

**LONG ISLAND HOUSING PARTNERSHIP, INC.
AND AFFILIATES**



**Combined Financial Statements
and Supplementary Information
(Together with Independent Auditors' Report)**

Years Ended December 31, 2023 and 2022

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES

**COMBINED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
(Together with Independent Auditors' Report)**

YEARS ENDED DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Long Island Housing Partnership, Inc. and Affiliates
Hauppauge, NY

Opinion

We have audited the combined financial statements of Long Island Housing Partnership, Inc. and Affiliates (collectively, the "Organization"), which comprise the combined statements of financial position as of December 31, 2023 and 2022, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Combined Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

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In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary combining information (shown on pages 24-29) is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, the change in net assets and cash flows of the individual entities, and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Mayer Hoffman McCann CPAs

New York, NY
May 23, 2024

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 2E and 14)	\$ 4,903,485	\$ 6,499,460
Current portion of funds held as program agent (Note 7)	522,343	424,687
Accounts receivable, net (Note 2F)	701,716	1,702,647
Prepaid expenses and other	61,479	87,225
Current portion of notes receivable (Note 2F)	450,000	250,000
Investments (Notes 2G and 4)	5,337,025	4,852,111
Total current assets	11,976,048	13,816,130
Funds held as program agent (Note 7)	1,101,093	1,112,629
Notes receivable (Note 2F)	3,483	3,483
Finance lease right-of-use asset (Note 10)	41,320	22,637
Operating lease right-of-use asset (Note 10)	516,357	630,432
Capitalized project costs (Notes 2H and 5)	4,302,492	2,869,878
Property and equipment, net (Notes 2I, 2M and 6)	140,721	170,893
Donated land (Notes 2M and 12)	1,265,695	1,083,907
TOTAL ASSETS	\$ 19,347,209	\$ 19,709,989
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses	\$ 1,054,278	\$ 1,237,207
Current portion of deferred revenue (Notes 2J and 2L)	53,707	41,959
Current portion of project grant advances - governmental (Note 8)	120,928	310,680
Current portion of project grant advances - private (Note 8)	1,427,975	1,181,476
Current portion of construction and land trust reserves	33,000	-
Lines of credit (Note 9)	250,000	250,000
Current portion of funds held as program agent (Note 7)	522,343	424,687
Current portion finance lease liability (Note 10)	15,572	10,800
Current portion operating lease liability (Note 10)	132,682	105,176
Total current liabilities	3,610,485	3,561,985
Deferred revenue (Notes 2J and 2L)	58,417	69,833
Project grant advances - governmental (Note 8)	5,034	-
Project grant advances - private (Note 8)	1,116,461	1,642,469
Construction and land trust reserve	242,799	203,999
Funds held as program agent (Note 7)	1,101,093	1,112,629
Finance lease liability (Note 10)	20,934	8,792
Operating lease liability (Note 10)	392,712	525,256
TOTAL LIABILITIES	6,547,935	7,124,963
COMMITMENTS AND CONTINGENCIES (Note 11)		
NET ASSETS (Notes 2D and 12)		
Without donor restrictions:		
Undesignated	5,150,050	5,565,610
Board-designated for operating and capital reserves	5,321,525	4,836,611
	10,471,575	10,402,221
With donor restrictions:		
Purpose-restricted	1,046,503	1,083,398
Restricted in perpetuity	1,281,196	1,099,407
	2,327,699	2,182,805
TOTAL NET ASSETS	12,799,274	12,585,026
TOTAL LIABILITIES AND NET ASSETS	\$ 19,347,209	\$ 19,709,989

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

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
SUPPORT AND REVENUE		
Receipts and government grants		
from transfer of homes (Note 2L)	\$ 1,260,087	\$ 3,144,679
Government grants (Note 2L)	1,928,358	3,254,200
Private grants (Note 2L)	358,697	349,042
Contributions of cash and other financial assets	50,539	49,737
Contributions of nonfinancial assets (Note 2M)	22,230	160,569
Special events (net of direct expenses of \$35,860 and \$26,030, respectively)	50,890	72,920
Mortgage counseling (Note 2L)	100,543	150,746
Technical assistance (Note 2L)	708,979	627,143
Interest	43,117	30,438
Other income (Note 11C)	325,452	364,567
Loss on disposal of property and equipment	-	(9,768)
Net assets released from donor restrictions (Note 12)	251,600	39,598
TOTAL SUPPORT AND REVENUE	5,100,492	8,233,871
EXPENSES (Note 2N)		
Program services:		
Development	1,344,459	3,023,681
Counseling and education	471,337	435,413
Technical assistance	332,098	293,283
COVID-related programs	1,147,664	2,130,481
Other	603,880	432,703
Total program services	3,899,438	6,315,561
Supporting services:		
Management and general	1,508,133	1,418,944
Fundraising	108,480	142,847
TOTAL EXPENSES	5,516,051	7,877,352
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS BEFORE INVESTMENT ACTIVITIES	(415,559)	356,519
Investment interest and dividends, net of expenses (Note 4)	116,653	194,939
Realized and unrealized gains (losses) (Note 4)	368,261	(1,012,963)
Net investment return (loss) (Note 2K)	484,914	(818,024)
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	69,355	(461,505)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions of nonfinancial assets (Note 2M)	181,788	450,604
Government grants	200,000	-
Private grants	14,705	70,000
Net assets released from donor restrictions (Note 12)	(251,600)	(39,598)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS	144,893	481,006
CHANGES IN NET ASSETS	214,248	19,501
Net Assets, Beginning of Year	12,585,026	12,565,525
NET ASSETS - END OF YEAR	\$ 12,799,274	\$ 12,585,026

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2022)

	Program Services					Supporting Services			Total 2023	Total 2022
	Development	Counseling and Education	Technical Assistance	COVID-related Programs	Other	Program Services	Management and General	Fundraising		
Salaries	\$ 168,067	\$ 274,875	\$ 179,633	\$ 460,852	\$ 315,610	\$ 1,399,037	\$ 870,887	\$ 62,853	\$ 2,332,777	\$ 2,536,792
Payroll taxes and fringe benefits (Note 13)	46,154	75,486	49,331	126,558	86,672	384,201	239,161	17,261	640,623	702,299
Total Salaries and Related Costs	214,221	350,361	228,964	587,410	402,282	1,783,238	1,110,048	80,114	2,973,400	3,239,091
Development costs (Note 2H)	1,052,251	-	-	-	-	1,052,251	-	-	1,052,251	2,617,101
Professional services (Note 2M)	31,909	38,311	26,135	428,699	95,707	620,761	146,367	20,994	788,122	1,348,375
Rent and utilities (Note 10)	10,759	17,602	11,506	29,526	20,217	89,610	55,789	4,026	149,425	127,147
Insurance	6,268	9,484	6,199	15,909	10,893	48,753	59,782	2,169	110,704	90,707
Travel and auto	3,876	2,373	872	2,108	1,677	10,906	4,254	16	15,176	16,779
Conference and meetings	805	2,726	861	2,209	1,513	8,114	4,173	301	12,588	11,833
Postage	1,023	1,721	1,458	4,741	2,313	11,256	5,243	378	16,877	19,703
Printing	443	715	468	1,200	822	3,648	2,430	5,133	11,211	25,178
Office supplies and equipment	4,940	8,082	5,283	13,774	-	32,079	25,616	1,849	59,544	48,395
Repairs and maintenance	1,873	3,065	2,003	5,141	3,520	15,602	9,715	701	26,018	18,845
Depreciation and amortization (Notes 6 and 10)	8,892	14,549	9,510	24,404	16,710	74,065	49,438	-	123,503	110,339
Telephone	1,199	1,962	1,283	3,291	2,254	9,989	6,218	449	16,656	16,708
Outreach	1,450	-	25,839	-	1,785	29,074	-	-	29,074	58,472
Subscriptions and publications	2,304	3,770	2,464	23,906	4,330	36,774	12,811	-	49,585	47,466
Interest expense (Notes 9 and 10)	-	-	-	-	7,569	7,569	584	-	8,153	6,405
Other	2,246	16,616	9,253	5,346	23,005	56,466	15,665	28,210	100,341	100,838
Subtotal	1,344,459	471,337	332,098	1,147,664	594,597	3,890,155	1,508,133	144,340	5,542,628	7,903,382
Less: Cost of direct benefit to donors netted on the combined statements of activities	-	-	-	-	-	-	-	(35,860)	(35,860)	(26,030)
Total expenses	\$ 1,344,459	\$ 471,337	\$ 332,098	\$ 1,147,664	\$ 594,597	\$ 3,890,155	\$ 1,508,133	\$ 108,480	\$ 5,506,768	\$ 7,877,352

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services					Supporting Services			Total 2022
	Development	Counseling and Education	Technical Assistance	COVID-related Programs	Other	Total Program Services	Management and General	Fundraising	
Salaries	\$ 184,818	\$ 261,006	\$ 166,855	\$ 758,094	\$ 252,399	\$ 1,623,172	\$ 826,433	\$ 87,187	\$ 2,536,792
Payroll taxes and fringe benefits (Note 13)	51,166	72,258	46,193	209,875	69,875	449,367	228,795	24,137	702,299
Total Salaries and Related Costs	235,984	333,264	213,048	967,969	322,274	2,072,539	1,055,228	111,324	3,239,091
Development costs (Note 2H)	2,617,101	-	-	-	-	2,617,101	-	-	2,617,101
Professional services (Note 2M)	127,708	38,796	26,059	945,074	37,514	1,175,151	163,506	9,718	1,348,375
Rent and utilities (Note 10)	9,269	13,083	8,366	37,979	12,651	81,348	41,729	4,070	127,147
Insurance	6,011	7,727	4,941	22,429	7,471	48,579	39,547	2,581	90,707
Travel and auto	4,048	3,173	1,055	3,368	1,121	12,765	3,988	26	16,779
Conference and meetings	851	1,357	768	3,488	1,162	7,626	4,207	-	11,833
Postage	1,197	2,136	1,553	7,480	2,021	14,387	5,316	-	19,703
Printing	684	959	613	2,784	927	5,967	3,357	15,854	25,178
Office supplies and equipment	3,499	4,940	3,159	14,555	4,776	30,929	15,608	1,858	48,395
Repairs and maintenance	1,374	1,939	1,240	5,629	1,875	12,057	6,140	648	18,845
Depreciation and amortization (Notes 6 and 10)	8,044	11,354	7,260	32,958	10,979	70,595	39,744	-	110,339
Telephone	1,218	1,719	1,099	4,991	1,662	10,689	5,445	574	16,708
Outreach	38	-	14,718	39,199	3,830	57,785	-	687	58,472
Subscriptions and publications	2,047	2,890	1,848	27,772	2,794	37,351	10,115	-	47,466
Interest expense (Notes 9 and 10)	-	-	-	-	6,101	6,101	304	-	6,405
Other	4,608	12,076	7,556	14,806	15,545	54,591	24,710	21,537	100,838
Subtotal	3,023,681	435,413	293,283	2,130,481	432,703	6,315,561	1,418,944	168,877	7,903,382
Less: Cost of direct benefit to donors netted on the combined statement of activities	-	-	-	-	-	-	-	(26,030)	(26,030)
Total expenses	\$ 3,023,681	\$ 435,413	\$ 293,283	\$ 2,130,481	\$ 432,703	\$ 6,315,561	\$ 1,418,944	\$ 142,847	\$ 7,877,352

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash Flows from Operating Activities		
Changes in net assets	\$ 214,248	\$ 19,501
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:		
Donated land	(181,788)	(450,604)
Lease amortization	14,270	10,846
Depreciation and amortization	109,233	99,493
Realized and unrealized (gains) losses	(368,261)	1,012,963
Loss on disposal of property and equipment	-	9,768
Non-cash adjustment on leases	112,864	103,098
	(99,434)	805,065
Subtotal		
(99,434)		805,065
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	1,000,931	229,895
Prepaid expenses and other	25,746	(16,399)
Capitalized project costs	(1,432,614)	(230,525)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(182,929)	302,050
Deferred revenue	332	(4,065)
Project grant advances - governmental	(184,718)	221,109
Project grant advances - private	(279,509)	424,343
Construction reserve	71,800	80,538
Operating lease liability	(105,038)	(106,489)
	(1,085,999)	900,457
Total adjustments		
(1,085,999)		900,457
Net Cash (Used in) Provided by Operating Activities	(1,185,433)	1,705,522
Cash Flows from Investing Activities		
Purchases of investments	(3,673,046)	(313,597)
Sales of investments	3,556,393	118,658
Disbursements of notes receivable	(200,000)	-
Purchases of property and equipment	(79,061)	(51,306)
	(395,714)	(246,245)
Net Cash Used in Investing Activities	(395,714)	(246,245)
Cash Flows from Financing Activities		
Repayment of principal portion of lease liability	(14,828)	(10,500)
	(14,828)	(10,500)
Net Cash Used in Financing Activities	(14,828)	(10,500)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,595,975)	1,448,777
Cash and Cash Equivalents, Beginning of Year	6,499,460	5,050,683
	6,499,460	5,050,683
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 4,903,485	\$ 6,499,460
Supplemental disclosure of cash flow information:		
Noncash Financing Activities		
Donated land	\$ 181,788	\$ 450,604
Cash paid during the year for interest	\$ 8,153	\$ 6,405

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

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Long Island Housing Partnership, Inc. and its affiliated entities: Long Island Partnership Housing Development Fund Company, Inc.; Nassau/Suffolk Partnership Housing Development Fund Company, Inc.; Long Island Partnership Community Development Corporation; Community Development and Disaster Relief Corporation; Long Island Housing Partnership Community Development Financial Institution, Inc.; Long Island Partnership CLT Housing Development Fund Company, Inc.; and HG Housing Development Fund Company, Inc. are not-for-profit corporations. The two other entities (wholly-owned subsidiary of Long Island Housing Partnership, Inc.), Long Island Senior Citizen Housing at Broadway West, Inc. and Long Island Senior Housing at Medford Landing, Inc., are for-profit corporations. The individual entities have certain directors in common and share common facilities and personnel. Long Island Housing Partnership, Inc. is reimbursed by its affiliated entities for managerial and administrative support services, including salaries and occupancy costs, based upon services rendered by common personnel and usage of common facilities.

Long Island Housing Partnership, Inc. ("LIHP") was created to address the need for and to provide affordable housing opportunities on Long Island for those who are unable to afford homes, through development, technical assistance, mortgage counseling, home buyer education and lending programs.

Long Island Partnership Housing Development Fund Company, Inc. ("LIPHDFC") was formed for the purpose of acquiring and holding title to land from government and private sources, securing financing through various government and private grants for predevelopment and construction activities, constructing homes and transferring land and completed units to home buyers.

Nassau/Suffolk Partnership Housing Development Fund Company, Inc. ("NSPHDFC") was organized exclusively to develop housing for persons of low income where no adequate housing exists for such persons in Nassau and/or Suffolk Counties, New York.

Long Island Partnership Community Development Corporation ("LIPCDC") was created to develop, promote, and facilitate employment, business, and educational and housing opportunities (including securing financing through various government grants for the development and construction of homes to be transferred to home buyers) for low income residents of Suffolk County, New York, and to administer various state and federally funded programs on behalf of local municipalities.

Community Development and Disaster Relief Corporation ("CDDRC") was formed to promote and support, financially and administratively, community development and redevelopment programs, including disaster relief, for the construction of new single and multi-family homes, rehabilitation of existing residences and construction and rehabilitation of community buildings and related infrastructure, through cooperation with local, state and federal levels of government and private partners.

Long Island Housing Partnership Community Development Financial Institution, Inc. ("CDFI") was created to lessen the burdens of government and to enhance the wellbeing of communities by increasing the supply of newly-constructed and rehabilitated residences (homeownership and/or rental) for community development or redevelopment programs. CDFI's mission will be met primarily through the issuance of construction, predevelopment and permanent financing loans and ancillary development services for the development of affordable housing in eligible target markets (investment areas with poverty rates of at least 20%) in Nassau and Suffolk Counties, New York. LIHP, acting through its Board of Directors, is the sole corporate member of CDFI.

Long Island Partnership CLT Housing Development Fund Company, Inc. ("LIPCLTHDFC") is a Community Land Trust established for the purpose of acquiring and holding title to land from government and private sources. While eligible home buyers will own the home constructed or rehabilitated on the parcel, LIPCLTHDFC will retain ownership of the acquired land in perpetuity through a 99-year ground lease with the home buyer. The community land trust model allows for the development and stewardship of permanently affordable homes, within Nassau and Suffolk Counties.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

HG Housing Development Fund Company, Inc. ("HGDFC") was created as a single-purpose entity. HGDFC holds a nominal membership interest in an umbrella tax credit entity, Highland Green Residence, LLC ("HGR LLC"). HGR LLC was organized exclusively to develop, finance, construct and maintain the Highland Green Project ("HG Project"), a 118-unit affordable limited-equity cooperative development in Suffolk County. In connection with the HG Project, HGDFC holds fee title to real property, as nominee for the beneficial owner, HGR LLC. HGDFC does not control the development, construction or operation of the HG Project or the business affairs of the HGR LLC, and has provided no guarantees related to any construction and subsidy financing associated with the HG Project. LIHP is the sole member of HGDFC.

Long Island Senior Citizen Housing at Broadway West, Inc. ("LISCHBW"), under a Limited Partnership agreement, acts as co-general partner of Broadway West, L.P., which has constructed two developments aggregating 114 rental units for low-income senior citizens in Brentwood, Town of Islip, New York. The Broadway West development was sold in 2018 and LISCHBW is in the process of being dissolved.

Long Island Senior Housing at Medford Landing, Inc. ("LISHML"), under a Limited Partnership agreement, acts as co-general partner of Medford Landing, L.P., which has constructed a development of 112 rental units for low-income senior citizens in Medford, Town of Brookhaven, New York. The Medford Landing development was sold in 2021 and LISHML is in the process of being dissolved.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. **Principles of Combination** - The combined financial statements reflect the financial position and changes in net assets and cash flows of LIHP consolidated (LIHP and its wholly-owned subsidiaries: LISCHBW, LISHML, CDFI and HGDFC) and its affiliated entities, LIPHDFC, NSPHDFC, LIPCDC, CDDRC and LIPCLTHDFC (collectively, the "Organization"). All intercompany transactions have been eliminated.

The consolidation of LISCHBW and LISHML in LIHP did not result in a change to LIHP's net assets without donor restrictions during the years ended December 31, 2023 and 2022.

B. **Basis of Accounting** - The combined financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The Organization adheres to accounting principles generally accepted in the United States of America ("U.S. GAAP").

C. **Use of Estimates** - The preparation of the combined financial statements in conformity with U.S. GAAP 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. **Basis of Presentation** - The Organization maintains its net assets under the following two classes:

- a. Net assets without donor restrictions – consists of resources for which there are no restrictions by donors as to their use. Contributions and grants with donor-imposed restrictions that are met in the same period in which the contributions or grants are recognized are reported as changes in net assets without donor restrictions. The Board of Directors has designated, from net assets without donor restrictions, net assets for operating and capital reserves. Funds invested in operating and capital reserves are allocated from revenue amounts in excess of one year's combined operating expenses, and require board approval.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Net assets with donor restrictions - represents net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization reports gifts of land, buildings, and equipment as contributions without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as additions to net assets with donor restrictions. Expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service. All donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from donor restrictions.

E. **Cash and Cash Equivalents** - The Organization considers all highly liquid debt instruments with an original maturity of three months or less, when acquired, to be cash equivalents, except for cash held as part of the Organization's investment portfolio. As of December 31, 2023 and 2022, cash and cash equivalents include cash held for specific purposes that amounted to approximately \$2,946,000 and \$3,339,000, respectively.

F. **Allowance for Credit Losses** - The Organization determines whether an allowance for credit losses should be provided for accounts receivable and notes receivable. A receivable balance is considered past due once it has not been received by its scheduled due date. Such estimates are based on management's assessment of the aged basis of its receivables, current economic conditions, reasonable and supportable forecasts, subsequent receipts and historical information. Receivables are written off against the allowance for credit losses when all reasonable collection efforts have been exhausted. As of both December 31, 2023 and 2022, the Organization determined an allowance of approximately \$19,000 was necessary for accounts receivable and no allowance was necessary for notes receivable.

The following table summarizes the activity related to the allowance for credit losses for the year ended December 31, 2023 under the current expected credit loss ("CECL") methodology (Note 20):

Balance, December 31, 2022	\$	18,564
Charge-offs		14,333
Provision for credit losses		(14,333)
Balance, December 31, 2023		18,564

G. **Investments** - Investments, consisting primarily of fixed income securities and equities, are carried at fair value. Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 4.

H. **Capitalized Project Costs** - All costs related to the construction or renovation of homes, which are not reimbursed by government or private grant funds, are capitalized until such time as the homes are transferred to home buyers.

I. **Property and Equipment** - Property and equipment consist of furniture, equipment, leasehold improvements, and computer software, which are recorded at cost. Depreciation of furniture and equipment is provided over the estimated useful lives (ranging from three to ten years) of the assets using the straight-line method. Amortization of leasehold improvements is provided over the shorter of their useful lives or the remainder of the lease period using the straight-line method. Amortization of software development costs is provided over five years, the estimated useful lives of the software programs. Upon disposal, the cost and related accumulated depreciation or amortization is removed from the respective accounts and any resulting gain or loss is included in revenues or expenses. The Organization capitalizes all purchases of property and equipment in excess of \$5,000.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- J. **Deferred Revenue** - Deferred revenue represents fees that have been received by the Organization for monitoring services. One half of monitoring fees received are earned in the first year, with the remainder earned proportionately on an annual basis over the remaining term of the monitoring period, up to 120 months. Amounts not yet earned by the end of the fiscal year are reported as deferred revenue.
- K. **Measure of Operations** - The Organization's changes in net assets includes all operating revenues and expenses that are an integral part of the programs and supporting activities, net assets released from donor restrictions to support operating expenditures, and transfers from board-designated and other non-operating funds, when applicable, to support current operating activities. The measure of operations excludes net investment return (loss).
- L. **Revenue Recognition** - Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received or promised. Conditional contributions are recorded when the conditions have been met. Contributions are considered to be without donor restrictions unless specifically restricted by the donor.

Cost reimbursement type government grants are accounted for under Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2018-08, "*Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*" (Topic 958). The Organization recognizes revenue on government grants and contracts when barriers within the contracts are overcome, and there is no right of return/release from obligation. Receipts and government grants on transfer of homes represent the revenue recognized at the time a unit is transferred to a home buyer, and includes the cost of homes built or renovated.

For the years ended December 31, 2023 and 2022, the Organization received conditional grants and contracts from government agencies and private organizations in the aggregate amounts of \$3,514,029 and \$6,123,985, respectively, that have not been recognized as revenue in the accompanying combined financial statements, as they have not been earned. These grants and contracts require the Organization to provide certain services as specified in the contracts. If such services are not provided, the governmental entities and private organizations are not obligated to expend the funds allotted under the grants and contracts and the Organization may be required to return the funds already remitted.

During 2023 and 2022, the Organization acted as a conduit to administer the Emergency Rental Assistance Program for direct assistance to eligible households. Such payments amounting to \$12,990,263 and \$32,174,674 for the years ended December 31, 2023 and 2022, respectively, are considered pass-through funds and, accordingly, are not reported as revenues and expenses in the accompanying combined financial statements. The Organization is entitled to reimbursements under such government grant for program delivery, administration and overhead costs. Such expenses amounted to \$1,546,733 and \$2,797,922 for the years ended December 31, 2023 and 2022, respectively, and are included in government grants in the accompanying combined statements of activities.

During 2023 and 2022, the Organization acted as a conduit to administer the Nassau County Down Payment Assistance Program for direct assistance to eligible households. Such payments amounting to \$50,000 for the year ended December 31, 2022 are considered pass-through funds and, accordingly, are not reported as revenues and expenses in the accompanying combined financial statements. No payments were made for the year ended December 31, 2023. The Organization is entitled to reimbursements under such government grant for program delivery, administration and overhead costs. Such expenses amounted to \$6,306 and \$5,434 for the years ended December 31, 2023 and 2022, respectively, and are included in government grants in the accompanying combined statements of activities.

Program service revenue is accounted for under FASB ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). Program service revenue is recognized and recorded at the time a service is performed. Such services include monitoring counseling and technical assistance. Receivables are due in full when billed and revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Organization in accordance

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

with the contract. Revenue for performance obligations satisfied over time is recognized as the services are provided. This method depicts the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The Organization measures the performance obligation from the beginning of the next month or day to the point when it is no longer required to provide services under the contract or has met the requirements to bill for the services provided, which is generally at the end of each month or period of time allowed based on the government agencies' stipulations.

Performance obligations relate to contracts that are unsatisfied as of December 31, 2023 and 2022, amounted to \$112,124 and \$111,792, respectively, and were included in deferred revenue on the accompanying combined statements of financial position. The beginning performance obligation as of January 1, 2022 amounted to \$115,857. The performance obligations for these contracts are completed when the service is completed and upon submission of the invoice. The Organization determines the transaction price based on contracts for services provided. Program service revenue consists of the revenues for the following programs for the years ended December 31:

	2023	2022
Mortgage counseling	\$ 100,543	\$ 150,746
Technical assistance	708,979	627,143
	\$ 809,522	\$ 777,889

M. **Contribution of Nonfinancial Assets** - For the years ended December 31, 2023 and 2022, the Organization recorded the fair value of contributed nonfinancial assets amounting to \$204,018 and \$611,173, respectively. Such amounts are included as contributions of nonfinancial assets in the accompanying combined statements of activities.

Contributed nonfinancial assets consisted of the following for the year ended December 31, 2023:

<u>Nonfinancial Asset</u>	<u>Amount</u>	<u>Usage in Programs/Activities</u>	<u>Donor-imposed Restrictions</u>	<u>Fair Value Techniques</u>
Donated services	\$ 22,230	Program services and management and general	No associated donor restriction	Based on estimated fair value when received
Donated land	181,788	Development	Restricted in perpetuity for affordable housing	Based on appraisal report, management estimate or quoted market prices when available
Total	\$ 204,018			

Contributed nonfinancial assets consisted of the following for the year ended December 31, 2022:

<u>Nonfinancial Asset</u>	<u>Amount</u>	<u>Usage in Programs/Activities</u>	<u>Donor-imposed Restrictions</u>	<u>Fair Value Techniques</u>
Donated services	\$ 142,375	Program services and management and general	No associated donor restriction	Based on estimated fair value when received
Donated software	18,194	Program services and management and general	No associated donor restriction	Based on estimated fair value when received
Donated land	450,604	Development	Restricted in perpetuity for affordable housing	Based on appraisal report, management estimate or quoted market prices when available
Total	\$ 611,173			

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. **Functional Allocation of Expenses** - Expenses are summarized and categorized based upon their functional classification as either program or supporting services. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries and employee benefits are allocated on the basis of estimated time and effort. Other expenses that are allocated include rent and utilities, office supplies and equipment, telephone, repairs and maintenance, insurance, and depreciation and amortization, which are allocated on the basis of the percentage of program services and general and administrative time in relation to total employee time.

O. **Recent Accounting Pronouncements** - On January 1, 2023, the Organization adopted ASU 2016-03, Financial Instruments – Credit Losses, (Topic 326), Measurement of Credit Losses on Financial Instruments (Accounting Standards Codification “ASC” 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the CECL methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current condition, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost which will be presented at the net amount expected to be collected by using an allowance for credit losses.

The Organization adopted ASC 326 and all related subsequent amendments thereto effective January 1, 2023, using the modified retrospective approach for all financial assets measured at amortized costs. The adoption had no effect on the change in net assets as previously reported.

P. **Reclassifications** - Certain accounts in the prior year combined financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These changes have had no effect on the net assets.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization's financial assets at December 31, 2023 and 2022, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the combined statements of financial position date. Amounts not available include amounts set aside for long-term investing that could be drawn upon with the approval of the Board of Directors.

Financial assets at year-end:

	2023	2022
Cash and cash equivalents	\$ 4,903,485	\$ 6,499,460
Accounts receivable, net of allowance	701,716	1,702,647
Investments	5,337,025	4,852,111
Total financial assets at year end	10,942,226	13,054,218
Less amounts unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Cash held for specific purposes	(2,946,197)	(3,338,624)
Purpose restrictions	(1,046,503)	(1,083,398)
Restriction in perpetuity	(15,500)	(15,500)
Board-designated for operating and capital reserves	(5,321,525)	(4,836,611)
Financial assets available to meet general expenditures within one year	\$ 1,612,501	\$ 3,780,085

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
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NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

At December 31, 2023, the Organization has \$1,612,501 of financial assets available within one year of the combined statement of financial position date to meet cash needs for general expenditures. The Organization's practice is to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Cash in excess of daily requirements is invested in savings and money market accounts. Board-designated operating and capital reserves, and the income from donor-restricted funds and board-designated operating and capital reserves are intended to be reinvested for the long-term, but these amounts can be drawn upon in the event of an unanticipated liquidity need. Available lines of credit are for use by CDFI as capital to fund anticipated pre-development loans on affordable housing projects, and are not intended for use by the Organization for liquidity needs (Note 9).

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments consisted of the following at December 31:

	<u>2023</u>	<u>2022</u>
Cash	\$ 20,198	\$ 8,650
Bonds	2,000,019	2,272,642
Equity securities	1,869,968	1,028,560
Mutual funds	184,707	140,877
Dynamic asset allocation funds	725,417	1,401,382
Alternative investments	<u>536,716</u>	<u>-</u>
 Total Investments	 <u>\$ 5,337,025</u>	 <u>\$ 4,852,111</u>

The components of investment return (loss) are as follows for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Dividends and interest	\$ 133,187	\$ 205,247
Unrealized gains (losses)	581,693	(1,035,877)
Realized (losses) gains	<u>(213,432)</u>	<u>22,914</u>
	501,448	(807,716)
 Less: Investment fees	 <u>(16,534)</u>	 <u>(10,308)</u>
	<u>\$ 484,914</u>	<u>\$ (818,024)</u>

Fair value is a market-based measurement that is determined based on one or more inputs using assumptions that market participants would use in pricing the asset or liability. In determining fair value, the Organization utilizes a valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs, to the extent possible in its assessment of fair value. These inputs also form the basis of the fair value hierarchy which is used to categorize a fair value measurement into one of three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs. Level 1 valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
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NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

The Organization is invested in various alternative investments and open-end dynamic asset allocation funds that are not available to retail investors and are not publicly traded (collectively, the “Funds”). The fair value estimates of these investments are based on net asset value (NAV) as provided by the respective the general partners/funds managers of the Funds. Because the Organization uses NAV as a practical expedient for fair value, these investments are excluded from the fair value hierarchy.

Information with respect to redemption terms, strategies, risks and funding commitments for these investments is as follows as of December 31:

	2023				
	Number of Funds	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Investments at NAV:					
<i>Alternative investments:</i>					
Hedge fund (a)	1	\$ 351,749	\$ -	No redemption option	No redemption option
Private credit (b)	1	76,700	266,760	Quarterly after three- year lock-up period	90 Days Written Notice
Commercial Real Estate Private Debt (REIT) (c)	1	108,267	233,415	Quarterly after three- year lock-up period	90 Days Written Notice
<i>Open-end dynamic asset allocation (d)</i>	2	<u>725,417</u>	-	Daily	Upon request
Total		<u>\$ 1,262,133</u>			

	2022				
	Number of Funds	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Investments at NAV:					
<i>Open-end dynamic asset allocation (d)</i>	2	<u>\$ 1,401,382</u>	\$ -	Daily	Upon request
Total		<u>\$ 1,401,382</u>			

(a) Hedge fund – This fund is a statutory trust operated as a fund-of-funds. The fund’s investment objective is to provide long-term capital appreciation by investing primarily in a diversified portfolio of 20-30 blue chip, institutional quality hedge funds that provide diversification by investment style, time horizon, asset class and region.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
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NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

- (b) Private credit fund – This fund seeks to generate current income and preserve capital, primarily by investing in directly-sourced, privately-negotiated, secured U.S. middle market loans, which encompass traditional first lien, unitranche and second lien loans, with unitranche loans expected to represent the significant majority.
- (c) Commercial Real Estate Private Debt (REIT) fund – This fund seeks to deliver predictable and durable income by building a portfolio primarily comprised of new, directly originated mortgage loans secured by high-quality commercial real estate properties across the United States. The fund also has the ability to acquire other types of investments in order to take advantage of tactical opportunities during various market cycles.
- (d) Open-end dynamic asset allocation funds – The investment objectives of these funds are to moderate the volatility of equity and fixed income oriented asset allocations over the long-term. The funds may invest in a diversified portfolio of securities and other financial instruments, including derivative instruments that provide investment exposure to a variety of asset classes. No redemption restrictions exist. The redemption value is calculated at the next-determined net asset value after the redemption request is received in proper form, and is typically paid out in one to two business days.

Financial assets carried at fair value as of December 31, 2023 are classified in the table as follows:

	<u>Level 1</u>	<u>Total</u>
Investments Carried at Fair Value		
Bonds	\$ 2,000,019	\$ 2,000,019
Equity securities	1,869,968	1,869,968
Mutual funds	<u>184,707</u>	<u>184,707</u>
Total	4,054,694	4,054,694
Cash	-	20,198
Investments measured at net asset value:		
Alternative investments	-	536,716
Other	<u>-</u>	<u>725,417</u>
Total investments	<u>\$ 4,054,694</u>	<u>\$ 5,337,025</u>

Financial assets carried at fair value as of December 31, 2022 are classified in the table as follows:

	<u>Level 1</u>	<u>Total</u>
Investments Carried at Fair Value		
Bonds	\$ 2,272,642	\$ 2,272,642
Equity securities	1,028,560	1,028,560
Mutual funds	<u>140,877</u>	<u>140,877</u>
Total	3,442,079	3,442,079
Cash	-	8,650
Investments measured at net asset value:		
Other	<u>-</u>	<u>1,401,382</u>
Total investments	<u>\$ 3,442,079</u>	<u>\$ 4,852,111</u>

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
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NOTE 5 – CAPITALIZED PROJECT COSTS

Capitalized project costs consist of the following at December 31:

	2023	2022
Islip IX - Brentwood (a)	\$ 108,681	\$ 86,990
Rebuild Long Island (b)	2,631,940	1,881,801
Brookhaven Scattered Sites (c)	733,095	290,802
Suffolk County Scattered Sites (d)	694,784	485,396
Other (e)	133,992	124,889
Total	\$ 4,302,492	\$ 2,869,878

- (a) **Islip IX - Brentwood** - NSPHDFC has eleven homes being constructed on scattered sites in Brentwood. The properties were transferred to NSPHDFC from the Islip Community Development Agency who received the properties from Suffolk County through the 72-H program. Funding is being provided by the New York State Affordable Housing Corporation ("NYS AHC") and additional funding is being provided through the Federal HOME Investment Partnership Program ("HOME").
- (b) **Rebuild Long Island** - NSPHDFC acquired nine and fourteen homes from New York State in 2017 and 2016, respectively, which were damaged by Hurricane Sandy. NSPHDFC was awarded both public and private grants to construct and transfer homes on these properties to eligible home buyers. In 2023, multiple Rebuild LI homes were under construction.
- (c) **Brookhaven Scattered Sites** - This program consists of fifteen affordable units on scattered sites within the hamlets of Bellport and East Patchogue in the Township of Brookhaven. All of these homes will be sold to persons earning at or below 80% of the Area Median Income ("AMI"). LIPHDFC and LIPCDC will develop all the units. It is anticipated that NYS AHC funding will be utilized, as well as Federal HOME funds. In 2023, construction was completed on and the Organization sold two homes.
- (d) **Suffolk County Scattered Sites** - This program consists of fifteen affordable homes on scattered sites in the Townships of Babylon, Brookhaven and Smithtown. All of these homes will be sold to persons earning at or below 80% of the AMI. LIPHDFC and LIPCDC will develop all the units. It is anticipated that NYS AHC funding will be utilized, as well as Federal HOME funds. One home was rebuilt and closed during 2023.
- (e) **Other** - Includes predevelopment costs, principally for several Partnerships for New Homes Programs, including North Bellport V, and Suffolk County Land Bank ("SCLB"). Rehabilitation was completed on one SCLB property that sold in 2023.

NOTE 6 – PROPERTY AND EQUIPMENT, NET

Property and equipment, net consist of the following as of December 31:

	2023	2022
Furniture and equipment	\$ 308,119	\$ 300,777
Leasehold improvements	335,472	335,472
Computer software	286,003	214,284
	929,594	850,533
Less: accumulated depreciation and amortization	(788,873)	(679,640)
Total	\$ 140,721	\$ 170,893

For the years ended December 31, 2023 and 2022, depreciation and amortization expenses amounted to \$109,233 and \$99,493, respectively.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
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NOTE 6 – PROPERTY AND EQUIPMENT, NET (Continued)

During the year ended December 31, 2022, the Organization disposed of furniture and equipment, leasehold improvements and computer with a cost of \$204,919 and accumulated depreciation of \$195,151, and recognized a loss on disposal of property and equipment of \$9,768 in the accompanying combined statement of activities for the year ended December 31, 2022.

NOTE 7 – FUNDS HELD AS PROGRAM AGENT

The Organization holds funds which will be paid out to beneficiaries participating in the respective programs. Funds held as program agent consist of the following at December 31:

	2023	2022
Smart Growth Development and Community Stabilization Program ("HELP Phase II")	\$ 753,741	\$ 883,741
Homeownership and Economic Stabilization for Long Island Program ("HELP Phase I")	488,750	424,750
Nassau County Down Payment Assistance Program	185,333	180,031
Long Island Down Payment and Rehabilitation Program	77,100	-
Employer Assisted Housing Program	-	9,727
New York State Affordable Housing Corporation Home Improvement Program ("NYS AHC HIP")	118,512	39,067
	\$ 1,623,436	\$ 1,537,316
Total		

NOTE 8 – PROJECT GRANT ADVANCES

Project grant advances are funds received from various funding sources for which the related project services have not yet been completed. Project grant advances consist of the following at December 31:

	2023	2022
Governmental:		
State of New York Mortgage Agency ("SONYMA")	\$ 5,034	\$ 5,034
State of New York Mortgage Agency ("SONYMA")-Community Restoration Fund ("CRF")	75,017	200,000
Housing Stability Counseling Program ("HSCP")	-	65,864
Homeowner Protection Program ("HOPP")	45,911	39,782
	\$ 125,962	\$ 310,680
Governmental total		
Private:		
Community Land Trust - Rebuild Long Island	\$ 818,246	\$ 818,246
Community Land Trust - Scattered sites	1,604,380	1,873,699
North Bellport V	48,847	70,407
Others	72,963	61,593
	\$ 2,544,436	\$ 2,823,945
Private total		

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
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NOTE 9 – LINES OF CREDIT

In December 2014, CDFI closed on a three-year, unsecured revolving line of credit agreement with a bank in the amount of \$1,000,000, guaranteed by NSPHDFC. The maturity date was subsequently extended to January 23, 2025. The line will be used as capital to fund anticipated CDFI pre-development loans on affordable housing projects controlled by the Organization. Borrowings on the line accrue interest at an annual fixed rate of 2% and interest expense amounted to approximately \$5,100 and \$6,100 in 2023 and 2022, respectively. At both December 31, 2023 and 2022, there was \$250,000 outstanding on the line.

In December 2017, CDFI closed on a five-year line of credit in the amount of \$1,000,000, guaranteed by LIHP. The line is used as capital to fund anticipated CDFI pre-development loans on affordable housing projects controlled by the Organization. The line of credit matured on April 1, 2023 and was renewed for an additional five years in the amount of \$1,000,000 and a fixed interest rate of 4%.

NOTE 10 – LEASES

The Organization leases office space expiring on July 31, 2028 and other various operating and finance leases through March 2027.

As of December 31, 2023, the finance lease Right-of-Use (“ROU”) asset had a balance of \$41,320 and the operating lease ROU asset had a balance of \$516,357, as shown in the combined statement of financial position; the finance lease liability totaled \$36,506 and the operating lease liability totaled \$525,394 as shown in the combined statement of financial position. The ROU asset and lease liability were calculated using utilizing discount rates of 0.4%-4.66%.

As of December 31, 2022, the finance lease ROU asset had a balance of \$22,637 and the operating lease ROU asset had a balance of \$630,432, as shown in the combined statement of financial position; the finance lease liability totaled \$19,592 and the operating lease liability totaled \$630,432 as shown in the combined statement of financial position. The ROU asset and lease liability were calculated using utilizing discount rates of 0.4%-4.02%.

Total operating lease costs for the years ended December 31, 2023 and 2022 were \$136,643 and \$99,920, respectively. Total cash paid by the Organization in the determination of the operating lease liability was \$105,038 and \$106,489 for the years ended December 31, 2023 and 2022, respectively.

Total finance lease costs consist of the following for the years ended December 31:

	2023	2022
Amortization expense	\$ 14,270	\$ 10,846
Interest expense	690	304
Total lease cost	\$ 14,960	\$ 11,150
Weighted average remaining lease term	4.3 years	5.2 years
Weighted average discount rate	3.9%	3.8%

Future minimum rental payments under these leases for the years ending subsequent to December 31, 2023 are as follows:

	2024	\$ 148,254
	2025	144,702
	2026	126,443
	2027	122,095
	2028	70,888
		612,382
Less: Present value discount		(50,482)
Present value of lease liability		\$ 561,900

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 11 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The Organization is subject to lawsuits and claims with respect to matters arising in the normal course of business. All claims have been forwarded to the insurance carriers' counsel for disposition. In the opinion of management, the ultimate liabilities, if any, from these lawsuits and claims will not materially affect the combined financial position of the Organization. Nevertheless, due to the uncertainty of the settlement process, management's view of the outcome may be modified in the future.

B. Notes and Mortgages

In December 2008, the Town of Islip Community Development Agency ("TOICDA") transferred to NSPHDFC nine parcels of land, in consideration of a nominal fee, for the construction of affordable homes in the Town of Islip. In connection therewith, NSPHDFC entered into nine separate non-interest-bearing grant enforcement non-recourse notes payable and mortgage agreements with TOICDA (collateralized by the land) in the aggregate amount of \$1,065,000. At closings, when the homes are transferred to eligible home buyers, the related grant enforcement notes payable and mortgage agreements will be cancelled. The eligible home buyers will concurrently enter into replacement grant enforcement notes payable and mortgage agreements with TOICDA, in an amount representing the recapture obligation, as defined by TOICDA. If NSPHDFC does not construct homes on the land, the parcels revert to TOICDA and the notes will be satisfied and the mortgages released. At December 31, 2023, \$865,000 of the notes payable and mortgage agreements in connection with eight of the nine parcels were cancelled, as these parcels and the constructed homes were transferred to eligible home buyers. The combined financial statements at December 31, 2023 and 2022 do not include the land or notes payable, as the notes payable represent the recapture obligation, which is cancelled upon transfer of homes by NSPHDFC to the eligible home buyers.

C. Recapture Commitments

Highland Green Project ("HG Project")

LIHP established HGHDFC, a not-for-profit affiliate in connection with the HG Project, a 118-unit affordable limited-equity cooperative complex in Suffolk County. In December 2014, HGR LLC and a third-party co-developer closed on the real property purchase and related construction and subsidy financing. Pursuant to a Declaration of Interest and Nominee Agreement between HGR LLC and HGHDFC, HGHDFC holds title to the property solely as a nominee for HGR LLC, but holds no equitable, beneficial or other interest in the property acquired.

HGHDFC received \$2,140,200 in NYS AHC funds which were subsequently loaned to the HG Project's beneficial owner, HGR LLC, during the construction period. These funds are subject to recapture and repayment to NYS AHC upon the later of the qualified use period, or thirty years after the date of conversion of the HG Project to permanent financing.

HGHDFC also received \$1,000,000 in HELP Phase II funds, which was disbursed incrementally upon the sale of each unit to eligible home buyers. At December 31, 2017, all HELP Phase II funds were disbursed upon transfer of the last HG Project unit. All funds are subject to recapture upon the sale, rental, or refinancing of the home, or upon the home buyer's failure to occupy the home as a principal residence.

Similar to other recapture obligations disclosed herein, the amounts disbursed in connection with the HG Project are not recorded in the accompanying combined financial statements until such recapture is determined to be probable.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 11 – COMMITMENTS AND CONTINGENCIES (Continued)

C. Recapture Commitments (Continued)

Employer Assisted Housing Program ("EAHP")

EAHP assists Long Island businesses to recruit and retain qualified employees by providing financial assistance and housing counseling to eligible employees. Multiple grants were awarded by the NYS AHC to assist these employees by providing down payment assistance of \$9,000 or \$14,000 and rehabilitation funds up to \$14,000 or \$24,000 to eligible participants, depending on household income and program guidelines. At December 31, 2023 and 2022, funds advanced under the program aggregated approximately \$11,062,000 and \$10,976,000, respectively, and are subject to recapture.

Homeownership and Economic Stabilization for Long Island Program ("HELP Phase I")

In October 2006, LIHP was awarded a New York Economic Development Capital Program ("NYEDCP") grant of \$25,000,000 to administer the HELP Phase I program. Funds advanced under either component of the HELP Phase I program are subject to recapture over the grant period upon the sale, rental, or refinancing of the home or upon the failure to occupy the home as a principal residence. At December 31, 2023 and 2022, funds advanced under the program, aggregated approximately \$23,191,000 and \$23,255,000, respectively.

The HELP Phase I program has two components:

Employer Assisted Housing Program

An employer with one or more non-related employees who has or creates a recognized housing assistance benefit program as part of an employee benefit package may receive matching funds from HELP for each of their qualified employees. The Employer Assisted Housing portion of the HELP Phase I Program ended in 2018.

Smart Growth Development Assistance for Workforce Housing Program

Any developer building five or more workforce homes in downtown areas, hamlet centers, or redeveloped properties using "Smart Growth" principles can obtain a grant of up to \$25,000 (per home).

HELP Phase II Smart Growth Development and Community Stabilization Program ("HELP Phase II")

In April 2008, LIHP was awarded a grant of \$6,000,000 for this program as a component of the existing HELP program, through a Memorandum of Understanding with the New York State Housing Finance Agency ("HFA"). Funds advanced under HELP Phase II are subject to a recapture provision in the event of sale, refinance or failure to occupy the home as a principal residence. Grants of up to \$50,000 are given for community stabilization projects, providing qualified applicants with down payment assistance, as well as funds for the rehabilitation of homes purchased. Grants of \$25,000 per home are available for qualified applicants purchasing homes within a smart growth development. At December 31, 2023 and 2022, funds disbursed under the program aggregated approximately \$4,741,000 and \$4,611,000, respectively, and are subject to recapture.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 11 – COMMITMENTS AND CONTINGENCIES (Continued)

D. Income Taxes

LHP and its affiliated entities, LIPHDFC, NSPHDFC, LIPCDC, CDDRC, CDFI and LIPCLTHDFC are not-for-profit organizations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and qualify as not-for-profit organizations under New York State law. No provision for federal or state income taxes is required.

HGHDFC, LISCHBW and LISHML are for-profit corporations. Provisions for federal and state income taxes have been included in management and general expenses in the combined financial statements.

The Organization believes it has no uncertain tax positions as of December 31, 2023 and 2022 in accordance with FASB ASC Topic 740, *Income Taxes*, which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 12 – NET ASSETS

Net Assets Without Donor Restrictions – Board Designated

Net assets without donor restrictions consist of net assets designated by the Board of Directors for operating and capital reserves. These funds can be drawn upon in the event of financial distress or an immediate liquidity need. The balance of operating and capital reserves totaled approximately \$5,322,000 and \$4,837,000 at December 31, 2023 and 2022, respectively.

Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at December 31:

	2023	2022
Purpose-restricted:		
Home Ownership Development, Education and Training Programs	\$ 593,251	\$ 630,146
HEMAP Program - Gap Mortgage Payment Assistance (a)	453,252	453,252
Total purpose-restricted	1,046,503	1,083,398
Restricted in perpetuity:		
Subject to spending policy and appropriation:		
Donated land (b)	1,265,696	1,083,907
General use (c)	15,500	15,500
Total restricted in perpetuity	1,281,196	1,099,407
Total net assets with donor restrictions	\$ 2,327,699	\$ 2,182,805

(a) The Home Emergency Mortgage Assistance Program (“HEMAP”) provides gap mortgage payment assistance to homeowners (not to exceed \$20,000 to a qualified applicant) who have suffered financial hardship beyond their control. The HEMAP shall utilize at least 80% of the funds to provide short-term revolving loans to qualified applicants, and for the remaining 20% of the funds, the program may issue soft mortgages to qualified applicants (so that applicants may avoid foreclosure). Funds advanced under the program are subject to recapture upon the sale, rental, or refinancing of the home or upon the failure to occupy the home as a principal residence. Funds advanced under the program aggregated approximately \$47,000 at both December 31, 2023 and 2022.

(b) Donated land represents land received from various municipalities held by LIPCLTHDFC and restricted in perpetuity for affordable housing purposes.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 12 – NET ASSETS (Continued)

Net Assets With Donor Restrictions (Continued)

(c) Amounts restricted in perpetuity consist of funds established by donors to provide income to support general operations, once appropriated for expenditures.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Satisfaction of purpose restrictions:		
Home Ownership Development, Education, and Training Programs	<u>\$ 251,600</u>	<u>\$ 39,598</u>

NOTE 13 – PENSION PLAN

Effective January 1, 2011, LIHP established a 403(b) Thrift Plan (the "Plan"). All employees with at least six months of continuous service, who are at least 21 years of age, are eligible to participate. Benefits are fully vested after three years. The Plan provides for a matching contribution up to 4% of salary, and an additional discretionary non-matching annual contribution, as approved by the Board of Directors. In 2023 and 2022, LIHP contributed 3% of participants' salaries in discretionary contributions in the amounts of approximately \$57,500 and \$65,000, respectively.

NOTE 14 – CONCENTRATION

Deposit concentration risk is managed by placing cash and money market accounts with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed federally-insured limits. To date, the Organization has not experienced losses in any of these accounts. Investments consist of diversified investment vehicles, managed by an investment manager, whose performance is monitored by management and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on an annual basis, management and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Cash and cash equivalents that potentially subject the Organization to a concentration of credit risk include cash accounts with a financial institution that exceeded the Federal Deposit Insurance Corporation ("FDIC") insurance limits of \$250,000 by approximately \$3,510,000 and \$4,811,000 as of December 31, 2023 and 2022, respectively.

NOTE 15 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the combined statement of financial position through May 23, 2024, the date the combined financial statements were available to be issued.

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINING STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023

	Long Island Housing Partnership, Inc. and Subsidiaries	Long Island Partnership Housing Development Fund Company, Inc.	Nassau/Suffolk Partnership Housing Development Fund Company, Inc.	Long Island Partnership Community Development Corporation	Community Development and Disaster Relief Corporation	Long Island Housing Partnership Community Development Financial Institution, Inc.	HG Housing Development Fund Company, Inc.	Long Island Partnership CLT Housing Development Fund Company, Inc.	Eliminations	2023 Combined
ASSETS										
Current Assets										
Cash and cash equivalents	\$ 2,424,749	\$ 502,326	\$ 464,747	\$ 14,118	\$ 5,001	\$ 915,972	\$ -	\$ 576,572	\$ -	\$ 4,903,485
Current portion of funds held as program agent	522,343	-	-	-	-	-	-	-	-	522,343
Accounts receivable, net	697,796	-	-	-	-	420	-	3,500	-	701,716
Due (to) from affiliates	(2,521,068)	708,253	549,287	(103,077)	(9,762)	53,476	(17,414)	1,340,305	-	-
Prepaid expenses and other	39,127	-	16,582	-	-	-	-	5,770	-	61,479
Current portion of notes receivable	-	-	-	-	-	450,000	-	-	-	450,000
Investments	5,337,025	-	-	-	-	-	-	-	-	5,337,025
Total current assets	6,499,972	1,210,579	1,030,616	(88,959)	(4,761)	1,419,868	(17,414)	1,926,147	-	11,976,048
Funds held as program agent	1,101,093	-	-	-	-	-	-	-	-	1,101,093
Notes receivable	-	-	-	-	-	3,483	-	-	-	3,483
Finance lease right-of-use asset	41,320	-	-	-	-	-	-	-	-	41,320
Operating lease right-of-use asset	516,357	-	-	-	-	-	-	-	-	516,357
Capitalized project costs	32,468	1,528,795	2,740,621	514	-	-	-	94	-	4,302,492
Property and equipment, net	140,721	-	-	-	-	-	-	-	-	140,721
Donated land	-	64,448	-	-	-	-	-	1,201,247	-	1,265,695
TOTAL ASSETS	\$ 8,331,931	\$ 2,803,822	\$ 3,771,237	\$ (88,445)	\$ (4,761)	\$ 1,423,351	\$ (17,414)	\$ 3,127,488	\$ -	\$ 19,347,209
LIABILITIES										
Current Liabilities										
Accounts payable and accrued expenses	\$ 724,361	\$ 81,951	\$ 23,712	\$ 73	\$ -	\$ 100	\$ -	\$ 224,081	\$ -	\$ 1,054,278
Current portion of deferred revenue	53,707	-	-	-	-	-	-	-	-	53,707
Current portion of project grant advances - governmental	45,911	-	-	-	-	75,017	-	-	-	120,928
Current portion of project grant advances - private	194,016	-	-	-	-	-	-	1,233,959	-	1,427,975
Current portion of construction and land trust reserves	-	-	-	-	-	-	-	33,000	-	33,000
Lines of credit	-	-	-	-	-	250,000	-	-	-	250,000
Current portion of funds held as program agent	522,343	-	-	-	-	-	-	-	-	522,343
Current portion of finance lease liability	15,572	-	-	-	-	-	-	-	-	15,572
Current portion of operating lease liability	132,682	-	-	-	-	-	-	-	-	132,682
Total current liabilities	1,688,592	81,951	23,712	73	-	325,117	-	1,491,040	-	3,610,485
Deferred revenue	58,417	-	-	-	-	-	-	-	-	58,417
Project grant advances - governmental	5,034	-	-	-	-	-	-	-	-	5,034
Project grant advances - private	257,587	-	-	-	-	-	-	858,874	-	1,116,461
Construction and land trust reserves	-	-	69,000	-	-	-	-	173,799	-	242,799
Funds held as program agent	1,101,093	-	-	-	-	-	-	-	-	1,101,093
Finance lease liability	20,934	-	-	-	-	-	-	-	-	20,934
Operating lease liability	392,712	-	-	-	-	-	-	-	-	392,712
TOTAL LIABILITIES	3,524,369	81,951	92,712	73	-	325,117	-	2,523,713	-	6,547,935
Without donor restrictions:										
Undesignated	3,172,249	2,088,099	(153,059)	(88,518)	(4,761)	1,098,234	(17,414)	(944,780)	-	5,150,050
Board-designated for operating and capital reserves	856,169	633,772	3,831,584	-	-	-	-	-	-	5,321,525
	<u>4,028,418</u>	<u>2,721,871</u>	<u>3,678,525</u>	<u>(88,518)</u>	<u>(4,761)</u>	<u>1,098,234</u>	<u>(17,414)</u>	<u>(944,780)</u>	<u>-</u>	<u>10,471,575</u>
With donor restrictions:										
Purpose-restricted	763,644	-	-	-	-	-	-	282,859	-	1,046,503
Restricted in perpetuity	15,500	-	-	-	-	-	-	1,265,696	-	1,281,196
	<u>779,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,548,555</u>	<u>-</u>	<u>2,327,699</u>
TOTAL NET ASSETS (DEFICIT)	4,807,562	2,721,871	3,678,525	(88,518)	(4,761)	1,098,234	(17,414)	603,775	-	12,799,274
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ 8,331,931	\$ 2,803,822	\$ 3,771,237	\$ (88,445)	\$ (4,761)	\$ 1,423,351	\$ (17,414)	\$ 3,127,488	\$ -	\$ 19,347,209

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINING STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022

	Long Island Housing Partnership, Inc., and Subsidiaries	Long Island Partnership Housing Development Fund Company, Inc.	Nassau/Suffolk Partnership Housing Development Fund Company, Inc.	Long Island Partnership Community Development Corporation	Community Development and Disaster Relief Corporation	Long Island Housing Partnership Community Development Financial Institution, Inc.	HG Housing Development Fund Company, Inc.	Long Island Partnership CLT Housing Development Fund Company, Inc.	Eliminations	2022 Combined
ASSETS										
Current Assets										
Cash and cash equivalents	\$ 2,328,784	\$ 505,943	\$ 459,469	\$ 14,118	\$ 5,001	\$ 975,882	\$ -	\$ 2,210,263	\$ -	\$ 6,499,460
Current portion of funds held as program agent	424,687	-	-	-	-	-	-	-	-	424,687
Accounts receivable, net	1,665,985	-	-	-	-	31,462	-	5,200	-	1,702,647
Due (to) from affiliates	(2,507,815)	1,431,044	1,288,467	(100,704)	(9,762)	83,558	(15,414)	(169,374)	-	-
Prepaid expenses and other	61,323	-	20,936	-	-	-	-	4,966	-	87,225
Current portion of notes receivable	-	-	-	-	-	250,000	-	-	-	250,000
Investments	4,852,111	-	-	-	-	-	-	-	-	4,852,111
Total current assets	6,825,075	1,936,987	1,768,872	(86,586)	(4,761)	1,340,902	(15,414)	2,051,055	-	13,816,130
Funds held as program agent	1,112,629	-	-	-	-	-	-	-	-	1,112,629
Notes receivable	-	-	-	-	-	3,483	-	-	-	3,483
Finance lease right-of-use asset	22,637	-	-	-	-	-	-	-	-	22,637
Operating lease right-of-use asset	630,432	-	-	-	-	-	-	-	-	630,432
Capitalized project costs	23,386	877,684	1,968,808	-	-	-	-	-	-	2,869,878
Property and equipment, net	170,893	-	-	-	-	-	-	-	-	170,893
Donated land	-	-	-	-	-	-	-	1,083,907	-	1,083,907
TOTAL ASSETS	\$ 8,785,052	\$ 2,814,671	\$ 3,737,680	\$ (86,586)	\$ (4,761)	\$ 1,344,385	\$ (15,414)	\$ 3,134,962	\$ -	\$ 19,709,989
LIABILITIES										
Current Liabilities										
Accounts payable and accrued expenses	\$ 849,162	\$ 122,846	\$ 22,272	\$ 1,907	\$ -	\$ 3,600	\$ 2,000	\$ 235,420	\$ -	\$ 1,237,207
Current portion of deferred revenue	41,959	-	-	-	-	-	-	-	-	41,959
Current portion of project grant advances - governmental	110,680	-	-	-	-	200,000	-	-	-	310,680
Current portion of project grant advances - private	119,601	-	-	-	-	-	-	1,061,875	-	1,181,476
Lines of credit	-	-	-	-	-	250,000	-	-	-	250,000
Current portion of funds held as program agent	424,687	-	-	-	-	-	-	-	-	424,687
Current portion of finance lease liability	10,800	-	-	-	-	-	-	-	-	10,800
Current portion of operating lease liability	105,176	-	-	-	-	-	-	-	-	105,176
Total current liabilities	1,662,065	122,846	22,272	1,907	-	453,600	2,000	1,297,295	-	3,561,985
Deferred revenue	69,833	-	-	-	-	-	-	-	-	69,833
Paycheck Protection Program loan payable	-	-	-	-	-	-	-	-	-	-
Project grant advances - governmental	-	-	-	-	-	-	-	-	-	-
Project grant advances - private	355,925	-	-	-	-	-	-	1,286,544	-	1,642,469
Construction and land trust reserves	-	-	69,000	-	-	-	-	134,999	-	203,999
Funds held as program agent	1,112,629	-	-	-	-	-	-	-	-	1,112,629
Current portion of finance lease liability	8,792	-	-	-	-	-	-	-	-	8,792
Current portion of operating lease liability	525,256	-	-	-	-	-	-	-	-	525,256
TOTAL LIABILITIES	3,734,500	122,846	91,272	1,907	-	453,600	2,000	2,718,838	-	7,124,963
Without donor restrictions:										
Undesignated	3,457,542	2,115,637	162,956	(88,493)	(4,761)	890,785	(17,414)	(950,642)	-	5,565,610
Board-designated for operating and capital reserves	776,971	576,188	3,483,452	-	-	-	-	-	-	4,836,611
	4,234,513	2,691,825	3,646,408	(88,493)	(4,761)	890,785	(17,414)	(950,642)	-	10,402,221
With donor restrictions:										
Purpose-restricted	800,539	-	-	-	-	-	-	282,859	-	1,083,398
Restricted in perpetuity	15,500	-	-	-	-	-	-	1,083,907	-	1,099,407
	816,039	-	-	-	-	-	-	1,366,766	-	2,182,805
TOTAL NET ASSETS (DEFICIT)	5,050,552	2,691,825	3,646,408	(88,493)	(4,761)	890,785	(17,414)	416,124	-	12,585,026
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ 8,785,052	\$ 2,814,671	\$ 3,737,680	\$ (86,586)	\$ (4,761)	\$ 1,344,385	\$ (15,414)	\$ 3,134,962	\$ -	\$ 19,709,989

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Long Island Housing Partnership, Inc. and Subsidiaries	Long Island Partnership Housing Development Fund Company, Inc.	Nassau/Suffolk Partnership Housing Development Fund Company, Inc.	Long Island Partnership Community Development Corporation	Community Development and Disaster Relief Corporation	Long Island Housing Partnership Community Development Financial Institution, Inc.	HG Housing Development Fund Company, Inc.	Long Island Partnership CLT Housing Development Fund Company, Inc.	Eliminations	2023 Combined
CHANGES IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS										
Support and Revenue:										
Receipts and government grants from transfer of homes	\$ -	\$ 1,203,280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,260,087	\$ 1,203,280	\$ 1,260,087
Government grants	1,923,988	4,370	-	-	-	-	-	-	-	1,928,358
Private grants	323,952	21,561	-	-	-	-	-	13,184	-	358,697
Contributions of cash and other financial assets	50,539	-	-	-	-	-	-	-	-	50,539
Contributions of nonfinancial assets	19,272	-	-	-	-	-	-	2,958	-	22,230
Special events (net of direct expenses of \$35,860)	50,890	-	-	-	-	-	-	-	-	50,890
Mortgage counseling	100,543	-	-	-	-	-	-	-	-	100,543
Technical assistance	708,979	-	-	-	-	-	-	-	-	708,979
Interest	6,838	9,666	3,266	-	-	23,347	-	-	-	43,117
Other income	269,287	-	-	-	-	-	-	56,165	-	325,452
Reimbursement from affiliates	594,197	-	-	-	-	-	-	-	594,197	-
Net assets released from donor restrictions	51,600	-	-	-	-	200,000	-	-	-	251,600
Total support and revenue	<u>4,100,085</u>	<u>1,238,877</u>	<u>3,266</u>	<u>-</u>	<u>-</u>	<u>223,347</u>	<u>-</u>	<u>1,332,394</u>	<u>1,797,477</u>	<u>5,100,492</u>
Expenses:										
Program services:										
Development	278,676	1,083,150	135,658	-	-	-	-	1,292,923	1,445,948	1,344,459
Counseling and education	471,337	-	-	-	-	-	-	-	-	471,337
Technical assistance	332,098	-	-	-	-	-	-	-	-	332,098
COVID-related programs	1,147,664	-	-	-	-	-	-	-	-	1,147,664
Other	596,311	-	-	-	-	13,709	-	-	6,140	603,880
Total program services	<u>2,826,086</u>	<u>1,083,150</u>	<u>135,658</u>	<u>-</u>	<u>-</u>	<u>13,709</u>	<u>-</u>	<u>1,292,923</u>	<u>1,452,088</u>	<u>3,899,438</u>
Supporting services:										
Management and general	1,450,812	183,265	183,623	25	-	2,189	-	33,608	345,389	1,508,133
Fundraising	108,480	-	-	-	-	-	-	-	-	108,480
Total expenses	<u>4,385,378</u>	<u>1,266,415</u>	<u>319,281</u>	<u>25</u>	<u>-</u>	<u>15,898</u>	<u>-</u>	<u>1,326,531</u>	<u>1,797,477</u>	<u>5,516,051</u>
CHANGES IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS BEFORE INVESTMENT ACTIVITIES	<u>(285,293)</u>	<u>(27,538)</u>	<u>(316,015)</u>	<u>(25)</u>	<u>-</u>	<u>207,449</u>	<u>-</u>	<u>5,863</u>	<u>-</u>	<u>(415,559)</u>
Investment interest and dividends, net of expenses	19,052	13,853	83,748	-	-	-	-	-	-	116,653
Realized and unrealized gains	60,146	43,731	264,384	-	-	-	-	-	-	368,261
Net investment return	79,198	57,584	348,132	-	-	-	-	-	-	484,914
CHANGES IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS	<u>(206,095)</u>	<u>30,046</u>	<u>32,117</u>	<u>(25)</u>	<u>-</u>	<u>207,449</u>	<u>-</u>	<u>5,863</u>	<u>-</u>	<u>69,355</u>
CHANGES IN NET ASSETS (DEFICIT) WITH DONOR RESTRICTIONS										
Contributions of nonfinancial assets	-	-	-	-	-	-	-	181,788	-	181,788
Government grants	-	-	-	-	-	200,000	-	-	-	200,000
Private grants	14,705	-	-	-	-	-	-	-	-	14,705
Net assets released from donor restrictions	(51,600)	-	-	-	-	(200,000)	-	-	-	(251,600)
CHANGES IN NET ASSETS (DEFICIT) WITH DONOR RESTRICTIONS	<u>(36,895)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,788</u>	<u>-</u>	<u>144,893</u>
TOTAL CHANGES IN NET ASSETS (DEFICIT)	<u>(242,990)</u>	<u>30,046</u>	<u>32,117</u>	<u>(25)</u>	<u>-</u>	<u>207,449</u>	<u>-</u>	<u>187,651</u>	<u>-</u>	<u>214,248</u>
Net Assets (Deficit), Beginning of Year	5,050,552	2,691,825	3,646,408	(88,493)	(4,761)	890,785	(17,414)	416,124	-	12,585,026
NET ASSETS (DEFICIT) - END OF YEAR	<u>\$ 4,807,562</u>	<u>\$ 2,721,871</u>	<u>\$ 3,678,525</u>	<u>\$ (88,518)</u>	<u>\$ (4,761)</u>	<u>\$ 1,098,234</u>	<u>\$ (17,414)</u>	<u>\$ 603,775</u>	<u>\$ -</u>	<u>\$ 12,799,274</u>

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Long Island Partnership, Inc., and Subsidiaries	Long Island Partnership Housing Development Fund Company, Inc.	Nassau/Suffolk Partnership Housing Development Fund Company, Inc.	Long Island Partnership Community Development Corporation	Community Development and Disaster Relief Corporation	Long Island Housing Partnership Community Development Financial Institution, Inc.	HG Housing Development Fund Company, Inc.	Long Island Partnership CLT Housing Development Fund Company, Inc.	Eliminations	2022 Combined
CHANGES IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS										
Support and Revenue:										
Receipts and government grants										
from transfer of homes	\$ -	\$ 1,607,580	\$ 878,820	\$ 391,060	\$ -	\$ -	\$ -	\$ 3,127,179	\$ 2,859,960	\$ 3,144,679
Government grants	3,185,138	17,480	21,582	-	-	30,000	-	-	-	3,254,200
Private grants	319,097	21,237	-	4,370	-	-	-	4,338	-	349,042
Contributions of cash and other financial assets	49,737	-	-	-	-	-	-	-	-	49,737
Contributions of nonfinancial assets	60,346	-	-	-	-	-	-	100,223	-	160,569
Special events (net of direct expenses of \$26,030)	72,920	-	-	-	-	-	-	-	-	72,920
Mortgage counseling	150,746	-	-	-	-	-	-	-	-	150,746
Technical assistance	627,143	-	-	-	-	-	-	-	-	627,143
Interest	11,119	4,126	682	-	-	14,511	-	-	-	30,438
Other income	334,715	-	-	-	-	-	29,852	-	-	364,567
Loss on disposal of fixed assets	(9,768)	-	-	-	-	-	-	-	-	(9,768)
Reimbursement from affiliates	504,803	-	-	-	-	-	-	-	504,803	-
Net assets released from donor restrictions	9,598	-	6,072	-	-	-	-	30,000	6,072	39,598
Total support and revenue	<u>5,315,594</u>	<u>1,650,423</u>	<u>907,156</u>	<u>395,430</u>	<u>-</u>	<u>44,511</u>	<u>-</u>	<u>3,291,592</u>	<u>3,370,835</u>	<u>8,233,871</u>
Expenses:										
Program services:										
Development	473,961	1,175,603	784,307	290,490	-	-	-	3,418,507	3,119,187	3,023,681
Counseling and education	435,413	-	-	-	-	-	-	-	-	435,413
Technical assistance	293,283	-	-	-	-	-	-	-	-	293,283
COVID-related programs	2,130,481	-	-	-	-	-	-	-	-	2,130,481
Other	426,602	-	-	-	-	11,098	-	-	4,997	432,703
Total program services	3,759,740	1,175,603	784,307	290,490	-	11,098	-	3,418,507	3,124,184	6,315,561
Supporting services:										
Management and general	1,368,940	75,355	120,344	8,763	-	3,083	2,000	81,038	240,579	1,418,944
Fundraising	142,847	-	-	-	-	-	-	-	-	142,847
Distribution to Beneficiaries	6,072	-	-	-	-	-	-	-	6,072	-
Total expenses	5,277,599	1,250,958	904,651	299,253	-	14,181	2,000	3,499,545	3,370,835	7,877,352
CHANGES IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS BEFORE INVESTMENT ACTIVITIES	<u>37,995</u>	<u>399,465</u>	<u>2,505</u>	<u>96,177</u>	<u>-</u>	<u>30,330</u>	<u>(2,000)</u>	<u>(207,953)</u>	<u>-</u>	<u>356,519</u>
Investment interest and dividends, net of expenses	31,838	23,149	139,952	-	-	-	-	-	-	194,939
Realized and unrealized losses	(165,442)	(120,289)	(727,232)	-	-	-	-	-	-	(1,012,963)
Net investment loss	(133,604)	(97,140)	(587,280)	-	-	-	-	-	-	(818,024)
CHANGES IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS	<u>(95,609)</u>	<u>302,325</u>	<u>(584,775)</u>	<u>96,177</u>	<u>-</u>	<u>30,330</u>	<u>(2,000)</u>	<u>(207,953)</u>	<u>-</u>	<u>(461,505)</u>
CHANGES IN NET ASSETS (DEFICIT) WITH DONOR RESTRICTIONS										
Donated land	-	-	-	-	-	-	-	450,604	-	450,604
Private grants	50,000	-	-	-	-	-	-	20,000	-	70,000
Interest in net assets of recipient	-	-	6,072	-	-	-	-	-	6,072	-
Net assets released from donor restrictions	(9,598)	-	(6,072)	-	-	-	-	(30,000)	(6,072)	(39,598)
CHANGES IN NET ASSETS (DEFICIT) WITH DONOR RESTRICTIONS	<u>40,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>440,604</u>	<u>-</u>	<u>481,006</u>
TOTAL CHANGES IN NET ASSETS (DEFICIT)	<u>(55,207)</u>	<u>302,325</u>	<u>(584,775)</u>	<u>96,177</u>	<u>-</u>	<u>30,330</u>	<u>(2,000)</u>	<u>232,651</u>	<u>-</u>	<u>19,501</u>
Net Assets (Deficit), Beginning of Year	5,105,759	2,389,500	4,231,183	(184,670)	(4,761)	860,455	(15,414)	183,473	-	12,565,525
NET ASSETS (DEFICIT) - END OF YEAR	<u>\$ 5,050,552</u>	<u>\$ 2,691,825</u>	<u>\$ 3,646,408</u>	<u>\$ (88,493)</u>	<u>\$ (4,761)</u>	<u>\$ 890,785</u>	<u>\$ (17,414)</u>	<u>\$ 416,124</u>	<u>\$ -</u>	<u>\$ 12,585,026</u>

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Long Island Housing Partnership, Inc., and Subsidiaries	Long Island Partnership Housing Development Fund Company, Inc.	Nassau/Suffolk Partnership Housing Development Fund Company, Inc.	Long Island Partnership Community Development Corporation	Community Development and Disaster Relief Corporation	Long Island Housing Partnership Community Development Financial Institution, Inc.	HG Housing Development Fund Company, Inc.	Long Island Partnership CLT Housing Development Fund Company, Inc.	Eliminations	Combined
Cash Flows from Operating Activities										
Changes in net assets (deficit)	\$ (242,990)	\$ 30,046	\$ 32,117	\$ (25)	\$ -	\$ 207,449	\$ -	\$ 187,651	\$ -	\$ 214,248
Adjustments to reconcile changes in net assets (deficit) to net cash provided by (used in) operating activities:										
Donated land	-	(64,448)	-	-	-	-	-	(117,340)	-	(181,788)
Lease amortization	14,270	-	-	-	-	-	-	-	-	14,270
Depreciation and amortization	109,233	-	-	-	-	-	-	-	-	109,233
Realized and unrealized gains	(368,261)	-	-	-	-	-	-	-	-	(368,261)
Non-cash adjustment on leases	112,864	-	-	-	-	-	-	-	-	112,864
Subtotal	(374,884)	(34,402)	32,117	(25)	-	207,449	-	70,311	-	(99,434)
Changes in operating assets and liabilities:										
(Increase) decrease in assets:										
Accounts receivable	968,189	-	-	-	-	31,042	-	1,700	-	1,000,931
Due (to) from affiliates	13,253	722,791	739,180	2,373	-	30,082	2,000	(1,509,679)	-	-
Prepaid expenses and other	22,196	-	4,354	-	-	-	-	(804)	-	25,746
Capitalized project costs	(9,082)	(651,111)	(771,813)	(514)	-	-	-	(94)	-	(1,432,614)
Increase (decrease) in liabilities:										
Accounts payable and accrued expenses	(124,801)	(40,895)	1,440	(1,834)	-	(3,500)	(2,000)	(11,339)	-	(182,929)
Deferred revenue	332	-	-	-	-	-	-	-	-	332
Project grant advances - governmental	(59,735)	-	-	-	-	(124,983)	-	-	-	(184,718)
Project grant advances - private	(23,923)	-	-	-	-	-	-	(255,586)	-	(279,509)
Construction reserve	-	-	-	-	-	-	-	71,800	-	71,800
Operating lease liability	(105,038)	-	-	-	-	-	-	-	-	(105,038)
Total adjustments	681,391	30,785	(26,839)	25	-	(67,359)	-	(1,704,002)	-	(1,085,999)
Net Cash Provided by (Used in) Operating Activities	<u>306,507</u>	<u>(3,617)</u>	<u>5,278</u>	<u>-</u>	<u>-</u>	<u>140,090</u>	<u>-</u>	<u>(1,633,691)</u>	<u>-</u>	<u>(1,185,433)</u>
Cash Flows from Investing Activities										
Purchases of investments	(3,673,046)	-	-	-	-	-	-	-	-	(3,673,046)
Sales of investments	3,556,393	-	-	-	-	-	-	-	-	3,556,393
Disbursements of notes receivable	-	-	-	-	-	(200,000)	-	-	-	(200,000)
Purchases of property and equipment	(79,061)	-	-	-	-	-	-	-	-	(79,061)
Net Cash Used In Investing Activities	<u>(195,714)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(395,714)</u>
Cash Flows from Financing Activities										
Repayment of principal portion of lease liability	(14,828)	-	-	-	-	-	-	-	-	(14,828)
Net Cash Used In Financing Activities	<u>(14,828)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,828)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	95,965	(3,617)	5,278	-	-	(59,910)	-	(1,633,691)	-	(1,595,975)
Cash and Cash Equivalents, Beginning of Year	2,328,784	505,943	459,469	14,118	5,001	975,882	-	2,210,263	-	6,499,460
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,424,749</u>	<u>\$ 502,326</u>	<u>\$ 464,747</u>	<u>\$ 14,118</u>	<u>\$ 5,001</u>	<u>\$ 915,972</u>	<u>\$ -</u>	<u>\$ 576,572</u>	<u>\$ -</u>	<u>\$ 4,903,485</u>

LONG ISLAND HOUSING PARTNERSHIP, INC. AND AFFILIATES
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Long Island Housing Partnership, Inc., and Subsidiaries	Long Island Partnership Housing Development Fund Company, Inc.	Nassau/Suffolk Partnership Housing Development Fund Company, Inc.	Long Island Partnership Community Development Corporation	Community Development and Disaster Relief Corporation	Long Island Housing Partnership Community Development Financial Institution, Inc.	HG Housing Development Fund Company, Inc.	Long Island Partnership CLT Housing Development Fund Company, Inc.	Eliminations	Combined
Cash Flows from Operating Activities										
Changes in net assets (deficit)	\$ (55,207)	\$ 302,325	\$ (584,775)	\$ 96,177	\$ -	\$ 30,330	\$ (2,000)	\$ 232,651	\$ -	\$ 19,501
Adjustments to reconcile changes in net assets (deficit) to net cash provided by (used in) operating activities:										
Donated land	-	-	-	-	-	-	-	(450,604)	-	(450,604)
Lease amortization	10,846	-	-	-	-	-	-	-	-	10,846
Depreciation and amortization	99,493	-	-	-	-	-	-	-	-	99,493
Realized and unrealized gains	1,012,963	-	-	-	-	-	-	-	-	1,012,963
Loss on disposal of fixed assets	9,768	-	-	-	-	-	-	-	-	9,768
Non-cash adjustment on leases	103,098	-	-	-	-	-	-	-	-	103,098
Subtotal	1,180,961	302,325	(584,775)	96,177	-	30,330	(2,000)	(217,953)	-	805,065
Changes in operating assets and liabilities:										
(Increase) decrease in assets:										
Accounts receivable	94,814	38,199	-	-	-	(31,042)	-	127,924	-	229,895
Due (to) from affiliates	(1,127,562)	(314,070)	879,692	(239,395)	-	4,864	3,526	792,945	-	-
Prepaid expenses and other	6,576	45	(19,652)	371	-	1,134	-	(4,873)	-	(16,399)
Capitalized project costs	8,276	(77,806)	(453,308)	141,720	-	-	-	150,593	-	(230,525)
Increase (decrease) in liabilities:										
Accounts payable and accrued expenses	5,238	75,234	2,165	1,127	-	2,068	(1,526)	217,744	-	302,050
Deferred revenue	(4,065)	-	-	-	-	-	-	-	-	(4,065)
Project grant advances - governmental	21,109	-	-	-	-	200,000	-	-	-	221,109
Project grant advances - private	(75,487)	-	-	-	-	-	-	499,830	-	424,343
Construction reserve	-	-	-	-	-	-	-	80,538	-	80,538
Operating lease liability	(106,489)	-	-	-	-	-	-	-	-	(106,489)
Total adjustments	(1,177,590)	(278,398)	408,897	(96,177)	-	177,024	2,000	1,864,701	-	900,457
Net Cash Provided by (Used in) Operating Activities	3,371	23,927	(175,878)	-	-	207,354	-	1,646,748	-	1,705,522
Cash Flows from Investing Activities										
Purchases of investments	(313,597)	-	-	-	-	-	-	-	-	(313,597)
Sales of investments	118,658	-	-	-	-	-	-	-	-	118,658
Purchases of fixed assets	(51,306)	-	-	-	-	-	-	-	-	(51,306)
Net Cash Used in Investing Activities	(246,245)	-	-	-	-	-	-	-	-	(246,245)
Cash Flows from Financing Activities										
Repayment of principal portion of lease liability	(10,500)	-	-	-	-	-	-	-	-	(10,500)
Repayments on loans payable	-	-	-	-	-	-	-	-	-	-
Net Cash Used in Financing Activities	(10,500)	-	-	-	-	-	-	-	-	(10,500)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(253,374)	23,927	(175,878)	-	-	207,354	-	1,646,748	-	1,448,777
Cash and Cash Equivalents, Beginning of Year	2,582,158	482,016	635,347	14,118	5,001	768,528	-	563,515	-	5,050,683
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,328,784	\$ 505,943	\$ 459,469	\$ 14,118	\$ 5,001	\$ 975,882	\$ -	\$ 2,210,263	\$ -	\$ 6,499,460