal maturities due in the next five years as long as the Corporation continues to be in compliance with the regulatory agreements.

On June 1, 2011 the Corporation received a drawdown of a capital loan from New York City Department of Housing Preservation and Development for an original amount of \$68,617. The loan payable requires monthly payments of \$334.52 which are applied towards principal and interest at a fixed rate of 2%. The loan payable is self-amortizing and matures in June 2033. Amount of principal outstanding at June 30, 2020 was **\$41,949**.

3,094,445

FAC Center Local Development Corporation

FAC LDC has two mortgage notes with the Low Income Investment Fund. The first note has an interest rate of 8%, requires monthly payments of interest and principal, matures on June 1, 2026 and has an outstanding principal balance of **\$407,227** at June 30, 2020. The second note has an interest rate of 6.7%, requires monthly payments of interest and principal, matures on June 1, 2036 and has an outstanding principal balance of **\$3,135,440** at June 30, 2020. Both loans are collateralized by the FAC Center properties at 621 DeGraw Street and 182 4th Avenue.

3,542,667

Supportive Slope LP

Supportive Slope LP has a mortgage with the New York City Department of Housing Preservation and Development. The note accrues interest at 1% per annum. The note requires no monthly payments of principal and interest and it matures on May 14, 2040. The mortgage is collateralized by the Partnership's investment in real estate.

6,900,000

551 Warren Street 1 LP

551 Warren Street 1 LP has a non-interest-bearing mortgage note is held by the New York City Housing Preservation and Development Fund. The note will mature on May 1, 2031. The real property of the Partnership is collateral for the loan.

5,660,566

Carry forward

23,339,535

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable (continued)

Carry forward \$ 23,339,535

FAC Advance HDFC

FAC Advance HDFC obtained a note payable for pre-development loan financing from Local Initiatives Support Corporation ("LISC"). The loan was modified on March 1, 2017 to reflect a principal balance of \$194,658 that requires monthly payments of principal and interest at a fixed interest rate of 7% and matures on January 1, 2020. The outstanding principal balance was **\$99,388** on June 30, 2020. On May 20, 2016, the corporation obtained a permanent mortgage with the Community Preservation Corporation (CPC) collateralized by the premises at 31 St. Marks Place, 258 51st Street and 237 Fifth Avenue, Brooklyn, New York (the "premises"). The mortgage payable in the amount of \$1,225,000 requires monthly payments of principal and interest at a fixed annualized rate of 5.65% and matures on June 1, 2046. The outstanding principal balance was **\$1,154,985** on June 30, 2020. On May 20, 2016, the corporation converted construction financing to a permanent loan with the NYC Department of Housing, Preservation and Development. The mortgage payable in the amount of \$1,853,840 requires monthly payments of principal and interest at a fixed annualized rate of 1% and matures on June 1, 2046. The outstanding principal balance was **\$1,836,048** on June 30, 2020.

3,090,421

Atlantic Terrace 12, LLC

Atlantic Terrace 12, LLC has two enforcement notes with the New York City Department of Housing Preservation and Development that are secured by real property located at 212 South Oxford Street in the Fort Greene section of Brooklyn. The enforcement notes may be forgiven if Atlantic Terrace 12, LLC complies with certain requirements as outlined in the respective agreements. The enforcement notes shall not bear interest and matures on May 11, 2026.

1,892,396

North Eastern Towers Annex LP

Northeastern Towers Annex LP has four construction loans all entered into on June 26th, 2018. The first position mortgage is a bond financed mortgage from NYC Housing Development Corporation in the amount \$50,010,000 of which **\$36,883,120** had been drawn effective June 30, 2020. The loan has an interest rate of 3.09% and matures on February 28, 2021 (with an option for an additional 6-month extension). This bond financing required a standby letter of credit, which was provided by Wells Fargo Bank for the duration of the construction loan period.

Carry forward

28,322,352

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable (continued)

Carry forward \$ 28,322,352

North Eastern Towers Annex LP (continued)

The second position mortgage is provided by NYC Housing Development Corporation in the amount of \$8,745,000 of which **\$8,658,090** had been drawn effective June 30, 2020. The loan has an interest rate of 3.26% until the letter of credit on the first position mortgage is released, with 1.25% due in monthly installments on the outstanding balance drawn with the balance of interest (2.01%) deferred and accruing as simple interest. On or after the letter of credit release date, the 2nd position mortgage will bear interest at a fixed rate per annum equal to the Applicable Federal Rate (AFR), with interest-only payments due in constant monthly installments of \$7,287.50 (1% per annum of the principal amount) with the balance of the interest deferred and compounded monthly. The outstanding balance of the mortgage will be due on August 31, 2061.

The third position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of \$13,448,712 (comprised entirely of HOME funds) of which **\$13,448,512** had been drawn effective June 30, 2020. The loan has an interest rate of 3.26% (the AFR on the date of the closing plus .25% servicing fee) and matures on February 28, 2021 (with an option for an additional 6-month extension). .25% of the outstanding balance of the mortgage is payable each month with the balance (3.01%) of the interest deferred and compounded monthly.

The fourth position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of \$1,000,000 (comprised entirely of Reso-A funds) of which **\$1,000,000** had been drawn effective June 30, 2020. The loan has an interest rate of 3.26% (the AFR on the date of the closing plus .25% servicing fee) and matures on February 28, 2021 (with an option for an additional 6-month extension). .25% of the outstanding balance of the mortgage is payable each month with the balance (3.01%) of the interest deferred and compounded monthly.

Carry forward

59,989,722
88,312,074

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable (continued)

Carry forward \$ 88,312,074

FAC Sunset Park LP

FAC Sunset Park LP entered into four construction loans on June 29th, 2018. The first position mortgage is from Bank of New York Mellon and is comprised of both a Building Loan (\$10,696,309) and a Project Loan (\$1,730,875) totaling \$12,427,184, with **\$4,532,633** drawn as of June 30, 2020. The loan will be due on the sooner of permanent conversion or September 29th, 2020, with the option to extend through March 29th, 2021 with a fee of .25% of the Mortgage amount.

The second position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of \$8,750,000 of which **\$2,614,143** had been drawn effective June 30, 2020. The loan has an interest rate of 2.75% and matures on November 29, 2020 (with an option for an additional 6-month extension), 25% of the outstanding balance of the mortgage is payable each month with the balance (2.5%) of the interest deferred and compounded monthly.

The third position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of \$3,655,000 (comprised entirely of Reso-A funds) of which **\$0** had been drawn effective June 30, 2020. The loan has an interest rate of 2.75% and matures on November 29, 2020 (with an option for an additional 6-month extension) .25% of the outstanding balance of the mortgage is payable each month with the balance (3.01%) of the interest deferred and compounded monthly.

A fourth position enforcement note is provided by NYC Department of Housing Preservation and Development in the amount of \$8,539,999 with a 0% interest and repayable upon any Default, Prohibited Transfer and/or Prohibited Refinancing during the Construction period. At permanent closing, \$2,531,986 of that amount will be forgiven. The remainder, \$6,008,013 will be an enforcement note (with \$4,368,172 on the LIHTC financed apartments and \$1,639,841 on the SLIC financed apartments) accruing at 3.01% compounded monthly for a term of 60 years. The balance of principal and interest will be payable up to the amount of any Resale Profit during the 60 years. The (balance of the) Enforcement Note will be forgiven at the 60th Anniversary of the permanent loan closing.

Carry forward

7,146,776
95,458,850

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable (continued)

Carry forward \$ 95,458,850

FAC Renaissance HDFC

FAC Renaissance HDFC has the following mortgages / loans: Local Initiatives Support Corporation (“LISC”) construction loan in the amount of \$5,269,061. The construction loan is to provide funds for construction and requires interest during construction at 6%. The construction loan matures at the earlier of; the first day of the first month following the completion of construction, or the twenty-first-month anniversary of the first day of the first full month after the construction closing date (April 1, 2018). As of June 30, 2020, the outstanding principal was **\$5,091,714** and accrued interest was \$0. At permanent conversion, the construction loan will be replaced by a permanent mortgage with the NYC Pension Fund.

City of New York Department of Housing Preservation and Development (“NYC HPD”) construction loan in the amount of \$3,406,138. The construction loan is to provide funds for construction and requires interest during construction of .25%. The construction loan matures at the earlier of: the first day of the first month following the completion of construction, or the twenty first month anniversary of the first day of the first full month after the construction closing date (April 1, 2018). As of June 30, 2020, the outstanding principal was **\$3,041,644** and accrued interest was \$0. At permanent conversion, the construction loan shall become a permanent mortgage and it shall become the second mortgage.

City of New York Department of Housing Preservation and Development (“NYC HPD”) mortgage in the amount of \$1,695,551. The mortgage is the result of the assumption of a mortgage associated with the SBMLP property. The mortgage provides for, among other matters, 0% interest and no payments of principal until maturity. Maturity is on the thirtieth anniversary, June 30, 2046. The outstanding principal as of June 30, 2020 was **\$1,695,551**.

New York City Housing Development and Corporation (“NYC HDC”) mortgage in the amount of \$2,931,385. The mortgage is the result of the consolidation of the remaining mortgages associated with the closing of the SBMLP and FACLP properties. The mortgage provides for, among other matters, 0% interest and no payments of principal until maturity. Maturity is on the thirtieth anniversary, June 15, 2046. The outstanding principal as of June 30, 2020 was **\$2,931,385**.

Carry forward

95,458,850

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable *(continued)*

Carry forward \$ 95,458,850

FAC Renaissance HDFC *(continued)*

A Sponsor Loan with FAC. The funds were provided by the Federal Home Loan Bank of New York's Affordable Housing Program ("AHP"). The loan is evidenced by notes in the amount of \$1,417,500. The purpose of the sponsor loan is to have funds available for construction. The loan matures on the fifteenth anniversary of the date the first loan converts to permanent financing and it bears no interest. The loan can be prepaid from available cash flow. As of June 30, 2020, the outstanding principal balance was **\$1,417,500**.

14,177,794

FAC 6309 Fourth Avenue LP

FAC 6309 Fourth Avenue LP has three construction loans all entered into on November 27th, 2019. The first position mortgage is from JP Morgan Chase and is comprised of both a Building Loan (\$24,397,245) and Project Loan (\$3,603,195), totaling \$28,000,440, with **\$1,123,347** drawn as of June 30, 2020. The loan has an interest rate of 1.85% plus LIBOR and matures on October 27, 2022 (with an option for an additional 6-month extension).

The second position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of \$11,676,840 (comprised entirely of HOME funds) of which **\$3,325,144** had been drawn effective June 30, 2020. The loan has an interest rate of 3.00% and matures on October 27, 2022 (with an option for an additional 6-month extension). 0.25% of the outstanding balance of the mortgage is payable each month with the balance (2.75%) of the interest deferred and compounded monthly.

The third position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of \$6,000,000 (comprised entirely of Reso. A funds) of which **\$2,066,028** had been drawn effective June 30, 2020. The loan has an interest rate of 3.00% and matures on October 27, 2022 (with an option for an additional 6-month extension). 0.25% of the outstanding balance of the mortgage is payable each month with the balance (2.75%) of the interest deferred and compounded monthly.

Carry forward

6,514,519
116,151,163

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable (*continued*)

Carry forward \$ 116,151,163

FAC Renaissance LP

FAC Renaissance LP has two construction loans. The first is with TD Bank NA in the amount of \$12,162,943 of which **\$4,646,552** has been drawn as of June 30, 2020. The loan has an interest rate of 4% and was extended to October 31, 2020. The second loan is with the New York City Department of Housing Preservation and Development in the amount of \$1,696,075 and carries an interest rate of 0% with a loan servicing of .25%. As of June 30, 2020 the amount drawn was **\$1,696,075** and the loan was extended to October 31, 2020.

On November 23, 2016 and in consideration for the residential properties, the Partnership entered into the following three mortgages:

Substitute Mortgage A with HPD in the amount of \$136,000. The mortgage has a 2.5% interest rate and requires no payments of principal or interest until maturity. Interest shall accrue annually. The mortgage matures the earlier of (i) the sixtieth-year anniversary of the date which is the earlier of the date the first mortgage is (a) converted from construction loan financing to permanent loan financing, or (b) satisfied ("Conversion Date"), or (ii) the expiration of the certain year 15 regulatory agreement with HPD. As of June 30, 2020, the outstanding principal was **\$136,000**.

Mortgage with HPD in the amount of \$356,655. The mortgage has a 2.5% interest rate and requires no payments of principal or interest until maturity. Interest shall accrue annually. The mortgage matures the earlier of (i) the sixtieth-year anniversary of the Permanent Conversion date, or (ii) the expiration of the regulatory agreement with HPD. As of June 30, 2020, the outstanding principal was **\$356,655**.

Mortgage with Housing Trust Fund Corporation ("HTFC") in the amount of \$1,040,000. The mortgage has a 1% interest rate and requires no payments of principal or interest until March 20, 2030. Then after the mortgage shall have a 0% interest until maturity. Interest shall accrue annually. The mortgage and all unpaid interest shall be due on the thirtieth anniversary of the permanent conversion of the construction loans with HPD and no later than November 23, 2048. As of June 30, 2020, the outstanding principal was **\$1,040,000**.

Carry forward

7,875,282
124,026,445

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

9. Mortgages and Notes Payable (continued)

Carry forward \$ 124,026,445

FAC Brownsville Apartments LP

FAC Brownsville Apartments LP received a \$250,000 5% pre-development loan for a term of two years from initial disbursement, with an optional no-cost 6 months extension. The loan was drawn down in three payments - \$100,000 (amount deposited was minus a \$2,650 origination fee) on February 12, 2019; \$50,000 on February 14, 2019 and \$100,000 on May 15, 2020. As of June 30, 2020, the outstanding principal was **\$247,350**.

247,350
\$ 124,273,795

Total minimum required principal loan payments for years ending June 30 are payable as follows:

2021	\$ 69,250,910
2022	7,115,561
2023	226,919
2024	242,823
2025	259,883
Thereafter	<u>47,177,699</u>
	124,273,795
Unamortized debt issuance costs	<u>(390,300)</u>
	<u>\$ 123,883,495</u>

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

10. Net Assets With Donor Restriction - FAC and LEAP

Changes in net assets with donor restrictions for the year ended June 30, consisted of the following:

Purpose/Restriction	June 30, 2019	Additions	Releases	June 30, 2020
Fifth Avenue Committee, Inc.				
Community Initiatives	\$ 195,120	\$ -	\$ (195,120)	\$ -
Organizing	48,259	50,000	(48,260)	49,999
Community Services	33,750	-	(33,750)	-
COVID-19 Relief	-	100,000	(48,894)	51,106
Administration	-	6,000	-	6,000
Total	<u>277,129</u>	<u>156,000</u>	<u>(326,024)</u>	<u>107,105</u>
LEAP, Inc.				
Workforce Collaboration	88,814	115,000	(127,883)	75,931
CDL Bridge Program	22,095	-	(22,095)	-
Equipment	10,000	-	(10,000)	-
Covid-19 Relief	-	5,000	(5,000)	-
Housing Career Pathway Program	-	20,000	(20,000)	-
Total	<u>120,909</u>	<u>140,000</u>	<u>(184,978)</u>	<u>75,931</u>
	<u>\$ 398,038</u>	<u>\$ 296,000</u>	<u>\$ (511,002)</u>	<u>\$ 183,036</u>

11. Retirement Plan

FAC and LEAP have Simplified Employee Pension Plans, which are defined contribution plans. LEAP made contributions of \$72,016 for the year ended June 30, 2020. FAC made contributions of \$57,108 for the year ended June 30, 2020.

12. Operating Leases

At June 30, 2020, the Corporation leases commercial office space under the terms of various operating leases which expire in various years through 2029. Rent expense for the year ended June 30, 2020 was \$544,847.

Future minimum required annual lease payments for the years ending June 30 are as follows:

2021	\$ 455,702
2022	211,420
2023	179,760
2024	69,879
2025	78,029
Thereafter	<u>313,809</u>
	<u>\$ 1,308,599</u>

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

13. Concentrations of Credit Risk

Financial instruments which potentially subject the Corporation to significant concentrations of credit risk consist principally of cash and cash equivalents and grants receivable. The Corporation maintains its cash and cash equivalents with various financial institutions, which at times, may be in excess of federally insured limits. The Corporation has not experienced any losses on its cash accounts.

14. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial date, comprise the following:

Financial Assets at Year End:	
Cash	\$ 6,616,642
Grants receivable	2,455,409
Accounts receivable, net	<u>1,417,796</u>
	10,489,847
Amounts Unavailable for General Expenditure:	
Restricted by donors with timing and purpose restrictions	<u>(183,036)</u>
Financial Assets at Year End Available to Meet Cash	
Needs for General Expenditure Within One Year	<u>\$ 10,306,811</u>

As part of the Corporation's liquidity management, the Corporation monitors the status and collectability of its accounts receivable on a regular basis. In addition, the Corporation has lines of credit with various lenders which can be used to finance short-term working capital needs (see Note 9).

15. Risks and Uncertainties

The Corporation's operations and financial performance may be affected by the recent COVID-19 outbreak, which has spread globally and is expected to adversely affect economic conditions throughout the world. If the outbreak continues and conditions worsen, the Corporation may experience a disruption in operations as well as a decline in revenue activities. Economic uncertainty is related to the potential reduction and/or delays in federal, state and local grant funding, and reductions in contributions related to a decrease in discretionary income of potential donors. The outbreak may adversely affect the Corporation's activities, financial condition, results of operations, and cash flows. Management is closely monitoring the impact of COVID-19 and believes that the Corporation is taking appropriate actions to mitigate the negative impact. However, management is unable to estimate the financial impact, if any, related to this matter.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2020

16. Litigation

The Corporation may periodically become a party to litigation that arose in the normal course of business. Management does not believe the ultimate outcome of these claims will have a material adverse effect on the financial statements.

* * * * *

**Fifth Avenue Committee, Inc.
and Subsidiaries**

Supplementary Information

June 30, 2020

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position June 30, 2020

	Non-Profit Corporations	HDFCs	Limited Partnerships	Other	Total	Eliminations	Consolidated Total
ASSETS							
Current Assets							
Cash	\$ 3,466,021	\$ 754,567	\$ 2,285,506	\$ 110,548	\$ 6,616,642	\$ -	\$ 6,616,642
Restricted cash	90,030	675,752	8,045,135	-	8,810,917	-	8,810,917
Grants receivable	2,472,909	-	-	-	2,472,909	(17,500)	2,455,409
Accounts receivable, net	919,565	219,618	375,538	102,833	1,617,554	(199,758)	1,417,796
Prepaid expenses	93,733	82,295	136,407	-	312,435	-	312,435
Advances to unconsolidated affiliates	3,346,082	146,445	-	126,000	3,618,527	(3,287,709)	330,818
Total Current Assets	<u>10,388,340</u>	<u>1,878,677</u>	<u>10,842,586</u>	<u>339,381</u>	<u>23,448,984</u>	<u>(3,504,967)</u>	<u>19,944,017</u>
Investment in affiliated companies	-	-	-	848,548	848,548	(848,548)	-
Investment in unconsolidated affiliates	-	100,117	-	-	100,117	-	100,117
Mortgage receivable from affiliated company	745,000	-	-	-	745,000	(745,000)	-
Property, plant and equipment, net	4,755,286	20,592,149	114,955,153	32,092	140,334,680	(568,274)	139,766,406
Property held for sale	-	-	-	1,250,853	1,250,853	-	1,250,853
Other assets	477,480	148,291	374,645	5,695	1,006,111	(8,233)	997,878
	<u>\$ 16,366,106</u>	<u>\$ 22,719,234</u>	<u>\$ 126,172,384</u>	<u>\$ 2,476,569</u>	<u>\$ 167,734,293</u>	<u>\$ (5,675,022)</u>	<u>\$ 162,059,271</u>
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable	\$ 580,428	\$ 186,644	\$ 2,817,686	\$ 775,810	\$ 4,360,568	\$ (1,047,380)	\$ 3,313,188
Accrued expenses	532,716	38,359	2,655,313	238,000	3,464,388	-	3,464,388
Mortgages and notes payable, current portion	1,959,615	8,260,682	59,030,613	-	69,250,910	-	69,250,910
Loans payable, affiliated companies	-	-	896,000	-	896,000	(896,000)	-
Grants payable, subsidiary	22,789	-	-	-	22,789	(17,500)	5,289
Tenants' deposits payable	145,359	109,544	-	5,695	260,598	(8,233)	252,365
Due to related parties	-	867,276	1,193,126	795,083	2,855,485	(1,823,587)	1,031,898
Total Current Liabilities	<u>3,240,907</u>	<u>9,462,505</u>	<u>66,592,738</u>	<u>1,814,588</u>	<u>81,110,738</u>	<u>(3,792,700)</u>	<u>77,318,038</u>
IDA funds	98,541	-	-	-	98,541	-	98,541
Refundable grants payable	946,250	-	-	-	946,250	-	946,250
Other payables	20,321	905,555	-	473,016	1,398,892	(465,435)	933,457
Mortgages and notes payable, net of current portion and unamortized financing costs	3,967,876	13,636,612	37,028,097	-	54,632,585	-	54,632,585
Total Liabilities	<u>8,273,895</u>	<u>24,004,672</u>	<u>103,620,835</u>	<u>2,287,604</u>	<u>138,187,006</u>	<u>(4,258,135)</u>	<u>133,928,871</u>
Net Assets (Deficit)							
Without donor restriction	7,909,175	(1,285,438)	622,394	188,965	7,435,096	(1,416,887)	6,018,209
With donor restriction	183,036	-	-	-	183,036	-	183,036
	<u>8,092,211</u>	<u>(1,285,438)</u>	<u>622,394</u>	<u>188,965</u>	<u>7,618,132</u>	<u>(1,416,887)</u>	<u>6,201,245</u>
Non-controlling Limited Partners' interest in consolidated affiliates	-	-	21,929,155	-	21,929,155	-	21,929,155
Total Net Assets (Deficit)	<u>8,092,211</u>	<u>(1,285,438)</u>	<u>22,551,549</u>	<u>188,965</u>	<u>29,547,287</u>	<u>(1,416,887)</u>	<u>28,130,400</u>
	<u>\$ 16,366,106</u>	<u>\$ 22,719,234</u>	<u>\$ 126,172,384</u>	<u>\$ 2,476,569</u>	<u>\$ 167,734,293</u>	<u>\$ (5,675,022)</u>	<u>\$ 162,059,271</u>

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of Corporations June 30, 2020

	Fifth Avenue Committee, Inc.	Leap, Inc.	* FAC Center Local Development Corp.	* Neighbors Helping Neighbors	Total
ASSETS					
Current Assets					
Cash	\$ 1,344,257	\$ 1,655,918	\$ 338,859	\$ 126,987	\$ 3,466,021
Restricted cash	-	-	90,030	-	90,030
Grants receivable	968,143	1,504,766	-	-	2,472,909
Accounts receivable, net	299,368	77,259	274,988	267,950	919,565
Prepaid expenses	31,337	54,613	6,791	992	93,733
Advances to unconsolidated affiliates	3,343,457	2,625	-	-	3,346,082
Total Current Assets	5,986,562	3,295,181	710,668	395,929	10,388,340
Mortgage receivable from affiliated company	745,000	-	-	-	745,000
Property, plant and equipment, net	308,565	645,834	3,793,736	7,151	4,755,286
Other assets	92,751	60,828	140,999	182,902	477,480
	<u>\$ 7,132,878</u>	<u>\$ 4,001,843</u>	<u>\$ 4,645,403</u>	<u>\$ 585,982</u>	<u>\$ 16,366,106</u>
LIABILITIES AND NET ASSETS					
Current Liabilities					
Accounts payable	\$ 270,791	\$ 198,792	\$ 87,360	\$ 23,485	\$ 580,428
Accrued expenses	315,018	188,628	20,221	8,849	532,716
Mortgages and notes payable, current portion	1,192,155	533,300	170,314	63,846	1,959,615
Grants payable, subsidiary	22,789	-	-	-	22,789
Tenants' deposits payable	77,184	-	68,175	-	145,359
Total Current Liabilities	1,877,937	920,720	346,070	96,180	3,240,907
IDA funds	98,541	-	-	-	98,541
Refundable grants payable	946,250	-	-	-	946,250
Other payables	709	-	4,612	15,000	20,321
Mortgages and notes payable, net of current portion and unamortized financing costs	641,613	-	3,326,263	-	3,967,876
Total Liabilities	<u>3,565,050</u>	<u>920,720</u>	<u>3,676,945</u>	<u>111,180</u>	<u>8,273,895</u>
Net Assets					
Without donor restriction	3,460,723	3,005,192	968,458	474,802	7,909,175
With donor restriction	107,105	75,931	-	-	183,036
Total Net Assets	<u>3,567,828</u>	<u>3,081,123</u>	<u>968,458</u>	<u>474,802</u>	<u>8,092,211</u>
	<u>\$ 7,132,878</u>	<u>\$ 4,001,843</u>	<u>\$ 4,645,403</u>	<u>\$ 585,982</u>	<u>\$ 16,366,106</u>

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of HDFCs
June 30, 2020

	* 588 Park Place	* FAC Renaissance HDFC	* FAC Advance HDFC	* FAC Homeownership HDFC	* 50th Street HDFC	* 573 Warren St HDFC	Total
ASSETS							
Current Assets							
Cash	\$ 199,784	\$ 136,611	\$ 37,443	\$ 985	\$ 358,465	\$ 21,279	\$ 754,567
Restricted cash	146,544	155,406	12,968	-	225,205	135,629	675,752
Accounts receivable	17,614	122,207	31,074	3,613	42,971	2,139	219,618
Prepaid expenses	1,419	43,957	34	607	18,672	17,606	82,295
Advances to unconsolidated affiliates	-	6,445	-	-	-	140,000	146,445
Total Current Assets	<u>365,361</u>	<u>464,626</u>	<u>81,519</u>	<u>5,205</u>	<u>645,313</u>	<u>316,653</u>	<u>1,878,677</u>
Investment in unconsolidated affiliates	-	-	100,117	-	-	-	100,117
Property, plant and equipment, net	1,197,501	13,903,096	2,958,524	489,197	1,878,468	165,363	20,592,149
Other assets	<u>10,417</u>	<u>49,933</u>	<u>59,089</u>	<u>2,543</u>	<u>23,218</u>	<u>3,091</u>	<u>148,291</u>
	<u>\$ 1,573,279</u>	<u>\$ 14,417,655</u>	<u>\$ 3,199,249</u>	<u>\$ 496,945</u>	<u>\$ 2,546,999</u>	<u>\$ 485,107</u>	<u>\$ 22,719,234</u>
LIABILITIES AND NET ASSETS (DEFICIT)							
Current Liabilities							
Accounts payable	\$ 10,414	\$ 82,716	\$ 18,289	\$ 50,569	\$ 24,656	\$ -	\$ 186,644
Accrued expenses	36,765	-	-	5	-	1,589	38,359
Mortgages and notes payable, current portion	-	8,133,358	124,159	-	3,165	-	8,260,682
Tenants' deposits payable	10,417	52,058	20,852	2,543	23,674	-	109,544
Due to related parties	-	108,506	758,770	-	-	-	867,276
Total Current Liabilities	<u>57,596</u>	<u>8,376,638</u>	<u>922,070</u>	<u>53,117</u>	<u>51,495</u>	<u>1,589</u>	<u>9,462,505</u>
Other payables	400,000	121,163	330,000	-	8,108	46,284	905,555
Mortgages and notes payable, net of current portion and unamortized financing costs	<u>1,710,943</u>	<u>6,044,436</u>	<u>2,789,953</u>	<u>-</u>	<u>3,091,280</u>	<u>-</u>	<u>13,636,612</u>
Total Liabilities	<u>2,168,539</u>	<u>14,542,237</u>	<u>4,042,023</u>	<u>53,117</u>	<u>3,150,883</u>	<u>47,873</u>	<u>24,004,672</u>
Without donor restriction	<u>(595,260)</u>	<u>(124,582)</u>	<u>(842,774)</u>	<u>443,828</u>	<u>(603,884)</u>	<u>437,234</u>	<u>(1,285,438)</u>
Total Net Assets (Deficit)	<u>(595,260)</u>	<u>(124,582)</u>	<u>(842,774)</u>	<u>443,828</u>	<u>(603,884)</u>	<u>437,234</u>	<u>(1,285,438)</u>
	<u>\$ 1,573,279</u>	<u>\$ 14,417,655</u>	<u>\$ 3,199,249</u>	<u>\$ 496,945</u>	<u>\$ 2,546,999</u>	<u>\$ 485,107</u>	<u>\$ 22,719,234</u>

*Audited by other auditors

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of Limited Partnerships June 30, 2020

	*	Atlantic	Supportive	Northeastern	*	*	*	FAC	FAC	Total
	551	Terrace 12 LLC	Slope LP	Towers Annex LP	FAC Sunset Park LP	FAC Renaissance LP	FAC 6309 Fourth Ave LP	FAC Brownsville Apartments LP		
	Warren St LP									
ASSETS										
Current Assets										
Cash	\$ 868,452	\$ 273,920	\$ 157,553	\$ 95,980	\$ 343,098	\$ 251,209	\$ 186,710	\$ 108,584	\$ 2,285,506	
Restricted cash	3,766,623	-	162,253	-	-	4,116,259	-	-	8,045,135	
Accounts receivable	38,912	7,111	15,079	191,792	5,750	116,894	-	-	375,538	
Prepaid expenses	34,078	-	22,444	-	-	79,885	-	-	136,407	
Total Current Assets	<u>4,708,065</u>	<u>281,031</u>	<u>357,329</u>	<u>287,772</u>	<u>348,848</u>	<u>4,564,247</u>	<u>186,710</u>	<u>108,584</u>	<u>10,842,586</u>	
Property, plant and equipment, net	3,915,469	4,235,628	9,545,438	66,389,295	8,005,229	16,201,724	6,524,548	137,822	114,955,153	
Other assets	46,443	30,033	21,734	-	-	276,435	-	-	374,645	
	<u>\$ 8,669,977</u>	<u>\$ 4,546,692</u>	<u>\$ 9,924,501</u>	<u>\$ 66,677,067</u>	<u>\$ 8,354,077</u>	<u>\$ 21,042,406</u>	<u>\$ 6,711,258</u>	<u>\$ 246,406</u>	<u>\$ 126,172,384</u>	
LIABILITIES AND NET ASSETS (DEFICIT)										
Current Liabilities										
Accounts payable	\$ 75,662	\$ 17,175	\$ 1,489,820	\$ 16,163	\$ 925,593	\$ 200,709	\$ 92,530	\$ 34	\$ 2,817,686	
Accrued expenses	-	-	649,248	245,500	-	1,760,565	-	-	2,655,313	
Mortgages and notes payable, current portion	-	-	-	45,541,210	7,146,776	6,342,627	-	-	59,030,613	
Loans payable, affiliated companies	-	-	745,000	-	26,000	123,000	2,000	-	896,000	
Due to related parties	-	488,571	-	-	111,558	490,789	102,208	-	1,193,126	
Total Current Liabilities	<u>75,662</u>	<u>505,746</u>	<u>2,884,068</u>	<u>45,802,873</u>	<u>8,209,927</u>	<u>8,917,690</u>	<u>196,738</u>	<u>34</u>	<u>66,592,738</u>	
Mortgages and notes payable, net of current portion and unamortized financing costs	5,660,566	1,892,396	6,873,750	14,448,512	-	1,391,004	6,514,519	247,350	37,028,097	
Total Liabilities	<u>5,736,228</u>	<u>2,398,142</u>	<u>9,757,818</u>	<u>60,251,385</u>	<u>8,209,927</u>	<u>10,308,694</u>	<u>6,711,257</u>	<u>247,384</u>	<u>103,620,835</u>	
Net Assets (Deficit)										
Without donor restriction	(788)	610,494	11,078	643	14	1,165	-	(212)	622,394	
Non-controlling Limited Partners' interest in consolidated affiliates	2,934,537	1,538,056	155,605	6,425,039	144,136	10,732,547	1	(766)	21,929,155	
Total Net Assets (Deficit)	<u>2,933,749</u>	<u>2,148,550</u>	<u>166,683</u>	<u>6,425,682</u>	<u>144,150</u>	<u>10,733,712</u>	<u>1</u>	<u>(978)</u>	<u>22,551,549</u>	
	<u>\$ 8,669,977</u>	<u>\$ 4,546,692</u>	<u>\$ 9,924,501</u>	<u>\$ 66,677,067</u>	<u>\$ 8,354,077</u>	<u>\$ 21,042,406</u>	<u>\$ 6,711,258</u>	<u>\$ 246,406</u>	<u>\$ 126,172,384</u>	

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of Other Entities June 30, 2020

	FAC Red Hook Homes, Inc.	Northeastern Towers Annex Manager LLC	Northeastern Towers Annex Developer LLC	FAC 6309 Fourth Avenue MM LLC	General Partners	Total
ASSETS						
Current Assets						
Cash	\$ 43,766	\$ -	\$ 65,593	\$ -	\$ 1,189	\$ 110,548
Accounts receivable	102,833	-	-	-	-	102,833
Advances to unconsolidated affiliates	126,000	-	-	-	-	126,000
Total Current Assets	272,599	-	65,593	-	1,189	339,381
Investment in affiliated companies	-	-	-	-	848,548	848,548
Investment in unconsolidated affiliates	-	-	-	-	-	-
Property, plant and equipment, net	-	-	32,092	-	-	32,092
Property held for sale	1,250,853	-	-	-	-	1,250,853
Other assets	5,695	-	-	-	-	5,695
	<u>\$ 1,529,147</u>	<u>\$ -</u>	<u>\$ 97,685</u>	<u>\$ -</u>	<u>\$ 849,737</u>	<u>\$ 2,476,569</u>
LIABILITIES AND NET ASSETS (DEFICIT)						
Current Liabilities						
Accounts payable	\$ 775,738	\$ -	\$ 47	\$ 25	\$ -	\$ 775,810
Accrued expenses	238,000	-	-	-	-	238,000
Tenants' deposits payable	5,695	-	-	-	-	5,695
Due to related parties	696,096	50	98,187	750	-	795,083
Total Current Liabilities	1,715,529	50	98,234	775	-	1,814,588
Other payables	-	467	-	-	472,549	473,016
Total Liabilities	1,715,529	517	98,234	775	472,549	2,287,604
Net assets (deficit)	<u>(186,382)</u>	<u>(517)</u>	<u>(549)</u>	<u>(775)</u>	<u>377,188</u>	<u>188,965</u>
	<u>\$ 1,529,147</u>	<u>\$ -</u>	<u>\$ 97,685</u>	<u>\$ -</u>	<u>\$ 849,737</u>	<u>\$ 2,476,569</u>

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities Year Ended June 30, 2020

	Corporations	HDFCs	Limited Partnerships	Other	Total	Eliminations	Consolidated Total
SUPPORT AND REVENUE							
Government grants	\$ 3,666,806	\$ 164,972	\$ -	\$ -	\$ 3,831,778	\$ -	\$ 3,831,778
Contributions - corporations	915,198	-	-	-	915,198	-	915,198
Contributions - foundations and trusts	4,769,512	-	-	-	4,769,512	-	4,769,512
Contributions - individuals	260,962	-	-	-	260,962	-	260,962
Special events income	15,380	-	-	-	15,380	-	15,380
In-kind contributions	232,604	-	-	-	232,604	-	232,604
Management and reimbursable fees	1,418,003	-	-	-	1,418,003	(1,092,544)	325,459
Development and marketing	878,002	-	-	-	878,002	(153,528)	724,474
Program services	241,269	-	-	-	241,269	(134,976)	106,293
Rental income	1,480,110	2,203,228	2,171,774	88,267	5,943,379	(855,034)	5,088,345
Interest income	9,782	225	-	13	10,020	-	10,020
Subcontract income	600,326	-	-	-	600,326	(401,656)	198,670
Other revenue	182,655	64,458	374,242	96,399	717,754	(10,955)	706,799
Total Support and Revenue	<u>14,670,609</u>	<u>2,432,883</u>	<u>2,546,016</u>	<u>184,679</u>	<u>19,834,187</u>	<u>(2,648,693)</u>	<u>17,185,494</u>
EXPENSES							
Salaries	6,494,796	-	-	-	6,494,796	(115,779)	6,379,017
Contributed services - salaries	86,904	-	-	-	86,904	-	86,904
Payroll taxes and fringe benefits	2,001,722	-	-	-	2,001,722	(25,083)	1,976,639
Administrative	98,033	9,772	-	2,000	109,805	(88,728)	21,077
Consultants	715,850	14,496	-	-	730,346	(22,478)	707,868
Wage subsidy	32,363	-	-	-	32,363	-	32,363
Repairs and maintenance	105,104	567,456	463,508	20,559	1,156,627	(2,571)	1,154,056
Office supplies and printing	121,482	6,598	-	-	128,080	(17,124)	110,956
Telephone and postage	144,296	3,782	3,663	19	151,760	(26,119)	125,641
Utilities	86,502	397,003	266,775	-	750,280	(9,797)	740,483
Professional fees	140,615	36,092	141,206	78,850	396,763	(52,484)	344,279
Donated professional services	142,700	-	-	-	142,700	-	142,700
Occupancy	1,399,881	-	-	-	1,399,881	(855,034)	544,847
Miscellaneous	-	9,185	215,935	890	226,010	-	226,010
Meetings and events	30,589	-	-	-	30,589	-	30,589
Marketing	55,842	-	-	-	55,842	-	55,842
Conference, travel, and training	72,567	-	-	-	72,567	-	72,567
Contractual services	218,217	-	-	-	218,217	-	218,217
Staff outing	3,703	-	-	-	3,703	-	3,703
Dues and subscriptions	4,197	284	-	-	4,481	-	4,481
Software and support	17,212	7,048	9,711	-	33,971	-	33,971
Insurance	89,861	130,780	327,731	-	548,372	(17,318)	531,054
Equipment, furniture and fixtures	85,277	-	-	-	85,277	(10,029)	75,248
Fees and bank charges	74,402	23,510	6,298	1,265	105,475	-	105,475
Program expenses	1,044,912	-	-	-	1,044,912	(134,976)	909,936
Publication and books	8,853	-	-	-	8,853	-	8,853
Management and development fees	15,000	689,367	780,652	14,055	1,499,074	(1,257,027)	242,047
Relocation expense	-	-	432,435	-	432,435	-	432,435
Bad debts	123,346	17,632	20,794	-	161,772	-	161,772
Interest and debt issuance costs	281,561	173,007	371,090	-	825,658	-	825,658
Property taxes	-	36,291	50,129	1,172	87,592	-	87,592
Direct fundraising expense	11,104	-	-	-	11,104	-	11,104
Depreciation and amortization	234,553	640,219	1,131,335	-	2,006,107	(14,146)	1,991,961
Total Expenses	<u>13,941,444</u>	<u>2,762,522</u>	<u>4,221,262</u>	<u>118,810</u>	<u>21,044,038</u>	<u>(2,648,693)</u>	<u>18,395,345</u>
Change in Net Assets Before Other Change	729,165	(329,639)	(1,675,246)	65,869	(1,209,851)	-	(1,209,851)
OTHER CHANGES							
Capital contributions	-	-	1,656	-	1,656	-	1,656
Non-controlling interest in losses of consolidated affiliates	-	-	1,595,321	-	1,595,321	-	1,595,321
Change in Net Assets	<u>\$ 729,165</u>	<u>\$ (329,639)</u>	<u>\$ (78,269)</u>	<u>\$ 65,869</u>	<u>\$ 387,126</u>	<u>\$ -</u>	<u>\$ 387,126</u>

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities of Corporations Year Ended June 30, 2020

	Fifth Avenue Committee, Inc.	Leap, Inc.	* FAC Center Local Development Corp.	* Neighbors Helping Neighbors	Total
SUPPORT AND REVENUE					
Government grants	\$ 2,141,111	\$ 1,083,402	\$ -	\$ 442,293	\$ 3,666,806
Contributions - corporations	355,318	540,380	-	19,500	915,198
Contributions - foundations and trusts	1,297,337	3,272,500	-	199,675	4,769,512
Contributions - individuals	33,324	225,671	-	1,967	260,962
Special events income	-	-	-	15,380	15,380
In-kind contributions	142,700	89,904	-	-	232,604
Management and reimbursable fees	1,418,003	-	-	-	1,418,003
Development and marketing fees	878,002	-	-	-	878,002
Program services	157,488	70,726	-	13,055	241,269
Rental income	778,714	-	701,396	-	1,480,110
Interest income	30	9,576	176	-	9,782
Subcontract income	496,656	103,670	-	-	600,326
Other revenue	25,797	22	153,806	3,030	182,655
Total Support and Revenue	<u>7,724,480</u>	<u>5,395,851</u>	<u>855,378</u>	<u>694,900</u>	<u>14,670,609</u>
EXPENSES					
Salaries	3,796,170	2,306,495	-	392,131	6,494,796
Contributed services - salaries	-	86,904	-	-	86,904
Payroll taxes and fringe benefits	1,209,825	710,973	-	80,924	2,001,722
Administrative	-	93,778	4,255	-	98,033
Consultants	598,062	79,796	-	37,992	715,850
Wage subsidy	-	32,363	-	-	32,363
Repairs and maintenance	9,536	12,009	77,509	6,050	105,104
Office supplies and printing	52,230	55,941	4,777	8,534	121,482
Telephone and postage	96,499	46,557	-	1,240	144,296
Utilities	31,514	36,233	18,755	-	86,502
Professional fees	42,200	77,484	14,431	6,500	140,615
Donated professional services	142,700	-	-	-	142,700
Occupancy	752,357	607,540	-	39,984	1,399,881
Meetings and events	30,589	-	-	-	30,589
Marketing	11,691	44,151	-	-	55,842
Conference, travel, and training	29,169	43,398	-	-	72,567
Contractual services	216,124	-	2,093	-	218,217
Staff outing	3,703	-	-	-	3,703
Dues and subscriptions	-	3,297	-	900	4,197
Software and support	-	17,212	-	-	17,212
Insurance	49,481	17,318	22,278	784	89,861
Equipment, furniture and fixtures	69,485	15,792	-	-	85,277
Fees and bank charges	47,687	21,649	-	5,066	74,402
Program expenses	75,813	958,112	-	10,987	1,044,912
Publication and books	8,853	-	-	-	8,853
Management fees	-	-	15,000	-	15,000
Bad debts	110,433	12,913	-	-	123,346
Interest and debt issuance costs	15,927	-	265,634	-	281,561
Direct fundraising expense	-	11,104	-	-	11,104
Depreciation	35,649	63,042	135,534	328	234,553
Total Expenses	<u>7,435,697</u>	<u>5,354,061</u>	<u>560,266</u>	<u>591,420</u>	<u>13,941,444</u>
Change in Net Assets	<u>\$ 288,783</u>	<u>\$ 41,790</u>	<u>\$ 295,112</u>	<u>\$ 103,480</u>	<u>\$ 729,165</u>

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities of HDFCs
Year Ended June 30, 2020

	* 588 Park Place	* FAC Renaissance HDFC	* FAC Advance HDFC	* FAC Homeownership HDFC	* 50th Street HDFC	* 573 Warren St HDFC	Total
SUPPORT AND REVENUE							
Government grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 164,972	\$ 164,972
Rental income	201,726	1,111,906	268,244	81,191	508,877	31,284	2,203,228
Interest income	57	151	16	1	-	-	225
Other revenue	-	19,873	-	-	16,444	28,141	64,458
Total Support and Revenue	<u>201,783</u>	<u>1,131,930</u>	<u>268,260</u>	<u>81,192</u>	<u>525,321</u>	<u>224,397</u>	<u>2,432,883</u>
EXPENSES							
Administrative	1,890	-	7,882	-	-	-	9,772
Consultants	14,496	-	-	-	-	-	14,496
Repairs and maintenance	30,848	185,214	34,758	21,181	174,964	120,491	567,456
Office supplies and printing	2,294	-	2,700	1,604	-	-	6,598
Telephone and postage	-	1,339	422	-	1,041	980	3,782
Utilities	30,325	193,620	34,597	17,185	90,478	30,798	397,003
Professional fees	7,100	14,254	7,615	4,215	-	2,908	36,092
Miscellaneous	-	8,359	-	-	1	825	9,185
Dues and subscriptions	-	284	-	-	-	-	284
Software and support	-	3,992	-	-	2,366	690	7,048
Insurance	11,320	44,347	16,477	4,844	33,083	20,709	130,780
Fees and bank charges	-	15,318	-	638	5,166	2,388	23,510
Management fees	75,670	341,676	39,174	27,634	114,993	90,220	689,367
Bad debts	-	-	-	4,132	13,500	-	17,632
Interest and debt issuance costs	2,437	78,251	91,562	-	757	-	173,007
Property taxes	-	8,918	-	27,373	-	-	36,291
Depreciation and amortization	76,762	266,086	120,301	24,781	117,992	34,297	640,219
Total Expenses	<u>253,142</u>	<u>1,161,658</u>	<u>355,488</u>	<u>133,587</u>	<u>554,341</u>	<u>304,306</u>	<u>2,762,522</u>
Change in Net Assets	<u>\$ (51,359)</u>	<u>\$ (29,728)</u>	<u>\$ (87,228)</u>	<u>\$ (52,395)</u>	<u>\$ (29,020)</u>	<u>\$ (79,909)</u>	<u>\$ (329,639)</u>

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities of Limited Partnerships Year Ended June 30, 2020

	*				*	*	*		
	551	Atlantic	Supportive	Northeastern	FAC	FAC	FAC	FAC	Total
	Warren St LP	Terrace 12 LLC	Slope LP	Towers Annex LP	Sunset Park LP	Renaissance LP	6309 Fourth Ave LP	Brownsville Apartments LP	
SUPPORT AND REVENUE									
Rental income	\$ 742,360	\$ 84,491	\$ 656,731	\$ -	\$ -	\$ 688,192	\$ -	\$ -	\$ 2,171,774
Other revenue	300,672	425	19,209	3,548	316	50,072	-	-	374,242
Total Support and Revenue	<u>1,043,032</u>	<u>84,916</u>	<u>675,940</u>	<u>3,548</u>	<u>316</u>	<u>738,264</u>	<u>-</u>	<u>-</u>	<u>2,546,016</u>
EXPENSES									
Repairs and maintenance	123,701	85,041	181,840	3	-	72,923	-	-	463,508
Telephone and postage	1,546	-	959	-	-	1,158	-	-	3,663
Utilities	70,167	4,329	86,925	-	-	105,354	-	-	266,775
Professional fees	33,710	22,473	23,754	-	10,376	50,893	-	-	141,206
Miscellaneous	14,815	49,552	9,986	1,417	-	40,164	100,001	-	215,935
Software and support	3,352	-	3,254	-	-	3,105	-	-	9,711
Insurance	47,653	7,249	32,835	-	211,558	27,670	-	766	327,731
Fees and bank charges	406	-	292	-	-	5,600	-	-	6,298
Management fees	229,220	23,228	391,526	-	-	136,678	-	-	780,652
Relocation expense	-	-	-	-	-	432,435	-	-	432,435
Bad debts	20,794	-	-	-	-	-	-	-	20,794
Interest and debt issuance costs	518	-	73,914	-	-	296,658	-	-	371,090
Property taxes	100	8	12,673	-	-	37,348	-	-	50,129
Depreciation and amortization	168,918	40,224	562,292	-	-	359,901	-	-	1,131,335
Total Expenses	<u>714,900</u>	<u>232,104</u>	<u>1,380,250</u>	<u>1,420</u>	<u>221,934</u>	<u>1,569,887</u>	<u>100,001</u>	<u>766</u>	<u>4,221,262</u>
Change in Net Assets Before Other Changes	328,132	(147,188)	(704,310)	2,128	(221,618)	(831,623)	(100,001)	(766)	(1,675,246)
OTHER CHANGES									
Capital contributions	-	-	-	531	28	1,097	-	-	1,656
Non-controlling interest in income and losses of consolidated affiliates	(328,099)	67,415	704,240	(2,128)	221,596	831,540	99,991	766	1,595,321
Other changes	(328,099)	67,415	704,240	(1,597)	221,624	832,637	99,991	766	1,596,977
Change in Net Assets	<u>\$ 33</u>	<u>\$ (79,773)</u>	<u>\$ (70)</u>	<u>\$ 531</u>	<u>\$ 6</u>	<u>\$ 1,014</u>	<u>\$ (10)</u>	<u>\$ -</u>	<u>\$ (78,269)</u>

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities of Other Entities Year Ended June 30, 2020

	Red Hook Homes, Inc.	Northeastern Towers Annex Manager LLC	Northeastern Towers Annex Developer LLC	FAC 6309 Fourth Avenue MM LLC	General Partners	Total
SUPPORT AND REVENUE						
Rental income	\$ 88,267	\$ -	\$ -	\$ -	\$ -	\$ 88,267
Interest income	2	-	-	-	11	13
Other revenue	-	-	75,850	-	20,549	96,399
Total Support and Revenue	<u>88,269</u>	<u>-</u>	<u>75,850</u>	<u>-</u>	<u>20,560</u>	<u>184,679</u>
EXPENSES						
Administrative	-	-	-	-	2,000	2,000
Repairs and maintenance	20,559	-	-	-	-	20,559
Telephone and postage	19	-	-	-	-	19
Professional fees	3,000	-	75,850	-	-	78,850
Miscellaneous	25	492	172	-	201	890
Fees and bank charges	668	25	377	25.00	170	1,265
Management fees	-	-	-	750	13,305	14,055
Property taxes	-	-	-	-	1,172	1,172
Total Expenses	<u>24,271</u>	<u>517</u>	<u>76,399</u>	<u>775</u>	<u>16,848</u>	<u>118,810</u>
Change in Net Assets	<u>\$ 63,998</u>	<u>\$ (517)</u>	<u>\$ (549)</u>	<u>\$ (775)</u>	<u>\$ 3,712</u>	<u>\$ 65,869</u>

See independent auditors' report