

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

Consolidated Financial Statements

June 30, 2021

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, 2021, 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, FAC Solar LLC and Neighbors Helping Neighbors, Inc., (collectively the "Subsidiaries") which statements reflect total assets constituting \$91,744,487 of consolidated total assets as of June 30, 2021 and total revenue constituting \$6,105,615 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.

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, 2021, 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 38 through 47 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 8, 2021

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Financial Position June 30, 2021

ASSETS

Current Assets

Cash	\$ 7,233,312
Restricted cash	7,402,094
Grants receivable	2,551,149
Accounts receivable	2,940,783
Prepaid expenses	286,343
Advances to unconsolidated affiliates	<u>456,012</u>
Total Current Assets	20,869,693

Investment in unconsolidated affiliates	202,117
Property, plant and equipment, net	169,975,875
Property held for sale	647,089
Other assets	<u>990,610</u>
	<u>\$ 192,685,384</u>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 4,309,081
Accrued expenses	3,399,928
Mortgages and notes payable, current portion	85,392,512
Grants payable, subsidiary	5,289
Tenants' deposits payable	271,533
Due to related parties	<u>380,873</u>
Total Current Liabilities	93,759,216

IDA funds	98,541
Refundable grants payable	921,250
Other payables	2,110,672
Mortgages and notes payable, net of current portion and unamortized debt issuance costs	<u>64,481,603</u>
Total Liabilities	<u>161,371,282</u>

Net Assets

Without donor restriction	7,105,819
With donor restriction	<u>368,311</u>
	7,474,130

Non-controlling Limited Partners' interest in consolidated affiliates	<u>23,839,972</u>
Total Net Assets	<u>31,314,102</u>

\$ 192,685,384

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Activities Year Ended June 30, 2021

	Without Donor Restriction		Total		Total
	Undesignated	For Profit Subsidiaries	Without Donor Restriction	With Donor Restriction	
SUPPORT AND REVENUE					
Government grants	\$ 3,557,486	\$ 206,446	\$ 3,763,932	\$ -	\$ 3,763,932
Contributions - corporations	795,830	-	795,830	340,000	1,135,830
Contributions - foundations and trusts	5,141,060	-	5,141,060	232,000	5,373,060
Contributions - individuals	290,270	-	290,270	-	290,270
Special events income	253,800	-	253,800	-	253,800
In-kind contributions	89,236	-	89,236	-	89,236
Management and reimbursable fees	264,948	-	264,948	-	264,948
Development and marketing fees	188,322	-	188,322	-	188,322
Program services	242,257	-	242,257	-	242,257
Rental income	746,083	4,604,448	5,350,531	-	5,350,531
Interest income	30,658	3,934	34,592	-	34,592
Subcontract income	206,480	-	206,480	-	206,480
Gain on forgiveness of debt	918,540	-	918,540	-	918,540
Other revenue	21,868	935,413	957,281	-	957,281
Net assets released from restrictions	386,725	-	386,725	(386,725)	-
Total Support and Revenue	<u>13,133,563</u>	<u>5,750,241</u>	<u>18,883,804</u>	<u>185,275</u>	<u>19,069,079</u>
EXPENSES					
Program services	11,064,657	3,281,295	14,345,952	-	14,345,952
Management and general	1,563,286	1,955,005	3,518,291	-	3,518,291
Fundraising	835,375	-	835,375	-	835,375
Total Expenses	<u>13,463,318</u>	<u>5,236,300</u>	<u>18,699,618</u>	<u>-</u>	<u>18,699,618</u>
Change in Net Assets from Operations	(329,755)	513,941	184,186	185,275	369,461
OTHER CHANGES					
Capital contributions	-	98	98	-	98
Distributions	-	(29,669)	(29,669)	-	(29,669)
Non-controlling interest in income of consolidated affiliates	-	932,993	932,993	-	932,993
Change in Net Assets	(329,755)	1,417,363	1,087,608	185,275	1,272,883
NET ASSETS (DEFICIT)					
Beginning of year	<u>6,940,717</u>	<u>(922,506)</u>	<u>6,018,211</u>	<u>183,036</u>	<u>6,201,247</u>
End of year	<u>\$ 6,610,962</u>	<u>\$ 494,857</u>	<u>\$ 7,105,819</u>	<u>\$ 368,311</u>	<u>\$ 7,474,130</u>

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Functional Expenses Year Ended June 30, 2021

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
PERSONNEL				
Salaries	\$ 5,865,714	\$ 334,775	\$ 523,102	\$ 6,723,591
Contributed services - salaries	86,909	-	-	86,909
Payroll taxes and fringe benefits	1,716,194	195,396	138,732	2,050,322
Total Personnel	<u>7,668,817</u>	<u>530,171</u>	<u>661,834</u>	<u>8,860,822</u>
OTHER THAN PERSONNEL				
Administrative	13,549	1,954	647	16,150
Consultants	355,495	207,446	14,142	577,083
Wage subsidy	-	42,000	-	42,000
Repairs and maintenance	16,645	1,111,791	-	1,128,436
Office supplies and printing	23,341	28,975	6,226	58,542
Telephone and postage	128,603	19,910	6,368	154,881
Utilities	793,097	6,202	1,693	800,992
Professional fees	149,752	76,642	-	226,394
Occupancy	371,494	128,954	29,700	530,148
Miscellaneous	-	514,655	-	514,655
Meetings and events	3,946	5,230	586	9,762
Marketing	49,430	12,900	5,282	67,612
Conference, travel, and training	19,530	7,212	898	27,640
Contractual services	1,782	243,911	-	245,693
Dues and subscriptions	1,414	2,579	527	4,520
Software and support	48,375	2,096	28,398	78,869
Insurance	391,739	15,126	1,199	408,064
Equipment, furniture and fixtures	83,299	12,365	4,301	99,965
Fees and bank charges	83,182	17,398	4,921	105,501
Program expenses	882,390	11,408	9,423	903,221
Publications and books	5,849	468	-	6,317
Management fees	-	222,165	-	222,165
Bad debts	39,331	164,590	-	203,921
Interest and debt issuance costs	851,916	6,203	-	858,119
Property taxes	77,065	-	-	77,065
Direct fundraising expense	-	-	59,230	59,230
Depreciation and amortization	2,285,911	125,940	-	2,411,851
Total Other Than Personnel	<u>6,677,135</u>	<u>2,988,120</u>	<u>173,541</u>	<u>9,838,796</u>
Total Expenses	<u>\$14,345,952</u>	<u>\$ 3,518,291</u>	<u>\$ 835,375</u>	<u>\$ 18,699,618</u>

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Cash Flows Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets from operations	\$ 369,461
Adjustments to reconcile change in net assets from operations to net cash from operating activities	
Depreciation and amortization	2,369,125
Amortization of debt issuance costs	42,726
Bad debts	203,921
Gain on forgiveness of debt	(918,540)
Changes in operating assets and liabilities	
Grants receivable	(89,990)
Accounts receivable	(1,732,658)
Prepaid expenses	26,092
Other assets	57,904
Accounts payable	995,894
Accrued expenses	(64,459)
Tenants' deposits payable	19,168
Refundable grants payable	(25,000)
Other payables	1,172,481
Grants payable, subsidiary	112
Due to related parties	<u>(651,137)</u>
Net Cash from Operating Activities	<u>1,775,100</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment in unconsolidated affiliates	(102,000)
Advances to unconsolidated affiliates	(125,194)
Purchase of investments	(45,902)
Purchases of property, plant and equipment	<u>(32,003,076)</u>
Net Cash from Investing Activities	<u>(32,276,172)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Contributions from members	3,043,301
Distributions to members	(229,062)
Payment of debt issuance costs	4,815
Proceeds from notes and mortgage payable	27,202,558
Mortgage and note principal payments	<u>(312,693)</u>
Net Cash from Financing Activities	<u>29,708,919</u>
Net Change in Cash and Restricted Cash	(792,153)

CASH AND RESTRICTED CASH

Beginning of year	<u>15,427,559</u>
End of year	<u>\$ 14,635,406</u>

SUPPLEMENTAL CASH FLOW INFORMATION

Cash Paid for:

Interest, capitalized interest of \$2,051,042	\$ 2,866,342
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See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

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, social and racial 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. In the year ended June 30, 2021, FAC completed its strategic planning process and continued its Race, Equity, Diversity and Inclusion ("REDI") journey. The 2021-2025 strategic plan launched in July of 2021 and has three impact goals including 1) centering racial justice in our mission and approach to help create a more just and equitable New York City; 2) increasing FAC's impact through integration, coordination and collaboration of our multifaceted programs and services and 3) build local power to shape communities and advance equity and justice in New York City.

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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

1. Organization and Tax Status (*continued*)

Neighbors Helping Neighbors (“NHN”) promotes racial justice while empowering low and moderate-income New Yorkers to fight for, secure, and maintain quality housing and build financial assets. NHN is a Department of housing and Urban Development (“HUD”) approved housing counseling agency based in Sunset Park, Brooklyn that has been serving tenants, homebuyers and homeowners since 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 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.

FAC Solar LLC (“FAC Solar”) was formed on July 1, 2019. FAC Solar 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 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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

1. Organization and Tax Status (*continued*)

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.

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 late 2021/early 2022.

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 in June 2018 and is now fully occupied. A ribbon cutting for the property was held in July 2021.

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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

1. Organization and Tax Status (*continued*)

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, New York, as well as manage parking and retail condominiums on site. FAC is the sole stock holder of FAC Atlantic Terrace, Inc.

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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

1. Organization and Tax Status (continued)

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.

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 private foundations 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 (Overview)

Since its founding, FAC has built over 1,190 affordable homes, revitalized more than 24 storefronts and built nearly 35,000 square feet of community space. FAC currently has 133 units of affordable housing in construction and a development pipeline of over 1,800 units representing an investment of more than \$850 million in Brooklyn. All FAC's new developments are designed to LEED Gold or Enterprise Green Community standards. FAC also owns and manages 45 residential buildings in South/Central Brooklyn and Jamaica, Queens that are home to 612 very low-, low- and moderate-income families and has 30 small business and nonprofit tenants. Over 85% of commercial tenants are Minority and Women Owned Business Enterprises ("MWBE"). A significant portion of FAC affordable housing is set aside for special populations including seniors, formerly homeless and survivors of domestic violence.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

1. Organization and Tax Status (*continued*)

The **FAC Sunset Park Library and Affordable Housing project**, is a partnership between FAC, the Brooklyn Public Library (BPL) and the New York City Department of Housing Preservation and Development (HPD) with LITHC financing from New York State Homes and Community Renewal (HCR). The project is the first in NYC to pair the creation of affordable homes with a public library. The project includes 50 units of deeply affordable housing and a renovated and expanded 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. The housing portion of the project is scheduled for completion by late 2021/early 2022.

Senior housing and universal Pre-K project 6309 4th Avenue in Brooklyn. In partnership with the Lutheran Synod, FAC is constructing a new building on the corner of 63rd Street and 4th Avenue in Sunset Park, Brooklyn. The project includes 76 apartments and a pre-kindergarten facility with 5 classrooms (90 seats) on the ground and cellar floors. Two adjacent townhomes on 63rd Street will also be rehabilitated for an additional 8 homes for seniors. With a total of 84 new affordable apartments, the project will meet the need for deeply affordable housing for very low- and extremely low-income senior citizens (age 62+). The project closed on construction financing in November 2019 and is scheduled for completion by the end of 2022.

Northeastern Towers Annex in Jamaica, Queens is FAC's first affordable housing development in Queens. FAC partnered with the Northeastern Conference of Seventh Day Adventists and Mega Contracting to add an annex to an existing senior housing development. The annex consists of 159 new affordable apartments for seniors on the southern portion of the property, adjacent to an existing 110 apartment senior housing building (a refinanced Section 202 building) and includes a senior center open to the public. Now fully occupied, the project closed construction financing in June 2018. A ribbon cutting for the project was held in July 2021.

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 for completion in 2022.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

1. Organization and Tax Status (*continued*)

Gowanus Green is a planned mixed-use affordable housing and community development project in Carroll Gardens, Brooklyn. The 5.8-acre, City-owned property, formerly known as Public Place, is located on the site of former manufactured gas plant (brownfield) and adjacent to NYC's first US EPA Superfund site – the Gowanus Canal. The site is slated to be redeveloped into a 100% affordable housing development with 950 homes with set asides for special populations, a public park and a public school with retail and community facility space. FAC is working with partners The Hudson Companies, The Jonathan Rose Companies and the Bluestone Organization to co-develop the property. The project is in the pre-development phase. After some delay, the ULURP and UDAAP applications were approved by the New York City Council as part of the larger Gowanus area-wide rezoning on November 23, 2021.

Organizing and Advocacy

FAC's organizing and advocacy programs empower low-income residents through social justice and tenant rights campaigns. In FY21, these programs helped prevent 145 evictions. Campaigns empower traditionally marginalized groups, such as rent stabilized and public housing residents, and immigrants. In FY21 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.

Active campaigns and efforts include:

- 1) ***Gowanus Neighborhood Coalition for Justice*** 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, 3 demands and multiple priorities are to advance racial, economic, and environmental justice as part of the recently approved Gowanus area-wide rezoning and private and public development actions associated with the rezoning.
- 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 member of ***Stabilizing NYC***, a citywide initiative that organizes 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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

1. Organization and Tax Status (*continued*)

Organizing and Advocacy (continued)

- 4) ***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. 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 FY21, the coalition continues to be in contact with the developer to ensure that the community benefits are realized.
- 5) ***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.
- 6) ***BrooklynSpeaks*** is a coalition founded by FAC and several local civic and community based organizations 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 418 students in FY21. Per the NYS Department of Education, the program performs in the top quartile of adult education programs state-wide. The New American Bridge Program served over 113 immigrant students with barriers to employment in FY21 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. Adult Education expanded its Digital Literacy services in FY21 in response to the COVID crisis, helping to ensure that students could continue to participate in service, providing them access to devices, broadband access and enhanced of digital literacy programming.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

1. Organization and Tax Status (*continued*)

Workforce Development

Through its Neighborhood Employment Services (“NES”) and 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 and careers, placement and supports (i.e., resume development, interview, and soft skill development). In FY21, the NES program also supported the City’s Census 2020 Complete Count campaign, helping with outreach and engagement activities that helped almost 7,000 New Yorkers to complete their census form.

Community Services

Community Services provides a range of free services including benefits access (SNAP, unemployment insurance, Medicare/aid and more), tax preparation, financial and legal counseling and (in 2020 and 2021) emergency COVID-19 relief (i.e., food, cash assistance, vaccine and testing access and information) to over 1,000 very-low and low-income New Yorkers annually. 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. In FY21, Community Services screened and connected over 1,000 households with one or more benefit such as food stamps, health insurance, and rental subsidies and supports and unemployment insurance. The program connected 104 people to legal services, provided 275 with financial coaching services (first time service recipients), and 313 with free tax preparation services. Community Services facilitated the FAC/BWI/NHN COVID Relief fund and helps connect residents with COVID testing and vaccine information and access.

FAC Solar

In 2021, FAC advanced this 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 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. FAC Solar, successfully completed solar installations on seven buildings during the year ended June 30, 2021.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

2. Summary of Significant Accounting Policies

COVID-19

COVID-19 amplified long-standing inequities suffered by the low-income people and communities of color FAC, BWI and NHN serve. In response, we expanded and pivoted our existing comprehensive community development efforts to include direct COVID-19 related supports to serve more people with deeper, more urgent needs while continuing our existing core programs. In FY21 this included distributing 33,000 masks and connecting 7,388 households with emergency food relief. FAC also formed a COVID relief fund that in FY21 distributed over \$200,000 to hundreds of individuals as well as \$100,000 to struggling commercial tenants. Cash assistance was made available to households and individuals who were unable to access other forms of assistance. Funds covered funeral costs, rent, utility bills and other essentials. FAC also distributed 77 laptops and 18 hotspots to program participants and local leaders enabling them to participate in classes, receive services and stay civically engaged. FAC hosted Zoom and enhanced digital literacy trainings to support the shift to virtual learning and communication as well.

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. Significant estimates include the useful lives of property and equipment and the collectability of accounts receivable. 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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

2. Summary of Significant Accounting Policies (continued)

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.

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, 2021, 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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

2. Summary of Significant Accounting Policies (continued)

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 Corporation determined that as of June 30, 2021, no allowance was necessary.

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.

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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

2. Summary of Significant Accounting Policies (continued)

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, 2021.

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, 2021, \$2,051,042 of construction interest was capitalized.

Functional Allocation of Expenses

Expenses are summarized and categorized based upon their functional classification as either program services, management and general 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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

2. Summary of Significant Accounting Policies (continued)

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.

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, 2018.

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 8, 2021.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

3. Related Party Transactions

Advances to Non-Consolidated Affiliates

Advances to affiliates of \$456,012 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, 2021 amount due was \$380,873, 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 consolidated financial statements meaningful information about the financial position and results of operations of the Corporation.

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, 2021 are as follows:

For Profit Affiliates	Percent of Non- Controlling Ownership	Non-Controlling Interest
Supportive Slope LP	99.99%	\$ (626,253)
551 Warren Street 1 LP	99.99	3,194,269
Atlantic Terrace 12, LLC	66.67	1,496,718
FAC Renaissance LP	99.99	10,345,204
FAC Sunset Park LP	99.99	196,996
Northeastern Towers Annex LP	99.99	6,945,990
FAC 6309 Fourth Avenue, LP	99.99	2,286,624
FAC Brownsville LP	99.99	424
		\$ 23,839,972

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

3. Related Party Transactions (continued)

Limited Partnerships (continued)

In connection with the inclusion of these Limited Partnerships', the change in non-controlling limited partners' interest for the year ended June 30, 2021 is as follows:

Inclusion of Limited Partners' non-controlling interest as of July 1, 2019	\$ 21,929,155
Equity Adjustments of LP's non-controlling interests	2,843,810
Non-controlling Limited Partners' Interest in losses of consolidated affiliates	<u>(932,993)</u>
Non controlling Limited Partners' interest in consolidated affiliates as of June 30, 2020	<u>\$ 23,839,972</u>

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.

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, 2021:

Cash	\$ 7,233,312
Restricted cash	<u>7,402,094</u>
	<u>\$ 14,635,406</u>

The following reserve amounts are included in restricted cash on the accompanying consolidated statement of financial position at June 30, 2021:

Replacement reserve	\$ 950,828
Operating reserves	5,702,023
Social service reserve	<u>749,243</u>
	<u>\$ 7,402,094</u>

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

5. Property, Plant and Equipment

Property, plant and equipment consists of the following at June 30, 2021:

Land	\$ 1,780,839
Buildings	70,861,751
Furniture and equipment	1,619,345
Leashold improvements	3,651,339
Construction in progress	<u>113,132,214</u>
	191,045,488
Accumulated depreciation and amortization	<u>(21,069,613)</u>
	<u>\$ 169,975,875</u>

Depreciation and amortization expense for the year ended June 30, 2021 was \$2,411,851.

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. In 2021, one unit was sold to an unrelated party for a total of \$734,054. The remaining co-op unit is being rented and then is expected to be sold and the related mortgages repaid in 2022.

Costs for these properties amounted to \$647,089 for the year ended June 30, 2021.

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, 2021, 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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

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 remain 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 Statement of Financial Position.

9. Mortgages and Notes Payable

Mortgages and notes payable consists of the following at June 30, 2021:

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 **\$141,996** at June 30, 2021. The second line of credit is with JPMorgan Chase Bank for \$2,000,000, bears a variable interest rate of LIBOR plus 3.251% and expires on November 2, 2021. The outstanding borrowing under this line is **\$-0-** at June 30, 2021. 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 **\$263,333** at June 30, 2021. 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, 2021, the outstanding balance was **\$500,000**.

Carry forward

\$	905,329
	<hr/>
	905,329

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable (*continued*)

Carry forward \$ 905,329

Paycheck Protection Program Loans

On various dates in FY20, FAC, LEAP, and NHN all applied for and received funding under the Paycheck Protection Program as part of the CAREs Act. FAC received \$854,694 of which \$854,694 was forgiven after June 30, 2021, LEAP received \$533,300, and NHN \$63,846 of which \$63,846 was forgiven after June 30, 2021. Both FAC and NHN recognized the forgiveness of debt in FY21, and those amounts are included in FY21 revenue. LEAP's loan was also forgiven subsequent to June 30, 2021, however the entity elected to recognize the revenue from the forgiveness in fiscal 2022.

533,300

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, 2021. 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 Corporation 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 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 **\$1,643,886** in order to fund renovation costs.

Carry forward

3,149,572

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable *(continued)*

Carry forward \$ 3,149,572

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 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, 2021 was **\$40,330**

3,091,216

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 **\$356,010** at June 30, 2021. 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 **\$3,031,003** at June 30, 2021. Both loans are collateralized by the FAC Center properties at 621 DeGraw Street and 182 4th Avenue

3,387,013

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

22,188,367

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable (*continued*)

Carry forward \$ 22,188,367

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 October 1, 2022. The outstanding principal balance was **\$45,915** on June 30, 2021. 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 **\$1,136,593** on June 30, 2021. 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 **\$1,832,632** on June 30, 2021.

3,015,140

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 do not bear interest and mature on May 11, 2026.

1,892,396

Northeastern Towers Annex LP

Northeastern Towers Annex LP has five construction loans, four entered into on June 26, 2018, and one entered into on February 19, 2021.

Carry forward

27,095,903

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable (continued)

Carry forward \$ 27,095,903

Northeastern Towers Annex LP (continued)

The first position mortgage is a bond financed mortgage from NYC Housing Development Corporation in the amount \$50,010,000 of which **\$46,559,287** had been drawn effective June 30, 2021. The loan has an interest rate of 3.09%. The loan matured on March 1, 2021, with an option for an additional 6-month extension. The loan was extended on February 2, 2021, to September 1, 2021; was further extended on August 12, 2021 to March 1, 2022; and was reduced on September 1, 2021 from \$50,010,000 to \$22,550,000. This bond financing required a standby letter of credit, which was provided by Wells Fargo Bank for the duration of the construction loan period.

The second position mortgage is provided by NYC Housing Development Corporation in the amount of \$8,745,000 of which **\$8,701,073** had been drawn effective June 30, 2021. 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, 2021. The loan has an interest rate of 3.26% (the AFR on the date of the closing plus .25% servicing fee) and matured on March 1, 2021 with an option for an additional 6-month extension. The loan was subsequently extended to September 1, 2021, and further extended to March 1, 2022. 0.25% of the outstanding balance of the mortgage is payable each month with the balance (3.01%) of the interest deferred and compounded monthly. Provided that the project converts to its permanent financing prior to the construction loan maturity date, the maturity date for the loan will be the fortieth (40th) anniversary of the conversion date.

Carry forward

27,095,903

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable (continued)

Carry forward \$ 27,095,903

Northeastern Towers Annex LP (continued)

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, 2021. The loan has an interest rate of 3.26% (the AFR on the date of the closing plus .25% servicing fee) and matured on March 1, 2021 with an option for an additional 6-month extension. The loan was subsequently extended to September 1, 2021, and further extended to March 1, 2022. 0.25% of the outstanding balance of the mortgage is payable each month with the balance (3.01%) of the interest deferred and compounded monthly. Provided that the project converts to its permanent financing prior to the construction loan maturity date, the maturity date for the loan will be the fortieth (40th) anniversary of the conversion date.

The fifth position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of \$3,000,000 (comprised entirely of Reso-A funds) of which **\$471,360** had been drawn effective June 30, 2021. The loan has an interest rate of 3.26% (the AFR on the date of the closing of the fourth position mortgage plus .25% servicing fee) and matured on September 1, 2021. The loan was subsequently extended to March 1, 2022. 0.25% of the outstanding balance of the mortgage is payable each month with the balance (3.01%) of the interest deferred and compounded monthly. Provided that the project converts to its permanent financing prior to the construction loan maturity date, the maturity date for the loan will be the fortieth (40th) anniversary of the conversion date

70,180,232

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 **\$4,556,124** drawn as of June 30, 2021. The loan was originally due on the sooner of the expiration of the permanent rate lock commitment and May 21st, 2021, with the option to extend for 6 months for a fee of .25% of the Mortgage amount. The loan was extended through May 29, 2022.

Carry forward

97,276,135

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable (continued)

Carry forward \$ 97,276,135

FAC Sunset Park LP (continued)

The second position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of \$8,750,000 of which **\$8,030,360** had been drawn effective June 30, 2021. The loan has an interest rate of 2.75% and originally matured on May 29, 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 (2.5%) of the interest deferred and compounded monthly. The loan was extended through May 29, 2022.

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 \$3,655,000 had been drawn effective June 30, 2021. The loan has an interest rate of 2.75% and originally matured on May 29, 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 loan was extended through May 29, 2022.

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.

16,241,484

FAC Renaissance HDFC

City of New York Department of Housing Preservation and Development mortgage in the amount of **\$3,406,138**. The mortgage was previously a construction loan for construction and converted into a permanent loan in December 2020 and became the second mortgage. Interest due monthly is .25% and matures December 1, 2050.

Carry forward

113,517,619

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable (continued)

Carry forward

\$ 113,517,619

FAC Renaissance HDFC (continued)

New York City Housing Development and Corporation 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 the permanent conversion of the construction loans. Beginning with conversion date until the sixth anniversary interest of 1% and a .25% service fee shall accrue. Beginning after the sixth anniversary date interest of .5% plus the .25% service shall be due monthly, and the remaining .5% interest shall accrue until maturity. Maturity is on the thirtieth (30) anniversary of the first pay date. The first pay date is defined as the permanent conversion date. Thus, the loan will be due on November 24, 2050. The outstanding principal as of June 30, 2021 was **\$2,931,385** and accrued interest was \$0

City of New York Department of Housing Preservation and Development 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 15, 2046. The outstanding principal as of June 30, 2021, was **\$1,695,551**.

A Sponsor Loan with FAC which was subsequently assigned to HSBC Bank N.A. on June 15, 2016. 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 fifteen year anniversary of the date the first loan converts to permanent financing, May 16, 2034, and it bears no interest. The loan can be prepaid from available cash flow. As of June 30, 2021, the outstanding principal balance was **\$1,417,500**.

New York City Pension Fund, (PENY & CO., LLC), first mortgage in the amount of \$5,469,061. The mortgage was assigned from Local Initiatives Support Corporation ("LISC"). LISC provided a construction loan which was converted into permanent financing in December 2020. The mortgage has a 4.86% interest rate. Monthly payments of principal and interest is required until maturity, December 1, 2050. As of June 30, 2021, the outstanding principal was **\$5,428,465**. The mortgage is serviced by the Community Preservation Corporation.

Carry forward

14,879,039
128,396,658

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable (*continued*)

Carry forward \$ 128,396,658

FAC 6309 Fourth Avenue LP

FAC 6309 Fourth Avenue LP has three construction loans all entered into on November 27, 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 **\$1,835,415** drawn as of June 30, 2021. 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 **\$8,724,557** had been drawn effective June 30, 2021. 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 **\$3,301,380** had been drawn effective June 30, 2021. 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

13,861,352
142,258,010

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

9. Mortgages and Notes Payable (continued)

Carry forward \$ 142,258,010

FAC Renaissance LP

FAC Renaissance LP has three construction loans. TD Bank holds a first position mortgage on FAC Renaissance LP that includes both a Building Loan and Project Loan. The loan was originally made on November 23, 2016, for a total of \$12,162,943 (\$2,035,905 Project Loan and \$10,127,038 Building Loan). The loan was extended 4 times. The current extension was signed on November 2, 2020, and changes the loan amounts. The Building Loan is \$5,010,936 and the Project Loan \$35,841. The loan extension goes through May 1, 2022. The loan interest rate is the greater of 3.25% or the Loan Index (monthly ICE LIBOR) plus 2.75%. The balance as of June 30, 2021, was **\$4,616,143** for the Building Loan and **\$30,404** for the Project Loan.

The second construction 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 .25%. The loan was originated November 23, 2016 and was extended and amended November 2, 2020. As of June 30, 2021, the outstanding principal and interest was **\$1,696,075** and the loan has a maturity date of May 1, 2022.

The third is a construction loan the New York City Department of Housing Preservation and Development which originated on November 2, 2020, in the amount of \$880,000 and carries an interest rate of 0.25%. As of June 30, 2021, the outstanding principal and interest was **\$87,601**. The loan has a maturity date of May 1, 2022.

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. This mortgage was originally made to FAC HDFC for 332 Bergen Street on June 12, 1997, and was then amended on November 23, 2016 and spread to be over all 8 properties in FAC Renaissance LP. It also extended the loan until 60 years after the permanent conversion of FAC Renaissance LP. The mortgage has a .25% servicing fee during construction (and 2.5% as of disbursement) and requires payment of the Servicing fee during construction and no payments of principal or interest until maturity. As of June 30, 2021, the outstanding balance including interest was **\$136,000**.

Carry forward

142,258,010

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

9. Mortgages and Notes Payable (continued)

Carry forward \$ 142,258,010

FAC Renaissance LP (continued)

Mortgage with HPD in the amount of \$356,655. This mortgage combined two mortgages that were made to 76 Fifth Avenue HDFC and 332 Bergen Street on August 13, 1992, and June 12, 1997, respectively and was amended on November 23, 2016 where the two loans were merged and the loan spread over all 8 properties in FAC Renaissance LP. The mortgage has a 0% interest during construction and then a 2.5% mortgage as of loan conversion 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, 2021, the outstanding principal was **\$356,655**.

Mortgage with Housing Trust Fund Corporation ("HTFC") in the amount of \$1,040,000. This loan was originally made on July 3, 1997, for 320-322 Bergen Street HDFC and was amended on November 23, 2016, and spread over all 8 properties in FAC Renaissance LP. 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, 2021, the outstanding principal was **\$1,040,000**.

There is a Sponsor Loan from Fifth Avenue Committee for \$80,340 dated November 23, 2016. It has an interest rate of 2.5% and requires no payment of principal or interest. The loan runs through 60 years after permanent conversion of FAC Renaissance LP. The balance as of June 30, 2021 was **\$80,340**

8,043,218

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.

247,350
\$ 150,548,578

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

9. Mortgages and Notes Payable (continued)

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

2022	\$ 85,392,512
2023	563,777
2024	14,203,384
2025	856,589
2026	371,427
Thereafter	<u>49,160,889</u>
	150,548,578
Unamortized debt issuance costs	<u>(674,463)</u>
	<u>\$ 149,874,115</u>

10. Net Assets With Donor Restriction - FAC and LEAP

Changes in net assets with donor restrictions for the year ended June 30, 2021 consisted of the following:

Purpose/Restriction	Balance, June 30, 2020	Additions	Releases	Balance, June 30, 2021
Fifth Avenue Committee, Inc.				
Organizing	\$ 49,999	\$ 32,000	\$ (68,362)	\$ 13,637
Sunset Park Bridge Program	-	150,000	(75,024)	74,976
COVID-19 Relief	51,106	-	(51,106)	-
Non-profit Housing Recovery	-	175,000	(19,400)	155,600
Administration	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
Total	<u>107,105</u>	<u>357,000</u>	<u>(213,892)</u>	<u>250,213</u>
LEAP, Inc.				
Workforce Collaboration	75,931	165,000	(147,833)	93,098
Made in NY Training Program	<u>-</u>	<u>50,000</u>	<u>(25,000)</u>	<u>25,000</u>
Total	<u>75,931</u>	<u>215,000</u>	<u>(172,833)</u>	<u>118,098</u>
	<u>\$ 183,036</u>	<u>\$ 572,000</u>	<u>\$ (386,725)</u>	<u>\$ 368,311</u>

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
June 30, 2021

11. Retirement Plan

FAC and LEAP have Simplified Employee Pension Plans, which are defined contribution plans. LEAP made contributions of \$89,234 for the year ended June 30, 2021. FAC made contributions of \$59,396 for the year ended June 30, 2021.

12. Operating Leases

At June 30, 2021, 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, 2021 was \$623,481.

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

2022	\$ 436,383
2023	329,123
2024	341,447
2025	356,502
2026	347,264
Thereafter	<u>226,566</u>
	<u>\$ 2,037,285</u>

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 accounts 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.

Fifth Avenue Committee, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021

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	\$ 7,233,312
Grants receivable	2,551,149
Accounts receivable, net	<u>2,940,783</u>
	12,725,244

Amounts Unavailable for General Expenditure:

Restricted by donors with timing and purpose restrictions	<u>(368,311)</u>
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Financial Assets at Year End Available to Meet Cash

Needs for General Expenditure Within One Year	<u>\$ 12,356,933</u>
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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.

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, 2021

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position June 30, 2021

	Non-Profit Corporations	HDFCs	Limited Partnerships	Other Entities	Total	Eliminations	Consolidated Total
ASSETS							
Current Assets							
Cash	\$ 4,190,856	\$ 580,981	\$ 2,384,338	\$ 77,137	\$ 7,233,312	\$ -	\$ 7,233,312
Restricted cash	95,048	572,024	6,735,022	-	7,402,094	-	7,402,094
Grants receivable	2,581,709	-	-	-	2,581,709	(30,560)	2,551,149
Accounts receivable	1,476,409	966,728	488,937	71,653	3,003,727	(62,944)	2,940,783
Prepaid expenses	72,513	103,649	110,111	70	286,343	-	286,343
Advances to affiliates	2,936,323	153,382	-	126,000	3,215,705	(2,759,693)	456,012
Total Current Assets	11,352,858	2,376,764	9,718,408	274,860	23,722,890	(2,853,197)	20,869,693
Investment in affiliated companies	-	-	-	407,883	407,883	(407,883)	-
Investment in unconsolidated affiliates	-	202,117	-	-	202,117	-	202,117
Mortgage receivable from affiliated company	745,000	-	-	-	745,000	(745,000)	-
Property, plant and equipment, net	4,752,318	20,030,578	145,691,358	69,895	170,544,149	(568,274)	169,975,875
Property held for sale	-	-	-	647,089	647,089	-	647,089
Other assets	307,871	167,019	510,598	5,695	991,183	(573)	990,610
	<u>\$ 17,158,047</u>	<u>\$ 22,776,478</u>	<u>\$ 155,920,364</u>	<u>\$ 1,405,422</u>	<u>\$ 197,260,311</u>	<u>\$ (4,574,927)</u>	<u>\$ 192,685,384</u>
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable	\$ 502,191	\$ 227,358	\$ 3,164,641	\$ 603,835	\$ 4,498,025	\$ (188,944)	\$ 4,309,081
Accrued expenses	571,101	58,959	2,595,367	174,501	3,399,928	-	3,399,928
Mortgages and notes payable, current portion	1,121,490	120,156	84,150,866	-	85,392,512	-	85,392,512
Loans payable, affiliated companies	-	-	871,000	-	871,000	(871,000)	-
Grants payable, subsidiary	35,849	-	-	-	35,849	(30,560)	5,289
Tenants' deposits payable	145,155	121,256	-	5,695	272,106	(573)	271,533
Due to related parties	-	1,054,404	1,193,645	199,787	2,447,836	(2,066,963)	380,873
Total Current Liabilities	2,375,786	1,582,133	91,975,519	983,818	96,917,256	(3,158,040)	93,759,216
IDA funds	98,541	-	-	-	98,541	-	98,541
Refundable grants payable	921,250	-	-	-	921,250	-	921,250
Other payables	20,000	766,178	802,770	521,724	2,110,672	-	2,110,672
Mortgages and notes payable, net of current portion and unamortized financing costs	3,660,957	22,120,030	38,700,616	-	64,481,603	-	64,481,603
Total Liabilities	7,076,534	24,468,341	131,478,905	1,505,542	164,529,322	(3,158,040)	161,371,282
Net Assets (Deficit)							
Without donor restriction	9,713,202	(1,691,863)	601,487	(100,120)	8,522,706	(1,416,887)	7,105,819
With donor restriction	368,311	-	-	-	368,311	-	368,311
	10,081,513	(1,691,863)	601,487	(100,120)	8,891,017	(1,416,887)	7,474,130
Non-controlling Limited Partners' interest in consolidated affiliates	-	-	23,839,972	-	23,839,972	-	23,839,972
Total Net Assets (Deficit)	10,081,513	(1,691,863)	24,441,459	(100,120)	32,730,989	(1,416,887)	31,314,102
	<u>\$ 17,158,047</u>	<u>\$ 22,776,478</u>	<u>\$ 155,920,364</u>	<u>\$ 1,405,422</u>	<u>\$ 197,260,311</u>	<u>\$ (4,574,927)</u>	<u>\$ 192,685,384</u>

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of Non-Profit Corporations
June 30, 2021

	Fifth Avenue Committee, Inc.	Leap, Inc.	* FAC Center Local Development Corp.	* Neighbors Helping Neighbors	Total
ASSETS					
Current Assets					
Cash	\$ 1,249,095	\$ 2,649,828	\$ 157,417	\$ 134,516	\$ 4,190,856
Restricted cash	-	-	95,048	-	95,048
Grants receivable	1,116,180	1,465,529	-	-	2,581,709
Accounts receivable	606,809	122,871	276,921	469,808	1,476,409
Prepaid expenses	25,210	38,604	2,832	5,867	72,513
Advances to affiliates	2,875,861	60,462	-	-	2,936,323
Total Current Assets	5,873,155	4,337,294	532,218	610,191	11,352,858
Mortgage receivable from affiliated company	745,000	-	-	-	745,000
Property, plant and equipment, net	307,705	561,139	3,877,012	6,462	4,752,318
Other assets	89,633	60,909	129,414	27,915	307,871
	<u>\$ 7,015,493</u>	<u>\$ 4,959,342</u>	<u>\$ 4,538,644</u>	<u>\$ 644,568</u>	<u>\$ 17,158,047</u>
LIABILITIES AND NET ASSETS					
Current Liabilities					
Accounts payable	\$ 252,231	\$ 204,898	\$ 14,525	\$ 30,537	\$ 502,191
Accrued expenses	346,094	193,535	19,296	12,176	571,101
Mortgages and notes payable, current portion	405,329	533,300	182,861	-	1,121,490
Grants payable, subsidiary	35,849	-	-	-	35,849
Tenants' deposits payable	76,980	-	68,175	-	145,155
Total Current Liabilities	1,116,483	931,733	284,857	42,713	2,375,786
IDA funds	98,541	-	-	-	98,541
Refundable grants payable	921,250	-	-	-	921,250
Other payables	-	-	-	20,000	20,000
Mortgages and notes payable, net of current portion and unamortized financing costs	500,000	-	3,160,957	-	3,660,957
Total Liabilities	2,636,274	931,733	3,445,814	62,713	7,076,534
Net Assets					
Without donor restriction	4,129,006	3,909,511	1,092,830	581,855	9,713,202
With donor restriction	250,213	118,098	-	-	368,311
Total Net Assets	4,379,219	4,027,609	1,092,830	581,855	10,081,513
	<u>\$ 7,015,493</u>	<u>\$ 4,959,342</u>	<u>\$ 4,538,644</u>	<u>\$ 644,568</u>	<u>\$ 17,158,047</u>

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of HDFCs
June 30, 2021

	* 588 Park Place	* FAC Renaissance HDFC	* FAC Advance HDFC	* FAC Homeownership HDFC	* 50th Street HDFC	* 573 Warren St HDFC	Total
ASSETS							
Current Assets							
Cash	\$ 153,248	\$ 57,872	\$ 31,850	\$ 5,045	\$ 305,387	\$ 27,579	\$ 580,981
Restricted cash	162,583	-	15,720	-	251,069	142,652	572,024
Accounts receivable	16,197	914,043	9,516	4,142	24,929	(2,099)	966,728
Prepaid expenses	7,900	42,211	22	721	18,616	34,179	103,649
Advances to unconsolidated affiliates	-	13,382	-	-	-	140,000	153,382
Total Current Assets	339,928	1,027,508	57,108	9,908	600,001	342,311	2,376,764
Investment in unconsolidated affiliates	-	-	202,117	-	-	-	202,117
Property, plant and equipment, net	1,139,697	13,474,855	2,861,882	464,416	1,912,583	177,145	20,030,578
Other assets	11,210	49,641	74,744	3,215	29,616	(1,407)	167,019
	<u>\$ 1,490,835</u>	<u>\$ 14,552,004</u>	<u>\$ 3,195,851</u>	<u>\$ 477,539</u>	<u>\$ 2,542,200</u>	<u>\$ 518,049</u>	<u>\$ 22,776,478</u>
LIABILITIES AND NET ASSETS (DEFICIT)							
Current Liabilities							
Accounts payable	\$ 9,246	\$ 104,617	\$ 39,300	\$ 57,998	\$ 16,197	\$ -	\$ 227,358
Accrued expenses	39,202	-	-	1	18,166	1,590	58,959
Mortgages and notes payable, current portion	-	42,150	74,777	-	3,229	-	120,156
Tenants' deposits payable	11,210	50,278	34,403	3,215	22,150	-	121,256
Due to related parties	112	108,506	945,786	-	-	-	1,054,404
Total Current Liabilities	59,770	305,551	1,094,266	61,214	59,742	1,590	1,582,133
Other payables	400,000	10,336	330,000	-	15,716	10,126	766,178
Mortgages and notes payable, net of current portion and unamortized financing costs	1,710,943	14,550,245	2,770,855	-	3,087,987	-	22,120,030
Total Liabilities	<u>2,170,713</u>	<u>14,866,132</u>	<u>4,195,121</u>	<u>61,214</u>	<u>3,163,445</u>	<u>11,716</u>	<u>24,468,341</u>
Net Assets (Deficit)	<u>(679,878)</u>	<u>(314,128)</u>	<u>(999,270)</u>	<u>416,325</u>	<u>(621,245)</u>	<u>506,333</u>	<u>(1,691,863)</u>
	<u>\$ 1,490,835</u>	<u>\$ 14,552,004</u>	<u>\$ 3,195,851</u>	<u>\$ 477,539</u>	<u>\$ 2,542,200</u>	<u>\$ 518,049</u>	<u>\$ 22,776,478</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, 2021

	*	Atlantic	Supportive	Northeastern	*	*	*	FAC	FAC	Total
	551	Terrace 12 LLC	Slope LP	Towers Annex LP	FAC	FAC	FAC	Brownsville	Brownsville	Total
	Warren St LP	Terrace 12 LLC	Slope LP	Towers Annex LP	Sunset Park LP	Renaissance LP	Fourth Ave LP	Apartments LP	Apartments LP	Total
ASSETS										
Current Assets										
Cash	\$ 1,146,908	\$ 185,560	\$ 33,157	\$ 151,189	\$ 176,755	\$ 499,793	\$ 123,737	\$ 67,239	\$ 2,384,338	
Restricted cash	3,987,285	-	152,100	-	-	2,595,637	-	-	6,735,022	
Accounts receivable	25,043	99,167	18,408	191,037	5,750	149,532	-	-	488,937	
Prepaid expenses	4,295	8,896	8,322	-	-	88,598	-	-	110,111	
Total Current Assets	<u>5,163,531</u>	<u>293,623</u>	<u>211,987</u>	<u>342,226</u>	<u>182,505</u>	<u>3,333,560</u>	<u>123,737</u>	<u>67,239</u>	<u>9,718,408</u>	
Property, plant and equipment, net	3,691,158	4,306,999	9,035,300	77,515,549	16,935,871	16,933,763	17,092,558	180,160	145,691,358	
Other assets	40,452	175,875	19,615	-	-	274,656	-	-	510,598	
	<u>\$ 8,895,141</u>	<u>\$ 4,776,497</u>	<u>\$ 9,266,902</u>	<u>\$ 77,857,775</u>	<u>\$ 17,118,376</u>	<u>\$ 20,541,979</u>	<u>\$ 17,216,295</u>	<u>\$ 247,399</u>	<u>\$ 155,920,364</u>	
LIABILITIES AND NET ASSETS (DEFICIT)										
Current Liabilities										
Accounts payable	\$ 41,068	\$ 307,134	\$ 1,540,328	\$ 502,235	\$ 121,126	\$ -	\$ 652,701	\$ 49	\$ 3,164,641	
Accrued expenses	-	-	718,248	245,500	-	1,631,619	-	-	2,595,367	
Mortgages and notes payable, current portion	-	-	-	61,479,159	16,241,484	6,430,223	-	-	84,150,866	
Loans payable, affiliated companies	-	-	745,000	-	26,000	98,000	2,000	-	871,000	
Due to related parties	-	490,421	-	-	41,368	559,648	102,208	-	1,193,645	
Total Current Liabilities	<u>41,068</u>	<u>797,555</u>	<u>3,003,576</u>	<u>62,226,894</u>	<u>16,429,978</u>	<u>8,719,490</u>	<u>756,909</u>	<u>49</u>	<u>91,975,519</u>	
Other payables	-	-	-	-	491,383	-	311,387	-	802,770	
Mortgages and notes payable, net of current portion and unamortized financing costs	5,660,566	1,892,396	6,878,597	8,684,196	-	1,476,159	13,861,352	247,350	38,700,616	
Total Liabilities	<u>5,701,634</u>	<u>2,689,951</u>	<u>9,882,173</u>	<u>70,911,090</u>	<u>16,921,361</u>	<u>10,195,649</u>	<u>14,929,648</u>	<u>247,399</u>	<u>131,478,905</u>	
Net Assets (Deficit)										
Without donor restriction	(762)	589,828	10,982	695	19	1,126	23	(424)	601,487	
Non-controlling Limited Partners' interest in consolidated affiliates	3,194,269	1,496,718	(626,253)	6,945,990	196,996	10,345,204	2,286,624	424	23,839,972	
Total Net Assets (Deficit)	<u>3,193,507</u>	<u>2,086,546</u>	<u>(615,271)</u>	<u>6,946,685</u>	<u>197,015</u>	<u>10,346,330</u>	<u>2,286,647</u>	<u>-</u>	<u>24,441,459</u>	
	<u>\$ 8,895,141</u>	<u>\$ 4,776,497</u>	<u>\$ 9,266,902</u>	<u>\$ 77,857,775</u>	<u>\$ 17,118,376</u>	<u>\$ 20,541,979</u>	<u>\$ 17,216,295</u>	<u>\$ 247,399</u>	<u>\$ 155,920,364</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, 2021

	FAC Red Hook Homes, Inc.	Northeastern Towers Annex Manager LLC	Northeastern Towers Annex Developer LLC	FAC 6309 Fourth Avenue MM LLC	* FAC Solar, LLC	General Partners	Total
ASSETS							
Current Assets							
Cash	\$ 35,710	\$ -	\$ 27,753	\$ -	\$ 12,936	\$ 738	\$ 77,137
Accounts receivable	71,653	-	-	-	-	-	71,653
Prepaid expenses	-	-	-	-	70	-	70
Advances to unconsolidated affiliates	<u>126,000</u>	-	-	-	-	-	<u>126,000</u>
Total Current Assets	233,363	-	27,753	-	13,006	738	274,860
Investment in affiliated companies	-	-	-	-	-	407,883	407,883
Property, plant and equipment, net	-	-	69,895	-	-	-	69,895
Property held for sale	647,089	-	-	-	-	-	647,089
Other assets	<u>5,695</u>	-	-	-	-	-	<u>5,695</u>
	<u>\$ 886,147</u>	<u>\$ -</u>	<u>\$ 97,648</u>	<u>\$ -</u>	<u>\$ 13,006</u>	<u>\$ 408,621</u>	<u>\$ 1,405,422</u>
LIABILITIES AND NET ASSETS (DEFICIT)							
Current Liabilities							
Accounts payable	\$ 588,558	\$ -	\$ 66	\$ 25	\$ 15,186	\$ -	\$ 603,835
Accrued expenses	174,501	-	-	-	-	-	174,501
Tenants' deposits payable	5,695	-	-	-	-	-	5,695
Due to related parties	<u>100,000</u>	<u>75</u>	<u>98,187</u>	<u>1,525</u>	<u>-</u>	<u>-</u>	<u>199,787</u>
Total Current Liabilities	868,754	75	98,253	1,550	15,186	-	983,818
Other payables	-	335	-	-	-	521,389	521,724
Total Liabilities	868,754	410	98,253	1,550	15,186	521,389	1,505,542
Net assets (deficit)	<u>17,393</u>	<u>(410)</u>	<u>(605)</u>	<u>(1,550)</u>	<u>(2,180)</u>	<u>(112,768)</u>	<u>(100,120)</u>
	<u>\$ 886,147</u>	<u>\$ -</u>	<u>\$ 97,648</u>	<u>\$ -</u>	<u>\$ 13,006</u>	<u>\$ 408,621</u>	<u>\$ 1,405,422</u>

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities Year Ended June 30, 2021

	Non-Profit Corporations	HDFCs	Limited Partnerships	Other Entities	Total	Eliminations	Consolidated Total
SUPPORT AND REVENUE							
Government grants	\$ 3,557,486	\$ 206,446	\$ -	\$ -	\$ 3,763,932	\$ -	\$ 3,763,932
Contributions - corporations	1,135,830	-	-	-	1,135,830	-	1,135,830
Contributions - foundations and trusts	5,373,060	-	-	-	5,373,060	-	5,373,060
Contributions - individuals	290,270	-	-	-	290,270	-	290,270
Special events income	253,800	-	-	-	253,800	-	253,800
In-kind contributions	89,236	-	-	-	89,236	-	89,236
Management and reimbursable fees	1,467,196	-	-	-	1,467,196	(1,202,248)	264,948
Development and marketing	465,892	-	-	-	465,892	(277,570)	188,322
Program services	377,237	-	-	-	377,237	(134,980)	242,257
Rental income	1,453,987	2,181,997	2,497,609	58,259	6,191,852	(841,321)	5,350,531
Interest income	30,728	3,860	-	4	34,592	-	34,592
Subcontract income	596,913	-	-	-	596,913	(390,433)	206,480
Gain on forgiveness of debt	918,540	-	-	-	918,540	-	918,540
Other revenue	33,261	288,562	445,511	201,340	968,674	(11,393)	957,281
Total Support and Revenue	<u>16,043,436</u>	<u>2,680,865</u>	<u>2,943,120</u>	<u>259,603</u>	<u>21,927,024</u>	<u>(2,857,945)</u>	<u>19,069,079</u>
EXPENSES							
Salaries	6,842,459	-	-	-	6,842,459	(118,868)	6,723,591
Contributed services - salaries	86,909	-	-	-	86,909	-	86,909
Payroll taxes and fringe benefits	2,082,973	-	-	-	2,082,973	(32,651)	2,050,322
Administrative	85,522	2,734	-	2,000	90,256	(74,106)	16,150
Consultants	588,032	14,500	-	-	602,532	(25,449)	577,083
Wage subsidy	-	-	-	-	-	-	-
Repairs and maintenance	98,873	481,116	529,393	19,932	1,129,314	(878)	1,128,436
Office supplies and printing	86,097	6,966	-	-	93,063	(34,521)	58,542
Telephone and postage	153,560	8,116	3,770	-	165,446	(10,565)	154,881
Utilities	95,246	402,391	311,055	2,150	810,842	(9,850)	800,992
Professional fees	130,499	57,306	116,126	3,000	306,931	(38,537)	268,394
Occupancy	1,371,469	-	-	-	1,371,469	(841,321)	530,148
Miscellaneous	-	40,411	301,346	461,861	803,618	(288,963)	514,655
Meetings and events	9,762	-	-	-	9,762	-	9,762
Marketing	67,612	-	-	-	67,612	-	67,612
Conference, travel, and training	27,610	-	-	30	27,640	-	27,640
Contractual services	245,693	-	-	-	245,693	-	245,693
Dues and subscriptions	3,958	562	-	-	4,520	-	4,520
Software and support	62,677	7,093	9,099	-	78,869	-	78,869
Insurance	81,433	103,490	231,877	-	416,800	(8,736)	408,064
Equipment, furniture and fixtures	110,025	-	-	-	110,025	(10,060)	99,965
Fees and bank charges	69,080	24,783	10,768	870	105,501	-	105,501
Program expenses	1,038,201	-	-	-	1,038,201	(134,980)	903,221
Publication and books	6,317	-	-	-	6,317	-	6,317
Management and development fees	49,302	596,032	764,586	14,493	1,424,413	(1,202,248)	222,165
Bad debts	71,627	97,371	34,923	-	203,921	-	203,921
Interest and debt issuance costs	246,687	464,714	102,565	44,153	858,119	-	858,119
Property taxes	8,324	43,484	25,057	200	77,065	-	77,065
Direct fundraising expense	59,230	-	-	-	59,230	-	59,230
Depreciation and amortization	274,957	736,222	1,426,884	-	2,438,063	(26,212)	2,411,851
Total Expenses	<u>14,054,134</u>	<u>3,087,291</u>	<u>3,867,449</u>	<u>548,689</u>	<u>21,557,563</u>	<u>(2,857,945)</u>	<u>18,699,618</u>
Change in Net Assets Before Other Changes	1,989,302	(406,426)	(924,329)	(289,086)	369,461	-	369,461
OTHER CHANGES							
Capital contributions	-	-	98	-	98	-	98
Distributions	-	-	(29,669)	-	(29,669)	-	(29,669)
Non-controlling interest in losses of consolidated affiliates	-	-	932,993	-	932,993	-	932,993
Change in Net Assets	<u>\$ 1,989,302</u>	<u>\$ (406,426)</u>	<u>\$ (20,907)</u>	<u>\$ (289,086)</u>	<u>\$ 1,272,883</u>	<u>\$ -</u>	<u>\$ 1,272,883</u>

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities of Non-Profit Corporations Year Ended June 30, 2021

	Fifth Avenue Committee, Inc.	Leap, Inc.	* FAC Center Local Development Corp.	* Neighbors Helping Neighbors	Total
SUPPORT AND REVENUE					
Government grants	\$ 2,175,174	\$ 939,327	\$ -	\$ 442,985	\$ 3,557,486
Contributions - corporations	765,846	356,484	-	13,500	1,135,830
Contributions - foundations and trusts	786,500	4,421,000	-	165,560	5,373,060
Contributions - individuals	32,421	254,021	-	3,828	290,270
Special events income	253,800	-	-	-	253,800
In-kind contributions	2,327	86,909	-	-	89,236
Management and reimbursable fees	1,467,196	-	-	-	1,467,196
Development and marketing fees	465,892	-	-	-	465,892
Program services	157,487	193,337	-	26,413	377,237
Rental income	746,083	-	707,904	-	1,453,987
Interest income	13,039	17,619	70	-	30,728
Subcontract income	482,933	113,980	-	-	596,913
Gain on forgiveness of debt	854,694	-	-	63,846	918,540
Other revenue	30,921	(10)	-	2,350	33,261
Total Support and Revenue	<u>8,234,313</u>	<u>6,382,667</u>	<u>707,974</u>	<u>718,482</u>	<u>16,043,436</u>
EXPENSES					
Salaries	3,979,083	2,445,837	-	417,539	6,842,459
Contributed services - salaries	-	86,909	-	-	86,909
Payroll taxes and fringe benefits	1,283,003	716,719	-	83,251	2,082,973
Administrative	-	80,751	4,771	-	85,522
Consultants	462,140	83,619	-	42,273	588,032
Repairs and maintenance	7,680	12,206	77,238	1,749	98,873
Office supplies and printing	29,388	47,988	3,884	4,837	86,097
Telephone and postage	102,446	49,854	-	1,260	153,560
Utilities	31,476	43,326	20,444	-	95,246
Professional fees	42,000	74,537	7,462	6,500	130,499
Occupancy	707,942	623,481	-	40,046	1,371,469
Meetings and events	9,762	-	-	-	9,762
Marketing	23,795	43,817	-	-	67,612
Conference, travel, and training	6,472	21,138	-	-	27,610
Contractual services	243,911	-	1,782	-	245,693
Dues and subscriptions	-	3,658	-	300	3,958
Software and support	-	62,677	-	-	62,677
Insurance	44,968	8,736	23,794	3,935	81,433
Equipment, furniture and fixtures	85,179	22,362	-	2,484	110,025
Fees and bank charges	46,880	17,331	-	4,869	69,080
Program expenses	170,551	865,953	-	1,697	1,038,201
Publication and books	5,849	468	-	-	6,317
Management fees	-	-	49,302	-	49,302
Bad debts	31,507	40,120	-	-	71,627
Interest and debt issuance costs	9,103	-	237,584	-	246,687
Property taxes	-	-	8,324	-	8,324
Direct fundraising expense	59,230	-	-	-	59,230
Depreciation	40,556	84,695	149,017	689	274,957
Total Expenses	<u>7,422,921</u>	<u>5,436,182</u>	<u>583,602</u>	<u>611,429</u>	<u>14,054,134</u>
Change in Net Assets	<u>\$ 811,392</u>	<u>\$ 946,485</u>	<u>\$ 124,372</u>	<u>\$ 107,053</u>	<u>\$ 1,989,302</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, 2021

	* 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,446	\$ 206,446
Rental income	190,127	1,122,398	232,042	82,404	515,365	39,661	2,181,997
Interest income	31	914	1	2,914	-	-	3,860
Other revenue	-	221,350	3	23,039	174	43,996	288,562
Total Support and Revenue	<u>190,158</u>	<u>1,344,662</u>	<u>232,046</u>	<u>108,357</u>	<u>515,539</u>	<u>290,103</u>	<u>2,680,865</u>
EXPENSES							
Administrative	1,003	-	1,731	-	-	-	2,734
Consultants	14,500	-	-	-	-	-	14,500
Repairs and maintenance	27,897	314,034	39,772	9,853	89,560	-	481,116
Office supplies and printing	2,797	-	2,321	1,848	-	-	6,966
Telephone and postage	-	6,350	353	-	1,161	252	8,116
Utilities	31,358	169,566	29,631	22,739	116,814	32,283	402,391
Professional fees	5,664	21,969	9,302	4,200	15,843	328	57,306
Miscellaneous	-	12,778	-	-	-	27,633	40,411
Dues and subscriptions	-	117	-	-	-	445	562
Software and support	-	4,037	-	-	2,366	690	7,093
Insurance	12,393	1,746	18,175	5,650	33,699	31,827	103,490
Fees and bank charges	-	18,893	-	928	3,304	1,658	24,783
Management fees	75,674	216,627	48,812	31,849	132,891	90,179	596,032
Bad debts	24,011	24,997	24,977	6,017	15,413	1,956	97,371
Interest and debt issuance costs	2,437	368,971	92,534	-	736	36	464,714
Property taxes	-	15,489	-	27,995	-	-	43,484
Depreciation and amortization	77,042	358,634	120,934	24,781	121,113	33,718	736,222
Total Expenses	<u>274,776</u>	<u>1,534,208</u>	<u>388,542</u>	<u>135,860</u>	<u>532,900</u>	<u>221,005</u>	<u>3,087,291</u>
Change in Net Assets	<u>\$ (84,618)</u>	<u>\$ (189,546)</u>	<u>\$ (156,496)</u>	<u>\$ (27,503)</u>	<u>\$ (17,361)</u>	<u>\$ 69,098</u>	<u>\$ (406,426)</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, 2021

	*	*	*	*	*	*	*	*	*
	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	Total
SUPPORT AND REVENUE									
Rental income	\$ 822,546	\$ 219,475	\$ 677,149	\$ -	\$ -	\$ 778,439	\$ -	\$ -	\$ 2,497,609
Other revenue	231,434	36,756	8,288	-	212,466	(44,503)	92	978	445,511
Total Support and Revenue	<u>1,053,980</u>	<u>256,231</u>	<u>685,437</u>	<u>-</u>	<u>212,466</u>	<u>733,936</u>	<u>92</u>	<u>978</u>	<u>2,943,120</u>
EXPENSES									
Repairs and maintenance	143,460	70,410	223,787	-	-	91,736	-	-	529,393
Telephone and postage	929	-	1,438	-	-	1,403	-	-	3,770
Utilities	100,041	8,882	89,734	1,149	-	111,249	-	-	311,055
Professional fees	17,836	34,962	28,543	-	16,126	17,560	1,099	-	116,126
Miscellaneous	16,128	175	11,413	544	-	273,086	-	-	301,346
Software and support	3,352	-	2,366	-	-	3,381	-	-	9,099
Insurance	82,534	6,272	52,934	-	-	90,137	-	-	231,877
Fees and bank charges	520	76	901	-	-	7,204	2,067	-	10,768
Management fees	222,839	9,641	408,269	-	-	123,837	-	-	764,586
Bad debts	32,772	-	-	-	-	2,151	-	-	34,923
Interest and debt issuance costs	518	-	73,973	-	-	28,074	-	-	102,565
Property taxes	-	5,069	12,993	-	3,387	3,555	53	-	25,057
Depreciation and amortization	<u>173,293</u>	<u>93,774</u>	<u>561,040</u>	<u>-</u>	<u>-</u>	<u>598,777</u>	<u>-</u>	<u>-</u>	<u>1,426,884</u>
Total Expenses	<u>794,222</u>	<u>229,261</u>	<u>1,467,391</u>	<u>1,693</u>	<u>19,513</u>	<u>1,352,150</u>	<u>3,219</u>	<u>-</u>	<u>3,867,449</u>
Change in Net Assets Before Other Changes	259,758	26,970	(781,954)	(1,693)	192,953	(618,214)	(3,127)	978	(924,329)
OTHER CHANGES									
Capital contributions	-	-	-	52	-	23	23	-	98
Distributions	-	(29,655)	-	-	(14)	-	-	-	(29,669)
Non-controlling interest in income and losses of consolidated affiliates	<u>(259,732)</u>	<u>(17,981)</u>	<u>781,858</u>	<u>1,693</u>	<u>(192,934)</u>	<u>618,152</u>	<u>3,127</u>	<u>(1,190)</u>	<u>932,993</u>
Change in Net Assets	<u>\$ 26</u>	<u>\$ (20,666)</u>	<u>\$ (96)</u>	<u>\$ 52</u>	<u>\$ 5</u>	<u>\$ (39)</u>	<u>\$ 23</u>	<u>\$ (212)</u>	<u>\$ (20,907)</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, 2021

	Red Hook Homes, Inc.	Northeastern Towers Annex Manager LLC	Northeastern Towers Annex Developer LLC	FAC 6309 Fourth Avenue MM LLC	* FAC Solar LLC	General Partners	Total
SUPPORT AND REVENUE							
Rental income	\$ 58,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,259
Interest income	-	-	-	-	-	4	4
Other revenue	169,211	580	-	-	-	31,549	201,340
Total Support and	<u>227,470</u>	<u>580</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,553</u>	<u>259,603</u>
EXPENSES							
Administrative	-	-	-	-	-	2,000	2,000
Repairs and maintenance	19,932	-	-	-	-	-	19,932
Utilities	-	-	-	-	2,150	-	2,150
Professional fees	3,000	-	-	-	-	-	3,000
Miscellaneous	-	448	-	-	-	461,413	461,861
Conference, travel, and training	-	-	-	-	30	-	30
Fees and bank charges	764	25	56	25.00	-	-	870
Management fees	-	-	-	750	-	13,743	14,493
Interest and finance costs	-	-	-	-	-	44,153	44,153
Property taxes	-	-	-	-	-	200	200
Total Expenses	<u>23,696</u>	<u>473</u>	<u>56</u>	<u>775</u>	<u>2,180</u>	<u>521,509</u>	<u>548,689</u>
Change in Net Assets	<u>\$ 203,774</u>	<u>\$ 107</u>	<u>\$ (56)</u>	<u>\$ (775)</u>	<u>\$ (2,180)</u>	<u>\$ (489,956)</u>	<u>\$ (289,086)</u>

See independent auditors' report