Comunilife, Inc. and Affiliates

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

Years Ended June 30, 2023 and 2022

COMUNILIFE, INC. AND AFFILIATES

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

YEARS ENDED JUNE 30, 2023 AND 2022

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INDEPENDENT AUDITORS' REPORT

The Board of Directors of
Comunilife, Inc. and Affiliates
New York, NY

Opinion

We have audited the consolidated financial statements of Comunilife, Inc. and Affiliates (collectively "Comunilife"), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Comunilife as of June 30, 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.

We did not audit the financial statements of the H.I.R.E. Housing Development Fund Corporation, a wholly owned subsidiary, which statements reflect total assets of 1% as of both June 30, 2023 and 2022, and total revenue and support constituting approximately 1%, of the related consolidated totals for the years then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for H.I.R.E. Housing Development Fund Corporation, is based solely on the reports of the other auditors.

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 Consolidated Financial Statements* section of our report. We are required to be independent of Comunilife 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.

Change in Accounting Principle

As discussed in Note 2R to the consolidated financial statements, Comunilife changed its method of accounting for leases as a result of the adoption of Accounting Standards Codification Topic 842, *Leases,* effective July 1, 2022, under the modified retrospective transition method. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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KRESTON GLOBAL

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating supplementary information (shown on pages 25-27) as of and for the year ended June 30, 2023, is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and the change in net assets of the individual organizations and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Mayer Hoffman McCann CPAs

New York, NY
November 30, 2023

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 2C and 14)	$ 21,694,314	$ 19,986,861
Investments (Notes 2Q, 5 and 6)	4,118,807	-
Grants and contracts receivable, net (Notes 2D and 2F)	11,615,603	12,261,068
Accounts receivable, net (Notes 2D and 2J)	3,788,534	1,899,810
Note receivable (Note 8)	83,674	79,499
Due from affiliated entities (Note 11)	457,379	1,172,980
Prepaid expenses and other current assets	402,625	389,004
Total current assets	42,160,936	35,789,222
Noncurrent Assets		
Note receivable (Note 8)	1,050,180	1,133,854
Restricted deposits and funded reserves (Notes 2E and 7)	7,384,142	7,229,361
Investments held for retirement plan (Note 10C)	120,232	112,652
Other assets	696,801	792,550
Operating lease right-of-use asset (Notes 2O, 2R and 12)	19,045,144	-
Finance lease right-of-use asset (Notes 2O, 2R and 12)	412,286	-
Property and equipment, net (Notes 2H, 4 and 8)	149,269,701	134,767,468
Total noncurrent assets	177,978,486	144,035,885
TOTAL ASSETS	$ 220,139,422	$ 179,825,107
LIABILITIES		
Current Liabilities		
Current portion of long-term debt (Notes 2M and 8)	$ 392,990	$ 288,540
Current portion of operating lease liabilities (Notes 2O, 2R and 12)	5,777,373	-
Current portion of finance lease liabilities (Notes 2O, 2R and 12)	103,461	-
Accounts payable and accrued expenses	3,968,708	4,446,618
Accrued construction costs	13,813,428	6,613,772
Accrued benefits payable	3,193,544	3,324,702
Due to government funders (Note 2F)	15,063,628	12,337,462
Total current liabilities	42,313,132	27,011,094
Noncurrent Liabilities		
Deferred compensation payable (Note 10C)	120,232	112,652
Deferred interest payable	3,406,849	2,146,796
Long-term portion of operating lease liabilities (Notes 2O, 2R and 12)	12,052,487	-
Long-term portion of finance lease liabilities (Notes 2O, 2R and 12)	313,611	-
Long-term debt (Notes 2M and 8)	119,058,490	113,199,942
Total noncurrent liabilities	134,951,669	115,459,390
TOTAL LIABILITIES	177,264,801	142,470,484
COMMITMENTS AND CONTINGENCIES (Note 13)		
NET ASSETS (Note 2B)		
Without donor restrictions:		
Undesignated	11,883,315	8,853,704
Board designated	558,567	558,567
Noncontrolling interests (Notes 2B and 2L)	25,782,678	24,627,424
Total net assets without donor restrictions	38,224,560	34,039,695
With donor restrictions (Note 15)	4,650,061	3,314,928
TOTAL NET ASSETS	42,874,621	37,354,623
TOTAL LIABILITIES AND NET ASSETS	$ 220,139,422	$ 179,825,107

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

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	Year Ended June 30, 2023			Year Ended June 30, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total 2023	Without Donor Restrictions	With Donor Restrictions	Total 2022
REVENUE AND SUPPORT:						
Government contracts and grants (Note 2F)	$ 58,035,961	$ -	$ 58,035,961	$ 43,701,179	$ -	$ 43,701,179
Medicaid (Note 2J)	1,379,282	-	1,379,282	1,295,394	-	1,295,394
Other program fees (Note 2J)	2,107,677	-	2,107,677	1,997,948	-	1,997,948
Client rental income (Note 2I)	9,027,168	-	9,027,168	8,450,964	-	8,450,964
Contributions and special events (Notes 2G and 2P)	322,430	1,745,013	2,067,443	533,245	494,921	1,028,166
Less direct costs of special event	(129,753)	-	(129,753)	(156,438)	-	(156,438)
Investment income (Note 5)	215,627	-	215,627	11,965	-	11,965
Extinguishment of debt (Note 8)	-	-	-	2,366,950	-	2,366,950
Other income (Note 2N)	1,575,725	-	1,575,725	989,906	-	989,906
Net assets released from restrictions (Notes 2B and 15)	409,880	(409,880)	-	193,887	(193,887)	-
TOTAL REVENUE AND SUPPORT	72,943,997	1,335,133	74,279,130	59,385,000	301,034	59,686,034
EXPENSES (Note 2K):						
Program Services:						
Supported housing - OMH	13,682,819	-	13,682,819	12,902,638	-	12,902,638
Scatter site housing for PWA-HRA	12,025,723	-	12,025,723	11,192,228	-	11,192,228
Transitional housing for PWA-HRA	818,236	-	818,236	1,426,896	-	1,426,896
Congregate housing for PWA-HRA	6,458,024	-	6,458,024	5,305,677	-	5,305,677
Congregate housing - DOHMH	1,360,507	-	1,360,507	1,355,086	-	1,355,086
Transitional housing - DHS	14,849,991	-	14,849,991	5,614,657	-	5,614,657
Other programs	18,583,959	-	18,583,959	14,942,496	-	14,942,496
Total Program Services	67,779,259	-	67,779,259	52,739,678	-	52,739,678
Supporting Services:						
Management and general	6,239,192	-	6,239,192	5,503,159	-	5,503,159
Fundraising	373,425	-	373,425	347,740	-	347,740
Total Supporting Services	6,612,617	-	6,612,617	5,850,899	-	5,850,899
TOTAL EXPENSES	74,391,876	-	74,391,876	58,590,577	-	58,590,577
CHANGE IN NET ASSETS FROM OPERATIONS	(1,447,879)	1,335,133	(112,746)	794,423	301,034	1,095,457
Contribution by noncontrolling interests (Note 2L)	5,632,744	-	5,632,744	12,582,230	-	12,582,230
CHANGE IN NET ASSETS	4,184,865	1,335,133	5,519,998	13,376,653	301,034	13,677,687
Change in net assets attributable to controlling interests	3,029,611	1,335,133	4,364,744	4,307,573	301,034	4,608,607
Change in net assets attributable to noncontrolling interests	1,155,254	-	1,155,254	9,069,080	-	9,069,080
Net assets beginning of year - controlling interests	9,412,271	3,314,928	12,727,199	5,104,698	3,013,894	8,118,592
Net assets beginning of year - noncontrolling interests	24,627,424	-	24,627,424	15,558,344	-	15,558,344
Net assets end of year - controlling interests	12,441,882	4,650,061	17,091,943	9,412,271	3,314,928	12,727,199
Net assets end of year - noncontrolling interests	25,782,678	-	25,782,678	24,627,424	-	24,627,424
TOTAL NET ASSETS - END OF YEAR	$ 38,224,560	$ 4,650,061	$ 42,874,621	$ 34,039,695	$ 3,314,928	$ 37,354,623

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

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	Program Services								Supporting Services				
	Supported Housing-OMH	Scatter Site Housing for PWA-HRA	Transitional Housing for PWA-HRA	Congregate Housing for PWA-HRA	Congregate Housing-DOHMH	Transitional Housing - DHS	Other Programs	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2023	Total 2022
Salaries	$ 2,778,430	$ 1,923,591	$ 134,303	$ 2,569,699	$ 607,249	$ 2,530,307	$ 2,454,540	$ 12,998,119	$ 2,640,037	$ 156,301	$ 2,796,338	$ 15,794,457	$ 14,150,647
Payroll taxes and benefits (Note 10)	840,753	577,077	42,054	770,136	182,174	759,092	802,480	3,973,766	761,642	46,890	808,532	4,782,298	4,321,387
Total Personnel Costs	3,619,183	2,500,668	176,357	3,339,835	789,423	3,289,399	3,257,020	16,971,885	3,401,679	203,191	3,604,870	20,576,755	18,472,034
Client rent (Notes 2O, 2R and 12)	7,372,740	7,564,021	-	1,066,781	-	-	564,357	16,567,899	-	-	-	16,567,899	15,491,497
Client telephone and utilities	2,522	96,342	-	25,458	-	-	-	124,322	-	-	-	124,322	146,168
Client travel	2,485	2,360	-	701	-	5,021	6,471	17,038	-	-	-	17,038	14,288
Client food	12,046	-	17,327	111,750	-	980,656	92,691	1,214,470	-	-	-	1,214,470	813,066
Client supplies	578,971	746,340	6,396	64,938	14,829	89,488	135,458	1,636,420	-	-	-	1,636,420	650,151
Client expenses - other	17,096	11,578	745	26,606	13,709	12,747	24,903	107,384	-	-	-	107,384	138,131
Consultants	501,935	121,522	150,181	1,109,517	402,166	3,469,553	1,556,266	7,311,140	290,023	1,199	291,222	7,602,362	4,748,507
Professional fees	147,347	90,128	8,798	398,757	52,498	37,945	981,540	1,717,013	525,848	161,150	686,998	2,404,011	2,081,984
Consumable supplies	123,409	75,899	10,381	105,341	28,969	259,278	222,655	825,932	106,272	3,794	110,066	935,998	584,240
Staff expenses	13,651	16,084	128	17,141	923	11,376	22,540	81,843	61,153	2,793	63,946	145,789	77,894
Rent (Notes 2O, 2R and 12)	447,042	439,043	300,000	-	-	6,074,031	611,138	7,871,254	764,109	-	764,109	8,635,363	3,670,125
Repairs and maintenance	253,283	109,228	121,484	19,280	2,003	388,693	1,587,850	2,481,821	17,193	-	17,193	2,499,014	1,504,037
Telephone and utilities	64,291	46,580	7,889	38,214	18,116	32,667	1,986,991	2,194,748	51,794	-	51,794	2,246,542	2,366,071
Insurance	183,203	102,781	11,371	43,889	10,249	115,357	612,248	1,079,098	46,862	-	46,862	1,125,960	1,270,535
Vehicle maintenance	53,033	39,898	2,272	23,093	8,090	11,345	4,488	142,219	5,680	168	5,848	148,067	170,518
Equipment (Notes 2O, 2R and 12)	62,412	50,870	3,015	44,393	13,244	61,127	62,679	297,740	88,661	-	88,661	386,401	289,771
Dues and subscriptions	26,135	2,218	-	1,700	484	2,119	869	33,525	15,562	839	16,401	49,926	57,642
Catering and entertainment	-	-	-	-	-	-	-	-	-	129,753	129,753	129,753	156,438
Other expense	19,452	10,163	1,892	20,630	5,804	9,189	329,354	396,484	150,292	291	150,583	547,067	437,160
Bad debt	-	-	-	-	-	-	350,087	350,087	505,127	-	505,127	855,214	340,407
Interest (Notes 2M, 2O, 2R and 12)	61,899	-	-	-	-	-	2,111,606	2,173,505	32,244	-	32,244	2,205,749	2,138,958
Depreciation and amortization (Notes 2O, 2R, 4 and 12)	120,684	-	-	-	-	-	4,062,748	4,183,432	176,693	-	176,693	4,360,125	3,127,393
Sub-total	13,682,819	12,025,723	818,236	6,458,024	1,360,507	14,849,991	18,583,959	67,779,259	6,239,192	503,178	6,742,370	74,521,629	58,747,015
Less: cost of direct benefits to donors	-	-	-	-	-	-	-	-	-	(129,753)	(129,753)	(129,753)	(156,438)
TOTAL EXPENSES	$ 13,682,819	$ 12,025,723	$ 818,236	$ 6,458,024	$ 1,360,507	$ 14,849,991	$ 18,583,959	$ 67,779,259	$ 6,239,192	$ 373,425	$ 6,612,617	$ 74,391,876	$ 58,590,577

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

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	Program Services								Supporting Services			
	Supported Housing-OMH	Scatter Site Housing for PWA-HRA	Transitional Housing for PWA-HRA	Congregate Housing for PWA-HRA	Congregate Housing-DOHMH	Transitional Housing - DHS	Other Programs	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2022
Salaries	$ 3,044,117	$ 1,841,047	$ 155,000	$ 2,123,181	$ 667,419	$ 1,435,510	$ 2,212,918	$ 11,479,192	$ 2,503,511	$ 167,944	$ 2,671,455	$ 14,150,647
Payroll taxes and benefits (Note 10)	918,477	552,315	46,499	636,953	205,171	432,867	689,912	3,482,194	788,810	50,383	839,193	4,321,387
Total Personnel Costs	3,962,594	2,393,362	201,499	2,760,134	872,590	1,868,377	2,902,830	14,961,386	3,292,321	218,327	3,510,648	18,472,034
Client rent (Notes 2O, 2R and 12)	6,976,716	7,487,690	-	398,619	-	-	628,472	15,491,497	-	-	-	15,491,497
Client telephone and utilities	365	113,095	-	32,708	-	-	-	146,168	-	-	-	146,168
Client travel	1,767	1,815	-	1,187	-	1,587	7,932	14,288	-	-	-	14,288
Client food	22,798	-	45,863	111,026	-	531,202	102,177	813,066	-	-	-	813,066
Client supplies	254,350	165,664	14,091	51,315	5,341	43,282	116,108	650,151	-	-	-	650,151
Client expenses - other	13,289	3,000	1,884	35,103	17,870	12,026	54,959	138,131	-	-	-	138,131
Consultants	213,296	95,413	269,636	1,139,764	311,998	1,580,681	933,711	4,544,499	203,327	681	204,008	4,748,507
Professional fees	95,889	79,914	12,941	383,056	23,912	35,430	767,316	1,398,458	567,526	116,000	683,526	2,081,984
Consumable supplies	97,856	61,188	23,077	128,545	43,347	93,758	81,640	529,411	45,361	9,468	54,829	584,240
Staff expenses	13,561	10,096	1,417	11,741	2,623	2,560	10,026	52,024	24,592	1,278	25,870	77,894
Rent (Notes 2O, 2R and 12)	449,047	431,041	600,000	-	-	983,381	621,305	3,084,774	585,351	-	585,351	3,670,125
Repairs and maintenance	120,566	79,425	78,611	28,678	15,145	134,780	1,032,860	1,490,065	13,972	-	13,972	1,504,037
Telephone and utilities	153,530	81,720	130,070	46,167	21,499	210,205	1,618,469	2,261,660	104,411	-	104,411	2,366,071
Insurance	172,983	93,144	31,612	97,074	8,913	80,190	754,331	1,238,247	32,288	-	32,288	1,270,535
Vehicle maintenance	67,640	44,746	4,705	22,714	8,860	10,428	4,477	163,570	6,867	81	6,948	170,518
Equipment (Notes 2O, 2R and 12)	52,810	39,852	7,473	42,885	18,571	22,303	49,257	233,151	56,017	603	56,620	289,771
Dues and subscriptions	28,235	2,998	311	1,606	548	690	277	34,665	22,084	893	22,977	57,642
Catering and entertainment	-	-	-	-	-	-	-	-	-	156,438	156,438	156,438
Other expense	18,795	8,065	3,706	13,355	3,869	3,777	102,174	153,741	283,010	409	283,419	437,160
Bad debt	-	-	-	-	-	-	201,397	201,397	139,010	-	139,010	340,407
Interest (Notes 2M, 2O, 2R and 12)	65,867	-	-	-	-	-	2,071,287	2,137,154	1,804	-	1,804	2,138,958
Depreciation and amortization (Notes 2O, 2R, 4 and 12)	120,684	-	-	-	-	-	2,881,491	3,002,175	125,218	-	125,218	3,127,393
Sub-total	12,902,638	11,192,228	1,426,896	5,305,677	1,355,086	5,614,657	14,942,496	52,739,678	5,503,159	504,178	6,007,337	58,747,015
Less: cost of direct benefits to donors	-	-	-	-	-	-	-	-	-	(156,438)	(156,438)	(156,438)
TOTAL EXPENSES	$ 12,902,638	$ 11,192,228	$ 1,426,896	$ 5,305,677	$ 1,355,086	$ 5,614,657	$ 14,942,496	$ 52,739,678	$ 5,503,159	$ 347,740	$ 5,850,899	$ 58,590,577

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

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 4,364,744	$ 4,608,607
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Extinguishment of debt	-	2,366,950
Unrealized gain on investment	(118,807)	-
Reduction in carrying amount of right-of-use assets - operating leases	(1,215,284)	-
Depreciation	4,360,125	2,982,576
Amortization of finance lease	101,976	-
Amortization of deferred finance costs	45,359	144,817
Debt issuance costs	(841,501)	-
Gain attributable to noncontrolling interests	(4,477,490)	(3,513,150)
Bad debt	855,214	340,407
Subtotal	3,074,336	6,930,207
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Grants and contracts receivable	(209,749)	(1,233,443)
Accounts receivable	(1,888,724)	(356,857)
Prepaid expenses and other current assets	(13,621)	(135,872)
Due from affiliated entities	715,601	(111,664)
Other assets	95,749	(188,860)
Increase (decrease) in:		
Accounts payable and accrued expenses	(477,910)	(1,476,341)
Accrued benefits payable	(131,158)	(187,270)
Due to government funders	2,726,166	330,748
Due to affiliated entities	-	-
Net Cash Provided by Operating Activities	3,890,690	3,570,648
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments on note receivable	79,499	75,530
Purchases of property and equipment	(11,662,702)	(16,733,344)
Purchases of investments	(4,000,000)	-
Net Cash Used in Investing Activities	(15,583,203)	(16,657,814)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Capital contributions from limited partners	5,632,744	12,582,230
Proceeds from long-term debt	7,680,594	1,952,565
Repayment of long-term debt	(921,454)	(2,233,050)
Deferred interest payable	1,260,053	533,970
Payment of finance lease liabilities	(97,190)	-
Net Cash Provided by Financing Activities	13,554,747	12,835,715
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, RESTRICTED DEPOSITS AND FUNDED RESERVES	1,862,234	(251,451)
Cash and cash equivalents, restricted deposits and funded reserves - beginning of year	27,216,222	27,467,673
CASH AND CASH EQUIVALENTS, RESTRICTED DEPOSITS AND FUNDED RESERVES - END OF YEAR	$ 29,078,456	$ 27,216,222
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	$ 900,337	$ 1,604,988
Non-cash Investing Activities:		
Acquisition of property and equipment in accrued construction cost	$ 7,199,656	$ 2,342,326
Capitalization of debt interest	$ 893,606	$ 2,102,462
Consolidated Statements of Financial Position Reconciliation:		
Cash and cash equivalents	21,694,314	19,986,861
Restricted deposits and funded reserves	7,384,142	7,229,361
Cash and cash equivalents, restricted deposits and funded reserves - end of year	$ 29,078,456	$ 27,216,222

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

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Comunilife, Inc. is an organization exempt from federal income tax under the Internal Revenue Code Section 501(c)(3). It was organized on June 19, 1989, under the laws of the State of New York to provide housing and services to persons with mental illness and/or who are living with HIV/AIDS. The primary source of revenue includes government grants and contracts, Medicaid and client rental income.

Comunilife, Inc.'s mission is to improve the quality of life and create a healthier tomorrow for children, adolescents, adults, families, and seniors living with mental illness ("SAMI") and/or people with HIV/AIDS ("PWA") in New York City's underserved, diverse communities. Funding for these programs is provided by the City of New York Human Resources Administration ("HRA") and Department of Homeless Services ("DHS"); the New York State Office of Mental Health ("OMH"); the City of New York Department of Health and Mental Hygiene ("DOHMH"); the United States Department of Housing and Urban Development ("HUD"); and the United States Department of Health and Human Services Substance Abuse and Mental Health Services Administration ("SAMSHA").

The services provided by Comunilife, Inc. include the following:

Supported Housing–OMH: Comunilife, Inc. provides housing and case management services to 642 chronically mentally ill adults referred from State psychiatric institutions, hospitals, and other mental health agencies. In addition, Comunilife, Inc. operates two community residences for up to twenty adults with chronic mental illness.

Scatter Site Housing for PWA-HRA: Comunilife, Inc. provides 438 housing units as well as on-site social services for persons living with HIV/AIDS.

Transitional Housing for PWA-HRA: Comunilife, Inc. provides transitional housing for 48 persons living with HIV/AIDS along with case management services.

Congregate Housing for PWA-HRA: Comunilife, Inc. provides congregate housing for 287 persons living with HIV/AIDS.

Congregate Housing–DOHMH: Comunilife, Inc. provides congregate housing for 90 persons with mental illness.

Transitional Housing–DHS: Comunilife, Inc. is contracted to provide Safe Haven transitional residential services for 108 homeless individuals, stabilization bed services for 158 individuals and sanctuary services for 128 individuals.

Other Programs: Included in other programs is the Life is Precious program. This program is an innovative nontraditional family-centered and culturally appropriate mental health and youth development program whose purpose is to reduce suicide risk in Latina adolescents. Comunilife, Inc.'s Medical Respite Program is a short-term residential program for patients who no longer require hospitalization, but do not have suitable housing in which to complete their recovery. While in the Respite Program, patients are still able to access medical care and other supportive services. Lastly, other programs include expenses for housing projects of affiliated entities.

These consolidated financial statements also include several affiliated entities which are related by sole membership and common management as well as common board members. These consolidated affiliated entities include: H.I.R.E. Housing Development Fund Corporation ("HIRE-HDFC"), H.I.R.E.-Dona Rosita II Housing Development Fund Corporation ("HIRE-HDFC II"), Comunilife Prospect Housing Development Fund Corporation ("PROSPECT-HDFC"), El Rio Housing Development Fund Corporation ("El Rio HDFC"), Comunilife Woodhull Housing Development Fund Corporation ("Woodhull HDFC"), El Rio II Housing Development Fund Corporation ("El Rio II HDFC"), Comunilife Third Avenue Housing Development Fund Corporation ("Third Ave-HDFC"), and Comunilife Throop Housing Development Fund Corporation ("Throop HDFC.") Comunilife, Inc. is the sole member of these corporations. HIRE- HDFC, HIRE- HDFC II, PROSPECT- HDFC, El Rio HDFC, Woodhull HDFC, El Rio II HDFC, and Throop HDFC each have formed for-profit corporations, of which they are either individually the sole shareholders or partial shareholders of these corporations. These affiliate-owned corporations have each invested in limited partnerships for the purposes of developing rental housing for qualified low-income individuals with special needs. Comunilife, Inc. provides services to these affiliates as well as to the aforementioned limited partnerships.

HIRE-HDFC: HIRE-HDFC was incorporated in 1992 under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In 2011, the corporation acquired a building containing 40 residential apartment units located in the Bronx, New York. HIRE-HDFC leases all the residential apartment units to homeless persons with AIDS or HIV related illnesses.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

HIRE-HDFC II: HIRE-HDFC II was incorporated in 2003 under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. HIRE-HDFC II provides programs for assistance to homeless persons with AIDS or HIV related illness at a 60-unit supportive housing facility located in Brooklyn, New York. The consolidated financial statements of HIRE- HDFC II include the accounts of its wholly owned, for-profit subsidiary, Dona Rosita Two, Inc. as well as the accounts of Dona Rosita Two, Limited Partnership ("Dona Rosita Two"), for which Dona Rosita Two, Inc. is the 0.01 percent General Partner. The remaining 99.99 percent of Dona Rosita Two is owned by U.S.A. Institutional Tax Credit Fund XLIII L.P., the Limited Partner. In accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), as Dona Rosita Two is controlled by the General Partner, Dona Rosita Two, Inc., the financial position, results of operations and cash flows of Dona Rosita Two were consolidated into the accounts of HIRE-HDFC II. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.99 percent noncontrolling interest of the Limited Partner has been recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

PROSPECT-HDFC: PROSPECT-HDFC was incorporated in 2009 under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. PROSPECT-HDFC provides programs for assistance to homeless persons with AIDS or HIV related illness and low-income seniors at a 60-unit supportive housing facility located in the Bronx, New York. The consolidated financial statements of PROSPECT-HDFC include the accounts of its wholly owned, for-profit subsidiary, Comunilife Prospect, Inc. as well as the accounts of Comunilife Prospect Associates Limited Partnership ("Prospect"), for which Comunilife Prospect, Inc. is the 0.009 percent General Partner. The remaining 99.991 percent of Prospect is owned by RBC Tax Credit Equity, LLC, the Limited Partner which has a 99.99 percent ownership interest in Prospect and RBC Tax Credit Manager II, Inc., the Special Limited Partner, which has a 0.001 percent ownership interest. In accordance with U.S. GAAP, as Prospect is controlled by the General Partner, Comunilife Prospect, Inc., the financial position, results of operations and cash flows of Prospect were consolidated into the accounts of PROSPECT-HDFC. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.991 percent noncontrolling interest of the Limited Partner has been recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

El Rio HDFC: In July 2012, El Rio GP, Inc., and El Rio Residences LP were formed. In January 2013, El Rio HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. El Rio HDFC includes the accounts of its wholly owned for-profit subsidiary, El Rio GP, Inc. as well as the accounts of El Rio Residences LP, for which El Rio GP, Inc. is the 0.009 percent General Partner. RS Rio, LLC is the limited partner, and Red Stone Equity Manager, LLC, special limited partner, collectively referred to as Red Stone, acquired 99.991 percent of El Rio Residences LP for a total capital contribution of $11,313,867. In accordance with U.S. GAAP, as El Rio Residences LP is controlled by the General Partner, El Rio GP, the financial position, results of operations and cash flows of El Rio Residences LP were consolidated into the accounts of EL RIO-HDFC. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.991 percent noncontrolling interest of the Limited Partner has been recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

Woodhull HDFC: In January 2017, Woodhull HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In 2017, Comunilife Woodhull Associates GP, Inc. and Comunilife Woodhull Associates LP were formed. Woodhull HDFC includes the accounts of its wholly owned, for-profit subsidiary, Comunilife Woodhull Associates GP, Inc. as well as the accounts of Comunilife Woodhull Associates LP, for which Comunilife Woodhull Associates GP, Inc. is the 0.01 percent General Partner.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

The remaining 99.99 percent of Comunilife Woodhull Associates LP is owned by Hudson Housing Capital, the Limited Partner. In accordance with U.S. GAAP, as Woodhull Associates LP is controlled by the General Partner, Comunilife Woodhull Associates GP, Inc., the financial position, results of operations and cash flows of Comunilife Woodhull Associates GP, were consolidated into the accounts of Woodhull HDFC. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.99 percent noncontrolling interest of the Limited Partner is recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

El Rio II HDFC: In September 2017, El Rio II HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In November 2018 Comunilife El Rio II GP, Inc. and Comunilife El Rio II LP were formed. El Rio II-HDFC includes the accounts of its wholly owned for-profit subsidiary, Comunilife El Rio II GP, Inc. as well as the accounts of Comunilife El Rio II LP, for which Comunilife El Rio II GP, Inc. is the 0.01 percent General Partner. The remaining 99.99 percent of Comunilife El Rio II LP is owned by RedStone-Fund 42, the Limited Partner.

Third Ave-HDFC: On June 2, 2017, Comunilife entered a contract for purchase of a property located at 3395-3401 Third Avenue, Bronx, N.Y. for the purchase price of $3,200,000 for the purpose to construct, develop and operate a 115-unit apartment building to house 78 supportive housing units and 37 community housing units. In March 2018, Third Avenue-HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In June 2018, Third Avenue-HDFC closed on the property. In June 2019, Comunilife Third Avenue GP, Inc. and Comunilife Third Avenue LP were formed. Third Avenue-HDFC includes the accounts of its wholly owned for-profit subsidiary, Comunilife Third Avenue GP, Inc. as well as the accounts of Comunilife Third Avenue LP, for which Comunilife Third Avenue GP, Inc. is the 0.009 percent General Partner. The remaining 99.99 percent of Comunilife Third Avenue LP is owned by RedStone-Fund 47, the Limited Partner. RedStone Equity Manager, LLC, owns .001 percent. On December 18, 2019, Comunilife Third Avenue LP closed on the financing of $54,834,786 of construction financing for the development of the building noted above.

Home Assistance Technicians, Inc.: The consolidated financial statements do not include the activities of Home Assistance Technicians, Inc. ("HAT"), an affiliate of Comunilife, Inc. through common management, but which has a separate board. HAT formed three for-profit corporations (Hughes Avenue Corporation, Crotona Avenue Corporation and Jennings Street Corporation), of which HAT was the sole shareholder. These affiliate-owner corporations have each invested in limited partnerships (Hughes Avenue Associates LP, Crotona Avenue Associates LP and Jennings Street Associates LP) for the purposes of developing rental housing for qualified low-income individuals. Comunilife, Inc. provides services to these affiliates as well as to the aforementioned limited partnerships. In June 2018, Comunilife, Inc. acquired the 100 percent partnership interest in the Hughes Avenue Associates LP, Crotona Avenue Associates LP, Jennings Street Associates LP, Hughes Avenue Associates GP, Crotona Avenue Associates GP and Jennings Street Associates GP, and they are consolidated into these financial statements.

Comunilife Throop HDFC: In September 2021, Comunilife Throop HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In 2022, Comunilife Throop Associates GP, Inc. and Comunilife Throop Associates LP were formed. Comunilife Throop HDFC includes the accounts of its wholly owned, for-profit subsidiary, Comunilife Throop Associates GP, Inc. as well as the accounts of Comunilife Throop Associates LP, for which Comunilife Throop Associates GP, Inc. is the 0.01 percent General Partner. The remaining 99.99 percent of Comunilife Throop Associates LP is owned by Hudson Housing Capital, the Limited Partner. In accordance with U.S. GAAP, as Throop Associates LP is controlled by the General Partner, Comunilife Throop Associates GP, Inc., the financial position, results of operations and cash flows of Comunilife Throop Associates GP, were consolidated into the accounts of Throop HDFC. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.99 percent noncontrolling interest of the Limited Partner is recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

HIRE-HDFC, HIRE-HDFC II, PROSPECT-HDFC, El Rio HDFC, Woodhull HDFC, El Rio II HDFC, Third Avenue-HDFC and Throop HDFC are each exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and are publicly supported, as described in Section 509(a), and exempt from state and local taxes.

Dona Rosita Two Limited Partnership, Comunilife Prospect Associates Limited Partnership, El Rio Residences LP, Comunilife Woodhull Associates LP, Hughes Avenue Associates LP, Crotona Avenue Associates LP, Jennings Street Associates LP, Third Avenue LP, El Rio II LP and Comunilife Throop Associates LP are treated as partnerships for federal, state, and local income taxes and therefore any taxable income or loss passes through to, and is reportable by, the Partners individually. The portion of taxable income or loss attributable to Dona Rosita Two, Inc. and Comunilife Prospect, Inc. has been recorded in these consolidated financial statements.

Collectively, HIRE-HDFC, HIRE-HDFC II, PROSPECT-HDFC, El Rio HDFC, Woodhull HDFC, El Rio II HDFC, Third Ave-HDFC, Hughes Avenue Associates LP, Crotona Avenue Associates LP, Jennings Street Associates LP and Throop HDFC are referred to as the "Affiliates." Collectively Comunilife, Inc. and Affiliates are referred to as "Comunilife."

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ***Basis of Accounting, Principles of Consolidation and Use of Estimates*** – The consolidated financial statements have been prepared on the accrual basis of accounting. Comunilife adheres to U.S. GAAP, which requires management to make estimates and assumptions that affect certain amounts and disclosures at the date of the consolidated financial statements. Actual results could differ from those estimates. Comunilife, Inc. consolidates the activities of its Affiliates, since it has both control and economic interest. Upon consolidation, all significant intercompany balances and transactions are eliminated.

B. ***Basis of Presentation*** – Comunilife maintains its net assets under two classes.

Without donor restrictions – represents resources available for support of Comunilife's operations over which the Board of Directors has discretionary control as well as investment in property, plant and equipment. As of both June 30, 2023 and 2022, Comunilife's Board of Directors designated $558,567 for future programs. As of June 30, 2023 and 2022, the designated funds were included in cash and cash equivalents, in the consolidated statements of financial position.

With donor restrictions – represents assets resulting from contributions and other inflows of assets whose use by Comunilife is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of Comunilife pursuant to those stipulations. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

C. ***Cash and Cash Equivalents*** – Comunilife considers highly liquid instruments with maturities of three months or less when acquired to be cash equivalents.

D. ***Allowance for Uncollectible Receivables*** – Comunilife determines whether an allowance for uncollectible receivables should be provided for grants and contracts receivable and accounts receivable. Such estimate is based on management's assessment of the aged basis of its receivables, current economic conditions, historical experience, and collections subsequent to year end. As of June 30, 2023 and 2022, Comunilife determined an allowance of $1,399,887 and $1,319,205 for grants and contracts receivables, and accounts receivable was necessary, respectively.

E. ***Restricted Deposits and Funded Reserves*** – Restricted deposits and funded reserves consist of amounts held in escrow by, or on deposit with, financial institutions that collateralize mortgage obligations. Additionally, restricted deposits and funded reserves consist of funds held for acquisition of capital improvements. Restricted deposits and funded reserves 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 6.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. ***Government Contracts and Grants*** – Government contracts and grants are nonexchange transactions and accounted for under Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2018-08, "Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*." Contracts and grants are recognized as revenue when barriers within the contract are overcome, and there is no right of return. Contracts and grants amounted to $58,035,961 and $43,701,179 for the years ended June 30, 2023 and 2022, respectively, and are included in the consolidated statements of activities. There are instances when Comunilife receives advances from the governmental funding sources. Such advances are recorded as due to government funders in the accompanying consolidated statements of financial position.

As of June 30, 2023 and 2022, Comunilife received conditional contracts and grants from government agencies in the aggregate amounts of approximately $193 million and $122 million, respectively. Such grants have not been recognized in the accompanying consolidated financial statements as they are for future periods and will be recognized when contract barriers are overcome. Such barriers include expending these funds in accordance with their agreements. If such services are not provided, the governmental entities are not obligated to expend the funds allotted under the grants and contracts and Comunilife may be required to return the funds already remitted. As of June 30, 2023 and 2022, Comunilife also had outstanding advances from OMH of $12,806,239 and $11,287,203, respectively, for use in its programs. As of June 30, 2023 and 2022, additional advances from other funding sources amounted to $2,257,389 and $1,050,259, respectively.

G. ***Contributions*** – Contributions are accounted for under ASU 2018-08. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

H. ***Property and Equipment*** – Property and equipment is stated at cost less accumulated depreciation or amortization. These amounts do not purport to represent replacement or realizable values. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the useful lives of the improvements or the term of the lease. Property and equipment is capitalized by Comunilife if its cost is $5,000 or more and its useful life is greater than one year.

Comunilife reviews its long-lived assets, including buildings, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment losses for assets to be held and used are recognized in operating results in the event that the undiscounted expected future cash flows to be generated by the related asset are less than the carrying value of the asset. In such instances, an impairment charge would be recognized to the extent the estimated fair value of the asset is less than the asset's net book value. Comunilife's assessment of recoverability is subject to estimates such as future contract revenues and future economic conditions. Comunilife does not believe that any impairment currently exists related to its long-lived assets as of June 30, 2023 and 2022.

I. ***Rental Income*** – Comunilife leases space to eligible tenants. Rental income is recognized for apartment rentals as it is accrued. Advance receipts of rental income are deferred and classified as liabilities until earned.

J. ***Program Service Revenue*** – Comunilife receives substantially all of its fee-for-service revenues from Medicaid to provide housing and services to persons with mental illness and/or who are living with HIV/AIDS. Revenue is reported at the amount that reflects the consideration to which Comunilife expects to be entitled in exchange for providing the contracted services. These amounts are due from the government agencies, third-party payors, individuals and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, Comunilife bills government agencies, third-party payors and individuals after the services are performed or when it has completed its portion of the contract. Receivables are due in full when billed and revenue is recognized as performance obligations are satisfied.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Performance obligations are determined based on the nature of the services provided by Comunilife in accordance 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. Comunilife 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.

All performance obligations relate to contracts with a duration of less than one year, therefore, there are no performance obligations or contract balances that are unsatisfied as of June 30, 2023 and 2022. The performance obligations for these contracts are completed when the service is completed and upon submission of required documentation. Comunilife determines the transaction price based on established rates and contracts for services provided.

Medicaid and other program fees consist of the following as of June 30:

	2023	2022
Respite Facility	$ 2,044,327	$ 1,732,998
Respite Per Diem	63,350	264,950
Medicaid	1,379,282	1,295,394
	$ 3,486,959	$ 3,293,342

K. ***Functional Expenses*** – The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated financial statements. Accordingly, expenses that are not directly charged to programs and supporting services are allocated among programs and supporting services. The cost of providing the various programs and other activities has been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting service benefited, as indicated in the consolidated statements of functional expenses, based on the square footage, salaries and other methods.

L. ***Noncontrolling Interests*** – The noncontrolling limited partners' and limited members' interests in Comunilife's consolidated statements of financial position represents undistributed profits or losses and capital of the noncontrolling partners and members. For the years ended June 30, 2023 and 2022, the change in net assets attributable to the noncontrolling interests amounted to a gain of $4,477,490 and $3,513,150, respectively.

M. ***Debt Issuance Costs*** – Debt issuance costs are reflected as a reduction of the carrying amount of the related debt and are amortized over the life of the associated debt. Amortization of debt issuance costs is included in interest expense in the consolidated statements of functional expenses.

N. ***Developer Fees*** – Developer fees are earned by Comunilife, Inc. for partnering in the development of various housing projects. For the years ended June 30, 2023 and 2022, Comunilife, Inc. earned $1,048,232 and $1,146,740, respectively, in developer fees, which is included in other income in the consolidated statements of activities.

O. ***Leases*** – Comunilife determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use ("ROU") assets and lease liabilities in the consolidated statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. Comunilife does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. ***Donated Goods and Services*** – Comunilife receives some volunteer services in carrying out its mission. Donated goods and services are recognized in the consolidated financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Comunilife records contributed goods and services at their fair value on the date received. For the years ended June 30, 2023 and 2022, there were no goods or services rendered that met the criteria under U.S. GAAP for recognition.

Q. ***Investments and Fair Value Measurements*** – Investments are stated 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 6. Interest, dividends and gains and losses on investments are reflected in the accompanying consolidated statements of activities as increases and decreases in net assets without donor restrictions.

R. ***Recently Adopted Accounting Standards*** – In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842), which requires lessees to recognize right-of-use (ROU) assets and lease liabilities on the statement of financial position and disclose key information about leasing arrangements. Comunilife adopted the standard effective July 1, 2022 and recognized measured leases existing at, or entered into after July 1, 2022 using a retrospective approach, with certain practical expedients available. Lease disclosures for the year ended June 30, 2022 are made under prior lease guidance in FASB Accounting Standards Codification ("ASC") 840. As a result of the adoption of the new lease accounting guidance Comunilife recognized ROU assets of $18,659,335 and lease liabilities totaling $19,160,876 in its consolidated statement of financial position as of July 1, 2022. The adoption of Topic 842 had no effect on the changes in net assets as previously reported.

NOTE 3 – LIQUIDITY AND AVAILABILITY

Management monitors levels of available financial assets to anticipate cash requirements for general expenditures as obligations come due. Comunilife has a $6 million line of credit (see Note 9), which it can draw upon in the event of a liquidity need. No funds were borrowed from the line of credit during the years ended June 30, 2023 and 2022. Comunilife's financial assets available to meet general expenditures over the next year are as follows as of June 30:

	2023	2022
Cash and cash equivalents	$ 21,694,314	$ 19,986,861
Investments	4,118,807	-
Grants and contracts receivable, net	11,615,603	12,261,068
Accounts receivable, net	3,788,534	1,899,810
Current maturities of note receivable	83,674	79,499
Due from affiliated entities	457,379	1,172,980
Less: board designated assets	(558,567)	(558,567)
Less: net assets with donor restrictions	(4,650,061)	(3,314,928)
	$ 36,549,683	$ 31,526,723

NOTE 4 – PROPERTY AND EQUIPMENT, NET

Property and equipment consists of the following as of June 30:

	2023	2022	
Land	$ 7,460,779	$ 8,897,382	
Buildings and improvements	147,102,528	91,857,040	15 – 27.5 years
Leasehold improvements	1,778,104	1,471,637	15 – 27.5 years
Furniture and fixtures	6,094,317	3,541,125	5 – 9 years
Equipment and vehicles	1,088,188	778,964	5 years
Construction in progress	11,168,348	49,283,758	
	174,692,264	155,829,906	
Accumulated depreciation and amortization	(25,422,563)	(21,062,438)	
	$ 149,269,701	$ 134,767,468	

Depreciation and amortization expense amounted to $4,360,125 and $2,982,576 for the years ended June 30, 2023 and 2022, respectively. Construction in progress in the amount of $11,168,348 pertains to building construction for Comunilife Throop LP. In 2022 the construction in progress was for Third Ave-HDFC and was completed in fiscal year 2023. The building was placed into service and reclassified out of construction in progress in 2023. Interest that is incurred during construction is added to the cost basis of construction in progress. As of June 30, 2023 and 2022, interest amounting to $893,606 and $2,102,462, respectively, was capitalized pertaining to Throop HDFC and El Rio II HDFC construction debt. Real estate held for sale during the year ended June 30, 2023, consists of land and all building and improvements situated on the land owned by Hughes Avenue Associates L.P., Crotona Avenue Associates L.P., and Jennings Street Associates L.P. These properties have a total carrying value of $2,434,482 as of June 30, 2023.

NOTE 5 – INVESTMENTS

Investments consist of the following as of June 30:

	2023
Corporate securities	$ 4,061,268
Money market funds	39,288
US treasury bonds	15,671
Mutual funds	2,580
	$ 4,118,807

Investments are subject to market volatility that could substantially change their carrying value in the near term.

Investment activity consists of the following for the year ended June 30:

	2023
Unrealized gain on investment	$ 118,807
Interest and dividend income	106,677
Investment fees	(9,857)
	$ 215,627

NOTE 6 – FAIR VALUE MEASUREMENTS

In determining fair value, Comunilife utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value. The fair value hierarchy defines 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 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.

NOTE 6 – 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.

Investments in money market funds, mutual funds, US treasury bonds and corporate securities are valued using market prices in active markets (Level 1). Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Certain corporate securities valued using model-derived valuations are categorized as Level 2.

Financial assets carried at fair value as of June 30, 2023 are classified in the table as follows:

	Level 1	Level 2	Total
Corporate securities	$ 3,906,851	$ 154,417	$ 4,061,268
Money market funds	39,288	-	39,288
US treasury bonds	15,671	-	15,671
Mutual funds	2,580	-	2,580
	$ 3,964,390	$ 154,417	$ 4,118,807

NOTE 7 – RESTRICTED DEPOSITS AND FUNDED RESERVES

Restricted deposits and funded reserves consist of the following as of June 30:

	2023	2022
Operating reserve	$ 3,419,685	$ 3,884,223
Replacement reserve	2,261,610	1,297,135
Sinking fund	1,568	326,062
Capital reserve	123,294	274,269
Social service reserve	508,249	586,009
Escrow and utility reserve	1,069,736	861,663
	$ 7,384,142	$ 7,229,361

Under the terms of the regulatory agreements with various New York State and City funding agencies, the HDFCs and LPs are required to maintain operating reserves and replacement reserves, commencing with the inception of the housing projects. Withdrawals from these reserves require approval of the funding agencies. Deposits are to be made to both reserves on a monthly basis or upon availability of funds. The restricted deposits and funded reserves are invested in money market funds as of June 30, 2023 and 2022. Returns on reserves consist of approximately $15,000 and $9,200 of interest for the years ended June 30, 2023 and 2022, respectively. The money market financial assets carried at fair value at June 30, 2023 and 2022 are classified as Level 1.

NOTE 8 – LONG-TERM DEBT

	2023	2022
Mortgage payable – On October 13, 2009, Comunilife, Inc. entered into a mortgage agreement with the Dormitory Authority of the State of New York (DASNY) in the amount of $1,948,900, which bears interest at the rate of 5.18% per annum. The mortgage requires semiannual payments of principal and interest in the amount of $70,699 until the maturity on December 1, 2033, at which time any unpaid principal and interest will become due and payable. The mortgage is secured by certain real and personal property at 550 W. 173rd Street, New York. Simultaneous with the execution of this mortgage, Comunilife, Inc. entered into a note receivable agreement with OMH pursuant to which OMH agreed to pay the semiannual mortgage principal and interest payments to DASNY. As a result, Comunilife, Inc. has established a note receivable in the same amount as the mortgage payable.	$ 1,133,854	$ 1,213,352

NOTE 8 – LONG-TERM DEBT (Continued)	2023	2022
Loan agreements – In November 2019, Comunilife entered into a grant with Deutsche Bank Americas Foundation with a recoverable portion of $80,000 and $120,000 as of June 30, 2023 and 2022, respectively. The recoverable portion bears no interest and is repaid in annual installments of $40,000 through 2024. In November 2022, Comunilife entered into a grant with Deutsche Bank Americas Foundation with a recoverable portion of $40,000 as of June 30, 2023. The recoverable portion bears no interest and is repaid in annual installments of $40,000 through 2027. Comunilife, Inc. has a loan payable to Corporation of Supportive Housing for pre-development expenses related to construction. The loan amounts to $750,000, bearing interest at 6% per annum. As of June 30, 2023 and 2022, $0 and $598,000, respectively, was outstanding. As of both June 30, 2023 and 2022, Comunilife, Inc. also has a loan agreement in the amount of $90,175, with a maturity date of earlier of closing or construction financing from the Capital Magnet Fund.	210,175	808,175
Construction loan payable – On May 16, 2006, HIRE-HDFC II entered into a construction loan with HPD for the construction of a building located in Brooklyn, New York in an amount not to exceed $4,739,056. Upon completion of the project, this loan converted to permanent financing over a term of 30 years bearing interest at the rate of 1% per annum. The principal balance together with any accrued and unpaid interest shall be due and payable upon the maturity date of the agreement. The construction loan payable is collateralized by the building.	4,739,056	4,739,056
Mortgage payable – In May 2007, HIRE-HDFC II entered into a 30-year mortgage agreement with the New York Homeless Housing Assistance Corporation ("HHAC") in an amount of $2,340,000, which bears interest at the rate of 1% per annum. The interest is payable upon demand by HHAC. The mortgage will be forgiven upon maturity if the building in Brooklyn, New York is used for its intended purpose for the 30-year term of the mortgage. The mortgage payable is collateralized by the building.	2,340,000	2,340,000
Mortgage payable – On May 26, 2011, HIRE-HDFC entered into a debt agreement with HPD in the amount of $2,153,805, which bears interest at 1.25% per annum and is a non-amortizing mortgage, which matures and is payable in June 2041. There are no required principal payments prior to maturity. The mortgage requires monthly payments of interest only. The mortgage is secured by certain real and personal property in the Bronx, New York.	2,153,805	2,153,805
Mortgage payable – In May 1996, Rosita entered into a 30-year mortgage agreement with HUD under the HOPWA Program in an original amount of $145,000, which bears interest at the rate of 1% per annum. The mortgage requires the accrual of interest until the maturity date of the mortgage, May 10, 2026, at which time the entire unpaid principal and any accrued and unpaid interest were scheduled to become due and payable. On May 26, 2011, the debt of $145,000 was refinanced by HPD and the debt was transferred to HIRE-HDFC. This debt bears interest at 1% per annum and is a non-amortizing mortgage, which matures and is payable in May 2041. The mortgage is secured by real and personal property in the Bronx, New York.	145,000	145,000

NOTE 8 – LONG-TERM DEBT (Continued)	2023	2022
Construction loan payable – On June 30, 2009, Prospect entered into a construction loan with HPD for the construction of a building located in the Bronx, NY in an amount not to exceed $7,600,683, which includes an enforcement lien mortgage in the amount of $1,020,000 attached to the property. The enforcement lien mortgage bears no interest, and the note shall be deemed satisfied on June 30, 2059 if all of the terms under the enforcement lien are satisfied. Upon completion of the project, the construction loan will convert to permanent financing over a term of 50 years bearing interest at the rate of 0.25% per annum. The principal balance together with any accrued and unpaid interest shall be due and payable upon the maturity date of the agreement, which is June 20, 2061. The construction loan payable is collateralized by the building.	7,593,836	7,593,836
Construction loan payable – On June 27, 2013, El Rio Residences HDFC entered into a loan agreement with HPD in the amount of $7,966,005. The agreement provides that upon closing, the loan will convert to an interest-only permanent financing. The loan will bear interest at one percent with principal and unpaid interest due in 60 years from conversion. The construction loan payable is collateralized by the building. This loan was converted to permanent financing in October 2018.	7,966,005	7,966,005
Construction loan payable – On June 27, 2013, New York State Homeless Housing and Assistance Corporation (HHAC) provided a second construction loan to El Rio Residences HDFC in the amount of $1,677,469. As of June 30, 2018, $315,370 is held in an escrow account with HPD to be released at final closing. The loan bears no interest during construction and will bear interest at 1% per annum after final closing, with principal and any unpaid interest due 30 years from the date of permanent conversion. The construction loan payable is collateralized by the building. This loan was converted to permanent financing in October 2018.	1,677,469	1,677,469
Acquisition loan payable – In May 2017, Comunilife Woodhull LP entered into a debt agreement with HPD in the amount of $2,000,000 to finance the acquisition of a leasehold estate located in Brooklyn, New York. The loan payable bears no interest from the date of the loan. The loan was converted to permanent financing on May 8, 2020. The loan payable bears interest of 2.71% from the conversion date to maturity date. The loan has a maturity date on the 50th anniversary of the conversion date.	2,000,000	2,000,000
Construction loan payable – In May 2017, Comunilife Woodhull LP entered into a construction loan agreement with Housing Trust Fund Corporation for the construction of a building located in Brooklyn, New York in the amount not to exceed $5,996,299. The loan was converted to permanent financing on May 8, 2020, requires no interest or principal, and will mature in July 2070.	5,996,299	5,996,299
Construction loan payable – In May 2017, Comunilife Woodhull LP entered into a building loan with HPD for the construction of a building located in Brooklyn, New York in the amount not to exceed $7,773,552. The loan was converted to a permanent mortgage in May 2020 and will mature in May 2070. The loan requires monthly interest only payments of 2.71% per annum and will mature in May 2070.	7,774,204	7,774,204
Mortgage payable- Woodhull LP entered into a mortgage payable with Chase bank in the original amount of $3,653,055 and bears interest of 4.755% per annum. The mortgage requires monthly payments of interest and principal in the amount of $19,056 with a final payment due on its maturity date of June 1, 2050.	3,470,325	3,532,644

NOTE 8 – LONG-TERM DEBT (Continued)

	2023	2022
Mortgage payable – Mortgage payable to a bank in the original amount of $3,670,000 and bears no interest. The full amount of the mortgage is due upon its maturity date of November 1, 2052.	3,669,800	3,669,500
Letter of credit – In December 2020, Comunilife Third Avenue L.P. entered into a building and project letter of credit agreement with a financial institution for the construction of a building located in the Bronx, New York. The letter of credit bears interest at prime plus 0.5%. The letter of credit expired in January 2023 and is in the process of being renewed.	45,090,389	42,496,987
Mortgage payable – In December 2019, Comunilife Third Avenue L.P. entered into a mortgage payable for the construction of a building located in the Bronx, New York in the amount of $10,623,190. The mortgage payable bears interest at 5% during the construction period commencing December 18, 2019 through the conversion date.	2,283,693	2,259,260
Construction loan payable – In June 2018, Comunilife El Rio II, LP entered into a construction loan agreement with Housing Trust Fund Corporation for the construction of a building located in the Bronx, New York in the amount not to exceed $9,640,000. The loan bore no interest during the construction period, converted to a permanent mortgage on June 14, 2022, and will be due on June 29, 2048. The mortgage bears interest at 1% per annum and will require interest payments only from available cash flows.	9,640,000	9,640,000
On June 14, 2022, Comunilife El Rio II, LP entered into a note payable with the Leviticus Fund in the original amount of $1,232,619 and bears interest of 5.75% per annum. The note payable requires monthly payments of interest and principal in the amount of $7,193 with a final payment due on its maturity date of June 1, 2052.	1,228,987	1,232,619
Construction payable – On November 1, 2022, Comunilife Throop, LP entered into a building and project loan agreement with Webster Bank National Association for the construction of a building located in Brooklyn, New York, in the amount not to exceed $34,624,000. The loans bear payable interest at 2.5% during the construction period until conversion date.	4,992,111	-
Mortgage payable – In June 2018, Hughes Avenue Associates LP, Crotona Avenue Associates LP and Jennings Street Associates LP entered into a 35-year mortgage agreement with New York City Housing Development Corporation for $7,240,000, which bears interest at the rate of 5.5% per annum. The mortgage requires monthly payments of principal and interest. The mortgage is secured by certain real and personal property in the Bronx, New York. The mortgage payable is collateralized by the building.	6,827,183	6,934,840
Total long-term debt	120,932,191	114,173,051
Less: current portion of long-term debt	(392,990)	(288,540)
Less: unamortized debt issuance costs	(1,480,711)	(684,569)
Total long-term debt, net of current portion	$ 119,058,490	$ 113,199,942

Required future annual principal payments are payable as follows for the five years ending after June 30, 2023 and thereafter:

2024	$ 392,990
2025	316,497
2026	331,339
2027	306,029
2028	321,964
Thereafter	119,263,372
	$ 120,932,191

NOTE 9 – LINE OF CREDIT

Comunilife, Inc. maintains a line of credit with a bank. The line of credit was increased on December 13, 2022 from $3,500,000 to $6,000,000. The interest rate was 8.25% and 5.25%, respectively, as of June 30, 2023 and 2022, which is the prime rate plus 0.50% per annum. The line of credit is secured by all assets of Comunilife, Inc. as of June 30, 2023 and 2022. During the years ended June 30, 2023 and 2022, Comunilife did not draw down on the line of credit and there are no amounts outstanding. As of November 30, 2023, no amounts were borrowed.

NOTE 10 – RETIREMENT PLANS

A. Comunilife offers a 403(b) plan for which most employees are eligible. The 403(b) plan is a contributory plan covering employees of Comunilife and its related subsidiaries. Employees are eligible to participate in the 403(b) plan and have elective deferrals made on their behalf immediately upon being employed by Comunilife and its related affiliates. All contributions made to the plan are 100 percent vested and may be invested in diversified investment options at each participant's discretion.

B. Comunilife offers a 401(k) plan for which most employees are eligible for elective deferrals which are 100 percent vested upon contribution. The 401(k) plan also provides for employer profit-sharing contributions. In order to be eligible for the profit-sharing portion of the plan, the employee must have completed two years (twenty-four consecutive months and credited with 1,000 hours each year) of service and be age twenty-one or older. The plan entry dates are January 1 and July 1 following the satisfaction of eligibility requirements. Vesting in participants' accounts is based on years of continuous service with 100 percent vesting occurring after two years of service. Expense for this plan for the years ended June 30, 2023 and 2022 amount to $774,386 and $706,969, respectively. Both elective and non-elective contributions made to the plan may be invested in diversified investment options at each participant's discretion.

C. Comunilife, Inc. implemented the Comunilife, Inc. 457(b) Deferred Compensation Plan. The purpose of this plan is to enable employees who become covered under the plan to enhance their retirement security by permitting them to enter into agreements with Comunilife, Inc. to defer a portion of their compensation and receive benefits at retirement, separation from service, death, or in the event of financial hardship due to unforeseeable emergencies. Investments held for the 457(b) retirement plan and associated liabilities amounted to $120,232 and $112,652 as of June 30, 2023 and 2022, respectively, and were invested in money market funds.

NOTE 11 – JOINT VENTURES

These following entities are related through common management, but are not controlled by Comunilife, Inc.:

A. In November 2013, Comunilife, Inc. entered into a joint venture with Walison Corp., a New York corporation, for the purpose of ownership, development, construction, and management of 33 units of supportive housing, a community room and an office for social services located in the Bronx, NY. As part of the agreement, Comunilife formed Burnside HDFC, a New York not-for-profit corporation pursuant to Article XI of the Private Housing Finance Law. A limited partnership, 280 East Burnside Associates L.P., serves as the beneficial owner and borrower for the project. The general partner is 280 East Burnside Corp., which owns 0.01 percent of the partnership. The general partner is owned 51 percent by Burnside HDFC, a subsidiary of Comunilife, and 49 percent by Walison or its subsidiary. In June 2014, the limited partnership agreement was restated to admit RJ HOP 280 East Burnside LLC to the partnership and withdraw the initial limited partner, Walison Corp. If Comunilife elects to terminate services prior to the expiration of the tax credit compliance period, then it needs to transfer all of its rights, title and interest in the project to Walison, or another not-for-profit chosen by Walison for #1. The joint venture can be dissolved upon satisfying certain conditions in the agreement. In accordance with the terms of joint venture agreement, Burnside HDFC does not have an economic interest of control on 280 East Burnside Corp. and accordingly 280 East Burnside Corp. is not consolidated in these financial statements.

NOTE 11 – JOINT VENTURES (Continued)

B. In March 2016, Comunilife formed 1815 HDFC, a New York not-for-profit corporation pursuant to Article XI of the Private Housing Finance Law of the State of New York for the purpose of ownership, development, construction, and management of 80 units of supportive housing located in the Bronx, NY. A limited partnership, 1815 West Farms Associates L.P., serves as the beneficial owner and borrower for the project. The general partner is 1815 West Farms Managers LLC, which will own 0.01 percent of the partnership. The general partner is owned 51 percent by 1815 West Farms HDFC (member), a subsidiary of Comunilife, and 49 percent by Walison (managing member). The construction loan closing occurred in January 2017, at which point the partnership was amended and assigned to admit Hudson 1815 West Farms LLC (investment partner) and Hudson SLP LLC (special limited partner) as the sole limited members owning 99.99 percent of the project. In accordance with the terms of joint venture agreement, 1815 HDFC does not have economic interest or controlling interest in 1815 West Farms Managers, LLC and accordingly 1815 West Farms Managers, LLC is not consolidated in these financial statements.

C. In 2014, Comunilife entered into a joint venture agreement with Common Ground Community II Housing Development Fund Corporation, a New York corporation, with the intent to construct, develop and operate a supportive rental housing project that will be comprised of approximately 160 units of supportive and low-income housing and approximately 5,000 square feet of ground floor community facility space located in the Bronx, N.Y. Common Ground Community II Housing Development Fund Corporation is a 70 percent managing member of LaCentral Supportive Housing LLC. Comunilife is a 30 percent member owner of LaCentral Supportive Housing LLC. LaCentral Supportive Housing LLC is a general partnership with 99.9 percent ownership of LaCentral Supportive L.P. As part of the agreement, Comunilife does not have an economic interest or control of LaCentral Supportive Housing LLC and accordingly it is not consolidated in these financial statements.

Comunilife had the following amounts due from affiliated entities at June 30:

	2023	2022
Woodhull II	$ -	$ 841,503
LaCentral	129,068	129,068
1815 West Farms LP	120,382	44,899
St. Barnabas	204,802	140,377
Other affiliates	3,127	17,133
	$ 457,379	$ 1,172,980

The above amounts due from related entities are non-interest bearing and there are no definitive payment terms.

NOTE 12 – LEASES

Comunilife leases certain facilities and equipment at various terms under long-term non-cancelable operating and finance lease agreements. Comunilife assesses whether an arrangement qualifies as a lease at inception and only reassess its determination if the terms and conditions of the arrangement are changed. As a result, adopting FASB ASC 842 had no impact to the prior year consolidated statement of financial position information. No comparative information is provided for the amounts reported on the consolidated statement of financial position as of June 30, 2022 since Comunilife used the modified retrospective method of transition that does not require restating the prior period.

The weighted-average discount rate is based on the discount rate implicit in the leases. Comunilife has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. Comunilife applied the risk-free rate option to the building and office equipment classes of assets.

NOTE 12 – LEASES (Continued)

Total lease costs for the year ended June 30, 2023 are as follows:

Operating lease cost	$	4,615,744
Finance lease cost		
Interest expense		12,210
Amortization of ROU assets		101,976
Total finance lease cost		114,186
Total lease cost	$	4,729,930

The following table summarizes the supplemental cash flow information for the year ended June 30, 2023:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$	4,557,818
Operating cash flows from finance leases	$	12,210
Financing cash flows from finance leases	$	97,190
Noncash finance and investing cash flow (post ASC 842 adoption)		
ROU assets obtained in exchange for lease liabilities		
Operating leases	$	18,135,073
Finance leases	$	514,262

The following summarizes the weighted-average remaining lease term and weighted-average discount rate:

Weighted-average remaining lease term in years:	
Operating leases	20.07
Finance leases	5.11
Weighted-average discount rate:	
Operating leases	2.88%
Finance leases	2.90%

The future minimum lease payments under noncancelable operating and finance leases with terms greater than one year are listed below as of June 30, 2023:

Years Ending June 30,	Operating Leases	Finance Leases
2024	$ 5,777,373	$ 103,461
2025	3,562,017	89,663
2026	2,272,886	83,908
2027	1,900,484	83,908
2028	1,241,322	33,725
Thereafter	7,711,034	54,291
Total lease payments	22,465,116	448,956
Less interest	(4,635,256)	(31,884)
Present value of lease liabilities	$ 17,829,860	$ 417,072

In connection with its Scattered Site program, Comunilife has entered into cancelable lease agreements for approximately 950 apartments. Lease terms range from one to two years. The monthly rent for each apartment ranges from $612 to $2,500. Residents contribute 30 percent of their monthly income towards the payment for rent, which is included in client rental income in the accompanying consolidated statements of activities.

Rent expense amounted to the following for the years ended June 30:

	2023	2022
Cancelable leases	$ 16,567,899	$ 15,491,497
Real property	8,635,363	3,670,126
Equipment	300,607	289,771
	$ 25,503,869	$ 19,451,394

NOTE 13 – COMMITMENTS AND CONTINGENCIES

A. From time to time, Comunilife is subject to certain claims or litigation in the normal course of its operations. Management is of the opinion that any claims are either without merit or that the present insurance coverage is sufficient to meet the financial obligations, if any, arising out of such claims or proceeding, and that the outcome of any such claims or lawsuits will not have a material impact on Comunilife's financial condition.

B. Comunilife believes it has no uncertain tax positions as of June 30, 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.

C. Dona Rosita Two, El Rio Residences LP, Prospect LP, Crotona Avenue Associates LP, Hughes Avenue Associates LP, Jennings Street Associates LP, Comunilife Woodhull Associates LP and Comunilife Third Avenue, L.P.'s low-income housing credits are contingent on their ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility and/or unit gross rent, or to correct noncompliance within a specified time period could result in recapture of previously taken tax credits plus interest.

D. Comunilife Third Avenue HDFC has entered into a construction contract agreement dated December 18, 2020 for construction services in connection with the project in the amount of $39,572,000. At June 30, 2023 and 2022, construction costs and change orders in the amounts of, $41,599,716 and $40,639,082, respectively, have been paid, and $935,995 and $762,441, respectively, remains outstanding.

E. Comunilife Third Avenue, L.P. (the Borrower) and Comunilife, Inc. (the Sponsor), entered into a financing and commitment agreement for a multi-family project financed by the New York State Housing Finance Agency ("HFA"). HFA committed funds of $31,300,000 to be funded through the issuance of one or more series of tax-exempt bonds. HFA also commits funds of $6,000,000 through HFA's 100 percent affordable loan program and another $3,670,000 through HFA's supportive housing opportunities program. As discussed in Note 8, Comunilife Third Avenue, L.P. obtained a letter of credit.

F. Under the terms of the agreement with HPD, Dona Rosita Two, LP has an enforcement lien mortgage in the amount of $225,000 attached to the property. The enforcement lien mortgage bears no interest, and the note shall be deemed satisfied on October 15, 2037, if all of the terms under the enforcement lien are satisfied.

G. Under the terms of the agreement with HPD, Prospect Associates, LP has an enforcement lien mortgage in the amount of $1,020,000 attached to the property. The enforcement lien mortgage bears no interest, and the note shall be deemed satisfied on June 30, 2059, if all of the terms under the enforcement lien are satisfied.

NOTE 14 – CONCENTRATION

Cash and cash equivalents that potentially subject Comunilife to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Cash accounts are insured up to $250,000 per depositor, per insured financial institution. As of June 30, 2023 and 2022, there was approximately $20.4 million and $18.8 million, respectively, of cash and cash equivalents that exceeded FDIC limits.

NOTE 15 – NET ASSETS WITH DONOR RESTRICTIONS

Comunilife's net assets with donor restrictions were restricted for the following programs as of June 30:

	2023	2022
Life is Precious	$ 2,941,150	$ 1,632,873
Community residences	1,213,352	1,213,352
Time-restricted	443,345	228,304
Respite program	39,003	89,473
Woodhull clinical supervisor	-	94,062
Balance calories initiative	13,208	13,208
Other	-	43,656
	$ 4,650,061	$ 3,314,928

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows for the years ended June 30:

	2023	2022
Community residences	$ -	$ 75,531
Deutsche bank	97,634	8,330
Life is Precious	123,057	33,797
Time-restricted	189,189	76,229
	$ 409,880	$ 193,887

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through November 30, 2023, the date the consolidated financial statements were available to be issued.

On September 27, 2023, Hughes Avenue Associates L.P., Crotona Avenue Associates L.P., and Jennings Street Associates L.P. entered a purchase and sale agreement with HAT Partners LLC for the sale of land and all buildings and improvements situated on the Land. The total purchase price of the three properties is $1,250,000 plus the assumption of the outstanding principal amount of the HDC mortgage.

On March 16, 2023, Comunilife entered a disposition agreement with the Dormitory Authority of the State of New York to transfer the right, title and interest in the property located at 552 West 173rd Street, New York, N.Y. An indenture of deed was entered into on March 28, 2023 between the two parties noted above, formally delivered and accepted June 30, 2023 and formally filed July 19, 2023.

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF JUNE 30, 2023

	Comunilife, Inc.	HIRE-HDFC	Crotona Ave Associates LP	Hughes Ave Associates LP	Jennings St Associates LP	HIRE-HDFC II	Prospect-HDFC	El Rio HDFC	Woodhull HDFC	Third Ave-HDFC	El Rio II HDFC	Comunilife Throop HDFC	Consolidating Eliminations	Consolidated Total
ASSETS														
Current Assets														
Cash and cash equivalents	$ 19,496,786	$ 13,423	$ 17,671	$ 11,103	$ 4,244	$ 102,359	$ 75,350	$ 251,109	$ 564,780	$ 91,014	$ 300,557	$ 765,918	$ -	$ 21,694,314
Investments	4,118,807	-	-	-	-	-	-	-	-	-	-	-	-	4,118,807
Grants and contracts receivable, net	11,615,603	-	-	-	-	-	-	-	-	-	-	-	-	11,615,603
Accounts receivable	3,340,705	98,664	105,410	107,627	100,991	-	66,459	80,278	129,367	101,564	101,858	-	(444,389)	3,788,534
Note receivables	83,674	-	-	-	-	-	-	-	-	-	-	-	-	83,674
Due from affiliated entities	2,946,689	-	101,844	358,363	18,088	-	6,513	253,325	55,674	-	2,075	-	(3,285,192)	457,379
Prepaid expenses and other current assets	144,322	87,758	57,358	36,189	76,998	-	-	-	-	-	-	-	-	402,625
Total current assets	41,746,586	199,845	282,283	513,282	200,321	102,359	148,322	584,712	749,821	192,578	404,490	765,918	(3,729,581)	42,160,936
Noncurrent Assets														
Note receivable	1,050,180	-	-	-	-	-	-	-	-	-	-	-	-	1,050,180
Restricted deposits and funded reserves	-	1,167,985	410,841	483,044	824,878	1,183,862	1,220,885	973,889	758,583	-	360,175	-	-	7,384,142
Investments held for retirement plan	120,232	-	-	-	-	-	-	-	-	-	-	-	-	120,232
Investment in limited partnership	(2,962,969)	-	-	-	-	-	-	-	-	-	-	-	2,962,969	-
Other assets	501,156	-	-	-	-	16,966	4,270	44,607	103,208	21,200	5,394	-	-	696,801
Operating lease right-of-use asset	14,039,071	-	-	-	-	-	-	-	5,006,073	-	-	-	-	19,045,144
Finance lease right-of-use asset	412,286	-	-	-	-	-	-	-	-	-	-	-	-	412,286
Property and equipment, net	1,691,126	720,661	1,154,442	280,429	999,611	3,409,339	7,641,689	16,382,855	22,473,431	60,432,758	22,915,012	14,269,592	(3,101,244)	149,269,701
Total noncurrent assets	14,851,082	1,888,646	1,565,283	763,473	1,824,489	4,610,167	8,866,844	17,401,351	28,341,295	60,453,958	23,280,581	14,269,592	(138,275)	177,978,486
TOTAL ASSETS	$ 56,597,668	$ 2,088,491	$ 1,847,566	$ 1,276,755	$ 2,024,810	$ 4,712,526	$ 9,015,166	$ 17,986,063	$ 29,091,116	$ 60,646,536	$ 23,685,071	$ 15,035,510	$ (3,867,856)	$ 220,139,422
LIABILITIES														
Current Liabilities														
Current portion of long-term debt	$ 213,849	$ -	$ 34,441	$ 29,104	$ 33,955	$ -	$ -	$ -	$ 64,935	$ -	$ 16,706	$ -	$ -	$ 392,990
Current portion of operating lease liabilities	5,702,373	-	-	-	-	-	-	-	75,000	-	-	-	-	5,777,373
Current portion of finance lease liabilities	103,461	-	-	-	-	-	-	-	-	-	-	-	-	103,461
Accounts payable and accrued expenses	1,814,057	178,257	326,709	213,081	459,600	48,660	30,491	160,174	917,804	213,282	46,483	4,500	(444,390)	3,968,708
Accrued construction costs	-	-	-	-	-	-	-	-	-	7,477,633	2,328,492	4,007,303	-	13,813,428
Accrued benefits payable	3,158,282	10,447	-	-	-	12,309	10,093	2,413	-	-	-	-	-	3,193,544
Due to government funders	15,063,628	-	-	-	-	-	-	-	-	-	-	-	-	15,063,628
Due to affiliated entities	122,465	111,816	328,601	-	139,979	341,545	-	-	66,244	1,548,950	193,536	585,890	(3,439,026)	-
Total current liabilities	26,178,115	300,520	689,751	242,185	633,534	402,514	40,584	162,587	1,123,983	9,239,865	2,585,217	4,597,693	(3,883,416)	42,313,132
Noncurrent Liabilities														
Deferred compensation payable	120,232	-	-	-	-	-	-	-	-	-	-	-	-	120,232
Deferred interest payable	-	56,009	10,370	8,717	10,170	1,073,962	198,167	450,030	768,170	831,254	-	-	-	3,406,849
Long-term portion of operating lease liabilities	8,889,111	-	-	-	-	-	-	-	3,163,376	-	-	-	-	12,052,487
Long-term portion of finance lease liabilities	313,611	-	-	-	-	-	-	-	-	-	-	-	-	313,611
Long-term debt	1,130,180	2,197,626	2,306,673	1,943,489	2,267,405	7,057,603	7,583,172	9,609,708	19,175,893	50,272,075	10,522,555	4,992,111	-	119,058,490
Total noncurrent liabilities	10,453,134	2,253,635	2,317,043	1,952,206	2,277,575	8,131,565	7,781,339	10,059,738	23,107,439	51,103,329	10,522,555	4,992,111	-	134,951,669
TOTAL LIABILITIES	36,631,249	2,554,155	3,006,794	2,194,391	2,911,109	8,534,079	7,821,923	10,222,325	24,231,422	60,343,194	13,107,772	9,589,804	(3,883,416)	177,264,801
NET ASSETS (DEFICIT)														
Without donor restrictions														
Undesignated	14,757,791	(465,664)	(1,159,228)	(917,636)	(886,299)	(21,461)	118,223	(7,384)	(49,428)	(978)	876	(1,057)	515,560	11,883,315
Board designated	558,567	-	-	-	-	-	-	-	-	-	-	-	-	558,567
Noncontrolling interests	-	-	-	-	-	(3,800,092)	1,075,020	7,771,122	4,909,122	304,320	10,576,423	5,446,763	(500,000)	25,782,678
Total net assets without donor restrictions	15,316,358	(465,664)	(1,159,228)	(917,636)	(886,299)	(3,821,553)	1,193,243	7,763,738	4,859,694	303,342	10,577,299	5,445,706	15,560	38,224,560
With donor restrictions	4,650,061	-	-	-	-	-	-	-	-	-	-	-	-	4,650,061
TOTAL NET ASSETS	19,966,419	(465,664)	(1,159,228)	(917,636)	(886,299)	(3,821,553)	1,193,243	7,763,738	4,859,694	303,342	10,577,299	5,445,706	15,560	42,874,621
TOTAL LIABILITIES AND NET ASSETS	$ 56,597,668	$ 2,088,491	$ 1,847,566	$ 1,276,755	$ 2,024,810	$ 4,712,526	$ 9,015,166	$ 17,986,063	$ 29,091,116	$ 60,646,536	$ 23,685,071	$ 15,035,510	$ (3,867,856)	$ 220,139,422

See independent auditors' report.

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	Comunilife, Inc.			HIRE-HDFC	Crotona Ave Associates LP	Hughes Ave Associates LP	Jennings St Associates LP	HIRE-HDFC II	Prospect-HDFC	El Rio HDFC	Woodhull HDFC	Third Ave-HDFC	El Rio II HDFC	Comunilife Throop HDFC	Eliminations	Consolidated Total		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT:																		
Government contracts and grants	$ 58,035,961	$ -	$ 58,035,961	$ 26,923	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (26,923)	$ 58,035,961	$ -	$ 58,035,961
Medicaid	1,379,282	-	1,379,282	-	-	-	-	-	-	-	-	-	-	-	-	1,379,282	-	1,379,282
Other program fees	2,107,677	-	2,107,677	-	-	-	-	-	-	-	-	-	-	-	-	2,107,677	-	2,107,677
Client rental income	1,870,773	-	1,870,773	370,456	898,502	724,931	867,718	601,548	843,679	910,854	1,181,574	576,527	782,155	-	(601,549)	9,027,168	-	9,027,168
Contributions and special events	322,430	1,745,013	2,067,443	-	-	-	-	-	-	-	-	-	-	-	-	322,430	1,745,013	2,067,443
Less direct costs of special event	(129,753)	-	(129,753)	-	-	-	-	-	-	-	-	-	-	-	-	(129,753)	-	(129,753)
Investment income	147,204	-	147,204	25,951	10,226	8,562	10,014	31	2,381	6,308	216	933	3,801	-	-	215,627	-	215,627
Other income	1,718,280	-	1,718,280	-	36,717	31,731	36,215	-	-	1,928	84,502	158,807	1,052	-	(493,507)	1,575,725	-	1,575,725
Net assets released from restrictions	409,880	(409,880)	-	-	-	-	-	-	-	-	-	-	-	-	-	409,880	(409,880)	-
TOTAL REVENUE AND SUPPORT	65,861,734	1,335,133	67,196,867	423,330	945,445	765,224	913,947	601,579	846,060	919,090	1,266,292	736,267	787,008	-	(1,121,979)	72,943,997	1,335,133	74,279,130
EXPENSES:																		
Program Services:																		
Supported housing - OMH	13,682,819	-	13,682,819	-	-	-	-	-	-	-	-	-	-	-	-	13,682,819	-	13,682,819
Scatter site housing for PWA-HRA	12,025,723	-	12,025,723	-	-	-	-	-	-	-	-	-	-	-	-	12,025,723	-	12,025,723
Transitional housing for PWA-HRA	818,236	-	818,236	-	-	-	-	-	-	-	-	-	-	-	-	818,236	-	818,236
Congregate housing for PWA-HRA	7,086,496	-	7,086,496	-	-	-	-	-	-	-	-	-	-	-	(628,472)	6,458,024	-	6,458,024
Congregate housing - DOHMH	1,360,507	-	1,360,507	-	-	-	-	-	-	-	-	-	-	-	-	1,360,507	-	1,360,507
Transitional housing - DHS	14,849,991	-	14,849,991	-	-	-	-	-	-	-	-	-	-	-	-	14,849,991	-	14,849,991
Other programs	6,737,174	-	6,737,174	482,904	944,041	679,595	903,017	832,019	904,160	1,213,957	1,968,738	2,618,154	1,300,200	-	-	18,583,959	-	18,583,959
Total Program Services	56,560,946	-	56,560,946	482,904	944,041	679,595	903,017	832,019	904,160	1,213,957	1,968,738	2,618,154	1,300,200	-	(628,472)	67,779,259	-	67,779,259
Supporting Services:																		
Management and general	5,743,183	-	5,743,183	36,402	35,062	37,591	36,045	127,963	200,027	195,797	156,795	53,862	108,915	1,057	(493,507)	6,239,192	-	6,239,192
Fundraising	373,425	-	373,425	-	-	-	-	-	-	-	-	-	-	-	-	373,425	-	373,425
Total Supporting Services	6,116,608	-	6,116,608	36,402	35,062	37,591	36,045	127,963	200,027	195,797	156,795	53,862	108,915	1,057	(493,507)	6,612,617	-	6,612,617
TOTAL EXPENSES	62,677,554	-	62,677,554	519,306	979,103	717,186	939,062	959,982	1,104,187	1,409,754	2,125,533	2,672,016	1,409,115	1,057	(1,121,979)	74,391,876	-	74,391,876
CHANGE IN NET ASSETS FROM OPERATIONS	3,184,180	1,335,133	4,519,313	(95,976)	(33,658)	48,038	(25,115)	(358,403)	(258,127)	(490,664)	(859,241)	(1,935,749)	(622,107)	(1,057)	-	(1,447,879)	1,335,133	(112,746)
Other Items																		
Distributions from limited partnerships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Earnings from limited partnerships	(10,732)	-	(10,732)	-	-	-	-	-	-	-	-	-	-	-	10,732	-	-	-
Change in net assets attributable to noncontrolling interests	-	-	-	-	-	-	-	358,403	258,127	490,664	812,440	1,935,749	622,107	-	-	4,477,490	-	4,477,490
TOTAL OTHER ITEMS	(10,732)	-	(10,732)	-	-	-	-	358,403	258,127	490,664	812,440	1,935,749	622,107	-	10,732	4,477,490	-	4,477,490
CHANGE IN NET ASSETS	3,173,448	1,335,133	4,508,581	(95,976)	(33,658)	48,038	(25,115)	-	-	-	(46,801)	-	-	(1,057)	10,732	3,029,611	1,335,133	4,364,744
Net assets (Deficit) - beginning of year	12,142,910	3,314,928	15,457,838	(369,688)	(1,125,570)	(965,674)	(861,184)	(21,461)	118,223	(7,384)	(2,627)	(978)	876	-	504,828	9,412,271	3,314,928	12,727,199
TOTAL NET ASSETS (DEFICIT) - END OF YEAR	$ 15,316,358	$ 4,650,061	$ 19,966,419	$ (465,664)	$ (1,159,228)	$ (917,636)	$ (886,299)	$ (21,461)	$ 118,223	$ (7,384)	$ (49,428)	$ (978)	$ 876	$ (1,057)	$ 515,560	$ 12,441,882	$ 4,650,061	$ 17,091,943
Noncontrolling interests - beginning of year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (3,441,689)	$ 1,333,147	$ 8,075,805	$ 5,721,562	$ 2,240,069	$ 11,198,530	$ -	$ (500,000)	$ 24,627,424	$ -	$ 24,627,424
Contribution (Distribution) to noncontrolling interests	-	-	-	-	-	-	-	-	-	185,981	-	-	-	5,446,763	-	5,632,744	-	5,632,744
Change in net assets attributable to noncontrolling interests	-	-	-	-	-	-	-	(358,403)	(258,127)	(490,664)	(812,440)	(1,935,749)	(622,107)	-	-	(4,477,490)	-	(4,477,490)
Noncontrolling interests - end of year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (3,800,092)	$ 1,075,020	$ 7,771,122	$ 4,909,122	$ 304,320	$ 10,576,423	$ 5,446,763	$ (500,000)	$ 25,782,678	$ -	$ 25,782,678
TOTAL NET ASSETS AND NONCONTROLLING INTERESTS - END OF YEAR	$ 15,316,358	$ 4,650,061	$ 19,966,419	$ (465,664)	$ (1,159,228)	$ (917,636)	$ (886,299)	$ (3,821,553)	$ 1,193,243	$ 7,763,738	$ 4,859,694	$ 303,342	$ 10,577,299	$ 5,445,706	$ 15,560	$ 38,224,560	$ 4,650,061	$ 42,874,621

See independent auditors' report.

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Comunilife, Inc.											
	Supported Housing- OMH	Scatter Site Housing for PWA-HRA	Transitional Housing for PWA-HRA	Congregate Housing for PWA-HRA	Congregate Housing- DOHMH	Transitional Housing - DHS	Other Programs	Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries	$ 2,778,430	$ 1,923,591	$ 134,303	$ 2,569,699	$ 607,249	$ 2,530,307	$ 1,758,172	$ 12,301,751	$ 2,640,037	$ 156,301	$ 2,796,338	$ 15,098,089
Payroll taxes and benefits	840,753	577,077	42,054	770,136	182,174	759,092	527,211	3,698,497	761,642	46,890	808,532	4,507,029
Total Personnel Costs	3,619,183	2,500,668	176,357	3,339,835	789,423	3,289,399	2,285,383	16,000,248	3,401,679	203,191	3,604,870	19,605,118
Client rent	7,372,740	7,564,021	-	1,695,253	-	-	564,357	17,196,371	-	-	-	17,196,371
Client telephone and utilities	2,522	96,342	-	25,458	-	-	-	124,322	-	-	-	124,322
Client travel	2,485	2,360	-	701	-	5,021	6,471	17,038	-	-	-	17,038
Client food	12,046	-	17,327	111,750	-	980,656	92,691	1,214,470	-	-	-	1,214,470
Client supplies	578,971	746,340	6,396	64,938	14,829	89,488	135,458	1,636,420	-	-	-	1,636,420
Client expenses - other	17,096	11,578	745	26,606	13,709	12,747	24,903	107,384	-	-	-	107,384
Consultants	501,935	121,522	150,181	1,109,517	402,166	3,469,553	1,123,642	6,878,516	183,058	1,199	184,257	7,062,773
Professional fees	147,347	90,128	8,798	398,757	52,498	37,945	980,100	1,715,573	161,292	161,150	322,442	2,038,015
Consumable supplies	123,409	75,899	10,381	105,341	28,969	259,278	222,655	825,932	106,272	3,794	110,066	935,998
Staff expenses	13,651	16,084	128	17,141	923	11,376	22,540	81,843	61,153	2,793	63,946	145,789
Rent	447,042	439,043	300,000	-	-	6,074,031	611,138	7,871,254	764,109	-	764,109	8,635,363
Repairs and maintenance	253,283	109,228	121,484	19,280	2,003	388,693	401,127	1,295,098	17,193	-	17,193	1,312,291
Telephone and utilities	64,291	46,580	7,889	38,214	18,116	32,667	21,830	229,587	51,794	-	51,794	281,381
Insurance	183,203	102,781	11,371	43,889	10,249	115,357	57,982	524,832	46,862	-	46,862	571,694
Vehicle maintenance	53,033	39,898	2,272	23,093	8,090	11,345	4,488	142,219	5,680	168	5,848	148,067
Equipment	62,412	50,870	3,015	44,393	13,244	61,127	62,679	297,740	88,661	-	88,661	386,401
Dues and subscriptions	26,135	2,218	-	1,700	484	2,119	869	33,525	15,562	839	16,401	49,926
Catering and entertainment	-	-	-	-	-	-	-	-	-	129,753	129,753	129,753
Other expense	19,452	10,163	1,892	20,630	5,804	9,189	39,362	106,492	125,804	291	126,095	232,587
Bad debt	-	-	-	-	-	-	-	-	505,127	-	505,127	505,127
Interest	61,899	-	-	-	-	-	79,499	141,398	32,244	-	32,244	173,642
Depreciation and amortization	120,684	-	-	-	-	-	-	120,684	176,693	-	176,693	297,377
Sub-total	13,682,819	12,025,723	818,236	7,086,496	1,360,507	14,849,991	6,737,174	56,560,946	5,743,183	503,178	6,246,361	62,807,307
Less: cost of direct benefits to do	-	-	-	-	-	-	-	-	-	(129,753)	(129,753)	(129,753)
TOTAL EXPENSES	$ 13,682,819	$ 12,025,723	$ 818,236	$ 7,086,496	$ 1,360,507	$ 14,849,991	$ 6,737,174	$ 56,560,946	$ 5,743,183	$ 373,425	$ 6,116,608	$ 62,677,554

	HIRE-HDFC			Crotona Avenue Associates LP			Hughes Avenue Associates LP			Jennings Street Associates LP		
	Other Program	Management and General	Total	Other Program	Management and General	Total	Other Program	Management and General	Total	Other Program	Management and General	Total
Salaries	$ 65,977	$ -	$ 65,977	$ 93,071	$ -	$ 93,071	$ 62,249	$ -	$ 62,249	$ 93,121	$ -	$ 93,121
Payroll taxes and benefits	19,793	-	19,793	50,717	-	50,717	33,116	-	33,116	51,403	-	51,403
Total Personnel Costs	85,770	-	85,770	143,788	-	143,788	95,365	-	95,365	144,524	-	144,524
Client rent	-	-	-	-	-	-	-	-	-	-	-	-
Client telephone and utilities	-	-	-	-	-	-	-	-	-	-	-	-
Client travel	-	-	-	-	-	-	-	-	-	-	-	-
Client food	-	-	-	-	-	-	-	-	-	-	-	-
Client supplies	-	-	-	-	-	-	-	-	-	-	-	-
Client expenses - other	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	39,738	-	39,738	70,748	-	70,748	51,701	-	51,701	62,292	-	62,292
Professional fees	1,080	36,402	37,482	-	32,451	32,451	-	36,807	36,807	-	34,613	34,613
Consumable supplies	-	-	-	-	-	-	-	-	-	-	-	-
Staff expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	83,741	-	83,741	133,893	-	133,893	93,438	-	93,438	76,515	-	76,515
Telephone and utilities	103,238	-	103,238	272,863	-	272,863	195,517	-	195,517	285,141	-	285,141
Insurance	40,307	-	40,307	42,499	-	42,499	39,416	-	39,416	52,638	-	52,638
Vehicle maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-
Catering and entertainment	-	-	-	-	-	-	-	-	-	-	-	-
Other expense	14,127	-	14,127	7,122	2,611	9,733	3,466	784	4,250	6,575	1,432	8,007
Bad debt	30,000	-	30,000	56,449	-	56,449	94,216	-	94,216	121,716	-	121,716
Interest	49,821	-	49,821	166,378	-	166,378	89,575	-	89,575	104,505	-	104,505
Depreciation and amortization	35,082	-	35,082	50,301	-	50,301	16,901	-	16,901	49,111	-	49,111
Sub-total	482,904	36,402	519,306	944,041	35,062	979,103	679,595	37,591	717,186	903,017	36,045	939,062
Less: cost of direct benefits to do	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	$ 482,904	$ 36,402	$ 519,306	$ 944,041	$ 35,062	$ 979,103	$ 679,595	$ 37,591	$ 717,186	$ 903,017	$ 36,045	$ 939,062

	HIRE-HDFC II			PROSPECT-HDFC			El Rio HDFC			Woodhull HDFC		
	Other Program	Management and General	Total	Other Program	Management and General	Total	Other Program	Management and General	Total	Other Program	Management and General	Total
Salaries	$ 87,953	$ -	$ 87,953	$ 188,724	$ -	$ 188,724	$ 80,137	$ -	$ 80,137	$ -	$ -	$ -
Payroll taxes and benefits	28,748	-	28,748	58,959	-	58,959	25,694	-	25,694	-	-	-
Total Personnel Costs	116,701	-	116,701	247,683	-	247,683	105,831	-	105,831	-	-	-
Client rent	-	-	-	-	-	-	-	-	-	-	-	-
Client telephone and utilities	-	-	-	-	-	-	-	-	-	-	-	-
Client travel	-	-	-	-	-	-	-	-	-	-	-	-
Client food	-	-	-	-	-	-	-	-	-	-	-	-
Client supplies	-	-	-	-	-	-	-	-	-	-	-	-
Client expenses - other	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	-	99,624	99,624	-	175,803	175,803	25,786	156,227	182,013	141,771	100,809	242,580
Professional fees	360	28,339	28,699	-	24,224	24,224	-	39,570	39,570	-	37,382	37,382
Consumable supplies	-	-	-	-	-	-	-	-	-	-	-	-
Staff expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	131,804	-	131,804	129,454	-	129,454	118,781	-	118,781	253,039	-	253,039
Telephone and utilities	120,526	-	120,526	146,494	-	146,494	271,637	-	271,637	181,957	-	181,957
Insurance	35,183	-	35,183	36,053	-	36,053	43,395	-	43,395	88,792	-	88,792
Vehicle maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-
Catering and entertainment	-	-	-	-	-	-	-	-	-	-	-	-
Other expense	16,207	-	16,207	9,601	-	9,601	14,793	-	14,793	16,261	18,604	34,865
Bad debt	-	-	-	22,706	-	22,706	-	-	-	25,000	-	25,000
Interest	71,441	-	71,441	18,984	-	18,984	97,935	-	97,935	511,511	-	511,511
Depreciation and amortization	339,797	-	339,797	293,185	-	293,185	535,799	-	535,799	750,407	-	750,407
Sub-total	832,019	127,963	959,982	904,160	200,027	1,104,187	1,213,957	195,797	1,409,754	1,968,738	156,795	2,125,533
Less: cost of direct benefits to do	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	$ 832,019	$ 127,963	$ 959,982	$ 904,160	$ 200,027	$ 1,104,187	$ 1,213,957	$ 195,797	$ 1,409,754	$ 1,968,738	$ 156,795	$ 2,125,533

	Third Ave HDFC			El Rio II HDFC			Comunilife Throop HDFC		
	Other Program	Management and General	Total	Other Program	Management and General	Total	Management and General	Eliminations	Total
Salaries	$ 25,136	$ -	$ 25,136	$ -	$ -	$ -	$ -	$ -	$ 15,794,457
Payroll taxes and benefits	6,839	-	6,839	-	-	-	-	-	4,782,298
Total Personnel Costs	31,975	-	31,975	-	-	-	-	-	20,576,755
Client rent	-	-	-	-	-	-	-	(628,472)	16,567,899
Client telephone and utilities	-	-	-	-	-	-	-	-	124,322
Client travel	-	-	-	-	-	-	-	-	17,038
Client food	-	-	-	-	-	-	-	-	1,214,470
Client supplies	-	-	-	-	-	-	-	-	1,636,420
Client expenses - other	-	-	-	-	-	-	-	-	107,384
Consultants	40,588	-	40,588	-	68,009	68,009	-	(493,507)	7,602,362
Professional fees	-	53,862	53,862	-	40,906	40,906	-	-	2,404,011
Consumable supplies	-	-	-	-	-	-	-	-	935,998
Staff expenses	-	-	-	-	-	-	-	-	145,789
Rent	-	-	-	-	-	-	-	-	8,635,363
Repairs and maintenance	50,697	-	50,697	115,361	-	115,361	-	-	2,499,014
Telephone and utilities	172,828	-	172,828	214,960	-	214,960	-	-	2,246,542
Insurance	112,168	-	112,168	63,815	-	63,815	-	-	1,125,960
Vehicle maintenance	-	-	-	-	-	-	-	-	148,067
Equipment	-	-	-	-	-	-	-	-	386,401
Dues and subscriptions	-	-	-	-	-	-	-	-	49,926
Catering and entertainment	-	-	-	-	-	-	-	-	129,753
Other expense	185,672	-	185,672	16,168	-	16,168	1,057	-	547,067
Bad debt	-	-	-	-	-	-	-	-	855,214
Interest	789,696	-	789,696	132,261	-	132,261	-	-	2,205,749
Depreciation and amortization	1,234,530	-	1,234,530	757,635	-	757,635	-	-	4,360,125
Sub-total	2,618,154	53,862	2,672,016	1,300,200	108,915	1,409,115	1,057	(1,121,979)	74,521,629
Less: cost of direct benefits to do	-	-	-	-	-	-	-	-	(129,753)
TOTAL EXPENSES	$ 2,618,154	$ 53,862	$ 2,672,016	$ 1,300,200	$ 108,915	$ 1,409,115	$ 1,057	$ (1,121,979)	$ 74,391,876