Fifth Avenue Committee, Inc.
and Subsidiaries

Consolidated Financial Statements and
Uniform Guidance Schedules
Together With Independent Auditors' Reports

June 30, 2023

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Board of Directors
Fifth Avenue Committee, Inc. and Subsidiaries

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Fifth Avenue Committee, Inc. and Subsidiaries (the "Corporation"), a not-for-profit organization, which comprise the consolidated statement of financial position as of June 30, 2023, 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..

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of June 30, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the comptroller general of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

PKF O'CONNOR DAVIES, LLP
500 Mamaroneck Avenue, Harrison, NY 10528 I Tel: 914.381.8900 I Fax: 914.381.8910 I www.pkfod.com

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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, FAC Sunset Park HDFC, 551 Warren St LP, FAC Renaissance LP, FAC Sunset Park LP, FAC Solar LLC and Neighbors Helping Neighbors, Inc., (collectively the "Subsidiaries") which statements reflect total assets constituting $93,235,666 of consolidated total assets as of June 30, 2023 and total revenue constituting $8,643,850 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on 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. The accompanying Schedule of Expenditures of Federal Awards on page 48 as required by the Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance") 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2023, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

November 29, 2023

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Financial Position
June 30, 2023

ASSETS	
Current Assets	
Cash	$ 11,871,674
Restricted cash	7,114,919
Grants receivable	2,838,796
Accounts receivable, net	3,264,132
Prepaid expenses	273,717
Advances to unconsolidated affiliates	3,554,926
Total Current Assets	28,918,164
Property, plant and equipment, net	220,834,359
Property held for sale	656,989
Right of use asset, net	1,482,775
Other assets	6,240,036
	$ 258,132,323
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable	$ 5,951,643
Accrued expenses	12,882,770
Mortgages and notes payable, current portion, net	52,899,342
Grants payable, subsidiary	158,327
Tenants' deposits payable	317,576
Operating lease liabilities, current portion	513,805
Total Current Liabilities	72,723,463
IDA funds	98,541
Refundable grants payable	871,250
Operating lease liability	1,017,056
Other payables	5,882,468
Mortgages and notes payable, net of current portion and unamortized debt issuance costs	109,802,326
Total Liabilities	190,395,104
Net Assets	
Without donor restriction	11,378,358
With donor restriction	458,159
	11,836,517
Non-controlling Limited Partners' interest in consolidated affiliates	55,900,702
Total Net Assets	67,737,219
	$ 258,132,323

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Activities
Year Ended June 30, 2023

	Without Donor Restriction		Total		
	Undesignated	For Profit Subsidiaries	Without Donor Restriction	With Donor Restriction	Total
SUPPORT AND REVENUE					
Government grants	$ 4,987,178	$ 251,147	$ 5,238,325	$ -	$ 5,238,325
Contributions - corporations	1,806,762	-	1,806,762	350,000	2,156,762
Contributions - foundations and trusts	4,772,158	-	4,772,158	1,055,000	5,827,158
Contributions - individuals	271,444	-	271,444	-	271,444
Special events income	445,029	-	445,029	-	445,029
In-kind contributions	96,352	-	96,352	-	96,352
Management and reimbursable fees	299,403	-	299,403	-	299,403
Development and marketing fees	439,511	-	439,511	-	439,511
Program services	325,673	-	325,673	-	325,673
Rental income	702,413	6,986,468	7,688,881	-	7,688,881
Interest income	35,816	612	36,428	-	36,428
Subcontract income	129,312	30,725	160,037	-	160,037
Other revenue	2,205,538	27,333	2,232,871	-	2,232,871
Net assets released from restrictions	1,407,779	-	1,407,779	(1,407,779)	-
Total Support and Revenue	17,924,368	7,296,285	25,220,653	(2,779)	25,217,874
EXPENSES					
Program services	14,816,069	7,684,650	22,500,719	-	22,500,719
Management and general	1,174,927	1,885,469	3,060,396	-	3,060,396
Fundraising	1,200,939	-	1,200,939	-	1,200,939
Total Expenses	17,191,935	9,570,119	26,762,054	-	26,762,054
Change in Net Assets from Operations	732,433	(2,273,834)	(1,541,401)	(2,779)	(1,544,180)
OTHER CHANGES					
Non-controlling interest in income of consolidated affiliates	-	4,870,744	4,870,744	-	4,870,744
Change in Net Assets	732,433	2,596,910	3,329,343	(2,779)	3,326,564
NET ASSETS					
Beginning of year	6,302,602	1,746,413	8,049,015	460,938	8,509,953
End of year	$ 7,035,035	$ 4,343,323	$ 11,378,358	$ 458,159	$ 11,836,517

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Functional Expenses
Year Ended June 30, 2023

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total
PERSONNEL				
Salaries	$ 7,124,057	$ 620,262	$ 640,073	$ 8,384,392
Contributed services - salaries	96,352	-	-	96,352
Payroll taxes and fringe benefits	1,954,776	117,333	190,862	2,262,971
Total Personnel	9,175,185	737,595	830,935	10,743,715
OTHER THAN PERSONNEL				
Consultants	709,152	17,614	58,460	785,226
Wage subsidy	16,096	-	-	16,096
Repairs and maintenance	37,184	1,410,593	86	1,447,863
Office supplies and printing	13,422	-	2,365	15,787
Telephone and postage	142,965	15,125	6,830	164,920
Utilities	1,317,676	5,904	2,505	1,326,085
Professional fees	579,708	65,035	2,709	647,452
Occupancy	458,627	101,751	38,969	599,347
Miscellaneous	820,858	742	-	821,600
Meetings and events	28,959	2,646	1,346	32,951
Advertising	70,357	9,281	23,898	103,536
Conference, travel, and training	84,030	24,972	3,057	112,059
Contractual services	407,511	2,374	816	410,701
Dues and subscriptions	388	9,431	975	10,794
Software and support	144,379	16,166	7,619	168,164
Insurance	717,434	27,940	2,368	747,742
Equipment, furniture and fixtures	291,623	14,653	13,427	319,703
Fees and bank charges	178,562	11,689	11,364	201,615
Program expenses	585,630	3,315	519	589,464
Publications and books	20,388	15	-	20,403
Bad debts	-	398,598	12,431	411,029
Interest and debt issuance costs	1,606,907	161	21	1,607,089
Property taxes	87,815	-	-	87,815
Direct fundraising expense	-	-	178,676	178,676
Write down of investment	-	20,156	-	20,156
Depreciation and amortization	5,005,863	164,640	1,563	5,172,066
Total Other Than Personnel	13,325,534	2,322,801	370,004	16,018,339
Total Expenses	$22,500,719	$ 3,060,396	$1,200,939	$ 26,762,054

See notes to consolidated financial statements

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidated Statement of Cash Flows
Year Ended June 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets from operations	$ (1,544,180)
Adjustments to reconcile change in net assets from operations to net cash from operating activities	
Depreciation and amortization	5,172,066
Non cash lease expense	460,279
Bad debts	411,029
Changes in operating assets and liabilities	
Grants receivable	97,771
Accounts receivable	214,507
Prepaid expenses	(11,180)
Other assets	(5,012,169)
Accounts payable	(2,314,273)
Accrued expenses	8,551,816
Tenants' deposits payable	31,434
Refundable grants payable	(25,000)
Operating lease liability	(415,316)
Other payables	1,880,412
Grants payable, subsidiary	158,327
Net Cash from Operating Activities	7,655,523
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment in unconsolidated affiliates	335,114
Advances to unconsolidated affiliates	(2,809,728)
Purchases of property, plant and equipment	(24,606,399)
Net Cash from Investing Activities	(27,081,013)
CASH FLOWS FROM FINANCING ACTIVITIES	
Contributions from members	33,894,738
Mortgage and note principal payments	(13,409,252)
Net Cash from Financing Activities	20,485,486
Net Change in Cash and Restrcited Cash	1,059,996
CASH AND RESTRICTED CASH	
Beginning of year	17,926,597
End of year	$ 18,986,593
SUPPLEMENTAL CASH FLOW INFORMATION	
Cash Paid for:	
Interest and capitalized interest	$ 3,658,308
Acquisition of right-of-use operating lease asset through right-of-use operating liability	560,489

See notes to consolidated financial statements

1. Organization and Tax Status

Fifth Avenue Committee, Inc. ("FAC") is a comprehensive community development corporation and chartered member of the NeighborWorks America network based in South Brooklyn, New York. FAC's mission is to advance economic, social, and racial justice through integrated, community-centered affordable housing, grassroots organizing and policy advocacy, and transformative education, training and services that build the power to shape our community's future. Formed in 1978, FAC reaches over 5,500 low and moderate-income New Yorkers annually with its diverse programs and services. To achieve its mission, FAC develops and manages affordable housing and community facilities; creates economic opportunities and ensures access to economic stability; connects families with public benefits, tax preparation assistance and legal, financial, and credit counseling; provides student-centered adult education and literacy and bridge programming classes; organizes community members, tenants, and public housing residents; connects homeowners and tenants with solar; and combats displacement caused by gentrification.

The following entities are included in the consolidated financial statements:

Entities in which FAC is the sole member:

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

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

Neighbors Helping Neighbors, Inc. ("NHN") is a not-for-profit HUD-approved housing counseling agency whose mission is to promote racial justice while empowering low and moderate-income New Yorkers to fight for, secure, and maintain quality housing and build financial assets. NHN was incorporated on December 31, 1990.

Sunset Garden LLC ("Sunset") was established on February 21, 2012, to own and operate real estate and related activity at 219 34th Street in Sunset Park, Brooklyn. Sunset Garden LLC had no activity in fiscal 2023. The parcel is utilized by the community as a community garden and chicken coop.

FAC Cluster HDFC

FAC Cluster HDFC was established to be the future entity that will manage FAC's buildings placed with the Joint Operating Entity ("JOE"). It had no financial activity during 2023.

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

1. Organization and Tax Status *(continued)*

FAC Solar LLC ("FAC Solar") was formed on June 1, 2019. FAC Solar entered into a Power Purchase Agreement (PPA) for rooftop solar energy creation on FAC owned and/or managed affordable housing and community facilities. FAC Solar helps to extend the affordability of our housing by lowering maintenance costs and utility expenses for low and moderate-income tenants. It also helps to reduce greenhouse gas emissions.

The following additional entities are also corporations of 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 HDFC, 575 Fifth Avenue HDFC, FAC Sunset Park HDFC, FAC 6309 Fourth Avenue HDFC, FAC Fulton Street HDFC and FAC Cluster 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, with 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.

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.

1. Organization and Tax Status *(continued)*

FAC Renaissance GP, Inc. is the general partner of FAC Renaissance Limited Partnership, with a .01% interest. In November of 2016, FAC closed a real estate transaction assuming the assets and liabilities from four HDFC's, South Brooklyn Mutual HDFC, 76 Fifth Avenue HDFC, 320-322 Bergen Street HDFC and FAC HDFC d/b/a FAC Renaissance. At closing, ownership of 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, mixed income housing development in Sunset Park, Brooklyn. The development includes the expansion and creation of modern public library facility and provides 100% deeply affordable housing in a neighborhood with increased displacement pressure due to gentrification. The construction and lease up of the housing portion of the project is complete, and converted to permanent financing in May 2023.The new library opened in November 2023.

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 is a 100% affordable senior housing project with 84 units and 90 Universal Pre-K seats. Construction of the project is complete and the lease-up is in progress as well as build out by the New York City School Construction Authority, of the UPK classrooms.

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 converted to permanent financing in May 2022.

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.

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 stockholder 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. The corporation closed on construction financing in December 2022 and is now undergoing a tenant-in-place moderate rehabilitation.

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.

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 a private foundation within the meaning of Section 509 (a) of the Internal Revenue Code and therefore, are exempt from Federal, State and City corporate income taxes. The Limited Partnerships and the limited liability corporations are for profit domestic limited partnerships and limited liability companys 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 companys 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 developed over 1,300 affordable homes, revitalized more than 30 storefronts, and built over 120,000 square feet of community space. FAC's development pipeline includes over 1,600 units representing an investment of more than $750 million in Brooklyn. All FAC's new developments are designed to LEED, Enterprise Green Community or Passive House standards. FAC also owns and/or manages 47 residential buildings with 740 units in South/Central Brooklyn and Jamaica, Queens that are home to approximately 1,000 very low-, low- and moderate-income residents and has 32 small business and nonprofit tenants. Over 75% of our commercial tenants are small, local, minority and/or women owned businesses. A significant portion of FAC affordable housing is set aside for special populations including seniors, individuals who are formerly homeless and survivors of domestic violence.

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) and 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. Construction and lease up of the housing portion of the project is now complete. The project converted to permanent financing in May 2023. The new library opened in November 2023.

Senior housing and universal Pre-K project 6309 4th Avenue in Brooklyn. In partnership with the Lutheran Synod, FAC has constructed a new building on the corner of 63rd Street and 4th Avenue in Sunset Park, Brooklyn. The new building 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 were also rehabilitated for an additional 8 homes for seniors. With a total of 84 new affordable apartments, the project meets 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. Construction of the housing is complete and lease up is in progress. Construction of the Pre-K facility will be completed in 2024.

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 and FAC completed permanent loan conversion for the building in May 2022.

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 has preserved 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.

1. Organization and Tax Status *(continued)*

50th Street Preservation Project is a preservation project for two FAC-owned buildings with a total of 48 units in Sunset Park, Brooklyn. The buildings are restricted for residents at or below 80% of Area Median Income ("AMI") and include set asides for formerly homeless residents. Renovations include updates and energy efficiency improvements that will help reduce management costs and improve the quality of life for tenants. It includes all new kitchens and baths, new roofs, parapet walls and bulkhead repairs, solar arrays, façade improvements, new windows, improved insulation, boiler repairs and updates, as well as upgrades to interior and exterior shared spaces and access to free broadband for tenants. The work is being completed in phases to minimize the need for off-site resident relocation during the construction process. All construction is scheduled to be complete by June of 2024.

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 a 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 legal challenges and other delays, the project was approved as part of the Gowanus Areawide Rezoning in November 2021.

Organizing and Advocacy

FAC's organizing and advocacy programs empower low-income residents through a range of environmental, accountable development, social justice and tenant rights campaigns. FAC leads and participates in local, city and statewide campaigns, and advocates at the federal level for policy changes. Campaigns empower traditionally marginalized groups, such as rent stabilized and public housing residents, and immigrants. In 2023, these programs helped prevent over 300 evictions. FAC also continued its leadership of local environmental and climate justice and accountable development campaigns.

Active campaigns and efforts include:

1) Supporting the launch of the Gowanus Oversight Task Force (GOTF) to hold the City of New York accountable for the 56 Points of Agreement (POA) or 'City Commitments' related to the 2021 Gowanus Areawide rezoning and supporting local public housing residents as the comprehensive modernization of their apartments advances. This includes $240+ million in capital repairs for local public housing developments in Gowanus, over $170 million investments in public infrastructure and for the City of New York to report on a quarterly basis to the first community-controlled oversight task force, the Gowanus Oversight Task Force.

1. Organization and Tax Status *(continued)*

2) *Grassroots member-led organizing campaigns* at FAC and in partnership with our HUD approved housing counseling affiliate, Neighbors Helping Neighbors, entails leadership development, organizing and advocacy with low income, mostly women immigrant tenants. Campaigns advocate for housing justice at the city, state and national levels and supporting tenants in *Brooklyn Tenants United/Inquilinos Unidos de Brooklyn*. Members of the group meet with legislators, plan and carry out actions locally and educate others to protect and strengthen their right to quality and affordable housing.

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.

4) *Turning the Tide ("T3")* is a climate justice initiative focused on engaging and empowering South Brooklyn's low-income public housing residents in the climate movement, and on informing significant resilience and sustainability investments at NYCHA and in the low-lying, coastal neighborhoods of Red Hook and Gowanus.

5) 120 *5th Avenue (Key Food) Campaign* - FAC led a successful community coalition over 18 months that secured a commitment for a full-service community supermarket to replace the beloved 5th Avenue Key Food. The coalition's advocacy also resulted in greater affordability for the housing portion of the project— at least 25% for a non-MIH project with at least 10% of the units at 40% of AMI. In 2023, it was announced that the community-oriented supermarket would be Lidl. Construction on this privately owned new residential and commercial project has begun.

6) *BrooklynSpeaks* is a coalition founded by FAC and several local civic and community-based organizations focused on ensuring that the over 6 billion-dollar Atlantic Yards/Pacific Park project is accountable to the local community and delivers on promised public benefits in a timely fashion. The coalition negotiated a deal in 2014 with NYS ESD that holds the developer to a May 2025 deadline to build all 2,250 units of affordable housing or pay liquidated damages of $2,000 a month for every unit not built into NYC's Affordable Housing Trust Fund, or $1.7 million monthly. The coalition held legislative briefings in 2023 to call out the fact that about 40% of the affordable homes remain unbuilt.

1. Organization and Tax Status *(continued)*

Community Development Programs

In addition to organizing and advocacy, FAC provides a range of direct services and supports to low- and moderate-income residents throughout Brooklyn and New York City. We offer student-centered adult education and bridge programs, benefits access, financial coaching, legal and other service referrals. We also provide workforce development, first-time homebuyer supports and housing counseling to help homeowners avoid foreclosure in partnership with our non-profit affiliates, Brooklyn Workforce Innovations and Neighbors Helping Neighbors.

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 enrolled 913 students in 2023. The Bridge program is a partnership with FAC nonprofit workforce development affiliate, Brooklyn Workforce Innovations ("BWI")'s Red Hook on the Road CDL program and Brooklyn Networks tele-data cable installation programs. Adult Education also offers Digital Literacy and online banking supports. Per the NYS Department of Education, the program performs in the top quartile of adult education programs state-wide.

Community Services

Community Services provides a range of free services including benefits access (SNAP, unemployment insurance, Medicare/aid and more), tax preparation, financial coaching, and legal referrals to over 1,000 very low and low-income New Yorkers annually. The program helps low-income individuals gain economic and housing stability and build their assets. In 2023, Community Services connected 341 new households with one or more public benefits. The program connected over 100 people to legal services, provided financial coaching to 624, and 260 received free tax preparation services.

Workforce Development

FAC affiliate BWI 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). FAC's New American Bridge Program served 81 immigrant students with barriers to employment and together with BWI, helped 70 to secure living wage employment as of June 30, 2023.

1. Organization and Tax Status *(continued)*

FAC Solar and Barrio Solar

In 2023, FAC continued our work to install over 225,000 kW of solar power on FAC owned and managed affordable housing and community facility buildings in Phase 1 as part of reducing our greenhouse gas emissions, reducing maintenance expenses to contribute to permanent affordability and reduce utility expenses for low and moderate-income tenants living in FAC properties. FAC also continued Barrio Solar in partnership with FAC HUD approved housing counseling affiliate, Neighbors Helping Neighbors, and partner Solar One. Barrio Solar assists LMI homeowners in NYC to reduce their utility costs, reduce greenhouse gas emissions and increase the value of their homes by providing supports and solar down payment assistance.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

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

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 intercompany accounts and transactions have been eliminated in consolidation. 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.

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 consolidated statement of activities as net assets released from restrictions. At June 30, 2023, the Corporation has no net assets with donor restrictions that are perpetual in nature.

Fair Value Measurements

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

Cash and Cash Equivalents

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

Significant concentrations

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

Allowance for Doubtful Accounts

The collectability of receivables is based on a combination of factors. When management is aware of a customer's inability to meet its financial obligation, an allowance for the potential bad debt to reduce the receivable to the estimated realizable value is recorded. Past due status is based on how recently payments have been received. The Corporation determined that at June 30, 2023, no allowance was necessary.

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

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.

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 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, 2023.

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

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, 2023, approximately $2,000,000 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 equivalents.

Contributions

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

Revenue Recognition

The Corporation records earned revenues on an accrual basis. In addition, the Corporation records as revenue the following types of contributions, when they are received unconditionally at their fair value: cash, promises to give (contributions receivable), grants receivable, certain contributed services and gifts of other assets. Conditional contributions and grants are recognized as revenue when the conditions on which they depend have been substantially met. The Corporation also raises funds through special events.

Event revenues, net of related costs with a direct-benefit to donors, are recorded as contributions without donor restrictions since such funds can be used for general operations unless there are donor-imposed restrictions. Costs to generate donations with or without donor restriction and grants are expensed as incurred.

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

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

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

Donated Professional Services

Contributions of nonfinancial assets are recorded as income and expenses at the time the items are receive, which is also the time they are placed into service. Contributed services are recognized as contributions if the services create or enhance non-financial assets or 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 estimated based on current rates of services provided by the vendor.

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 years prior to June 30, 2020.

Advertising Costs

Advertising costs are expensed as incurred. Such costs were $112,829 for the year ended June 30, 2023.

Operating Leases

At July 1, 2021, the Corporation leases various office space and equipment under operating lease agreements through March 2029. Operating leases are included in right of use operating lease asset and operating lease liability in the accompanying consolidated statements of financial position. Right of use asset represents the right of use of an underlying asset for the lease term and lease liability represents the obligation to make lease payments arising from the lease. Operating lease right of use asset and liability are recognized at the lease commencement date based on the present value of lease payments over the lease terms. The operating lease right of use asset includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Corporation will exercise the option. Lease expense for lease payments is recognized on a straight-line basis over the lease terms. The Corporation’s lease agreements do not provide an implicit borrowing rate. The Corporation uses risk-free rates based on the information available at the commencement date in determining the present value of the lease payments. The Corporation’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

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 November 29, 2023.

3. Related Party Transactions

Advances to Non-Consolidated Affiliates

Advances to affiliates of $3,554,926 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 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, 2023 are as follows:

For Profit Affiliates	Percent of Non-Controlling Ownership	Non-Controlling Interest
Supportive Slope LP	99.99%	$ (1,660,218)
551 Warren Street 1 LP	99.99	2,904,170
Atlantic Terrace 12, LLC	66.67	1,415,282
FAC Renaissance LP	99.99	8,802,519
FAC Sunset Park LP	99.99	7,408,709
Northeastern Towers Annex LP	99.99	32,394,315
FAC 6309 Fourth Avenue, LP	99.99	4,653,380
FAC Brownsville LP	99.99	(17,455)
		$ 55,900,702

In connection with the inclusion of these Limited Partnerships', the change in non-controlling limited partners' interest for the year ended June 30, 2023 is as follows:

3. Related Party Transactions *(continued)*

Limited Partnerships (continued)

Inclusion of Limited Partners' non-controlling interest as of July 1, 2022	$ 26,876,708
Equity Adjustments of LP's non-controlling interests	33,894,738
Non-controlling Limited Partners' Interest in losses of consolidated affiliates	(4,870,744)
Non controlling Limited Partners' interest in consolidated affiliates as of June 30, 2023	$ 55,900,702

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 consolidated statement of cash flows at June 30, 2023:

Cash	$ 11,871,674
Restricted cash	7,114,919
	$ 18,986,593

The following reserve amounts are included in restricted cash on the accompanying consolidated statement of financial position at June 30, 2023:

Replacement reserve	$ 2,073,071
Operating reserves	4,292,607
Social service reserve	749,241
	$ 7,114,919

5. Property, Plant and Equipment

Property, plant and equipment consists of the following at June 30, 2023:

Land	$ 2,931,943
Buildings	182,377,332
Furniture and equipment	2,828,706
Leashold improvements	4,960,178
Construction in progress	58,964,099
	252,062,258
Accumulated depreciation and amortization	(31,227,899)
	$ 220,834,359

Depreciation and amortization expense for the year ended June 30, 2023 was $5,172,066.

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 in 2024.

The value for these properties amounted to $656,989 at June 30, 2023.

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, 2023, the Corporation has a liability of $98,541 for future participant matching funds. The Corporation has stopped participating in this program and management is making its best effort to return the unspent funds as outlined in the funding agreement.

8. Refundable Grants Payable

During 2008, the Corporation received a $745,000 recoverable grant from the Federal Home Loan Bank to be used to support affordable housing in the Supportive Slope Project. This project is a single occupancy residential facility with 49 units in the Park Slope Section of Brooklyn. The grantor requires the Corporation to sponsor the project and that the project 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.

8. Refundable Grants Payable *(continued)*

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, 2023:

Fifth Avenue Committee, Inc.	
FAC has three lines of credit. The first line of credit is with JPMorgan Chase Bank for $3,000,000, bears a variable interest rate of Adjusted SOFR Rate plus 3.00% per annum above said rate and expires on March 22, 2024. The outstanding borrowing under this line is $0 at June 30, 2023. The second line of credit is with NeighborWorks Capital in the amount of $1,800,000 and bears interest at 5.00%. This line has an outstanding principal balance of $700,307 at June 30, 2023. The third line of credit is with Wells Fargo Bank in the amount of $500,000 and matures on October 13, 2028 and carries an interest rate of 2% each quarter At June 30, 2023, the outstanding balance was $500,000.	$ 1,200,307
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). The purpose of the proceeds was to fund the development of the building. The mortgages, secured by 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, $232,033 has been drawn down as of June 30, 2023. The purpose of the proceeds was to fund the development of the building.	1,699,233
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, New York area.	

9. Mortgages and Notes Payable *(continued)*

50th Street HDFC (continued)

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 $1,645,496 in order to fund renovation costs.

The mortgage secures the land and building of the Corporation and does not require the monthly payment of principal or interest as long as the Corporation is in compliance with the regulatory agreements. The mortgage matures on June 30, 2033, when 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. The outstanding principal balance at June 30, 2023 was $33,734.

On December 6, 2022, the Corporation closed on construction loan financing to fund major repairs and replacements that includes replacing the roofs, replacing the windows, asbestos removal, install new security systems, replace the HVAC systems and renovate the apartments with new kitchens, bathrooms and floors. The estimated completion date is June 6, 2024. Funding from the New York City Housing Preservation and Development & Reso A, with a maximum amount of $5,725,093, bears interest only at an annualized rate of 0.25% and matures on July 1, 2025. Upon permanent financing, these funds will not require the monthly payment of principal and interest, but interest will accrue at an annualized rate of 3% and balloon payment in 30 years. At June 30, 2023, the amount drawn was $ 375,318. Funding from the New York City Housing Development Corporation - Green with a maximum amount of $216,000 bears interest only at an annualized rate of 0.25% and matures on July 1, 2025. These funds are restricted for energy efficiency and water conservation components.

9. Mortgages and Notes Payable *(continued)*

50th Street HDFC (continued)

Upon permanent financing, these funds will bear no interest and be forgiven on December 6, 2037. The amount drawn at June 30, 2023 was $106,757. Funding from Community Preservation Corporation, with a maximum amount of $2,787,474, bears interest only at a composite rate that adjusts monthly and matures on July 1, 2025. The composite rate consists of three components: the current index rate which is greater than 0.75% and is set at the lenders' discretion, the secured overnight financing rate as published by the Federal Reserve Bank of New York and a margin rate set at 4.2%. For the month of December 2022, the composite rate was 8.43942%. The amount drawn at June 30, 2023 was $666,255.	$	4,757,264
FAC Center Local Development Corporation		
FAC LDC has two mortgage notes. 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 $230,354 at June 30, 2023. 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 $2,779,698 at June 30, 2023. Both loans are collateralized by the FAC Center properties at 621 DeGraw Street and 182 4th Avenue.		3,010,052
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

9. Mortgages and Notes Payable *(continued)*

FAC Advance HDFC		
FAC Advance HDFC has two mortgages. 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 at June 1, 2046. The outstanding principal balance was $1,091,081 on June 30, 2023. 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 $1,822,229 at June 30, 2023.	$	2,913,310
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

HDC committed $50,010,000 for construction and permanent financing of the Project. During 2021, $27,460,000 was repaid using equity contributions. The note accrues interest at 5.10% per annum during the construction period and requires monthly interest payments. The note after permanent loan conversion requires no monthly payments of principal and interest. After permanent loan conversion on May 5, 2022, the note carries interest at 5.575% and matures on August 31, 2061. For the year ended June 30, 2023, interest expense amounted to $1,192,921. There was no accrued interest expense for the year ended June 30, 2023. The mortgage is collateralized by the Partnership's investment in real estate.

HDC committed $8,745,000 for construction and permanent financing of the Project. The note accrues interest at 3.26% per annum, during the construction period and requires monthly interest payments of 1.25% of the principal. The note, after permanent loan conversion on May 5, 2022, requires no monthly payments of principal and requires interest only payment representing a rate 1% on the principal.

9. Mortgages and Notes Payable *(continued)*

Northeastern Towers Annex LP (continued)

The note matures on August 31, 2061. For the year ended June 30, 2023, interest expense amounted to $198,056. There was accrued interest expense of $621,195 at June 30, 2023. The mortgage is collateralized by the Partnership's investment in real estate.

HPD committed $13,448,712 for construction and permanent financing of the Project. The note accrues interest at 3.26% per annum during the construction period and requires monthly interest payments of 0.25% of the principal. The note after permanent loan conversion on May 5, 2022, carries interest at 3.01% per annum compounded monthly inclusive of servicing fee, requires no monthly payments of principal and requires interest only payment representing a rate 0.25% on the principal. The note matures on May 5, 2062. For the year ended June 30, 2023, interest expense amounted to $247,738. There was $1,247,021 accrued interest expense at June 30, 2023. The mortgage is collateralized by the Partnership's investment in real estate.

HPD committed $4,000,000 for construction and permanent financing of the Project. The note accrues interest at 3.26% per annum. During the construction period, the note requires monthly interest payments of 0.25% of the principal, compounded monthly. The note after permanent loan conversion on May 5, 2022, carries interest at 3.01% per annum compounded monthly inclusive on servicing fee, requires no monthly payments of principal and requires interest only payment representing a rate 0.25% on the principal. The note matures on May 5, 2062. For the year ended June 30, 2023, interest expense amounted to $72,862. There was $158,683 accrued interest at June 30, 2023. The mortgage is collateralized by the Partnership's investment in real estate.	$ 48,554,320

FAC Sunset Park LP

FAC Sunset Park LP closed on permanent financing on May 30, 2023. The first position mortgage is from The Community Preservation Corporation in the amount of $4,066,159. The interest rate is equal to 6.67% per annum. The annual debt service is $313,886. The loan matures on June 1, 2053. The outstanding principal balance at June 30, 2023 was $4,066,159.

9. Mortgages and Notes Payable *(continued)*

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. The loan has an interest rate of 2.5% per annum and matures on June 1, 2053.

The third position mortgage is provided by NYC Department of Housing Preservation and Development in the amount of $3,655,000. The loan has an interest rate of 1% per annum and matures on June 1, 2053. $ 16,471,159

FAC Renaissance HDFC

City of New York Department of Housing Preservation and Development provided a 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 0.25% and matures on December 1, 2050.

New York City Housing Development and Corporation ("NYC HDC") provided a 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 conversation of the construction loans.

Beginning with conversion date until the sixth anniversary, interest of 1% and a 0.25% service fee shall accrue. Beginning after the sixth anniversary date, interest of 0.5% plus the 0.25% service shall be due monthly, and the remaining 0.5% 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 at June 30, 2023 was $2,931,385 and accrued interest was $0.

City of New York Department of Housing Preservation and Development provided a 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 at June 30, 2023 was $1,695,551.

9. Mortgages and Notes Payable *(continued)*

FAC Renaissance HDFC (continued)

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, May 16, 2034, converts to permanent financing and it bears no interest. The loan can be prepaid from available cash flow. At June 30, 2023, 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 requires a 4.86% interest rate. Monthly payments of principal and interest is required until maturity, December 1, 2050. At June 30, 2023, the outstanding principal was $5,254,871. The mortgage is serviced by the Community Preservation Corporation.

In accordance with Accounting Standards Update 2015-03, the unamortized balance of the loan finance costs is reported as a reduction of long-term debt. The unamortized amount of the related loan finance costs at June 30, 2023 was $247,106.	$	14,458,339

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 $26,787,635 drawn as of June 30, 2023. The loan has an interest rate of 2.50% plus SOFR and matured on December 1, 2023.

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 $11,626,268 had been drawn at June 30, 2023. The loan has an interest rate of 3.00% and matured on December 1, 2023. 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.

9. Mortgages and Notes Payable *(continued)*

FAC 6309 Fourth Avenue LP (continued)

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 $6,000,000 had been drawn at June 30, 2023. The loan has an interest rate of 3.00% and matured on December 1, 2023. 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.	$ 44,413,903

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 November 1, 2022. The loan interest rate is the greater of 3.25% or the Loan Index (monthly ICE LIBOR) plus 2.75%. The balance at June 30, 2023 was $4,839,219 for the Building Loan and $35,841 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. At June 30, 2023, the outstanding principal and interest was $1,696,075.

The third is a construction loan with 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 at June 30, 2023, the outstanding principal and interest was $880,000.

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

9. Mortgages and Notes Payable *(continued)*

FAC Renaissance LP (continued)

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. At June 30, 2023, the outstanding balance, including interest, was $136,000.

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 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 at 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. At June 30, 2023, 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. At June 30, 2023, 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 at June 30, 2023 was $80,340.	$ 9,064,130

9. Mortgages and Notes Payable *(continued)*

FAC Sunset Park Housing Development Fund Corporation		
FAC Sunset Park Housing Development Fund Corporation obtained a loan from the Housing Trust Fund Corporation on May 31, 2023. The loan was for $1,500,000 and bears interest at 1%, which was prepaid at the time of closing. The principal cannot be prepaid without written approval by the lender. The principal will be forgiven on the 10th anniversary of the date of the note, or May 31, 2033.	$	1,500,000
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. On June 16, 2002, FAC Brownsville Apartments LP received a $680,246 predevelopment loan that is set to mature on July 1, 2024, with an extension option to change the maturity to July 1, 2025. To utilize the 12-month extension, there is a fee of 0.50% of the then outstanding principal balance. The loan has a fixed interest rate of 5.5%. The proceeds of the second loan were used to pay down the original loan of $250,000. The amount available is $274,544 and is net of a commitment fee of $5,552, an application fee of $150, and three drawdowns of $50,000 each that were made in August 2022, November 2022, and May 2023.		400,000
	$	162,894,979

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

2024	$	52,899,342
2025		760,345
2026		376,420
2027		318,043
2028		337,102
Thereafter		108,203,727
		162,894,979
Unamortized debt issuance costs		(193,311)
	$	162,701,668

The underlying property for each of the mortgages serves as collateral.

10. Net Assets With Donor Restriction - FAC and LEAP

Changes in net assets with donor restrictions for the year ended June 30, 2023 consisted of the following:

Purpose/Restriction	Balance, June 30, 2022	Additions	Releases	Balance, June 30, 2023
Fifth Avenue Committee, Inc.				
Organizing	$ 54,947	$ -	$ (54,947)	$ -
Community Development	37,500	-	(37,500)	-
Gowanus Oversight Task Force	150,000	-	(84,000)	66,000
Non-profit Housing Recovery	110,000	85,000	(148,950)	46,050
Administration	-	275,000	(243,000)	32,000
Total	352,447	360,000	(568,397)	144,050
LEAP, Inc.				
Workforce Collaboration	108,491	255,000	(210,597)	152,894
CDL Training	-	200,000	(200,000)	-
Made in NY Training Program	-	90,000	(90,000)	-
Services to NYCHA Residents	-	40,000	(40,000)	-
Capital Support - Technology	-	10,000	(10,000)	-
Direct Support to Beneficiaries	-	50,000	(50,000)	-
Services to Young Adults	-	150,000	-	150,000
Tech Training (KindWork)	-	250,000	(238,785)	11,215
Total	108,491	1,045,000	(839,382)	314,109
	$ 460,938	$ 1,405,000	$ (1,407,779)	$ 458,159

11. Retirement Plan

FAC and LEAP have Simplified Employee Pension Plans, which are defined contribution plans. LEAP made contributions of $105,304 for the year ended June 30, 2023. FAC made contributions of $120,017 for the year ended June 30, 2023.

12. Operating Leases

At June 30, 2023, the Corporation leases commercial office space and equipment under the terms of various operating leases, which expire in various years through 2029. Rent expense for the year ended June 30, 2023 was $599,347. At June 30, 2023, assets recorded under operating leases are $2,250,139 and accumulated amortization associated with operating leases is $767,364.

Operating lease expense	$ 514,546
Supplemental cash flow information	
Operating cash flows from operating leases	$ 476,586
Weighted-average remaining lease term in years for operating leases	3.56
Weighted-average discount rate for operating leases	2.93%

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

2024	$ 513,805
2025	494,259
2026	366,590
2027	90,362
2028	88,297
Thereafter	58,112
Total undiscounted cash flows	1,611,425
Less: present value discount	(80,564)
Total lease liabilities	$ 1,530,861

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. At June 30, 2023 **and 2022**, approximately $8,500,000 of cash was maintained with an institution in excess of Federal Deposit Insurance Corporation limits. The Corporation has not experienced any losses on its cash accounts.

14. Liquidity and Availability of Financial Assets

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

Cash	$ 11,871,674
Grants receivable	2,838,796
Accounts receivable, net	3,264,132
	17,974,602
Amounts Unavailable for General Expenditure:	
Restricted by donors with timing and purpose restrictions	(458,159)
Financial Assets at Year End Available to Meet Cash Needs for General Expenditure Within One Year	$ 17,516,443

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. 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, 2023

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position
June 30, 2023

	Non-Profit Corporations	HDFCs	Limited Partnerships	Other Entities	Total	Eliminations	Consolidated Total
ASSETS							
Current Assets							
Cash	$ 7,190,538	$ 754,556	$ 3,821,872	$ 104,708	$ 11,871,674	$ -	$ 11,871,674
Restricted cash	876,407	370,376	5,868,136	-	7,114,919	-	7,114,919
Grants receivable	2,906,362	-	-	-	2,906,362	(67,566)	2,838,796
Accounts receivable	1,648,384	1,117,999	460,045	37,704	3,264,132	-	3,264,132
Prepaid expenses	29,185	104,334	140,128	70	273,717	-	273,717
Advances to affiliates	4,796,579	1,615,034	-	126,000	6,537,613	(2,982,687)	3,554,926
Total Current Assets	17,447,455	3,962,299	10,290,181	268,482	31,968,417	(3,050,253)	28,918,164
Investment in affiliated companies	54,353	-	-	505,052	559,405	(559,405)	-
Investment in unconsolidated affiliates	-	321,117	-	205,955	527,072	(527,072)	-
Mortgage receivable from affiliated company	745,000	-	-	-	745,000	(745,000)	-
Property, plant and equipment, net	4,326,724	20,973,206	195,534,429	-	220,834,359	-	220,834,359
Property held for sale	-	-	-	656,989	656,989	-	656,989
Right to use assets	1,482,775	-	-	-	1,482,775	-	1,482,775
Other assets	514,577	222,703	5,504,349	2,995	6,244,624	(4,588)	6,240,036
	$ 24,570,884	$ 25,479,325	$ 211,328,959	$ 1,639,473	$ 263,018,641	$ (4,886,318)	$ 258,132,323
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable	$ 882,607	$ 343,545	$ 4,123,588	$ 601,903	$ 5,951,643	$ -	$ 5,951,643
Accrued expenses	800,711	168,481	11,739,078	174,500	12,882,770	-	12,882,770
Mortgages and notes payable, current portion,net	911,127	123,177	51,865,038	-	52,899,342	-	52,899,342
Loans payable, affiliated companies	-	-	745,000	-	745,000	(745,000)	-
Grants payable, subsidiary	5,289	-	220,604	-	225,893	(67,566)	158,327
Tenants' deposits payable	173,655	142,814	-	5,695	322,164	(4,588)	317,576
Operating lease liabilities, current portion	513,805	-	-	-	513,805	-	513,805
Due to related parties	-	1,271,304	1,101,231	101,557	2,474,092	(2,474,092)	-
Total Current Liabilities	3,287,194	2,049,321	69,794,539	883,655	76,014,709	(3,291,246)	72,723,463
IDA funds	98,541	-	-	-	98,541	-	98,541
Refundable grants payable	871,250	-	-	-	871,250	-	871,250
Operating lease liabilities	1,017,056	-	-	-	1,017,056	-	1,017,056
Other payables	130,449	1,377,777	5,356,304	613,010	7,477,540	(1,595,072)	5,882,468
Mortgages and notes payable, net of current portion and unamortized debt financing costs	3,261,826	25,060,773	81,479,727	-	109,802,326	-	109,802,326
Total Liabilities	8,666,316	28,487,871	156,630,570	1,496,665	195,281,422	(4,886,318)	190,395,104
Net Assets (Deficit)							
Without donor restriction	15,446,409	(3,008,546)	(1,202,313)	142,808	11,378,358	-	11,378,358
With donor restriction	458,159	-	-	-	458,159	-	458,159
	15,904,568	(3,008,546)	(1,202,313)	142,808	11,836,517	-	11,836,517
Non-controlling Limited Partners' interest in consolidated affiliates	-	-	55,900,702	-	55,900,702	-	55,900,702
Total Net Assets (Deficit)	15,904,568	(3,008,546)	54,698,389	142,808	67,737,219	-	67,737,219
	$ 24,570,884	$ 25,479,325	$ 211,328,959	$ 1,639,473	$ 263,018,641	$ (4,886,318)	$ 258,132,323

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of Non-Profit Corporations
June 30, 2023

	Fifth Avenue Commitee, Inc.	Leap, Inc.	* FAC Center Local Development Corp.	* Neighbors Helping Neighbors	Total
ASSETS					
Current Assets					
Cash	$ 1,745,931	$ 3,261,971	$ 1,886,417	$ 296,219	$ 7,190,538
Restricted cash	-	-	876,407	-	876,407
Grants receivable	1,462,783	1,443,579	-	-	2,906,362
Accounts receivable	330,223	285,696	237,532	794,933	1,648,384
Prepaid expenses	15,079	12,654	1,452	-	29,185
Advances to affiliates	4,736,117	60,462	-	-	4,796,579
Total Current Assets	8,290,133	5,064,362	3,001,808	1,091,152	17,447,455
Investment In affiliated companies	54,353	-	-	-	54,353
Mortgage receivable from affiliated company	745,000	-	-	-	745,000
Property, plant and equipment, net	277,117	406,981	3,637,021	5,605	4,326,724
Right to use asset	63,005	1,419,770	-	-	1,482,775
Other assets	117,437	75,234	120,723	201,183	514,577
	$ 9,547,045	$ 6,966,347	$ 6,759,552	$ 1,297,940	$ 24,570,884
LIABILITIES AND NET ASSETS					
Current Liabilities					
Accounts payable	$ 535,600	$ 195,462	$ 59,209	$ 92,336	$ 882,607
Accrued expenses	468,255	308,111	17,056	7,289	800,711
Mortgages and notes payable, current portion, net	700,306	-	210,821	-	911,127
Grants payable, subsidiary	5,289	-	-	-	5,289
Operating lease liabilities, current portion	19,319	494,486			513,805
Tenants' deposits payable	105,480	-	68,175	-	173,655
Total Current Liabilities	1,834,249	998,059	355,261	99,625	3,287,194
IDA funds	98,541	-	-	-	98,541
Refundable grants payable	871,250	-	-	-	871,250
Operating lease liabilities	43,951	973,105	-	-	1,017,056
Other payables	1,962	-	-	128,487	130,449
Mortgages and notes payable, net of current portion and unamortized debt financing costs	500,000	-	2,761,826	-	3,261,826
Total Liabilities	3,349,953	1,971,164	3,117,087	228,112	8,666,316
Net Assets					
Without donor restriction	6,053,042	4,681,074	3,642,465	1,069,828	15,446,409
With donor restriction	144,050	314,109	-	-	458,159
Total Net Assets	6,197,092	4,995,183	3,642,465	1,069,828	15,904,568
	$ 9,547,045	$ 6,966,347	$ 6,759,552	$ 1,297,940	$ 24,570,884

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of HDFCs
June 30, 2023

	* 588 Park Place	* FAC Renaissance HDFC	* FAC Advance HDFC	* FAC Homeownership HDFC	* 50th Street HDFC	* 573 Warren St HDFC	* FAC Sunset Park HDFC	Total
ASSETS								
Current Assets								
Cash	$ 25,317	$ 40,166	$ 32,508	$ 29,350	$ 486,095	$ 141,120	$ -	$ 754,556
Restricted cash	194,659	-	22,021	-	31,995	121,701	-	370,376
Accounts receivable	15,240	1,088,741	6,598	5,602	39,920	(38,102)	-	1,117,999
Prepaid expenses	13,695	42,211	-	1,068	29,957	17,403	-	104,334
Advances to unconsolidated affiliates	-	5,034	-	-	-	110,000	1,500,000	1,615,034
Total Current Assets	248,911	1,176,152	61,127	36,020	587,967	352,122	1,500,000	3,962,299
Investment in unconsolidated affiliates	-	-	321,117	-	-	-	-	321,117
Property, plant and equipment, net	1,053,690	13,124,773	2,678,561	463,268	3,541,482	111,432	-	20,973,206
Other assets	9,699	69,129	119,619	3,308	20,948	-	-	222,703
	$ 1,312,300	$ 14,370,054	$ 3,180,424	$ 502,596	$ 4,150,397	$ 463,554	$ 1,500,000	$ 25,479,325
LIABILITIES AND NET ASSETS (DEFICIT)								
Current Liabilities								
Accounts payable	$ 32,415	$ 51,558	$ 20,243	$ 171,129	$ 59,884	$ 8,316	$ -	$ 343,545
Accrued expenses	44,076	-	-	-	35,197	89,208	-	168,481
Mortgages and notes payable, current portion, net	-	91,175	28,633	-	3,369	-	-	123,177
Tenants' deposits payable	9,699	75,568	33,298	3,308	20,941	-	-	142,814
Due to related parties	789	107,443	1,163,072	-	-	-	-	1,271,304
Total Current Liabilities	86,979	325,744	1,245,246	174,437	119,391	97,524	-	2,049,321
Other payables	400,000	625,351	330,000	-	19,659	2,767	-	1,377,777
Mortgages and notes payable, net of current portion and unamortized debt financing costs	1,710,943	14,367,164	2,728,771	-	4,753,895	-	1,500,000	25,060,773
Total Liabilities	2,197,922	15,318,259	4,304,017	174,437	4,892,945	100,291	1,500,000	28,487,871
Net Assets (Deficit) Without Donor Restriction	(885,622)	(948,205)	(1,123,593)	328,159	(742,548)	363,263	-	(3,008,546)
	$ 1,312,300	$ 14,370,054	$ 3,180,424	$ 502,596	$ 4,150,397	$ 463,554	$ 1,500,000	$ 25,479,325

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of Limited Partnerships
June 30, 2023

	* 551 Warren St LP	Atlantic Terrace 12 LLC	Supportive Slope LP	Northeastern Towers Annex LP	* FAC Sunset Park LP	* FAC Renaissance LP	FAC 6309 Fourth Ave LP	FAC Brownsville Apartments LP	Total
ASSETS									
Current Assets									
Cash	$ 1,476,336	$ 384,582	$ 145,978	$ 269,136	$ 746,676	$ 79,328	$ 660,845	$ 58,991	$ 3,821,872
Restricted cash	3,668,074	-	303,333	1,594,639	-	302,090	-	-	5,868,136
Accounts receivable	54,264	85,942	18,023	88,638	12,955	173,488	26,735	-	460,045
Prepaid expenses	9,237	19,542	16,182	-	-	95,167	-	-	140,128
Total Current Assets	5,207,911	490,066	483,516	1,952,413	759,631	650,073	687,580	58,991	10,290,181
Property, plant and equipment, net	3,380,184	4,288,352	8,062,879	80,938,148	29,031,107	19,416,055	50,082,000	335,704	195,534,429
Other assets	36,345	301,198	33,963	3,877,846	814,059	398,536	42,402	-	5,504,349
	$ 8,624,440	$ 5,079,616	$ 8,580,358	$ 86,768,407	$ 30,604,797	$ 20,464,664	$ 50,811,982	$ 394,695	$ 211,328,959
LIABILITIES AND NET ASSETS (DEFICIT)									
Current Liabilities									
Accounts payable	$ 59,413	$ 383,527	$ 1,625,354	$ 1,357	$ 411,863	$ -	$ 1,629,498	$ 12,576	$ 4,123,588
Accrued expenses	-	-	856,248	5,702,398	2,993,367	2,187,065	-	-	11,739,078
Mortgages and notes payable, current portion, net	-	-	-	-	-	7,451,135	44,413,903	-	51,865,038
Loans payable, affiliated companies	-	-	745,000	-	-	-	-	-	745,000
Deferred revenue	-	-	125,887	53,440	30,292	-	10,985	-	220,604
Due to related parties	-	493,430	-	-	(2,210)	505,803	104,208	-	1,101,231
Total Current Liabilities	59,413	876,957	3,352,489	5,757,195	3,433,312	10,144,003	46,158,594	12,576	69,794,539
Other payables	-	-	-	2,064,902	3,291,402	-	-	-	5,356,304
Mortgages and notes payable, net of current portion and unamortized debt financing costs	5,660,566	1,892,396	6,888,291	48,554,320	16,471,159	1,612,995	-	400,000	81,479,727
Total Liabilities	5,719,979	2,769,353	10,240,780	56,376,417	23,195,873	11,756,998	46,158,594	412,576	156,630,570
Net Assets (Deficit)									
Without donor restriction	291	894,981	(204)	(2,002,325)	215	(94,853)	8	(426)	(1,202,313)
Non-controlling Limited Partners' interest in consolidated affiliates	2,904,170	1,415,282	(1,660,218)	32,394,315	7,408,709	8,802,519	4,653,380	(17,455)	55,900,702
Total Net Assets (Deficit)	2,904,461	2,310,263	(1,660,422)	30,391,990	7,408,924	8,707,666	4,653,388	(17,881)	54,698,389
	$ 8,624,440	$ 5,079,616	$ 8,580,358	$ 86,768,407	$ 30,604,797	$ 20,464,664	$ 50,811,982	$ 394,695	$ 211,328,959

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Financial Position of Other Entities
June 30, 2023

	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	$ 99,562	$ -	$ -	$ -	$ 4,878	$ 268	$ 104,708
Accounts receivable	37,704	-	-	-	-	-	37,704
Prepaid expenses	-	-	-	-	70	-	70
Advances to unconsolidated affiliates	126,000	-	-	-	-	-	126,000
Total Current Assets	263,266	-	-	-	4,948	268	268,482
Investment in affiliated companies	-	-	-	-	-	505,052	505,052
Investment in unconsolidated affiliates	-	205,955	-	-	-	-	205,955
Property held for sale	656,989	-	-	-	-	-	656,989
Other assets	2,995	-	-	-	-	-	2,995
	$ 923,250	$ 205,955	$ -	$ -	$ 4,948	$ 505,320	$ 1,639,473
LIABILITIES AND NET ASSETS (DEFICIT)							
Current Liabilities							
Accounts payable	$ 587,955	$ -	$ -	$ 25	$ 13,923	$ -	$ 601,903
Accrued expenses	174,500	-	-	-	-	-	174,500
Tenants' deposits payable	5,695	-	-	-	-	-	5,695
Due to related parties	100,000	1,008	549	-	-	-	101,557
Total Current Liabilities	868,150	1,008	549	25	13,923	-	883,655
Other payables	-	208,067	-	3,325	-	401,618	613,010
Total Liabilities	868,150	209,075	549	3,350	13,923	401,618	1,496,665
Net assets (deficit) Without Donor Restrictions	55,100	(3,120)	(549)	(3,350)	(8,975)	103,702	142,808
	$ 923,250	$ 205,955	$ -	$ -	$ 4,948	$ 505,320	$ 1,639,473

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities
Year Ended June 30, 2023

	Non-Profit Corporations	HDFCs	Limited Partnerships	Other Entities	Total	Eliminations	Consolidated Total
SUPPORT AND REVENUE							
Government grants	$ 4,987,178	$ 251,147	$ -	$ -	$ 5,238,325	$ -	$ 5,238,325
Contributions - corporations	2,156,762	-	-	-	2,156,762	-	2,156,762
Contributions - foundations and trusts	5,827,158	-	-	-	5,827,158	-	5,827,158
Contributions - individuals	271,444	-	-	-	271,444	-	271,444
Special events income	445,029	-	-	-	445,029	-	445,029
In-kind contributions	96,352	-	-	-	96,352	-	96,352
Management and reimbursable fees	1,862,343	-	-	-	1,862,343	(1,562,940)	299,403
Development and marketing	1,083,390	-	-	-	1,083,390	(643,879)	439,511
Program services	483,153	-	-	-	483,153	(157,480)	325,673
Rental income	1,419,450	2,274,256	4,816,308	29,857	8,539,871	(850,990)	7,688,881
Interest income	36,309	111	-	8	36,428	-	36,428
Subcontract income	702,660	-	-	30,725	733,385	(573,348)	160,037
Other revenue	2,655,300	171,253	(143,070)	(850)	2,682,633	(449,762)	2,232,871
Total Support and Revenue	22,026,528	2,696,767	4,673,238	59,740	29,456,273	(4,238,399)	25,217,874
EXPENSES							
Salaries	8,490,378	-	70,993	-	8,561,371	(176,979)	8,384,392
Contributed services - salaries	96,352	-	-	-	96,352	-	96,352
Payroll taxes and fringe benefits	2,313,773	-	-	-	2,313,773	(50,802)	2,262,971
Administrative	6,992	4,486	-	4,550	16,028	(16,028)	-
Consultants	813,960	14,500	-	-	828,460	(15,215)	813,245
Wage subsidy	16,096	-	-	-	16,096	-	16,096
Repairs and maintenance	113,205	405,629	924,505	6,349	1,449,688	(1,825)	1,447,863
Office supplies and printing	189,496	7,852	-	-	197,348	(181,561)	15,787
Telephone and postage	149,645	983	25,484	-	176,112	(11,192)	164,920
Utilities	96,939	625,314	568,242	46,505	1,337,000	(10,915)	1,326,085
Professional fees	164,133	54,579	455,663	3,817	678,192	(30,740)	647,452
Occupancy	1,452,821	-	-	-	1,452,821	(853,474)	599,347
Miscellaneous	26,072	8,231	564,301	204,984	803,588	(1,336)	802,252
Meetings and events	32,951	-	-	-	32,951	-	32,951
Marketing	102,452	-	1,084	-	103,536	-	103,536
Conference, travel, and training	111,479	-	-	580	112,059	-	112,059
Contractual services	524,626	-	323,514	-	848,140	(437,439)	410,701
Staff outing	11,485	-	-	-	11,485	-	11,485
Dues and subscriptions	10,640	154	-	-	10,794	-	10,794
Software and support	150,484	6,559	11,121	-	168,164	-	168,164
Insurance	112,772	252,441	398,542	-	763,755	(16,013)	747,742
Equipment, furniture and fixtures	330,315	-	-	-	330,315	(10,612)	319,703
Fees and bank charges	103,761	49,544	47,475	835	201,615	-	201,615
Program expenses	1,214,386	-	-	-	1,214,386	(624,922)	589,464
Publication and books	20,403	-	-	-	20,403	-	20,403
Management and development fees	307,525	566,306	897,756	4,300	1,775,887	(1,775,887)	-
Bad debts	303,040	38,084	69,905	-	411,029	-	411,029
Interest and debt issuance costs	232,646	447,665	926,778	-	1,607,089	-	1,607,089
Property taxes	-	31,136	56,480	199	87,815	-	87,815
Direct fundraising expense	158,520	20,156	-	-	178,676	-	178,676
Depreciation and amortization	342,527	775,318	4,077,680	-	5,195,525	(23,459)	5,172,066
Total Expenses	17,999,874	3,308,937	9,419,523	272,119	31,000,453	(4,238,399)	26,762,054
Change in Net Assets Before Other Changes	4,026,654	(612,170)	(4,746,285)	(212,379)	(1,544,180)	-	(1,544,180)
OTHER CHANGES							
Non-controlling interest in losses of consolidated affiliates	-	-	4,870,744	-	4,870,744	-	4,870,744
Change in Net Assets	$ 4,026,654	$ (612,170)	$ 124,459	$ (212,379)	$ 3,326,564	$ -	$ 3,326,564

See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities of Non-Profit Corporations
Year Ended June 30, 2023

	Fifth Avenue Commitee, Inc.	Leap, Inc.	* FAC Center Local Development Corp.	* Neighbors Helping Neighbors	Total
SUPPORT AND REVENUE					
Government grants	$ 3,010,841	$ 1,156,848	$ -	$ 819,489	$ 4,987,178
Contributions - corporations	808,400	1,111,790	-	236,572	2,156,762
Contributions - foundations and trusts	1,460,875	4,315,000	-	51,283	5,827,158
Contributions - individuals	40,535	224,522	-	6,387	271,444
Special events income	296,201	123,276	-	25,552	445,029
In-kind contributions	-	96,352	-	-	96,352
Management and reimbursable fees	1,862,343	-	-	-	1,862,343
Development and marketing fees	1,083,390	-	-	-	1,083,390
Program services	179,987	287,333	-	15,833	483,153
Rental income	702,413	-	717,037	-	1,419,450
Interest income	18,950	16,866	493	-	36,309
Subcontract income	578,570	116,090	-	8,000	702,660
Other revenue	19,966	-	2,620,762	14,572	2,655,300
Total Support and Revenue	10,062,471	7,448,077	3,338,292	1,177,688	22,026,528
EXPENSES					
Salaries	4,751,510	3,031,521	-	707,347	8,490,378
Contributed services - salaries	-	96,352	-	-	96,352
Payroll taxes and fringe benefits	1,415,650	824,674	-	73,449	2,313,773
Administrative	-	4,876	941	1,175	6,992
Consultants	539,333	261,973	-	12,654	813,960
Wage subsidy	-	16,096	-	-	16,096
Repairs and maintenance	3,438	37,775	69,223	2,769	113,205
Office supplies and printing	95,299	82,105	-	12,092	189,496
Telephone and postage	100,097	48,168	-	1,380	149,645
Utilities	40,674	44,265	12,000	-	96,939
Professional fees	66,461	71,157	16,515	10,000	164,133
Occupancy	741,220	619,259	-	92,342	1,452,821
Miscellaneous	14,585	742	-	10,745	26,072
Meetings and events	32,951	-	-	-	32,951
Marketing	43,580	58,872	-	-	102,452
Conference, travel, and training	43,651	67,828	-	-	111,479
Contractual services	508,439	-	16,187	-	524,626
Staff outing	11,485	-	-	-	11,485
Dues and subscriptions	-	10,640	-	-	10,640
Software and support	-	150,484	-	-	150,484
Insurance	59,076	20,334	13,074	20,288	112,772
Equipment, furniture and fixtures	312,030	18,285	-	-	330,315
Fees and bank charges	44,003	59,758	-	-	103,761
Program expenses	58,386	1,136,607	-	19,393	1,214,386
Publication and books	20,403	-	-	-	20,403
Management fees	-	-	307,525	-	307,525
Bad debts	300,000	3,040	-	-	303,040
Interest and debt issuance costs	6,967	-	225,579	100	232,646
Direct fundraising expense	108,535	49,985	-	-	158,520
Depreciation	38,327	159,927	144,103	170	342,527
Total Expenses	9,356,100	6,874,723	805,147	963,904	17,999,874
Change in Net Assets	$ 706,371	$ 573,354	$ 2,533,145	$ 213,784	$ 4,026,654

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc. and Subsidiaries

Consolidating Schedule of Activities of HDFCs
Year Ended June 30, 2023

	* 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	$ -	$ -	$ -	$ -	$ -	$ 251,147	$ 251,147
Rental income	178,417	1,214,767	321,165	71,578	467,588	20,741	2,274,256
Interest income	28	33	50	-	-	-	111
Other revenue	1,303	211,962	765	30,995	1,132	(74,904)	171,253
Total Support and Revenue	179,748	1,426,762	321,980	102,573	468,720	196,984	2,696,767
EXPENSES							
Administrative	791	-	3,695	-	-	-	4,486
Consultants	14,500	-	-	-	-	-	14,500
Repairs and maintenance	62,888	213,527	32,254	13,212	83,748	-	405,629
Office supplies and printing	3,571	-	4,281	-	-	-	7,852
Telephone and postage	-	333	-	-	325	325	983
Utilities	-	387,743	35,294	33,818	125,182	43,277	625,314
Professional fees	7,515	24,542	7,956	8,932	5,634	-	54,579
Miscellaneous	-	8,100	-	131	-	-	8,231
Dues and subscriptions	-	-	-	-	-	154	154
Software and support	-	5,080	-	-	1,479	-	6,559
Insurance	18,075	99,042	19,563	8,373	63,941	43,447	252,441
Fees and bank charges	-	41,286	-	2,624	2,964	2,670	49,544
Management fees	75,244	188,662	49,712	31,122	126,885	94,681	566,306
Bad debts	23,242	-	-	493	8,959	5,390	38,084
Interest and debt issuance costs	2,441	353,256	90,558	766	644	-	447,665
Property taxes	-	-	-	31,056	80	-	31,136
Write down of investment	-	-	20,156	-	-	-	20,156
Depreciation and amortization	80,589	389,832	120,560	24,781	124,489	35,067	775,318
Total Expenses	288,856	1,711,403	384,029	155,308	544,330	225,011	3,308,937
Change in Net Assets	$ (109,108)	$ (284,641)	$ (62,049)	$ (52,735)	$ (75,610)	$ (28,027)	$ (612,170)

*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, 2023

	* 551 Warren St LP	Atlantic Terrace 12 LLC	Supportive Slope LP	Northeastern Towers Annex LP	* FAC Sunset Park LP	* FAC Renaissance LP	FAC 6309 Fourth Ave LP	FAC Brownsville Apartments LP	Total
SUPPORT AND REVENUE									
Rental income	$ 780,015	$ 730,595	$ 622,457	$ 1,526,896	$ 397,232	$ 757,880	$ 1,233	$ -	$ 4,816,308
Other revenue	(391,529)	37,574	407,479	-	(100,501)	(42,719)	(53,374)	-	(143,070)
Total Support and Revenue	388,486	768,169	1,029,936	1,526,896	296,731	715,161	(52,141)	-	4,673,238
EXPENSES									
Salaries	-	-	-	70,993	-	-	-	-	70,993
Repairs and maintenance	131,468	83,722	298,147	97,627	20,289	239,705	53,547	-	924,505
Telephone and postage	643	-	290	22,271	1,070	799	411	-	25,484
Utilities	125,559	12,074	101,677	86,782	51,670	153,678	19,007	17,795	568,242
Professional fees	29,345	16,592	22,041	3,234	345,731	37,370	1,350	-	455,663
Miscellaneous	13,377	1,680	159,209	101,328	420	283,263	4,999	25	564,301
Marketing	-	-	-	1,084	-	-	-	-	1,084
Contractual services	-	-	-	323,514	-	-	-	-	323,514
Software and support	4,192	-	2,959	-	-	3,970	-	-	11,121
Insurance	40,230	15,041	50,953	161,885	-	89,348	41,085	-	398,542
Fees and bank charges	1,895	-	2,056	-	24,177	19,286	-	61	47,475
Management fees	243,279	55,877	212,210	73,007	104,390	178,356	30,637	-	897,756
Bad debts	-	63,662	-	6,243	-	-	-	-	69,905
Interest and debt issuance costs	518	-	73,960	755,842	10,069	86,389	-	-	926,778
Property taxes	-	32,255	16,002	8,223	-	-	-	-	56,480
Depreciation and amortization	172,594	112,319	565,535	2,199,725	431,748	595,759	-	-	4,077,680
Total Expenses	763,100	393,222	1,505,039	3,911,758	989,564	1,687,923	151,036	17,881	9,419,523
Change in Net Assets Before Other Changes	(374,614)	374,947	(475,103)	(2,384,862)	(692,833)	(972,762)	(203,177)	(17,881)	(4,746,285)
OTHER CHANGES									
Non-controlling interest in income and losses of consolidated affiliates	374,577	(249,977)	475,055	2,384,624	692,764	972,665	203,157	17,879	4,870,744
Change in Net Assets	$ (37)	$ 124,970	$ (48)	$ (238)	$ (69)	$ (97)	$ (20)	$ (2)	$ 124,459

*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, 2023

	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	$ 29,857	$ -	$ -	$ -	$ -	$ -	$ 29,857
Interest income	-	-	-	-	-	8	8
Subcontract income	-	-	-	-	30,725	-	30,725
Other revenue	-	(850)	-	-	-	-	(850)
Total Support and Revenue	29,857	(850)	-	-	30,725	8	59,740
EXPENSES							
Administrative	-	-	-	-	-	4,550	4,550
Repairs and maintenance	6,349	-	-	-	-	-	6,349
Utilities	-	-	-	-	46,505	-	46,505
Professional fees	3,817	-	-	-	-	-	3,817
Miscellaneous	-	1,008	-	-	-	203,976	204,984
Conference, travel, and training	-	-	-	-	580	-	580
Fees and bank charges	596	58	-	25	-	156	835
Management fees	-	-	-	1,000	-	3,300	4,300
Property taxes	-	-	-	-	-	199	199
Total Expenses	10,762	1,066	-	1,025	47,085	212,181	272,119
Change in Net Assets	$ 19,095	$ (1,916)	$ -	$ (1,025)	$ (16,360)	$ (212,173)	$ (212,379)

*Audited by other auditors
See independent auditors' report

Fifth Avenue Committee, Inc.

Uniform Guidance
Reports and Schedules

June 30, 2023

Fifth Avenue Committee, Inc.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Department of Education				
Pass Through New York State Department of Education:				
Adult Education - Basic Grants to States	84.002	C403754	$ -	$ 487,329
Adult Education - Basic Grants to States	84.002	C403779	-	400,000
Total Department of Education			-	887,329
Other Programs				
Congressional Appropriation				
Housing Counceling Assistance Program	14.169		-	32,500
Neighborworks System Program	21.U01		-	129,000
Neighborworks System Program	21.U02		-	455,750
Total Congressional Appropriation			-	617,250
Total Expenditures of Federal Awards			$ -	$ 1,504,579

See independent auditors’ report and notes to schedule of expenditures of federal awards

Fifth Avenue Committee, Inc.

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Fifth Avenue Committee, Inc. and Subsidiaries (the "Corporation") under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Corporation, it is not intended to and does not represent the financial position, activities, changes in net assets or cash flows of the Corporation.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The Corporation has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditors' Report

Board of Directors
Fifth Avenue Committee, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Fifth Avenue Committee, Inc. and Subsidiaries (the "Corporation"), which comprise the consolidated statement of financial position as of June 30, 2023 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, and have issued our report thereon dated November 29, 2023. The financial statements of Fifth Avenue Committee, Inc.'s affiliates included within the consolidated financial statements were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the aforementioned affiliates.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Corporation's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

November 29, 2023

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditors' Report

Board of Directors
Fifth Avenue Committee, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Fifth Avenue Committee, Inc.'s (the "Corporation") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Corporation's major federal programs for the year ended June 30, 2023. The Corporation's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Corporation's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over complianc*e is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

PKF O'Connor Davies, LLP

November 29, 2023

Fifth Avenue Committee, Inc.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ yes __X__ no
Significant deficiency(ies) identified?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	____ yes __X__ no
Significant deficiency(ies) identified?	____ yes __X__ none reported
Type of auditors' report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?	____ yes __X__ no
Identification of major federal programs:	

Federal Assistance Listing Number	Name of Federal Program or Cluster
84.002	Adult Education - Basic Grants to States

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	__X__ yes ____ no

Section II – Financial Statement Findings

During our audit, we noted no material findings for the year ended June 30, 2023.

Section III – Federal Award Findings and Questioned Costs

During our audit, we noted no material instances of noncompliance and none of the costs reported in the federal financially assisted programs are questioned or recommended to be disallowed.