

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS WITH
CONSOLIDATING SUPPLEMENTARY INFORMATION**

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
**Greenpoint Manufacturing and Design Center
Local Development Corporation and Subsidiaries**

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Greenpoint Manufacturing and Design Center Local Development Corporation and Subsidiaries (the “Organization”), which comprise the consolidated statements of financial position as of December 31, 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 consolidated financial position of Greenpoint Manufacturing and Design Center Local Development Corporation and Subsidiaries as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (“GAAS”) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Greenpoint Manufacturing and Design Center Local Development Corporation and Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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 the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

We did not audit the financial statements of six subsidiaries, which statements reflect total assets of \$80,029,559 and \$79,019,704 and total revenues of \$3,288,602 and \$2,821,705 as of and for the years ended December 31, 2023 and 2022, respectively. These financial 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 these subsidiaries, is based solely on the reports of the other auditors.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Consolidating Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Marcum LLP

New York, NY
June 27, 2024

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2023 AND 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents - Note 2	\$ 4,525,941	\$ 7,373,498
Restricted cash - Note 2	7,344,364	240,359
Rent and other miscellaneous receivables - Note 2	513,952	452,878
Mortgage escrow reserves - Note 2	334,088	185,588
Prepaid expenses and other current assets	871,376	705,006
Total Current Assets	13,589,721	8,957,329
Property and equipment - at cost, less accumulated depreciation - Note 9	65,283,248	64,260,478
Construction in progress - Note 16	6,247,881	6,828,086
Goodwill, net of accumulated amortization - Notes 2 and 13	51,145	84,649
Security deposits	7,937	9,210
Loans receivable - Note 8	29,193,678	29,193,678
Utility deposits	23,570	23,570
Restricted cash - Note 2	88,611	6,127,234
Interest rate swap asset - Note 10	1,815,677	2,272,610
Total Assets	\$ 116,301,468	\$ 117,756,844

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

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2023 AND 2022

	2023	2022
Liabilities and Net Assets		
Current Liabilities		
Current portion of loans payable - Note 11	\$ 7,099,780	\$ 145,642
Current portion of mortgages payable - Note 12	1,736,137	827,789
Interest payable	116,503	119,518
Accounts payable and accrued expenses	1,099,737	680,320
Total Current Liabilities	10,052,157	1,773,269
Loans payable, less current portion and unamortized deferred loan costs - Note 11	6,371,454	14,006,436
Mortgages payable, less current portion and unamortized deferred loan costs - Note 12	72,126,158	72,590,746
Tenant security deposits	1,462,403	1,405,129
Prepaid rent	94,963	194,576
Refundable advance - Note 4	1,161,916	2,254,275
Deferred tax liability - Note 15	536,887	455,743
Total Liabilities	91,805,938	92,680,174
Commitments and Contingencies - Note 14		
Net Assets		
Without donor restrictions	23,895,731	23,608,367
Member's equity		
Noncontrolling interest	599,799	1,468,303
Total Net Assets	24,495,530	25,076,670
Total Liabilities and Net Assets	\$ 116,301,468	\$ 117,756,844

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

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Revenue and Other Support		
Rental income - Note 18	\$ 7,772,228	\$ 7,241,709
Electric income - net of credits	482,803	461,898
Contributions - Notes 3 and 4	1,625,692	500,956
Interest income - Note 8	577,654	407,839
Other income	630,398	243,309
Total Revenue and Other Support	11,088,775	8,855,711
Expenses		
Program Services		
Rental and project development	10,101,844	9,263,994
Supporting Services		
Management and general	795,542	633,279
Fundraising	115,738	83,580
Total Supporting Services	911,280	716,859
Total Expenses	11,013,124	9,980,853
Changes in Net Assets From Operations	\$ 75,651	\$ (1,125,142)

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

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF ACTIVITIES (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Nonoperating Activities		
Unrealized gain (loss) on interest rate swap - Note 10	\$ (456,933)	\$ 3,528,630
Benefit (provision) for income taxes - deferred tax expense - Note 15	(81,144)	461,781
Total Other Revenues (Expenses)	(538,077)	3,990,411
Change in Net Assets Without Donor Restrictions	(462,426)	2,865,269
Net Assets Without Donor Restrictions, Beginning of Year	25,076,670	21,795,740
Capital contributions	--	534,375
Capital distributions	(118,714)	(118,714)
Net Assets Without Donor Restrictions, End of Year	\$ 24,495,530	\$ 25,076,670

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

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services		Supporting Services		Total Expenses
	Rental and Project Development	Management and General	Fundraising	Total	
Salaries	\$ 1,454,425	\$ 322,760	\$ 77,462	\$ 400,222	\$ 1,854,647
Payroll taxes and fringe benefits	414,280	130,976	31,434	162,410	576,690
Repairs and maintenance	198,245	680	--	680	198,925
Professional fees	60,001	311,724	--	311,724	371,725
Trash removal	4,863	--	--	--	4,863
Security	51,948	--	--	--	51,948
Building licenses and permits	7,651	--	--	--	7,651
Building filing fees	11,315	--	--	--	11,315
Insurance	1,078,965	6,091	1,462	7,553	1,086,518
Utilities	637,997	--	--	--	637,997
Phone and internet	42,430	4,574	1,098	5,672	48,102
Interest	2,571,037	--	--	--	2,571,037
Real estate taxes	1,043,479	--	--	--	1,043,479
Office expenses	36,173	13,001	3,120	16,121	52,294
NMTC reimbursement expenses	102,709	--	--	--	102,709
Depreciation	2,164,559	272	65	337	2,164,896
Amortization	33,504	--	--	--	33,504
Other taxes	2,912	26	--	26	2,938
Bad debt expense	128,550	--	--	--	128,550
Miscellaneous	56,801	5,438	1,097	6,535	63,336
Total Expenses, 2023	\$ 10,101,844	\$ 795,542	\$ 115,738	\$ 911,280	\$ 11,013,124

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

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services		Supporting Services		Total Expenses
	Rental and Project Development	Management and General	Fundraising	Total	
Salaries	\$ 1,483,108	\$ 261,156	\$ 54,408	\$ 315,564	\$ 1,798,672
Payroll taxes and fringe benefits	402,645	113,762	23,700	137,462	540,107
Repairs and maintenance	181,915	2,347	--	2,347	184,262
Professional fees	70,285	229,076	--	229,076	299,361
Trash removal	5,791	--	--	--	5,791
Security	42,395	--	--	--	42,395
Building licenses and permits	6,017	--	--	--	6,017
Building filing fees	8,489	--	--	--	8,489
Insurance	750,111	2,700	563	3,263	753,374
Utilities	648,779	--	--	--	648,779
Phone and internet	44,222	6,095	1,270	7,365	51,587
Interest	2,378,132	--	--	--	2,378,132
Real estate taxes	823,469	--	--	--	823,469
Office expenses	37,981	12,635	2,632	15,267	53,248
NMTC reimbursement expenses	102,609	--	--	--	102,609
Depreciation	2,138,323	1,912	398	2,310	2,140,633
Amortization	33,504	--	--	--	33,504
Other taxes	7,372	25	--	25	7,397
Bad debt expense	85,242	--	--	--	85,242
Miscellaneous	13,605	3,571	609	4,180	17,785
Total Expenses, 2022	\$ 9,263,994	\$ 633,279	\$ 83,580	\$ 716,859	\$ 9,980,853

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

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash Flows From Operating Activities		
Change in net assets	\$ (462,426)	\$ 2,865,269
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	2,198,400	2,174,137
Interest expense - debt issuance costs	153,168	146,386
Bad debt expense	128,550	85,242
Unrealized (gain) loss on interest rate swap	456,933	(3,528,630)
Deferred income taxes	81,144	(461,781)
(Increase) decrease in assets		
Rent and other miscellaneous receivables	(154,631)	16,116
Prepaid expenses and other current assets	(166,370)	(120,529)
Security deposits	1,273	--
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(82,650)	(27,257)
Interest payable	(3,015)	18,303
Prepaid rent	(99,889)	23,983
Refundable advance	(1,092,359)	2,254,275
Tenant security deposits	<u>57,274</u>	<u>144,386</u>
Net Cash Provided by Operating Activities	<u>1,015,402</u>	<u>3,589,900</u>
Cash Flows From Investing Activities		
Purchases of property, equipment, renovations and fees	(994,339)	(2,811,395)
Refund of construction costs	--	390,000
Construction costs	(1,120,580)	(2,835,632)
Loans receivable	<u>--</u>	<u>(8,201,978)</u>
Net Cash Used in Investing Activities	<u>\$ (2,114,919)</u>	<u>\$ (13,459,005)</u>

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

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash Flows From Financing Activities		
Cash paid for deferred loan costs	\$ (3,167)	\$ (1,104,214)
Refund of debt issuance costs	2,300	641
Proceeds from loans	--	7,043,784
Proceeds from mortgages	1,141,000	17,179,000
Principal repayments of loans and mortgages	(1,555,577)	(5,879,191)
Capital contributions	--	534,375
Capital distributions	<u>(118,714)</u>	<u>(118,714)</u>
Net Cash Provided by (Used in) Financing Activities	<u>(534,158)</u>	<u>17,655,681</u>
Net Increase (Decrease) in Cash and Cash Equivalents and Restricted Cash	(1,633,675)	7,786,576
Cash and Cash Equivalents and Restricted Cash, Beginning of Year	<u>13,926,679</u>	<u>6,140,103</u>
Cash and Cash Equivalents and Restricted Cash, End of Year	<u>\$ 12,293,004</u>	<u>\$ 13,926,679</u>
Reconciliation of Cash and Cash Equivalents and Restricted Cash, Beginning of Year		
Cash and cash equivalents	\$ 7,373,498	\$ 5,402,960
Restricted cash	6,367,593	530,605
Mortgage escrow reserves	<u>185,588</u>	<u>206,538</u>
Cash and Cash Equivalents and Restricted Cash, Beginning of Year	<u>\$ 13,926,679</u>	<u>\$ 6,140,103</u>

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

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Reconciliation of Cash and Cash Equivalents and Restricted Cash, End of Year		
Cash and cash equivalents	\$ 4,525,941	\$ 7,373,498
Restricted cash	7,432,975	6,367,593
Mortgage escrow reserves	334,088	185,588
Cash and Cash Equivalents and Restricted Cash, End of Year	\$ 12,293,004	\$ 13,926,679
Supplemental Cash Flow Disclosures		
Interest paid	\$ 2,420,884	\$ 2,213,443
Noncash Investing and Financing Activities		
Increase in construction in progress resulting from		
Developer fee payable	\$ 124,705	\$ 169,294
Accrued expenses	\$ 845,719	\$ 343,650
Due to related parties	\$ 26,975	\$ 52,582
Reimbursement receivable	\$ (34,993)	\$ --
Capitalized interest - debt issuance costs	\$ 25,191	\$ 18,893

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

GREENPOINT MANUFACTURING AND DESIGN CENTER LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 1 - ORGANIZATION AND NATURE OF BUSINESS

Greenpoint Manufacturing and Design Center Local Development Corporation (“GMDC”), a not-for-profit corporation, creates and sustains viable manufacturing sectors in urban neighborhoods through planning, developing and managing real estate and offering other related services. GMDC’s major source of revenue is rental income through non-cancelable operating leases.

The term of the Organization continues until the occurrence of certain dissolution events, as defined in the Operating Agreement, or by law, whichever is earlier.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING AND PRESENTATION

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

The consolidated financial statements presentation is in accordance with Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”) 958, Not-for-Profit Entities.

Under FASB ASC 958, as amended, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: those without donor restrictions and those with donor restrictions. Net assets without donor restrictions are those net assets that are not subject to donor-imposed restrictions. Net assets with donor restrictions are subject to donor stipulations that limit the use of their contributions, which either expire by the passage of time or when used for specified purposes. As of December 31, 2023 and 2022, all of the Organization’s net assets were without donor restrictions.

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of the parent company, GMDC, and its wholly owned subsidiaries, GMDC Two Corporation, GMDC Philadelphia, GMDC Atlantic Avenue LLC, 221 McKibbin Owner, LLC, McKibbin Master Tenant, LLC, GMDC OP Manager, LLC, GMDC OP Investor, LLC, GMDC Brownsville LLC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC as well as other subsidiaries, GMDC OP LLC and GMDC OP Master Tenant, LLC (together, the “Organization”). All significant inter-company accounts and transactions have been eliminated in consolidation.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PRINCIPLES OF CONSOLIDATION (CONTINUED)

221 McKibbin Owner, LLC (“Owner”), a New York limited liability company, was formed on March 22, 2007 to acquire, develop, finance, rehabilitate, construct, own, operate, maintain and sell, or otherwise dispose of the property known as 221 McKibbin Street, located in Brooklyn, New York (the “McKibbin Property”). The McKibbin Property is leased to McKibbin Master Tenant, LLC (the “Tenant”), a New York limited liability company. Tenant was formed on April 10, 2008 to lease the McKibbin Property from Owner and to lease, sublease, operate, manage, and sell or otherwise dispose of its leasehold interest in the McKibbin Property.

On July 14, 2015, GMDC entered into an Amended and Restated Operating Agreement as the sole member of Tenant. Owner and Tenant were originally formed to finance the rehabilitation of the McKibbin Property.

GMDC Philadelphia (“Philadelphia”), a 501(c)(3) not-for-profit corporation, was formed during 2011 to emulate GMDC’s mission in the Philadelphia, Pennsylvania area.

GMDC Atlantic Avenue LLC (“NY LLC”), a New York limited liability company, was formed on March 1, 2012 and is owned by GMDC as the sole member. GMDC entered into an operating agreement with NY LLC on November 7, 2012. GMDC Atlantic Avenue LLC (“Atlantic”), a Delaware limited liability company, was formed on October 8, 2013 by GMDC, its sole member, and entered into an operating agreement on that date (“Atlantic Operating Agreement”). GMDC merged NY LLC into Atlantic. Atlantic was formed to acquire, own, lease, sublease, operate, manage, improve, finance and sell the real property at 1102 Atlantic Avenue, Brooklyn, New York (the “Atlantic Property”).

Under the terms of the Atlantic Operating Agreement, GMDC was required to provide capital contributions in the amount of \$585,000. Although not required to do so, GMDC may make additional capital contributions to Atlantic at any time. As of December 31, 2023 and 2022, GMDC’s capital contributions totaled \$5,701,246, including land and a contributed building valued at \$5,000,000.

GMDC Two Corporation (“GMDC II”), a Delaware 501(c)(4) not-for-profit corporation, was formed during 2004 to operate a property located at 1155-1205 Manhattan Avenue, Brooklyn, New York (the “Manhattan Ave Property”). Through a merger that took place in May 2004, GMDC II is wholly owned by GMDC.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PRINCIPLES OF CONSOLIDATION (CONTINUED)

GMDC OP LLC (“GMDC OP”), a Delaware limited liability company, was formed during 2017 to acquire, develop, finance, rehabilitate, construct, own, operate, maintain, and sell or otherwise dispose of property located in Queens, New York, known as 94-15 100th Street (the “Ozone Park Property”).

GMDC OP Master Tenant, LLC (“Master Tenant”), a Delaware limited liability company, was formed during 2017 to lease the Ozone Park Property from GMDC OP and to lease, sublease, operate, manage, and sell or otherwise dispose of its leasehold interest in the Ozone Park Property.

GMDC OP Manager, LLC (“OP Manager”), a Delaware limited liability company, was formed in 2017 to be the managing member of GMDC OP and Master Tenant.

GMDC OP Investor, LLC (“OP Investor”), a Delaware limited liability company, was formed during 2017 to engage in the activity of acting as a member with a ten percent membership interest in GMDC OP. Effective December 31, 2017, OP Investor transferred all of its interest in GMDC OP to Master Tenant.

GMDC Brownsville LLC (“Brownsville”), a Delaware limited liability company, was formed on May 5, 2020 by GMDC, its sole member, and entered into an operating agreement (the “Brownsville Operating Agreement”) on that date. Brownsville was formed to acquire, own, lease, sublease, operate, manage, improve, finance, and sell a certain condominium (or any portion thereof that is improved) to be constructed at 412, 416, 424, and 432 Thatford Avenue and 803 Rockaway Avenue, Brooklyn, New York (the “Brownsville Property”).

Under the terms of the Brownsville Operating Agreement, GMDC was required to provide capital contributions of cash in the amount of \$100. GMDC is not required to make any additional capital contributions to Brownsville, but may make additional capital contributions to Brownsville at any time. As of December 31, 2023 and 2022, GMDC’s capital contributions totaled \$199,252.

GMDC Humboldt Street, LLC (“Humboldt”), a Delaware limited Delaware limited liability company, was formed on March 25, 2021 by GMDC, its sole member, and entered into an operating agreement (the “Humboldt Operating Agreement”). Humboldt was formed to operate, manage, maintain, improve, construct, repair, service, lease, sell, assign, convey, transfer or otherwise dispose of, in whole or in part, the real property located at or known as 810 Humboldt Street, Brooklyn, NY (the “Humboldt Property”).

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PRINCIPLES OF CONSOLIDATION (CONTINUED)

GMDC St. Nicholas Avenue, LLC (“St. Nicholas”), a Delaware limited liability company, was formed on March 25, 2021 by GMDC, its sole member and entered into an operating agreement (the “St. Nicholas Operating Agreement”). St. Nicholas was formed to operate, manage, maintain, improve, construct, repair, service, lease, sell, assign, convey, transfer or otherwise dispose of, in whole or in part, the real property located at or known as 7 St Nicholas Avenue, Brooklyn, NY (the “St. Nicholas Property”).

NONCONTROLLING INTERESTS

GAAP requires that noncontrolling interests in subsidiaries be reported in the net asset section of the Organization’s consolidated statement of financial position.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren’t measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the consolidated financial statements with useful information in analyzing an entity’s exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 include loans receivable.

The Organization adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the consolidated financial statements and primarily resulted in new and enhanced disclosures only.

REVENUE RECOGNITION

The Organization recognizes rental revenues each month as billed in accordance with the lease agreements over the terms of the respective leases, which are accounted for under Accounting Standards Codification 842, Leases (“ASC 842”).

In addition to base rents, tenants are also charged for their pro rata share of real estate taxes and certain utilities as incurred for the respective property. The Organization provides its tenants with certain customary services for lease contracts such as common area maintenance and general security.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION (CONTINUED)

The Organization has utilized the practical expedient in ASC 842 and has elected to combine the non-lease components with the lease components of operating lease agreements and account for them as a single lease component in accordance with ASC 842. Revenues from fees are recognized at the point in time when the related services have been rendered.

Contributions are recognized as revenue when a donor makes an unconditional promise to give to the Organization. Contributions are considered conditional when the underlying agreement includes a performance barrier and a right of return or a right to release promised assets exists. Conditional promises to give are not recognized until the performance barrier and the right of return or release have been overcome. Contributions received with donor restrictions whose restrictions are satisfied in the same period are recognized as without donor restrictions.

Contributions of donated noncash assets are recorded at fair value as revenue in the period received or when an unconditional promise to give has been made. Contributions of in-kind office rental is valued based on the average rent of tenants at the property, multiplied by the donated square footage utilized.

RENT RECEIVABLE

Rent receivable includes basic rent, electric and advances due from tenants. At December 31, 2023 and 2022, an allowance for uncollectible rent of \$341,915 and \$241,414, respectively, has been established based on management's knowledge, experience, and the credit worthiness of tenants.

GOODWILL

FASB ASC 805, "Business Combinations", provides accounting alternatives within GAAP. FASB ASC 805 allows private companies to adopt a simplified accounting alternative when accounting for post-acquisition goodwill.

The alternative allows private companies to: (1) amortize goodwill on a straight-line basis over a useful life of 10 years or less if the entity is able to demonstrate that a shorter useful life is more appropriate, (2) test goodwill for impairment only when a triggering event occurs that indicates that the fair value of an entity or reporting unit is below its carrying amount, and (3) make an accounting policy election to test goodwill for impairment at either the entity level or the reporting unit level.

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOODWILL (CONTINUED)

Should a triggering event occur, Tenant may qualitatively assess whether it is more likely than not that goodwill is impaired. If an impairment loss is indicated, it represents the excess of the carrying value of the entity over its fair value and an adjustment would need to be made. Tenant elected to adopt the alternative accounting treatment for goodwill under FASB ASC 805 effective July 14, 2015, and elected to test goodwill for impairment at the reporting unit level.

IMPAIRMENT OF LONG-LIVED ASSETS

The Organization reviews the carrying values of its long-lived assets whenever events or changes in circumstances indicate that the carrying values may no longer be appropriate. Recoverability of carrying values is assessed by estimating future net cash flows from the assets. If the carrying value of such asset exceeds the undiscounted cash flow, the asset would be deemed to be impaired. Impairment would then be measured as the difference between the fair value of the long-lived asset and the carrying value to determine the amount of the impairment. Based on management's evaluations, no impairment charge was deemed necessary at December 31, 2023 and 2022.

PROPERTY AND EQUIPMENT

Buildings, improvements, furniture and equipment are recorded at cost and are depreciated on the straight-line basis over their estimated useful lives, which range from three to forty-five years. Donated items are capitalized at the estimated fair value at the date of contribution and are depreciated over their estimated useful lives.

DEFERRED COSTS

Amortization of deferred loan costs has been computed on the effective interest method over the terms of the respective loan. Deferred mortgage costs are presented as a direct reduction of the carrying amount of the related debt instead of as an asset.

USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with GAAP requires the use of estimates that affect certain reported amounts and disclosures. These estimates are based on management's knowledge and experience. Accordingly, actual results could differ from those estimates.

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TAX STATUS

GMDC and Philadelphia have been recognized by the Internal Revenue Service (“IRS”) as exempt from federal income taxes under Internal Revenue Code (“IRC”) Section 501(a) as an organization described in Section 501(c)(3) of the IRC, qualify for charitable contribution deductions, and have been determined not to be private foundations.

GMDC II is a not-for-profit corporation exempt from federal income taxes and is an organization described under Section 501(c)(4) of the Internal Revenue Code.

Owner, Tenant, Humboldt, Atlantic, and St. Nicholas are considered disregarded entities for income tax purposes. All tax attributes are passed through to GMDC, and income taxes, if any, are payable by GMDC. Consequently, no provision for income taxes for Owner, Tenant, Humboldt, or St. Nicholas has been made in the accompanying consolidated financial statements.

GMDC OP and Master Tenant are not taxpaying entities for income tax purposes and, accordingly, no provision has been made for income taxes. Income taxes on GMDC OP and Master Tenant are levied on the members at the member level.

OP Manager and Brownsville were formed as limited liability companies but have elected to be taxed as a corporation for federal tax purposes. For the years ended December 31, 2023 and 2022, Brownsville had no book to tax differences that resulted in deferred tax assets or liabilities.

INCOME TAXES

Income tax expense for the period is comprised of current and deferred tax. Income tax is recognized in the consolidated statements of activities.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the consolidated statements of financial position in the states where the Organization operates.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAXES (CONTINUED)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the consolidated statements of financial position and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Management of the Organization records uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) management determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than not recognition threshold, the Organization recognizes the largest amount of the tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax party. Management has not identified any uncertain tax positions as of December 31, 2023 and 2022.

Management of the Organization recognizes interest and penalties related to unrecognized tax benefits on the income tax line in the accompanying consolidated statements of activities. Accrued interest and penalties are included on the related liability lines in the consolidated statements of financial position. There were no interest and penalties recognized for the years ended December 31, 2023 and 2022.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE MEASUREMENTS

GAAP defines fair value, provides guidance for measuring fair value and requires certain disclosures. GAAP utilizes a fair value hierarchy which is categorized into three levels based on the inputs to the valuation techniques used to measure fair value.

The levels are as follows:

Level 1 - Quoted market prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than Level 1 inputs that are either directly or indirectly observable; and

Level 3 - Unobservable inputs using estimates and assumptions developed by the Organization, which reflect those that a market participant would use.

Determining which category an asset or liability falls into within the hierarchy requires significant judgment. The Organization evaluates hierarchy disclosures annually.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing program and supporting activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas have been allocated among the various functional areas based on annual employee time allocations that have been calculated and reviewed by multiple members of management.

MEASURE OF OPERATIONS

The consolidated statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing programs and services. Nonoperating activities are limited to resources outside of those programs and services and are comprised of changes in value of interest rate swaps and the deferred tax liability.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

Cash balances in banks are insured by the Federal Deposit Insurance Corporation subject to certain limitations. For financial reporting purposes, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

RESTRICTED CASH AND MORTGAGE ESCROW RESERVES

Restricted cash includes reserve accounts established in accordance with the Organization's Building Loan Agreements and an account established to hold the SBA grant (see Note 4) to provide reserves for construction expenditures and fees associated with the Organization's ongoing development projects.

As of December 31, 2023 and 2022, the reserve account balance was \$7,432,975 and \$6,367,593, respectively. The Organization is also required to hold certain mortgage escrow accounts for payments of real estate taxes. As of December 31, 2023 and 2022, the balance of these escrows accounts was \$334,088 and \$185,588, respectively.

LOANS RECEIVABLE

Loans receivable are reported at the outstanding balance less an allowance for credit losses. The Organization makes judgements as to the collectability of these receivables based on a combination of historical experience, aging analysis, information on specific accounts, and any change in credit risk. Management then estimates an allowance for credit losses, which represents the collectability of loans receivable. Loans receivable are written off against the credit allowance after all means of collection have been exhausted and the potential for recovery is considered remote. There was no allowance for credit losses as of December 31, 2023 and 2022.

As of December 31, 2023 and 2022, loans receivable balances were \$29,193,678.

SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through June 27, 2024, the date that the consolidated financial statements are considered available to be issued.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 3 - CONDITIONAL PROMISES TO GIVE

In 2022, GDMC entered into a funding agreement with the Empire State Development Corporation in the amount of \$1,600,000 for the construction and rehabilitation of the Brownsville property. The grant is contingent upon receiving approved costs for the project. As of December 31, 2023, \$533,333 has been recognized as revenue with respect to this grant.

In 2016, GMDC Two Corporation entered into a funding agreement with the New York City Economic Development Corporation in the amount of \$1,950,000 for the rehabilitation of the elevator structures at the Manhattan Ave Property. The grant is contingent upon receiving approved costs for the project. As of December 31, 2023 and 2022, the full \$1,950,000 had been recognized as revenue, with the final balance of \$255,231 recognized during the year ended December 31, 2022.

In 2016, GMDC Two Corporation entered into a funding agreement with the New York City Economic Development Corporation in the amount of \$1,462,500 for the renovation of roofing structures at the Manhattan Ave Property. Funds will be recorded upon submission and collection. No funds have been recognized as revenue as of December 31, 2023 and 2022.

NOTE 4 - GRANTS

In 2022, GMDC received the proceeds from a grant from the U.S. Small Business Administration (“SBA”) in the amount of \$2,500,000 to be utilized for the development of the Brownsville Property. The grant is subject to qualified costs being incurred and other reporting requirements as defined by the SBA. Grant revenue will be recorded upon expenditure of qualified costs. For the years ended December 31, 2023 and 2022, grant revenue of \$1,092,359 and \$245,725, respectively, was recognized in connection with this grant. The remaining balances of \$1,161,916 and \$2,254,275 are shown as a refundable advance on the consolidated statements of financial position as of December 31, 2023 and 2022, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 5 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization’s financial assets available within one year of the consolidated statements of financial position date for general expenditures are as follows:

	2023	2022
Cash and cash equivalents	\$ 4,525,941	\$ 7,373,498
Rent and other miscellaneous receivables	513,952	452,878
Mortgage escrow reserves	334,088	185,588
Other escrow	17,331	17,331
Total Current Financial Assets as of December 31, 2023 and 2022	5,391,312	8,029,295
Less - real estate tax and insurance escrows	334,088	185,588
Less - other escrow	17,331	17,331
Total Financial Assets Available Within One Year	\$ 5,039,893	\$ 7,826,376

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization has a committed line of credit of \$2,000,000, which it could draw upon (as discussed in Note 17).

NOTE 6 - SAFE HARBOR PENSION PLAN

Employees are covered under a safe harbor pension plan which qualifies under Section 401(k) of the Internal Revenue Code (the “Code”). The plan permits employees to voluntarily contribute up to the maximum allowed under the Code. The Organization makes matching contributions up to 5% of the employee’s elective contributions. The employer contribution vests immediately upon contribution. For the years ended December 31, 2023 and 2022, the Organization matched employee contributions in the amounts of \$86,148 and \$73,837, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 7 - NEW MARKETS TAX CREDIT STRUCTURE

On December 13, 2016, GMDC entered into the initial operating agreement as the sole member of GMDC OP. The initial operating agreement (the "A&R Operating Agreement") was amended and restated on November 16, 2017, whereby GMDC transferred 90% and 10% of the membership interest in GMDC OP to OP Manager and OP Investor, respectively. Pursuant to the amended A&R Operating Agreement, OP Manager is to contribute \$1,209,466 of cash and \$737,769 of property, which consisted of \$2,200,269 of pre-development costs paid on behalf of GMDC OP less a reimbursement of a deposit to GMDC of \$1,462,500.

OP Investor is to contribute cash of \$216,359. As of December 31, 2023 and 2022, contributions of cash and property totaled \$1,108,554 from OP Manager and \$216,359 from OP Investor. Additionally, on November 16, 2017, the members of GMDC OP amended and restated the A&R Operating Agreement to provide certain terms for the management and governance of GMDC OP. Pursuant to the First Amendment to the Membership Interest Purchase Agreement dated December 21, 2017, Master Tenant agreed to purchase OP Investor's 10% membership interest in GMDC OP for \$216,359 effective December 31, 2017.

On November 16, 2017, OP Manager and Chase Community Equity, LLC (the "Investor Member") entered into an operating agreement (the "Master Tenant Operating Agreement"). Under the terms of the Master Tenant Operating Agreement, OP Manager has provided capital contributions of \$63,673 as of December 31, 2023 and 2022 and Investor Member provided capital contributions \$6,470,055 as of December 31, 2023 and 2022. The liability of the members is limited to their cumulative capital contributions.

Chase Community Equity, LLC, ("Chase") is the ultimate investor in CNMC Sub-CDE 195, LLC ("CNMC") and NYCNCC Sub-CDE 11, LLC ("NYCNCC"). GMDC contributed \$8,201,978 in the form of a loan to Chase NMTC GMDC 2 Investment Fund, LLC ("Chase NMTC") and Chase contributed equity of \$3,088,800 to Chase NMTC. CNMC and NYCNCC received equity contributions from Chase NMTC and used those equity contributions to make loans to Brownsville. Brownsville is intended to constitute a Qualified Active Low-Income Community Business under Section 45D of the Internal Revenue Code.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 8 - LOANS RECEIVABLE

Loans receivable as of December 31 consisted of the following:

	<u>2023</u>	<u>2022</u>
<p>On March 30, 2022, GMDC and Chase NMTC GMDC 2 Investment Fund, LLC executed a loan in the amount of \$8,201,978 which is to bear interest at a rate of 2.402074% per annum through maturity on March 29, 2052. Quarterly payments of interest only commence on June 15, 2022 and continue through March 15, 2040. In addition, on March 15, 2029, a mandatory prepayment of principal in the amount of \$2,575,947 shall be due and payable together with all then-accrued and unpaid interest through and including March 31, 2029. Additional payments of principal in the amount of \$600,000 on March 15, 2035, and \$600,000 on March 15, 2040 are due. Beginning June 15, 2040, principal and interest payments of \$40,294 are due on a quarterly basis through the maturity date, at which time all unpaid principal and interest are due. The loan is secured by various partnership interests of the borrower.</p>	\$ 8,201,978	\$ 8,201,978
<p>On November 16, 2017, GMDC and Chase NMTC GMDC Investment Fund, LLC executed a loan in the amount of \$20,991,700 bearing an interest rate of 1.207976% per annum through maturity on November 16, 2048. Quarterly payments of interest only commence December 15, 2017 through September 15, 2024. On November 16, 2024, a mandatory principal payment in the amount of \$832,000 and any unpaid interest are due. Beginning December 15, 2024, principal and interest payments are due on a quarterly basis through the maturity date, at which time all unpaid principal and interest are due. The loan is secured by various partnership interests of the borrower.</p>	<u>20,991,700</u>	<u>20,991,700</u>
Total	<u>\$29,193,678</u>	<u>\$29,193,678</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 9 - PROPERTY AND EQUIPMENT

A summary of property and equipment at December 31 is as follows:

		2023					2022		
	Life	GMDC, GMDC Humboldt Street., LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	Eliminations	Consolidated Total	Consolidated Total
Land	--	\$ 250,650	\$ 580,500	\$ 237,150	\$ 825,000	\$ 3,667,950	\$ --	\$ 5,561,250	\$ 5,561,250
Buildings	25-45 years	4,959,351	4,396,199	13,049,404	17,404,898	33,929,688	(9,001,889)	64,737,651	64,690,652
Furniture and equipment	5-39 years	529,088	107,827	3,141	84,009	--	--	724,065	688,354
Improvements	25-45 years	<u>5,697,366</u>	<u>11,405,164</u>	<u>--</u>	<u>144,635</u>	<u>--</u>	<u>--</u>	<u>17,247,165</u>	<u>14,148,108</u>
		11,436,455	16,489,690	13,289,695	18,458,542	37,597,638	(9,001,889)	88,270,131	85,088,364
Less - Accumulated depreciation		<u>7,755,315</u>	<u>6,727,659</u>	<u>2,894,230</u>	<u>5,537,555</u>	<u>3,214,989</u>	<u>(3,142,865)</u>	<u>22,986,883</u>	<u>20,827,886</u>
		<u>\$ 3,681,140</u>	<u>\$ 9,762,031</u>	<u>\$ 10,395,465</u>	<u>\$ 12,920,987</u>	<u>\$ 34,382,649</u>	<u>\$(5,859,024)</u>	<u>\$ 65,283,248</u>	<u>\$ 64,260,478</u>

Depreciation expense for the years ended December 31, 2023 and 2022 was \$2,164,896 and \$2,140,633, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 10 - INTEREST RATE SWAPS

In 2019, in connection with its Dime Community Bank loan (see Note 12), GMDC II entered into an interest rate swap agreement. GAAP establishes accounting and reporting standards for derivative instruments. Specifically, the standards require an entity to recognize all derivatives as either assets or liabilities in the consolidated statements of financial position and to measure those instruments at fair value. A loss in the fair value of the interest rate swap of \$167,764 and a gain of \$2,038,220 has been recorded in the consolidated statements of activities for the years ended December 31, 2023 and 2022, respectively. The swap terminates on March 5, 2029 and requires GMDC II to pay a fixed rate of interest of 4.83% applied to the notional amount and receive a variable rate of interest of the one month Secured Overnight Financing Rate (“SOFR”) rate plus 2.00%.

The following tables summarizes the fair value of GMDC II’s interest rate swap assets using Level 2 valuation techniques:

	December 31, 2023	
	Notional Value	Amount
Dime Community Bank	\$ 13,381,885	\$ 485,576
	December 31, 2022	
	Notional Value	Amount
Dime Community Bank	\$ 13,776,077	\$ 653,340

In connection with its Flushing Bank loan (see Note 12), Owner entered into an interest rate swap agreement during the year ended December 31, 2020. A loss in the fair value of the interest rate swap of \$207,476 and a gain of \$897,342 has been recorded in the consolidated statements of activities for the years ended December 31, 2023 and 2022, respectively. The swap terminates on November 1, 2030 and requires Owner to pay a fixed rate of interest of 2.692% applied to the notional amount.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 10 - INTEREST RATE SWAPS (CONTINUED)

The following tables summarizes the fair value of Owner’s interest rate swap assets using Level 2 valuation techniques:

	December 31, 2023	
	Notional Value	Amount
Flushing Bank	\$ 6,353,185	\$ 888,524
	December 31, 2022	
	Notional Value	Amount
Flushing Bank	\$ 6,563,211	\$ 1,096,000

In connection with its Dime Community Bank loan (See Note 12), Atlantic entered into an interest rate swap agreement during the year ended December 31, 2021. A loss in the fair value of the interest rate swap of \$81,693 and a gain of \$593,068 has been recorded in the consolidated statements of activities for the years ended December 31, 2023 and 2022, respectively. The swap terminates on March 5, 2031 and requires Atlantic to pay a fixed rate of interest of 3.58% applied to the notional amount.

The following table summarizes the fair value of Atlantic’s interest rate swap assets using Level 2 valuation techniques:

	December 31, 2023	
	Notional Value	Amount
Dime Bank	\$ 3,808,430	\$ 441,577
	December 31, 2022	
	Notional Value	Amount
Dime Bank	\$ 3,917,961	\$ 523,270

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NOTE 11 - LOANS PAYABLE

Loans payable at December 31 consisted of the following:

	2023	2022
<p>On March 29, 2022, GMDC entered into a loan agreement with Enterprise Community Loan Fund, Inc. (“ECLF”), a nonprofit corporation, for \$2,243,784, bearing interest at SOFR plus the applicable margin of 4.75% per annum with a maximum interest rate of 5.75%. Commencing June 5, 2022, GMDC is required to make quarterly payments of interest only through the earlier of six months after the Brownsville Property project is complete or full-lease up of the Brownsville property (the “Stabilization Date”). On or about the Stabilization Date, GMDC will make quarterly installment payments of principal and interest in the amounts required to amortize the principal over a thirty-year period through the maturity date, March 30, 2029, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Brownsville Property and an assignment of leases, rents and developer fees.</p>	\$ 2,243,784	\$ 2,243,784
<p>On November 15, 2017, GMDC entered into a loan agreement with Enterprise Community Loan Fund, Inc. (“ECLF”), a nonprofit corporation, for \$8,700,000, bearing interest at 5.85% per annum. Commencing January 1, 2018, GMDC is required to make quarterly payments of interest only through the earlier of twenty-four months after commencement or the full occupancy of the Ozone Park Property (the “Stabilization Date”). During the interest-only period, ECLF is to make disbursements from an interest reserve. On or about the Stabilization Date, a principal payment of \$866,401 was due, which was be applied to the outstanding principal balance. Commencing January 1, 2020, payments of interest and principal are due quarterly through November 30, 2024, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Ozone Park Property and an assignment of leases and rents and developer fees.</p>	<u>7,099,780</u>	<u>7,294,235</u>
Subtotal (Carried Forward)	<u>\$ 9,343,564</u>	<u>\$ 9,538,019</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 11 - LOANS PAYABLE (CONTINUED)

	2023	2022
Subtotal (Brought Forward)	\$ 9,343,564	\$ 9,538,019
On March 30, 2022, GMDC entered into a loan agreement with New York City Partnership Foundation Inc., a non-profit corporation, for \$1,600,000, bearing interest at 4.25% per annum. Monthly interest is due on the unpaid principal from the date of the advance through March 30, 2025, the maturity date, at which time the entire principal balance along with all accrued but unpaid interest is due. During the year ended December 31, 2023, a prepayment of \$533,333 was made on the loan.	1,066,667	1,600,000
On March 30, 2022, GMDC entered into a non-interest-bearing loan agreement with MRT 416 LLC, a limited liability company, for \$1,600,000. A principal payment of \$300,000 is due on March 30, 2030, followed by an additional \$300,000 due on March 30, 2035, and a third principal payment of \$300,000 due on March 30, 2040. The final \$700,000 is due when certain conditions are met, as defined in the loan agreement, including \$177,000 due on the Stabilization Date. Per the terms of the loan agreement, should those conditions not be met by March 30, 2040, the remainder of the loan will be forgiven in full.	1,600,000	1,600,000
On March 30, 2022, GMDC entered into a non-interest-bearing loan agreement with The Bridge, Inc, a not-for profit corporation, for \$1,600,000. A principal payment of \$300,000 is due on March 30, 2030, followed by an additional \$300,000 due on March 30, 2035, and a third principal payment of \$300,000 due on March 30, 2040. The final \$700,000 is due when certain conditions are met, as defined in the loan agreement, including \$177,000 due on the Stabilization Date. Per the terms of the loan agreement, should those conditions not be met by March 30, 2040, the remainder of the loan will be forgiven in full.	<u>1,600,000</u>	<u>1,600,000</u>
Total Payable Amount	13,610,231	14,338,019
Less - Current portion	(7,099,780)	(145,642)
Less - Unamortized deferred loan costs	<u>(138,997)</u>	<u>(185,941)</u>
Long-Term Portion	<u>\$ 6,371,454</u>	<u>\$ 14,006,436</u>

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FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 11 - LOANS PAYABLE (CONTINUED)

Approximate principal payments during the next five years and thereafter are as follows:

Year Ending December 31,	Amount
2024	\$ 7,100,000
2025	1,067,000
2026	--
2027	--
2028	--
Thereafter	<u>5,443,000</u>
Total	<u><u>\$ 13,610,000</u></u>

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NOTE 12 - MORTGAGES PAYABLE

Mortgages payable at December 31 consisted of the following:

							2023	2022				
			221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total					
GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC				\$ --	\$ 6,353,185	\$ --	\$ --	\$ 6,353,185	\$ 6,563,211	
Subtotal (Carried Forward)							\$ --	\$ 6,353,185	\$ --	\$ --	\$ 6,353,185	\$ 6,563,211

Owner entered into a loan agreement with Flushing Bank on October 9, 2020 in the amount of \$7,000,000, maturing on November 1, 2030 and bearing interest at SOFR plus 1.75% per annum. Owner entered into an interest rate swap agreement for which the interest rate on the loan was effectively converted to a fixed rate of 2.692% per annum (See Note 10). Commencing November 1, 2020, monthly payments of principal and interest are due in arrears on the first business day of each month. At maturity, the entire outstanding principal balance plus all accrued and unpaid interest are due. The loan is secured by substantially all of the assets of Owner.

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NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ --	\$ --	\$ --	\$ 6,353,185	\$ --	\$ --	\$ 6,353,185	\$ 6,563,211
On August 3, 2022, Humboldt entered into a loan agreement, in the amount of \$5,500,000, bearing an interest rate of 4.66%, for its property located at 810 Humboldt Street in Brooklyn, NY. Commencing on October 1, 2022, Humboldt is required to make monthly payments of principal and interest in the amount of \$28,383 based on a 30-year amortization schedule through September 1, 2027, the maturity date, at which time the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the 810 Humboldt Street property and an assignment of leases and rents and security agreement. The loan requires Humboldt to maintain certain financial covenants; Humboldt was in compliance as of December 31, 2023 and 2022.	<u>5,395,899</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>5,395,899</u>	<u>5,479,528</u>
Subtotal (Carried Forward)	<u>\$ 5,395,899</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 6,353,185</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 11,749,084</u>	<u>\$ 12,042,739</u>

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FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 5,395,899	\$ --	\$ --	\$ 6,353,185	\$ --	\$ --	\$ 11,749,084	\$ 12,042,739
On August 3, 2022, St. Nicholas entered into a loan agreement, in the amount of \$2,000,000, bearing an interest rate of 4.66%, for its property located at 7 St. Nicholas Street in Brooklyn, NY. Commencing on October 1, 2022, St. Nicholas is required to make monthly payments of principal and interest in the amount of \$10,325 based on a 30-year amortization schedule through September 1, 2027, the maturity date, at which time the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the 7 St. Nicholas Street property and an assignment of leases and rents and security agreement. The loan requires St. Nicholas to maintain certain financial covenants; St. Nicholas was in compliance as of December 31, 2023 and 2022.	<u>1,962,145</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,962,145</u>	<u>1,992,556</u>
Subtotal (Carried Forward)	<u>\$ 7,358,044</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 6,353,185</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 13,711,229</u>	<u>\$ 14,035,295</u>

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FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$ --	\$ 13,711,229	\$ 14,035,295
On March 30, 2022, Brownsville entered into a building loan agreement with NYCNCC for the loan amount equal to \$5,955,145, bearing interest at a rate equal to 1.821047% per annum. Commencing March 30, 2022, Brownsville is required to make quarterly payments of interest only through March 31, 2040. On March 5, 2029, Brownsville shall make a payment of accrued and unpaid interest calculated from January 1, 2029, through and including March 31, 2029, plus a payment of principal in the amount of \$1,417,757 on March 30, 2029. Further, on March 5, 2035, Brownsville shall make a payment, in addition to the scheduled interest payment, of principal in the amount of \$330,230 and on March 5, 2040, Brownsville shall make a payment, in addition to the scheduled interest payment, of principal in the amount of \$330,230. Commencing June 5, 2040, payments of interest and principal are due quarterly through March 29, 2052, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Brownsville Property and an assignment of leases and rents and security agreement.	--	--	--	--	--	5,955,145	5,955,145	5,851,520
Subtotal (Carried Forward)	<u>\$ 7,358,044</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 6,353,185</u>	<u>\$ --</u>	<u>\$ 5,955,145</u>	<u>\$ 19,666,374</u>	<u>\$ 19,886,815</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$ 5,955,145	\$ 19,666,374	\$ 19,886,815
	--	--	--	--	--	804,655	804,655	672,886
Subtotal (Carried Forward)	<u>\$ 7,358,044</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 6,353,185</u>	<u>\$ --</u>	<u>\$ 6,759,800</u>	<u>\$ 20,471,029</u>	<u>\$ 20,559,701</u>

On March 30, 2022, Brownsville entered into a project loan agreement with NYCNCC for the loan amount equal to \$804,655, bearing interest at a rate equal to 1.821047% per annum. Commencing March 30, 2022, Brownsville is required to make quarterly payments of interest only through March 31, 2040. On March 5, 2029, Brownsville shall make a payment of accrued and unpaid interest calculated from January 1, 2029, through and including March 31, 2029, plus a payment of principal in the amount of \$191,566 on March 30, 2029. Further, on March 5, 2035, Brownsville shall make a payment, in addition to the scheduled interest payment, of principal in the amount of \$44,620 and on March 5, 2040, Brownsville shall make a payment, in addition to the scheduled interest payment, of principal in the amount of \$44,620. Commencing June 5, 2040, payments of interest and principal are due quarterly through March 29, 2052, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Project Loan Leasehold Mortgage, assignment of leases and rents, security agreement, and fixture filing.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$ 6,759,800	\$ 20,471,029	\$ 20,559,701
On March 30, 2022, Brownsville entered into a project loan agreement with NYCNCC for the loan amount equal to \$2,060,200, bearing interest at a rate equal to 1.821047% per annum. Commencing March 30, 2022, Brownsville is required to make quarterly payments of interest only through March 31, 2040. On March 5, 2029, Brownsville shall make a payment of accrued and unpaid interest calculated from January 1, 2029, through and including March 31, 2029, plus a payment of principal in the amount of \$490,477 on March 30, 2029. Further, on March 5, 2035, Brownsville shall make a payment, in addition to the scheduled interest payment, of principal in the amount of \$114,244 and on March 5, 2040, Brownsville shall make a payment, in addition to the scheduled interest payment, of principal in the amount of \$114,244. Commencing June 5, 2040, payments of interest and principal are due quarterly through March 29, 2052, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Project Loan Leasehold Mortgage, assignment of leases and rents, security agreement, and fixture filing.	--	--	--	--	--	2,060,200	2,060,200	1,854,594
Subtotal (Carried Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$ 8,820,000	\$ 22,531,229	\$ 22,414,295

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FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$ 8,820,000	\$22,531,229	\$ 22,414,295
On March 30, 2022, Brownsville entered into a project loan agreement with CNMC for the loan amount equal to \$1,270,508, bearing interest at a rate equal to 1.821047% per annum. Commencing June 5, 2022, Brownsville is required to make quarterly payments of interest only through March 31, 2040. On March 30, 2029, a payment of interest for the period commencing on January 1, 2029 and ending on March 31, 2029, plus an additional payment of principal in the amount of \$302,473 shall be due and payable. In addition to the forgoing, Brownsville shall make an additional payment of principal in the amount of \$70,453 on March 5, 2035, and an additional payment of principal in the amount of \$70,453 on March 5, 2040. Commencing June 5, 2040, payments of interest and principal are due quarterly through March 29, 2052, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Brownsville Property and an assignment of leases and rents and security agreement.	--	--	--	--	--	1,270,508	1,270,508	825,830
Subtotal (Carried Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$10,090,508	\$ 23,801,737	\$ 23,240,125

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$ 10,090,508	\$ 23,801,737	\$ 23,240,125
On March 30, 2022, Brownsville entered into a project loan agreement with CNMC for the loan amount equal to \$171,670, bearing interest at a rate equal to 1.821047% per annum. Commencing June 5, 2022, Brownsville is required to make quarterly payments of interest only through March 31, 2040. On March 30, 2029, a payment of interest for the period commencing on January 1, 2029 and ending on March 31, 2029, plus an additional payment of principal in the amount of \$40,870 shall be due and payable. In addition to the forgoing, Brownsville shall make an additional payment of principal in the amount of \$9,520 on March 5, 2035, and an additional payment of principal in the amount of \$9,520 on March 5, 2040. Commencing June 5, 2040, payments of interest and principal are due quarterly through March 29, 2052, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Project Loan Leasehold Mortgage, assignment of leases and rents, security agreement, and fixture filing.	--	--	--	--	--	171,670	171,670	111,586
Subtotal (Carried Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$10,262,178	\$ 23,973,407	\$ 23,351,711

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$10,262,178	\$ 23,973,407	\$ 23,351,711
On March 30, 2022, Brownsville entered into a project loan agreement with CNMC for the loan amount equal to \$557,822, bearing interest at a rate equal to 1.821047% per annum. Commencing June 5, 2022, Brownsville is required to make quarterly payments of interest only through March 31, 2040. On March 30, 2029, a payment of interest for the period commencing on January 1, 2029 and ending on March 31, 2029, plus an additional payment of principal in the amount of \$131,802 shall be due and payable. In addition to the forgoing, Brownsville shall make an additional payment of principal of \$30,933 on March 5, 2035, and an additional payment of principal in the amount of \$30,933 on March 5, 2040. Commencing June 5, 2040, payments of interest and principal are due quarterly through March 29, 2052, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Project Loan Leasehold Mortgage, assignment of leases and rents, security agreement, and fixture filing.	--	--	--	--	--	557,822	557,822	362,584
Subtotal (Carried Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$10,820,000	\$ 24,531,229	\$ 23,714,295

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NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 7,358,044	\$ --	\$ --	\$ 6,353,185	\$ --	\$ 10,820,000	\$ 24,531,229	\$ 23,714,295
On March 2, 2021, Atlantic entered into a loan agreement with Dime Community Bank for \$4,100,000, bearing interest at a variable interest rate with a floor of 3.25% per annum. Commencing April 5, 2021, Atlantic is required to make quarterly payments of principal and interest through March 5, 2031, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by the Atlantic Property and an assignment of leases and rents and security agreement.	--	--	3,808,430	--	--	--	3,808,430	3,917,961
On November 15, 2017, GMDC entered into a loan agreement with New York City Economic Development Corporation, a nonprofit corporation, for \$3,700,000, bearing interest at 1.00% per annum. Commencing January 15, 2018, GMDC is required to make monthly payments of interest only through November 15, 2035, the maturity date, when the entire principal balance along with all accrued but unpaid interest is due. The loan is secured by a second priority security interest in the property located at 810 Humboldt Street.	<u>3,700,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,700,000</u>	<u>3,700,000</u>
Subtotal (Carried Forward)	<u>\$ 11,058,044</u>	<u>\$ --</u>	<u>\$ 3,808,430</u>	<u>\$ 6,353,185</u>	<u>\$ --</u>	<u>\$ 10,820,000</u>	<u>\$ 32,039,659</u>	<u>\$ 31,332,256</u>

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NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 11,058,044	\$ --	\$ 3,808,430	\$ 6,353,185	\$ --	\$ 10,820,000	\$ 32,039,659	\$ 31,332,256
On February 15, 2019, GMDC II entered into a loan agreement with Dime Community Bank for \$15,100,000, bearing interest at the one month SOFR rate plus 2.00% per annum. Commencing April 5, 2019, GMDC II is required to make monthly payments of principal and interest through March 5, 2029, the maturity date, at which time the entire remaining principal balance along with all accrued but unpaid interest is due. The loan is secured by the Manhattan Ave Property and an assignment of leases and rents and security agreement. The loan requires GMDC II to maintain certain financial covenants; GMDC II was in compliance at December 31, 2023 and 2022. In connection with the loan, GMDC II entered into an interest rate swap agreement whereby the variable interest of SOFR plus 2.00% was replaced with a fixed rate of 4.83% (see Note 10).	--	<u>13,381,885</u>	--	--	--	--	<u>13,381,885</u>	<u>13,776,077</u>
Subtotal (Carried Forward)	<u>\$ 11,058,044</u>	<u>\$13,381,885</u>	<u>\$ 3,808,430</u>	<u>\$ 6,353,185</u>	<u>--</u>	<u>\$ 10,820,000</u>	<u>\$ 45,421,544</u>	<u>\$ 45,108,333</u>

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NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023							2022
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	2021 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 11,058,044	\$ 13,381,885	\$ 3,808,430	\$ 6,353,185	\$ --	\$ 10,820,000	\$ 45,421,544	\$ 45,108,333
On November 16, 2017, GMDC OP obtained loans from CNMC Sub-CDE 122, LLC for \$4,000,000, collectively, bearing interest at 1% per annum. Commencing December 5, 2017, GMDC OP is required to make quarterly payments of interest only through September 5, 2024. Commencing December 5, 2024, GMDC OP is required to make quarterly payments of principal and interest sufficient to amortize the loans over a 420-month period until November 16, 2052, the maturity date, when the entire outstanding principal balance along with all accrued but unpaid interest is due. Substantially all of GMDC OP's assets are collateralized under the terms of the loans.	--	--	--	--	4,000,000	--	4,000,000	4,000,000
On November 16, 2017, GMDC OP obtained loans from ENMP 71, LP for \$9,700,000, collectively, bearing interest at 1% per annum. Commencing December 5, 2017, GMDC OP is required to make quarterly payments of interest only through September 5, 2024, at which time \$832,000 of principal of the loans and all accrued but unpaid interest is due. Commencing December 5, 2024, GMDC OP is required to make quarterly payments of principal and interest sufficient to amortize the loans over a 420-month period until November 16, 2052, the maturity date, when the entire outstanding principal balance along with all accrued but unpaid interest is due. Substantially all of GMDC OP's assets are collateralized under the terms of the loans.	--	--	--	--	9,700,000	--	9,700,000	9,700,000
Subtotal (Carried Forward)	<u>\$ 11,058,044</u>	<u>\$ 13,381,885</u>	<u>\$ 3,808,430</u>	<u>\$ 6,353,185</u>	<u>\$ 13,700,000</u>	<u>\$ 10,820,000</u>	<u>\$ 59,121,544</u>	<u>\$ 58,808,333</u>

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NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

	2023						2022	
	GMDC, GMDC Humboldt Street, LLC, and GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Atlantic Avenue, LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC Brownsville LLC	Total	Total
Subtotal (Brought Forward)	\$ 11,058,044	\$ 13,381,885	\$ 3,808,430	\$ 6,353,185	\$ 13,700,000	\$ 10,820,000	\$ 59,121,544	\$ 58,808,333
On November 16, 2017, GMDC OP obtained loans from NYCNCC Sub-CDE 3, LLC for \$16,660,000, collectively, bearing interest at 1% per annum. Commencing December 5, 2017, GMDC OP is required to make quarterly payments of interest only through September 5, 2024. Commencing December 5, 2024, GMDC OP is required to make quarterly payments of principal and interest sufficient to amortize the loans over a 420-month period until November 16, 2052, the maturity date, when the entire outstanding principal balance along with all accrued but unpaid interest is due. Substantially all of GMDC OP's assets are collateralized under the terms of the loans.	--	--	--	--	16,660,000	--	16,660,000	16,660,000
Total Mortgages Payable	11,058,044	13,381,885	3,808,430	6,353,185	30,360,000	10,820,000	75,781,544	75,468,333
Less - Current portion	(118,561)	(412,008)	(113,453)	(215,349)	(876,766)	--	(1,736,137)	(827,789)
Less - Unamortized deferred loan costs	(155,351)	(55,586)	(93,902)	(62,610)	(840,157)	(711,643)	(1,919,249)	(2,049,798)
Long-Term Portion	<u>\$ 10,784,132</u>	<u>\$ 12,914,291</u>	<u>\$ 3,601,075</u>	<u>\$ 6,075,226</u>	<u>\$ 28,643,077</u>	<u>\$ 10,108,357</u>	<u>\$ 72,126,158</u>	<u>\$ 72,590,746</u>

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 12 - MORTGAGES PAYABLE (CONTINUED)

Approximate principal payments due within the next five years and thereafter are estimated as follows:

Year Ending December 31,	Amount
2024	\$ 1,736,000
2025	1,773,000
2026	1,809,000
2027	8,690,000
2028	1,739,000
Thereafter	<u>60,035,000</u>
Total	<u>\$ 75,782,000</u>

Total interest expense on loans and mortgages for the years ended December 31, 2023 and 2022 was approximately \$2,418,000 and \$2,232,000, respectively. Also included in interest expense is amortization of deferred loan costs of approximately \$153,000 and \$146,000 for the years ended December 31, 2023 and 2022, respectively. Additionally, interest of approximately \$60,000 and \$133,000 was incurred and capitalized to construction in progress during the years ended December 31, 2023 and 2022, respectively. Amortization of deferred loan costs of approximately \$25,000 and \$19,000 was capitalized to construction in progress during the years ended December 31, 2023 and 2022, respectively. Certain loan and mortgage agreements require the maintenance of interest and other reserves.

NOTE 13 - GOODWILL

Under FASB ASC 805, Tenant has elected to amortize goodwill over a period of ten years beginning on July 14, 2015. As of December 31, 2023 and 2022, management determined that no triggering events indicating impairment had occurred.

Goodwill consisted of the following as of December 31:

	2023	2022
Goodwill	\$ 334,996	\$ 334,996
Less - Accumulated amortization	<u>(283,851)</u>	<u>(250,347)</u>
	<u>\$ 51,145</u>	<u>\$ 84,649</u>

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 13 - GOODWILL (CONTINUED)

Amortization of goodwill amounted to \$33,504 for each of the years ended December 31, 2023 and 2022.

Future amortization is expected to be as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 33,500
2025	<u>17,645</u>
Total	<u>\$ 51,145</u>

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Government supported programs are subject to audit by the granting agency. In the opinion of management, any possible disallowances by the related governmental agencies, resulting from their audit, will not have a material effect on the accompanying consolidated financial statements.

On May 22, 2008, Owner entered into a master lease agreement (the "McKibbin Master Lease") with Tenant for the entire McKibbin Property. Rent is payable in equal monthly installments during each lease year for a period of thirty-two years commencing on the date the McKibbin Property is placed in service.

The McKibbin Master Lease also requires payment of annual supplemental rent at 8% of effective gross income, as defined in the McKibbin Master Lease, beginning on the placed-in-service date. The supplemental rent is payable out of Tenant's net cash flow. Tenant is also required to pay all operating expenses due and payable during the term of the master lease.

GMDC OP is the entity that has legal title to the Ozone Park Property and improvements and is the borrower on all debt obligations. GMDC OP leases the Ozone Park Property to Master Tenant under an OP Master Lease agreement dated November 16, 2017.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 15 - DEFERRED TAXES

GMDC OP Manager, LLC is taxed as a corporation for federal income tax purposes. Deferred taxes are recognized for temporary differences between the basis of assets and liabilities for financial statement and income tax purposes.

The provision for income taxes for GMDC OP Manager, LLC consists entirely of the effect of straight-line rental income for the years ended December 31, 2023 and 2022. For the years ended December 31, 2023 and 2022, the effective tax rate approximated the federal statutory rate. As of December 31, 2023, GMDC OP Manager, LLC has federal net operating loss carryforwards of approximately \$3,074,000 which will carryforward indefinitely.

Net deferred tax assets and liabilities for GMDC OP Manager, LLC consist of the following as of December 31, 2023 and 2022:

	2023	2022
Deferred tax assets		
Net operating loss carryforward	\$(1,008,633)	\$ (878,656)
Federal rehab and energy credit	(43,569)	(43,569)
Deferred tax liability		
Deferred rent and depreciation and amortization	1,589,089	1,377,968
Net Deferred Tax Liability	\$ 536,887	\$ 455,743

NOTE 16 - CONSTRUCTION IN PROGRESS

For the years ended December 31, 2023 and 2022, construction in progress primarily includes costs relating to ongoing St. Nicholas, GMDC II, and Brownsville capital projects. The majority of the costs incurred in connection with St. Nicholas are in relation to a façade remodeling project. This project was completed and placed in service during the year ended December 31, 2023. The majority of the costs incurred in connection with GMDC II are in connection with a building renovation project. In addition, construction in progress for Brownsville includes costs associated with a development project located in the Brownsville section of Brooklyn, NY.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 17 - LINE OF CREDIT

On February 15, 2019, a revolving line of credit was entered into in the amount of \$2,000,000, secured by the property located at 1155 Manhattan Avenue, and requiring monthly payments of interest at the prime rate. The line of credit was originally set to mature on January 28, 2021. The Organization subsequently entered into an extension and modification agreement whereby the line of credit maturity date was extended to January 28, 2023 and interest was set to not be less than 3.35%. In March 2023, the line of credit maturity date was extended to October 1, 2024. There were no borrowings under the line of credit during 2023 and 2022.

NOTE 18 - LEASING ARRANGEMENTS

Humboldt, St. Nicholas, GMDC II, Atlantic, Tenant, and Master Tenant receive rental income from tenants under non-cancelable operating leases through June 30, 2033. Due to the variable nature of rent increases, management assumes a 1% increase on base rent amounts annually. Approximate minimum annual rentals under operating leases for the next five years and thereafter are as follows:

Year Ending December 31,	Amount
2024	\$ 7,830,000
2025	7,011,000
2026	5,272,000
2028	3,912,000
2029	2,985,000
Thereafter	<u>2,672,000</u>
Total	<u>\$ 29,682,000</u>

For the years ended December 31, 2023 and 2022, GMDC was provided in-kind rental services from GMDC II in an amount of approximately \$65,000 and \$72,000, respectively. In addition to the base rents, the tenants are also required to pay their proportionate share of certain utilities and real estate taxes. For the years ended December 31, 2023 and 2022, operating expense reimbursements were approximately \$985,000 and \$633,000, respectively.

CONSOLIDATING SUPPLEMENTARY INFORMATION

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

**DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023											2022		
	Greenpoint Manufacturing and Design Center Local Development Corporation	GMDC Humboldt Street, LLC	GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Philadelphia	GMDC Atlantic Avenue LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC OP Manager, LLC	GMDC OP Investor, LLC	GMDC Brownsville LLC	Eliminations	Consolidated Totals	Consolidated Totals
Assets														
Current Assets														
Cash and cash equivalents - Note 2	\$ 2,246,541	\$ 234,896	\$ 105,011	\$ 769,636	\$ 275	\$ 234,822	\$ 455,254	\$ 367,311	\$ 200	\$ --	\$ 111,995	\$ --	\$ 4,525,941	\$ 7,373,498
Restricted cash - Note 2	1,314,731	--	--	--	--	--	--	146,034	--	--	5,883,599	--	7,344,364	240,359
Rent and other miscellaneous receivables - Note 2	--	36,463	26,466	178,490	--	42,994	15,239	179,307	--	--	34,993	--	513,952	452,878
Inter-company receivables	3,020,163	6,183,133	804,725	3,967,721	--	--	--	--	--	--	--	(13,975,742)	--	--
Due from related party	--	--	--	--	--	2,023,672	5,546,047	381,347	--	--	--	(7,951,066)	--	--
Mortgage escrow reserves - Note 2	--	164,944	81,943	87,201	--	--	--	--	--	--	--	--	334,088	185,588
Prepaid expenses and other current assets	36,934	132,653	49,658	459,846	--	116,994	31,656	43,635	--	--	--	--	871,376	705,006
Total Current Assets	6,618,369	6,752,089	1,067,803	5,462,894	275	2,418,482	6,048,196	1,117,634	200	--	6,030,587	(21,926,808)	13,589,721	8,957,329
Property and equipment - at cost, less accumulated depreciation - Note 9	73,323	1,094,789	2,513,028	9,762,031	--	10,395,465	12,920,987	34,382,649	--	--	--	(5,859,024)	65,283,248	64,260,478
Construction in progress - Note 16	4,299	2,500	--	1,298,797	--	--	8,513	5,950	--	--	5,221,822	(294,000)	6,247,881	6,828,086
Goodwill, net of accumulated amortization - Notes 2 and 13	--	--	--	--	--	--	51,145	--	--	--	--	--	51,145	84,649
Investment in GMDC Two Corporation	1,611,146	--	--	--	--	--	--	--	--	--	--	(1,611,146)	--	--
Investment in 221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	12,401,509	--	--	--	--	--	--	--	--	--	--	(12,401,509)	--	--
Investment in GMDC Atlantic Avenue, LLC	8,413,951	--	--	--	--	--	--	--	--	--	--	(8,413,951)	--	--
Investment in GMDC OP LLC	--	--	--	--	--	--	--	--	3,047,227	--	--	(3,047,227)	--	--
Investment in GMDC OP Master Tenant, LLC	--	--	--	--	--	--	--	--	3,919	--	--	(3,919)	--	--
Investment in GMDC OP Manager, LLC	1,312,066	--	--	--	--	--	--	--	--	--	--	(1,312,066)	--	--
Investment in GMDC Brownsville, LLC	109,015	--	--	--	--	--	--	--	--	--	--	(109,015)	--	--
Investment in GMDC Humboldt St., LLC	1,998,730	--	--	--	--	--	--	--	--	--	--	(1,998,730)	--	--
Investment in GMDC St. Nicholas, LLC	224,417	--	--	--	--	--	--	--	--	--	--	(224,417)	--	--
Security deposits	--	--	--	--	--	--	--	7,937	--	--	--	--	7,937	9,210
Loans receivable - Note 8	29,193,678	--	--	--	--	--	--	--	--	--	--	--	29,193,678	29,193,678
Utility deposits	10,090	--	--	12,000	--	--	1,480	--	--	--	--	--	23,570	23,570
Restricted cash - Note 2	--	--	--	--	--	--	--	88,611	--	--	--	--	88,611	6,127,234
Developer fee receivable	119,011	--	--	--	--	--	--	--	--	--	--	(119,011)	--	--
Interest rate swap asset - Note 10	--	--	--	485,576	--	441,577	888,524	--	--	--	--	--	1,815,677	2,272,610
Total Assets	\$ 62,089,604	\$ 7,849,378	\$ 3,580,831	\$ 17,021,298	\$ 275	\$ 13,255,524	\$ 19,918,845	\$ 35,602,781	\$ 3,051,346	\$ --	\$ 11,252,409	\$ (57,320,823)	\$ 116,301,468	\$ 117,756,844

See independent auditors' report on consolidating supplementary information.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

**DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023												2022	
	Greenpoint Manufacturing and Design Center Local Development Corporation	GMDC Humboldt Street, LLC	GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Philadelphia	GMDC Atlantic Avenue LLC	2023 221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC OP Manager, LLC	GMDC OP Investor, LLC	GMDC Brownsville LLC	Eliminations	Consolidated Totals	Consolidated Totals
Liabilities and Net Assets														
Current Liabilities														
Current portion of loans payable - Note 11	\$ 7,099,780	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 7,099,780	\$ 145,642
Current portion of mortgages payable - Note 12	--	86,945	31,616	412,008	--	113,453	215,349	876,766	--	--	--	--	1,736,137	827,789
Interest payable	13,834	21,653	7,874	46,681	--	11,741	14,720	--	--	--	--	--	116,503	119,518
Accounts payable and accrued expenses	108,826	8,376	1,550	122,990	--	6,831	7,518	7,177	--	--	836,469	--	1,099,737	680,320
Inter-company payable	13,216,081	303,737	1,375,447	1,216,290	394,958	961,757	1,007,780	2,166,282	1,202,393	2,526	79,557	(21,926,808)	--	--
Total Current Liabilities	20,438,521	420,711	1,416,487	1,797,969	394,958	1,093,782	1,245,367	3,050,225	1,202,393	2,526	916,026	(21,926,808)	10,052,157	1,773,269
Loans payable, less current portion and unamortized deferred loan costs - Note 11	6,371,454	--	--	--	--	--	--	--	--	--	--	--	6,371,454	14,006,436
Mortgages payable, less current portion and unamortized deferred loan costs - Note 12	3,671,749	5,232,580	1,879,803	12,914,291	--	3,601,075	6,075,226	28,643,077	--	--	10,108,357	--	72,126,158	72,590,746
Tenant security deposits	--	189,857	59,241	681,781	--	124,716	196,743	210,065	--	--	--	--	1,462,403	1,405,129
Developer fee payable	--	--	--	--	--	--	--	--	--	--	119,011	(119,011)	--	--
Prepaid rent	--	7,500	883	16,111	--	22,000	--	48,469	--	--	--	--	94,963	194,576
Refundable advance - Note 4	1,161,916	--	--	--	--	--	--	--	--	--	--	--	1,161,916	2,254,275
Deferred tax liability - Note 15	--	--	--	--	--	--	--	--	536,887	--	--	--	536,887	455,743
Interest rate swap liability - Note 10	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Deficit in excess of equity - GMDC OP Investor, LLC	2,526	--	--	--	--	--	--	--	--	--	--	--	(2,526)	--
Deficit in excess of equity - GMDC Philadelphia	394,683	--	--	--	--	--	--	--	--	--	--	(394,683)	--	--
Total Liabilities	32,040,849	5,850,648	3,356,414	15,410,152	394,958	4,841,573	7,517,336	31,951,836	1,739,280	2,526	11,143,394	(22,443,028)	91,805,938	92,680,174
Commitments and Contingencies - Note 14														
Net Assets (Deficiency)														
Without donor restrictions	30,048,755	--	--	1,611,146	(394,683)	--	--	--	--	--	--	(7,369,487)	23,895,731	23,608,367
Member's equity (deficiency)														
Controlling interest	--	1,998,730	224,417	--	--	8,413,951	12,401,509	3,051,146	1,312,066	(2,526)	109,015	(27,508,308)	--	--
Noncontrolling interest	--	--	--	--	--	--	--	599,799	--	--	--	--	599,799	1,468,303
Total Net Assets (Deficiency)	30,048,755	1,998,730	224,417	1,611,146	(394,683)	8,413,951	12,401,509	3,650,945	1,312,066	(2,526)	109,015	(34,877,795)	24,495,530	25,076,670
Total Liabilities and Net Assets	\$ 62,089,604	\$ 7,849,378	\$ 3,580,831	\$ 17,021,298	\$ 275	\$ 13,255,524	\$ 19,918,845	\$ 35,602,781	\$ 3,051,346	\$ --	\$ 11,252,409	\$ (57,320,823)	\$ 116,301,468	\$ 117,756,844

See independent auditors' report on consolidating supplementary information.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATING STATEMENT OF ACTIVITIES

**FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023											2022		
	Greenpoint Manufacturing and Design Center Local Development Corporation	GMDC Humboldt Street, LLC	GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Philadelphia	GMDC Atlantic Avenue LLC	2023 221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC OP Manager, LLC	GMDC OP Investor, LLC	GMDC Brownsville LLC	Eliminations	Consolidated Totals	Consolidated Totals
Revenue and Other Support														
Rental income - Note 18	\$ --	\$ 1,056,472	\$ 335,357	\$ 3,583,281	\$ --	\$ 693,940	\$ 1,087,821	\$ 1,080,477	\$ --	\$ --	\$ --	\$ (65,120)	\$ 7,772,228	\$ 7,241,709
Electric income - net of credits	--	93,483	--	192,696	--	70,073	71,042	55,509	--	--	--	--	482,803	461,898
Administrative and consulting fees	755,824	--	--	--	--	--	--	--	--	--	--	(755,824)	--	--
Contributions - Notes 3 and 4	1,625,692	--	--	--	--	--	--	--	--	--	--	--	1,625,692	500,956
Contributions in-kind - Note 18	65,120	--	--	--	--	--	--	--	--	--	--	(65,120)	--	--
Interest income - Note 8	518,935	--	--	2,714	--	--	710	4,450	--	--	50,845	--	577,654	407,839
Developer fee	340,332	--	--	--	--	--	--	--	--	--	--	(340,332)	--	--
Other income	--	144,969	82,412	229,282	--	67,580	599	105,556	--	--	--	--	630,398	243,309
Passthrough income (loss) from investments	(76,118)	--	--	--	--	--	--	--	274,064	--	--	(197,946)	--	--
Total Revenue and Other Support	<u>3,229,785</u>	<u>1,294,924</u>	<u>417,769</u>	<u>4,007,973</u>	<u>--</u>	<u>831,593</u>	<u>1,160,172</u>	<u>1,245,992</u>	<u>274,064</u>	<u>--</u>	<u>50,845</u>	<u>(1,424,342)</u>	<u>11,088,775</u>	<u>8,855,711</u>
Expenses														
Program Services														
Rental and project development	2,154,847	1,039,092	396,806	3,999,405	288	837,396	940,621	1,678,198	--	--	136,160	(1,080,969)	10,101,844	9,263,994
Supporting Services														
Management and general	542,689	20,453	17,543	138,629	301	27,885	19,908	43,520	894	--	--	(16,280)	795,542	633,279
Fundraising	119,645	--	--	--	--	--	--	--	--	--	--	(3,907)	115,738	83,580
Total Supporting Services	<u>662,334</u>	<u>20,453</u>	<u>17,543</u>	<u>138,629</u>	<u>301</u>	<u>27,885</u>	<u>19,908</u>	<u>43,520</u>	<u>894</u>	<u>--</u>	<u>--</u>	<u>(20,187)</u>	<u>911,280</u>	<u>716,859</u>
Total Expenses	<u>2,817,181</u>	<u>1,059,545</u>	<u>414,349</u>	<u>4,138,034</u>	<u>589</u>	<u>865,281</u>	<u>960,529</u>	<u>1,721,718</u>	<u>894</u>	<u>--</u>	<u>136,160</u>	<u>(1,101,156)</u>	<u>11,013,124</u>	<u>9,980,853</u>
Changes in Net Assets From Operations	<u>412,604</u>	<u>235,379</u>	<u>3,420</u>	<u>(130,061)</u>	<u>(589)</u>	<u>(33,688)</u>	<u>199,643</u>	<u>(475,726)</u>	<u>273,170</u>	<u>--</u>	<u>(85,315)</u>	<u>(323,186)</u>	<u>75,651</u>	<u>(1,125,142)</u>
Nonoperating Activities														
Unrealized gain (loss) on interest rate swap - Note 10	--	--	--	(167,764)	--	(81,693)	(207,476)	--	--	--	--	--	(456,933)	3,528,630
Benefit (provision) for income taxes - deferred tax revenue (expense) - Note 15	--	--	--	--	--	--	--	--	(81,144)	--	--	--	(81,144)	461,781
Total Other Revenues (Expenses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>(167,764)</u>	<u>--</u>	<u>(81,693)</u>	<u>(207,476)</u>	<u>--</u>	<u>(81,144)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(538,077)</u>	<u>3,990,411</u>
Change in Net Assets Without Donor Restrictions	<u>412,604</u>	<u>235,379</u>	<u>3,420</u>	<u>(297,825)</u>	<u>(589)</u>	<u>(115,381)</u>	<u>(7,833)</u>	<u>(475,726)</u>	<u>192,026</u>	<u>--</u>	<u>(85,315)</u>	<u>(323,186)</u>	<u>(462,426)</u>	<u>2,865,269</u>
Net Assets Without Donor Restrictions (Deficiency), Beginning of Year	<u>29,636,151</u>	<u>1,763,351</u>	<u>220,997</u>	<u>1,908,971</u>	<u>(394,094)</u>	<u>8,529,332</u>	<u>12,409,342</u>	<u>4,245,385</u>	<u>1,120,040</u>	<u>(2,526)</u>	<u>194,330</u>	<u>(34,554,609)</u>	<u>25,076,670</u>	<u>21,795,740</u>
Capital contributions	--	--	--	--	--	--	--	--	--	--	--	--	--	534,375
Capital distributions	--	--	--	--	--	--	--	(118,714)	--	--	--	--	(118,714)	(118,714)
Net Assets Without Donor Restrictions (Deficiency), End of Year	<u>\$ 30,048,755</u>	<u>\$ 1,998,730</u>	<u>\$ 224,417</u>	<u>\$ 1,611,146</u>	<u>\$ (394,683)</u>	<u>\$ 8,413,951</u>	<u>\$ 12,401,509</u>	<u>\$ 3,650,945</u>	<u>\$ 1,312,066</u>	<u>\$ (2,526)</u>	<u>\$ 109,015</u>	<u>\$ (34,877,795)</u>	<u>\$ 24,495,530</u>	<u>\$ 25,076,670</u>

See independent auditors' report on consolidating supplementary information.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

**FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

Greenpoint Manufacturing and Design Center Local Development Corporation																2023	2022	
Program Services	Supporting Services				Total Expenses	GMDC Humboldt Street, LLC	GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Philadelphia	GMDC Atlantic Avenue LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC OP Manager, LLC	GMDC OP Investor, LLC	GMDC Brownsville LLC	Eliminations	Total	Total
Rental and Project Development	Management and General	Fundraising	Total	Consolidated Expenses													Consolidated Expenses	
Salaries	\$ 890,816	\$ 322,760	\$ 77,462	\$ 400,222	\$ 1,291,038	\$ 40,733	\$ 9,719	\$ 403,055	\$ --	\$ 14,578	\$ 53,394	\$ 42,130	\$ --	\$ --	\$ --	\$ --	\$ 1,854,647	\$ 1,798,672
Payroll taxes and fringe benefits	361,495	130,976	31,434	162,410	523,905	1,440	556	19,333	--	834	11,119	19,503	--	--	--	--	576,690	540,107
Repairs and maintenance	6,115	680	--	680	6,795	26,538	16,347	96,717	--	12,154	19,902	20,472	--	--	--	--	198,925	184,262
Professional fees	60,001	43,485	--	43,485	103,486	20,453	17,543	138,629	301	27,885	19,908	43,520	--	--	--	--	371,725	299,361
Trash removal	--	--	--	--	--	1,159	576	2,595	--	533	--	--	--	--	--	--	4,863	5,791
Security	--	--	--	--	--	6,923	1,363	33,768	--	2,718	3,193	3,983	--	--	--	--	51,948	42,395
Building licenses and permits	468	--	--	--	468	160	--	575	--	--	--	6,448	--	--	--	--	7,651	6,017
Building filing fees	524	--	--	--	524	2,512	2,835	1,687	--	1,750	2,007	--	--	--	--	--	11,315	8,489
Insurance	16,809	6,091	1,462	7,553	24,362	117,837	46,803	459,327	--	118,061	133,204	186,924	--	--	--	--	1,086,518	753,374
Utilities	--	--	--	--	--	89,436	7,808	301,010	--	98,647	96,557	44,539	--	--	--	--	637,997	648,779
Phone and internet	12,622	4,574	1,098	5,672	18,294	4,035	2,482	7,186	--	5,070	4,740	6,295	--	--	--	--	48,102	51,587
Interest	697,687	--	--	--	697,687	278,064	107,512	676,865	--	157,790	185,229	332,602	--	--	135,288	--	2,571,037	2,378,132
Real estate taxes	--	--	--	--	--	202,913	75,357	675,677	--	89,532	--	--	--	--	--	--	1,043,479	823,469
Office expenses	35,882	13,001	3,120	16,121	52,003	--	--	91	--	120	80	--	--	--	--	--	52,294	53,248
In-kind office space rental	44,933	16,280	3,907	20,187	65,120	--	--	--	--	--	--	--	--	--	--	--	--	--
Administrative fees	--	--	--	--	--	--	--	700,000	--	--	--	55,824	--	--	--	--	(755,824)	--
NMTC reimbursement expenses	--	--	--	--	--	--	--	--	--	--	--	102,709	--	--	--	--	102,709	102,609
Depreciation	12,507	272	65	337	12,844	266,984	118,984	494,826	--	335,294	397,502	753,554	--	--	--	(215,092)	2,164,896	2,140,633
Amortization	--	--	--	--	--	--	--	--	--	--	33,504	--	--	--	--	--	33,504	33,504
Other taxes	2,375	--	--	--	2,375	--	--	250	--	--	--	--	26	--	287	--	2,938	7,397
Contributions in-kind expense	--	--	--	--	--	--	--	65,120	--	--	--	--	--	--	--	(65,120)	--	--
Bad debt expense	--	--	--	--	--	--	--	28,550	--	--	--	100,000	--	--	--	--	128,550	85,242
Miscellaneous	12,613	4,570	1,097	5,667	18,280	358	6,464	32,773	288	315	190	3,215	868	--	585	--	63,336	17,785
Total Expenses, 2023	\$ 2,154,847	\$ 542,689	\$ 119,645	\$ 662,334	\$ 2,817,181	\$ 1,059,545	\$ 414,349	\$ 4,138,034	\$ 589	\$ 865,281	\$ 960,529	\$ 1,721,718	\$ 894	\$ --	\$ 136,160	\$ (1,101,156)	\$ 11,013,124	\$ --
Total Expenses, 2022	\$ 2,001,777	\$ 442,303	\$ 87,192	\$ 529,495	\$ 2,531,272	\$ 963,059	\$ 331,009	\$ 3,894,706	\$ 2,255	\$ 768,966	\$ 898,791	\$ 1,619,116	\$ 3,275	\$ --	\$ 7,367	\$ (1,038,963)	\$ --	\$ 9,980,853

* With the exclusion of Greenpoint Manufacturing and Design Center Local Development Corporation, expenses for all other entities presented in the consolidating schedule of functional expenses are considered to be program services, with the exception of professional fees, which are considered to be supporting services, and all expenses related to GMDC OP Manager, LLC and GMDC OP Investor, LLC, which are considered to be supporting services.

See independent auditors' report on consolidating supplementary information.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATING STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023											2022		
	Greenpoint Manufacturing and Design Center Local Development Corporation	GMDC Humboldt Street, LLC	GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Philadelphia	GMDC Atlantic Avenue LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC OP Manager, LLC	GMDC OP Investor, LLC	GMDC Brownsville LLC	Eliminations	Consolidated Totals	Consolidated Totals
Cash Flows From Operating Activities														
Change in net assets (deficiency)	\$ 412,604	\$ 235,379	\$ 3,420	\$ (297,825)	\$ (589)	\$ (115,381)	\$ (7,833)	\$ (475,726)	\$ 192,026	\$ --	\$ (85,315)	\$ (323,186)	\$ (462,426)	\$ 2,865,269
Adjustments to reconcile change in net assets (deficiency) to net cash provided by (used in) operating activities														
Depreciation and amortization	12,844	266,984	118,984	494,826	--	335,294	431,006	753,554	--	--	--	(215,092)	2,198,400	2,174,137
Interest expense - debt issuance costs	49,320	21,312	14,148	12,378	--	17,724	9,288	28,998	--	--	--	--	153,168	146,386
Bad debt expense	--	--	--	28,550	--	--	--	100,000	--	--	--	--	128,550	85,242
Passthrough income (loss) from investments	76,118	--	--	--	--	--	--	--	(274,064)	--	--	197,946	--	--
Unrealized loss on interest rate swap	--	--	--	167,764	--	81,693	207,476	--	--	--	--	--	456,933	(3,528,630)
Deferred income taxes	--	--	--	--	--	--	--	--	81,144	--	--	--	81,144	(461,781)
(Increase) decrease in assets														
Rent and other miscellaneous receivables	--	3,280	(19,578)	56,370	--	(25,940)	(5,831)	(162,932)	--	--	--	--	(154,631)	16,116
Inter-company receivables	525,280	(563,719)	(75,521)	(1,041,339)	--	(493,309)	(1,513,398)	(333,957)	--	--	--	3,495,963	--	--
Prepaid expenses and other current assets	42,685	(15,207)	(5,553)	(64,245)	--	(99,074)	(10,667)	(14,309)	--	--	--	--	(166,370)	(120,529)
Security deposits	--	--	--	--	--	--	--	1,273	--	--	--	--	1,273	--
Developer fee receivable	649,234	--	--	--	--	--	--	--	--	--	--	(649,234)	--	--
Increase (decrease) in liabilities														
Accounts payable and accrued expenses	(110,342)	(4,210)	(314)	42,280	--	(6,578)	(8,906)	5,420	--	--	--	--	(82,650)	(27,257)
Inter-company payable	1,254,387	98,577	40,383	1,200,336	589	4,332	516,726	(246,383)	1,089	--	(148,013)	(2,722,023)	--	--
Interest payable	(359)	(335)	(122)	(1,375)	--	(337)	(487)	--	--	--	--	--	(3,015)	18,303
Prepaid rent	(215,626)	(3,258)	883	(115,544)	--	21,295	--	(3,265)	--	--	--	215,626	(99,889)	23,983
Refundable advance	(1,092,359)	--	--	--	--	--	--	--	--	--	--	--	(1,092,359)	2,254,275
Tenant security deposits	--	9,528	1,998	41,765	--	(12,147)	23,382	(7,252)	--	--	--	--	57,274	144,386
Net Cash Provided by (Used in) Operating Activities	1,603,786	48,331	78,728	523,941	--	(292,428)	(359,244)	(354,579)	195	--	(233,328)	--	1,015,402	3,589,900
Cash Flows From Investing Activities														
Purchases of property, equipment, renovations and fees	(8,887)	(16,401)	(192,098)	(720,341)	--	(16,344)	(9,613)	(30,655)	--	--	--	--	(994,339)	(2,811,395)
Construction costs	--	--	--	--	--	--	--	--	--	--	(1,120,580)	--	(1,120,580)	(2,835,632)
Refund of construction costs	--	--	--	--	--	--	--	--	--	--	--	--	--	390,000
Loans receivable	--	--	--	--	--	--	--	--	--	--	--	--	--	(8,201,978)
Investment in GMDC Brownsville LLC	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Net Cash Used in Investing Activities	(8,887)	(16,401)	(192,098)	(720,341)	--	(16,344)	(9,613)	(30,655)	--	--	(1,120,580)	--	(2,114,919)	(13,459,005)

See independent auditors' report on consolidating supplementary information.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATING STATEMENT OF CASH FLOWS (CONTINUED)

**FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023											2022		
	Greenpoint Manufacturing and Design Center Local Development Corporation	GMDC Humboldt Street, LLC	GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Philadelphia	GMDC Atlantic Avenue LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC OP Manager, LLC	GMDC OP Investor, LLC	GMDC Brownsville LLC	Eliminations	Consolidated Totals	Consolidated Totals
Cash Flows From Financing Activities														
Cash paid for deferred loan costs	\$ --	\$ --	\$ --	\$ (3,167)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ (3,167)	\$ (1,104,214)
Refund of debt issuance costs	--	--	--	2,300	--	--	--	--	--	--	--	--	2,300	641
Proceeds from loans	--	--	--	--	--	--	--	--	--	--	--	--	--	7,043,784
Proceeds from mortgages	--	--	--	--	--	--	--	--	--	--	1,141,000	--	1,141,000	17,179,000
Principal repayments of loans and mortgages	(727,788)	(83,629)	(30,411)	(394,192)	--	(109,531)	(210,026)	--	--	--	--	--	(1,555,577)	(5,879,191)
Capital contributions	--	--	--	--	--	--	--	--	--	--	--	--	--	534,375
Capital distributions	--	--	--	--	--	--	--	(118,714)	--	--	--	--	(118,714)	(118,714)
Net Cash Provided by (Used in) Financing Activities	<u>(727,788)</u>	<u>(83,629)</u>	<u>(30,411)</u>	<u>(395,059)</u>	<u>--</u>	<u>(109,531)</u>	<u>(210,026)</u>	<u>(118,714)</u>	<u>--</u>	<u>--</u>	<u>1,141,000</u>	<u>--</u>	<u>(534,158)</u>	<u>17,655,681</u>
Net Increase (Decrease) in Cash and Cash Equivalents and Restricted Cash	867,111	(51,699)	(143,781)	(591,459)	--	(418,303)	(578,883)	(503,948)	195	--	(212,908)	--	(1,633,675)	7,786,576
Cash and Cash Equivalents and Restricted Cash, Beginning of Year	<u>2,694,161</u>	<u>451,539</u>	<u>330,735</u>	<u>1,448,296</u>	<u>275</u>	<u>653,125</u>	<u>1,034,137</u>	<u>1,105,904</u>	<u>5</u>	<u>--</u>	<u>6,208,502</u>	<u>--</u>	<u>13,926,679</u>	<u>6,140,103</u>
Cash and Cash Equivalents and Restricted Cash, End of Year	<u>\$ 3,561,272</u>	<u>\$ 399,840</u>	<u>\$ 186,954</u>	<u>\$ 856,837</u>	<u>\$ 275</u>	<u>\$ 234,822</u>	<u>\$ 455,254</u>	<u>\$ 601,956</u>	<u>\$ 200</u>	<u>\$ --</u>	<u>\$ 5,995,594</u>	<u>\$ --</u>	<u>\$ 12,293,004</u>	<u>\$ 13,926,679</u>
Reconciliation of Cash and Cash Equivalents and Restricted Cash, Beginning of Year														
Cash and cash equivalents	\$ 2,694,161	\$ 354,120	\$ 284,921	\$ 1,405,941	\$ 275	\$ 653,125	\$ 1,034,137	\$ 726,710	\$ 5	\$ --	\$ 220,103	\$ --	\$ 7,373,498	\$ 5,402,960
Restricted cash	--	--	--	--	--	--	--	379,194	--	--	5,988,399	--	6,367,593	530,605
Mortgage escrow reserves	--	97,419	45,814	42,355	--	--	--	--	--	--	--	--	185,588	206,538
Cash and Cash Equivalents and Restricted Cash, Beginning of Year	<u>\$ 2,694,161</u>	<u>\$ 451,539</u>	<u>\$ 330,735</u>	<u>\$ 1,448,296</u>	<u>\$ 275</u>	<u>\$ 653,125</u>	<u>\$ 1,034,137</u>	<u>\$ 1,105,904</u>	<u>\$ 5</u>	<u>\$ --</u>	<u>\$ 6,208,502</u>	<u>\$ --</u>	<u>\$ 13,926,679</u>	<u>\$ 6,140,103</u>

See independent auditors' report on consolidating supplementary information.

**GREENPOINT MANUFACTURING AND DESIGN CENTER
LOCAL DEVELOPMENT CORPORATION AND SUBSIDIARIES**

CONSOLIDATING STATEMENT OF CASH FLOWS (CONTINUED)

**FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023												2022	
	Greenpoint Manufacturing and Design Center Local Development Corporation	GMDC Humboldt Street, LLC	GMDC St. Nicholas Avenue, LLC	GMDC Two Corporation	GMDC Philadelphia	GMDC Atlantic Avenue LLC	221 McKibbin Owner, LLC and McKibbin Master Tenant, LLC	GMDC OP LLC and GMDC OP Master Tenant, LLC	GMDC OP Manager, LLC	GMDC OP Investor, LLC	GMDC Brownsville LLC	Eliminations	Consolidated Totals	Consolidated Totals
Reconciliation of Cash and Cash Equivalents and Restricted Cash, End of Year														
Cash and cash equivalents	\$ 2,246,541	\$ 234,896	\$ 105,011	\$ 769,636	\$ 275	\$ 234,822	\$ 455,254	\$ 367,311	\$ 200	\$ --	\$ 111,995	\$ --	\$ 4,525,941	\$ 7,373,498
Restricted cash	1,314,731	--	--	--	--	--	--	234,645	--	--	5,883,599	--	7,432,975	6,367,593
Mortgage escrow reserves	--	164,944	81,943	87,201	--	--	--	--	--	--	--	--	334,088	185,588
Cash and Cash Equivalents and Restricted Cash, End of Year	\$ 3,561,272	\$ 399,840	\$ 186,954	\$ 856,837	\$ 275	\$ 234,822	\$ 455,254	\$ 601,956	\$ 200	\$ --	\$ 5,995,594	\$ --	\$ 12,293,004	\$ 13,926,679
Supplemental Cash Flow Disclosures														
Interest paid	\$ 648,726	\$ 257,087	\$ 93,486	\$ 665,862	\$ --	\$ 140,403	\$ 176,428	\$ 303,604	\$ --	\$ --	\$ 135,288	\$ --	\$ 2,420,884	\$ 2,213,443
Noncash Investing and Financing Activities														
Increase (decrease) in construction in progress resulting from														
Developer fee payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 124,705	\$ --	\$ 124,705	\$ 169,294
Accrued expenses	\$ --	\$ --	\$ --	\$ 9,250	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 836,469	\$ --	\$ 845,719	\$ 343,650
Due to related parties	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 26,975	\$ --	\$ 26,975	\$ 52,582
Reimbursement receivable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ (34,993)	\$ --	\$ (34,993)	\$ --
Capitalized interest - debt issuance costs	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 25,191	\$ --	\$ 25,191	\$ 18,893

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