

**Planning Office for Urban Affairs, Inc.
and Subsidiaries**

Consolidated Financial Statements and
Supplementary Information

December 31, 2023 and 2022

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

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December 31, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Planning Office for Urban Affairs, Inc.
Boston, Massachusetts

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Planning Office for Urban Affairs, Inc. (a non-profit corporation) and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the reports of the other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Planning Office for Urban Affairs, Inc. and its subsidiaries as of December 31, 2023, and the changes in their net assets, functional expenses and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

We did not audit the financial statements of Hadley Apartments LLC, whose statements reflect total assets of \$13,810,293 as of December 31, 2023, and total revenue and support of \$715,547 for the year then ended. We did not audit the financial statements of Hadley Tenant LLC, whose statements reflect total assets of \$1,484,975 as of December 31, 2023, and total revenue and support of \$29,956 for the year then ended. We did not audit the financial statements of Rose Hill Manor Corporation, whose statements reflect total assets of \$5,641,217 as of December 31, 2023, and total revenue and support of \$490,803 for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Hadley Apartments LLC, Hadley Tenants LLC, and Rose Hill Manor Corporation, is based solely on the reports of the other auditors.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, 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 Planning Office for Urban Affairs, Inc.'s ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Planning Office for Urban Affairs, Inc.'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 Planning Office for Urban Affairs, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited Planning Office for Urban Affairs, Inc.'s December 31, 2022 consolidated financial statements, and we expressed an unmodified opinion on those audited consolidated financial statements in our report dated September 28, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating and combined financial statements are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and net assets of the individual companies and are 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Nesseralla & Company, LLC

Concord, New Hampshire

August 28, 2024

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidated Statements of Financial Position

December 31, 2023 and 2022

Assets	2023	2022
Current Assets		
Cash and cash equivalents (Note 1)	\$ 13,599,063	\$ 14,689,747
Investments in certificates of deposit (Note 6)	1,511,049	1,477,786
Tenant rent and other receivables, net of allowances (Note 1)	1,299,289	1,189,065
Contributions receivable (Note 1)	387,681	158,766
Fixed assets, held for sale (Notes 3 & 19)	2,700,000	162,509
Prepaid expenses (Note 1)	675,116	475,664
Total Current Assets	20,172,198	18,153,537
Fixed Assets, held and used, at cost (Note 3):		
Land and improvements	29,660,045	24,231,209
Building and improvements	291,055,800	267,690,302
Furniture and equipment	6,901,140	5,860,858
Total Fixed Assets, held and used, at cost	327,616,985	297,782,369
Accumulated depreciation	(76,390,991)	(68,898,854)
Fixed Assets, held and used, net	251,225,994	228,883,515
Other Assets		
Restricted reserves and escrows (Note 4)	8,691,343	9,054,298
Pre-development advances (Note 5)	4,816	4,295
Advances to related parties, net of allowances (Note 5)	90,871	82,765
Loans and deferred interest receivable, net of discounts and allowances (Note 5)	3,763,794	3,689,797
Investments in affiliates (Note 5)	10,055,073	10,514,652
Development fees receivable (Note 5)	9,596	52,824
Investments in mutual funds (Notes 1 & 6)	1,010,524	948,967
Property under development (Note 7)	13,680,180	20,338,845
Tax credit fees, net of accumulated amortization (Note 1)	544,534	559,327
Tenant security deposits (Notes 1 & 8)	536,869	439,693
Deferred initial lease costs (Note 8)	31,491	20,902
Unbilled lease receivables (Note 8)	91,337	38,593
Right-of-use assets (Note 8)	446,403	877,342
Total Other Assets	38,956,831	46,622,300
Total Assets	\$ 310,355,023	\$ 293,659,352

See accompanying notes

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidated Statements of Financial Position

December 31, 2023 and 2022

Liabilities and Net Assets	2023	2022
Current Liabilities		
Current portion of long-term debt (Note 9)	\$ 8,885,944	\$ 3,662,138
Accounts payable	2,086,857	2,700,121
Accrued expenses	2,628,680	2,178,029
Deferred revenue, current portion (Notes 1 & 8)	159,769	174,318
Total Current Liabilities	13,761,250	8,714,606
Long-term Liabilities		
Long-term debt, net of current portion and unamortized debt issuance costs (Note 9)	166,155,604	146,702,764
Pre-development advances (Note 5)	376,502	-
Deferred interest payable (Note 9)	8,031,451	7,154,166
Development fees payable (Note 13)	425,227	434,279
Member advances and interest payable (Note 5)	612,749	557,249
Advances from a related party (Note 5)	74,209	55,133
Tenant security deposits (Notes 1 & 8)	507,662	418,374
Deferred revenue, net of current portion (Notes 1 & 8)	1,683,533	1,812,546
Lease liability (Note 8)	110,020	299,762
Total Long-term Liabilities	177,976,957	157,434,273
Total Liabilities	191,738,207	166,148,879
Net Assets		
Without donor restrictions:		
Controlling interests (Note 11)	49,559,758	54,449,746
Non-controlling interests (Note 11)	68,692,058	72,557,652
Total Net Assets without Donor Restrictions	118,251,816	127,007,398
With donor restrictions (Notes 11 & 12)	365,000	503,075
Total Net Assets	118,616,816	127,510,473
Total Liabilities and Net Assets	\$ 310,355,023	\$ 293,659,352

See accompanying notes

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

For the Year Ended December 31, 2023

(with comparative totals for the year ended December 31, 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
Revenue and Support				
Development fees (Note 5)	\$ 1,870,925	\$ -	\$ 1,870,925	\$ 2,734,665
Contribution income (Note 1 & 12)	82,703	365,000	447,703	761,126
Rental income (Notes 1 & 14)	17,446,663	-	17,446,663	15,035,072
Fundraising revenue	5,800	-	5,800	361,200
Capital distributions of cash surplus from operations (Note 5)	404,707	-	404,707	28,976
Other revenue	277,469	-	277,469	212,507
Net assets released from restrictions (Note 12)	503,075	(503,075)	-	-
Total Revenue and Support	20,591,342	(138,075)	20,453,267	19,133,546
Functional Expenses (Note 1)				
Program services	25,709,501	-	25,709,501	22,816,669
Management and general	1,191,915	-	1,191,915	592,544
Fundraising	60,280	-	60,280	98,668
Total Functional Expenses	26,961,696	-	26,961,696	23,507,881
Change in Net Assets Before Non-operating Income and Expenses	(6,370,354)	(138,075)	(6,508,429)	(4,374,335)
Non-operating Income (Expenses)				
Gain on sale of tax credits (Note 15)	-	-	-	6,064,241
Gain on sale of fixed assets held for sale (Notes 3 & 19)	639,648	-	639,648	-
Impairment loss on fixed assets held for sale (Note 3)	(4,006,757)	-	(4,006,757)	-
Deferred interest income (Note 5)	74	-	74	74
Interest income	460,327	-	460,327	96,933
Change in equity investment (Note 5)	(459,579)	-	(459,579)	(434,450)
Unrealized gain (loss) on investment (Note 1 & 6)	26,326	-	26,326	(172,758)
Recovery of discounts on receivables (Note 5)	73,923	-	73,923	49,575
Management fees to related parties (Note 5)	(17,986)	-	(17,986)	(118,555)
Casualty gain (loss) (Note 16)	15,027	-	15,027	(291,656)
Loss on disposal of right-of-use assets (Note 8)	(229,167)	-	(229,167)	-
Organizational costs	(95,268)	-	(95,268)	(63,858)
Total Non-operating Income (Expenses)	(3,593,432)	-	(3,593,432)	5,129,546
Change in Net Assets	(9,963,786)	(138,075)	(10,101,861)	755,211
Add: loss attributable to non-controlling interests	5,073,798	-	5,073,798	5,376,604
Change in Net Assets Attributable to Planning Office for Urban Affairs, Inc. and controlling interests in subsidiaries	\$ (4,889,988)	\$ (138,075)	\$ (5,028,063)	\$ 6,131,815

See accompanying notes

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
Consolidated Statement of Functional Expenses
December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Program Services			Subtotal - Program Services	Supporting Services		2023 Total	2022 Total
	Real Estate Development	Asset Management	Rental Properties		Management & General	Fundraising		
Payroll	\$ 514,487	\$ 364,568	\$ -	\$ 879,055	\$ 315,288	\$ 31,334	\$ 1,225,677	\$ 1,079,210
Occupancy (Note 8)	106,740	52,068	34,001	192,809	71,590	13,023	277,422	269,413
Payroll taxes and fringe benefits (Note 17)	105,752	68,282	-	174,034	69,267	8,931	252,232	210,243
Project feasibility and other development expenses (Note 7)	232,129	-	-	232,129	-	-	232,129	80,025
Donations (Note 1)	44,325	-	-	44,325	600,000	-	644,325	9,919
Program expenses	31,975	76,565	-	108,540	-	-	108,540	78,453
Marketing and communications	3,731	1,820	227,674	233,225	2,502	455	236,182	277,522
Travel and meals	11,539	6,086	-	17,625	7,012	1,275	25,912	53,533
Office expenses	23,679	12,961	274,659	311,299	15,491	2,790	329,580	287,840
Telephone	3,815	1,861	82,360	88,036	2,558	465	91,059	53,482
Property management fees	-	-	2,315,872	2,315,872	-	-	2,315,872	1,905,764
Resident services	-	-	214,683	214,683	-	-	214,683	276,638
Maintenance and repairs	2,362	1,152	4,051,121	4,054,635	1,585	288	4,056,508	3,229,432
Condominium fees	1,841	-	1,721,427	1,723,268	-	-	1,723,268	1,581,931
Dues and subscriptions	6,976	5,499	1,804	14,279	2,147	104	16,530	14,529
Postage and delivery	541	264	-	805	362	66	1,233	1,615
Meeting expenses	1,974	963	-	2,937	1,324	241	4,502	2,128
Utilities	-	-	1,836,854	1,836,854	-	-	1,836,854	1,670,975
Interest (Note 9)	32,817	-	2,603,248	2,636,065	-	-	2,636,065	2,546,205
Interest - debt issuance amortization (Note 9)	-	-	91,978	91,978	-	-	91,978	277,234
Depreciation and amortization (Notes 1 & 3)	2,320	699	7,556,207	7,559,226	961	175	7,560,362	6,986,218
Property taxes	13,157	-	1,104,827	1,117,984	-	-	1,117,984	1,027,801
Insurance	-	-	948,192	948,192	40,222	-	988,414	806,438
Professional fees	17,946	-	448,638	466,584	37,376	-	503,960	359,562
Bad debt expense	-	-	102,126	102,126	-	-	102,126	156,940
Consulting	205,388	4,531	-	209,919	6,230	1,133	217,282	128,129
Public relations	18,000	-	-	18,000	18,000	-	36,000	36,000
Miscellaneous	-	-	115,017	115,017	-	-	115,017	100,702
Total Functional Expenses	\$ 1,381,494	\$ 597,319	\$ 23,730,688	\$ 25,709,501	\$ 1,191,915	\$ 60,280	\$ 26,961,696	\$ 23,507,881

See accompanying notes

PLANNING OFFICE FOR URBAN AFFAIRS, INC. 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	\$ (10,101,861)	\$ 755,211
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization expense	7,555,431	6,986,218
Amortization of debt issuance costs	91,978	282,165
Deferred interest expense	947,754	1,058,641
Non-operating income and expenses, net	3,593,432	(5,158,522)
(Increase) decrease in the following assets:		
Tenant rent and other receivables	(110,224)	(947,450)
Contributions receivable	(228,915)	(158,766)
Prepaid expenses	(199,452)	(27,212)
Tenant security deposits	(97,176)	(58,775)
Development fees receivable	43,228	(1,670,029)
Unbilled lease receivable	(52,744)	(44,682)
Right-of-use assets	201,772	356,126
Deferred initial lease costs	(10,589)	-
Increase (decrease) in the following liabilities:		
Accounts payable and accrued expenses	(162,613)	(88,210)
Deferred interest	877,285	14,764
Deferred revenue	(143,562)	(65,284)
Tenant security deposits	89,288	65,256
Lease liability	(189,742)	(283,016)
Net Cash Provided By Operating Activities	2,103,290	1,016,435
Cash Flows From Investing Activities		
Acquisition of fixed assets	(29,834,616)	(8,955,341)
Pre-development advances	(521)	-
Advances to related parties, net of repayments	(98,106)	-
Investments in mutual funds, net of withdrawals	(35,231)	(139,147)
Property under development	(480,009)	(8,349,423)
Payment of tax credit fees	(49,760)	(100,537)
Payment of developer fee	(9,052)	(991,996)
Capital distributions	-	28,976
Sales of state tax credits and property	802,157	6,064,241
Interest income	460,327	95,291
Casualty gain (loss)	15,027	(84,153)
Organizational costs	(95,268)	(14,324)
Expenditures on rental property	(81,342)	(123,494)
Net Cash Used In Investing Activities	(29,406,394)	(12,569,907)

See accompanying notes

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows From Financing Activities		
Proceeds form long-term debt	25,637,354	35,484,831
Repayment of long-term debt	(871,177)	(47,131,724)
Debt issuance costs	(181,509)	(460,380)
Advances from related parties, net of repayments	109,076	103,326
Capital contributions	1,850,561	23,571,777
Capital distributions	(511,572)	(419,640)
Management fees to related parties	17,986	(118,555)
Payment of deferred interest	(70,469)	(43,424)
Syndication costs	(130,785)	(115,473)
Net Cash Provided By Financing Activities	25,849,465	10,870,738
Net Decrease In Cash and Restricted Cash	(1,453,639)	(682,734)
Cash and Restricted Cash, beginning of year	23,744,045	24,426,779
Cash and Restricted Cash, end of year	<u>\$ 22,290,406</u>	<u>\$ 23,744,045</u>
Breakdown of Cash and Restricted Cash, end of year:		
Cash and cash equivalents	\$ 13,599,063	\$ 14,689,747
Restricted reserves and escrows	8,691,343	9,054,298
	<u>\$ 22,290,406</u>	<u>\$ 23,744,045</u>
Supplemental cash flow information:		
Cash paid during the year for:		
Interest (including \$541,872 and \$803,894 capitalized in 2023 and 2022, respectively)	<u>\$ 2,308,933</u>	<u>\$ 2,556,710</u>

See accompanying notes

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

1. Summary of Significant Accounting Policies

Program Mission

The mission of the Planning Office for Urban Affairs, Inc. ("POUA"), a non-profit housing developer affiliated with the Roman Catholic Archdiocese of Boston, is to serve as a catalyst for social justice through its work in housing development and neighborhood revitalization. POUA is responsible for the development of over 3,000 units of housing to date, channeling approximately \$650 million of investment into neighborhoods and towns throughout metropolitan Boston.

POUA was established to develop low and moderate affordable and mixed income housing for families, the elderly, and the homeless. POUA also provides planning for affordable housing, the homeless, and affordability programs to assist the elderly. Through proper development and programs, POUA enhances the character of our local communities.

Basis of Presentation

Financial statement presentation follows recommendations of the Financial Accounting Standards Board ("FASB") in its Accounting Standards Codifications ("ASC") 958-205, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958-205, net assets are required to be classified and reported in two groups – net assets with donor restrictions and net assets without donor restrictions – based on the existence or absence of donor-imposed restrictions and the nature of those restrictions.

Principles of Consolidation

In accordance with ASC 810, *Consolidation*, the consolidated financial statements include the financial information of POUA and the entities in which it holds a controlling financial interest. POUA holds controlling financial interests in the following entities:

Development Entities

Entities which incur costs associated with properties that the Organization is considering for development, that are in the initial stages of development, or provide development services to other entities:

POUA Holdings, LLC
Rollins Square LLC
SFH 48 Boylston LLC
Cote Village LLC
Morton Station Ventures LLC
Drexel Village LLC
Constitution Inn LLC
Twenty Charlesgate LLC

Projects Under Construction

Entities which physical construction or rehabilitation of the property has commenced, but not completed:

Sanctuary Place, Inc.

Projects Held for Sale

Entities which physical construction or rehabilitation of the property has been completed and is held for sale:

Morton Station Homeownership LLC – 12 units held for sale (see Note 3)

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

1. Summary of Significant Accounting Policies (continued)

Principles of Consolidation (continued)

Operating Rental Projects

Entity Name	Investor/Owner	Placed in Service	# of Units	Rental Type
Kent Village Associates LP	POUA Kent Village	1984	64	Low/moderate income housing
Lowell Square LP	POUA	1997	82	Low/moderate income housing
Lowell Square Associates Joint Venture	POUA	1997	102	Commercial and parking spaces
Rollins Square Realty Trust	N/A	2003	14	Parking spaces
Rollins Square LP	POUA Holdings	2003	37	Low/moderate income housing
Riley House Non-Profit Housing Corp.	N/A - non-profit entity	2005	40	Elderly housing
St. Jean Baptiste, LLC	POUA Holdings	2005	24	Low/moderate income housing
St. Aidan's LLC	Bank of America	2009	20	Low/moderate income housing
Hayes Building MT LLC	POUA	2010	61	Mixed use
Hayes Building LLC	Bank of America	2010	33	Commercial
40 Upton Street LLC	40 Upton Street MM	2011	19	Low/moderate income housing
Rose Hill Manor Corporation	N/A - non-profit entity	2012	41	Elderly housing
Hadley Apartments LLC	Garnet LIHTC Fund	2013	46	Mixed use
Hadley Tenant LLC	Hadley Apartments	2013	2	Mixed use
135 Lafayette LLC	National Equity Fund	2014	51	Low/moderate income housing
St. Kevin's LP	Bank of America	2015	33	Low/moderate income housing
Uphams Corner LP	Bank of America	2015	47	Low/moderate income housing
165 Winter St Apartments LLC	Bank of America	2015	12	Low/moderate income housing
Harbor Place at Merrimack LLC	Bank of America	2016	50	Low/moderate income housing
Sancta Maria House, Inc.	N/A - non-profit entity	2017	9	Special needs housing
Kennedy Building LLC	Bank of America	2018	38	Mixed use
48 Boylston St Residential LLC	Bank of America	2018	46	Low/moderate income housing
WestminsterWashington LIHTC, LLC	MHIC	2021	32	Low/moderate income housing
Cote Village Townhomes LP	Bank of America	2022	24	Low/moderate income housing
Cote Village LP	Bank of America	2022	54	Mixed use
Morton Station Village LLC	Bank of America	2023	28	Low/moderate income housing
Twenty Charlesgate Holdings LLC	POUA	2023	140	Low/moderate income female housing

Ownership Entities

Entities with partner or member interests in operating rental projects:

Rollins Square Inc. – general partner of Rollins Square LP
 St. Aidan's Inc. – managing member of St. Aidan's LLC
 40 Upton Street MM LLC – managing member of 40 Upton Street LLC
 Hadley Manager LLC – managing member of Hadley Apartments LLC
 Hadley Tenant Manager LLC – managing member of Hadley Tenant LLC
 135 Lafayette Managing Member LLC – managing member of 135 Lafayette LLC

The activity of these entities is material to the consolidated financial statements. There are other ownership entities which POUA controls that are not material to these consolidated financial statements, so they have been excluded.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

1. Summary of Significant Accounting Policies (continued)

Principles of Consolidation (continued)

Effective January 1, 2023, the reporting period of Sanctuary Place, Inc. was changed from a calendar year end to a fiscal year ending September 30. As a result, the consolidated financial statements for the year ended December 31, 2023 only include the results of Sanctuary Place, Inc.'s operations for a nine-month period.

All significant transactions between the entities discussed above have been eliminated. These entities are collectively referred to as "the Organization" in these consolidated financial statements. The accounts of the following subsidiaries are consolidated as of a different year end:

Sanctuary Place, Inc. – fiscal year ending September 30

WestminsterWashingtonLIHTC, LLC – fiscal year ending October 31

Sanctuary Place, Inc. incurred an additional \$244,136 of property under development costs during the period October 31 to December 31, 2023 that are not included in these consolidated financial statements. No other events occurred related to these subsidiaries between their fiscal year ends and December 31, 2023 and 2022 that materially affected the consolidated financial position, results of operations, or cash flows.

Throughout these consolidated financial statements, the terms partners and partnerships are used generally to also describe members and limited liability companies, respectively, which function as limited partnerships.

In 2016, POUA established The Planning Office of Urban Affairs Foundation, Inc. ("Foundation") for the purpose of, amongst other activities, developing institutional support, both by way of raising funds for endowment and other sources of financial support, in order to assist in the support of and advance the mission and properly authorized programs of POUA. The Foundation has not been consolidated on these financial statements as POUA does not have control of it. During the year ended December 31, 2023, POUA contributed \$600,000 to the Foundation.

Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America ("GAAP").

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Equivalents

The Organization considers all unrestricted checking and savings accounts as cash and cash equivalents.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

1. Summary of Significant Accounting Policies (continued)

Concentration of Credit Risk

The Organization maintains its cash balances in high credit quality financial institutions. The Federal Deposit Insurance Corporation ("FDIC") insures balances at each bank up to \$250,000. As of December 31, 2023, cash balances exceed federally insured limits by \$7,704,765. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on its operating cash balances.

The Organization develops and operates housing properties located in the greater Boston area of Massachusetts. Future operations could be affected by changes in economic or other conditions in that geographical area or by changes in government subsidies or the demand for such housing.

Accounts Receivable – Recognition of Bad Debts

Receivables are reported net of allowances for uncollectible accounts. Management's estimate of the allowance is based on historical collection experience and a review of the status of receivables. It is reasonably possible that management's estimate of the allowances will change.

The Organization has a policy to collect security deposits of up to one month's rent from tenants. The security deposits can be used to pay for damages caused by the tenant or applied against unpaid receivables.

Tax Credit Fees

Fees related to Low-Income Housing Tax Credits ("LIHTC") and Historic Tax Credits ("HTC") are amortized on a straight-line basis over their compliance periods of 15 and 5 years, respectively.

Prepaid Expenses

Any expenses related to future periods or events have been recorded as prepaid.

Fair Value Measurements

The Organization determines the fair market values of its financial assets and liabilities, as well as non-financial assets and liabilities, that are recognized or disclosed at fair value on a recurring basis in accordance with generally accepted accounting principles, based on the fair value hierarchy established under ASC 820 *Fair Value Measurements*.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. The Organization currently has no Level 2 assets or liabilities that are measured at fair value on a recurring basis.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include items where the determination of fair value requires significant management judgment or estimation. The Organization currently has no Level 3 assets or liabilities that are measured at fair value on a recurring basis.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

1. Summary of Significant Accounting Policies (continued)

Investments in Available-for-Sale Mutual Funds

The Organization has investments in mutual funds that are traded or listed on national exchanges. When individual investments are acquired and at each statement of financial position date, management determines the appropriate classification of investments held by the Organization. Investments can be classified as available-for-sale, held-to-maturity, or trading, based on management's intent when purchasing the investments. Management has classified the investment in mutual funds as available-for-sale. As such, the accounting guidance requires the investments to be recorded at fair value. Purchases and sales of investments are recorded on a trade date basis. Investment income is recorded as earned. Realized gains and losses are reported in income based on the adjusted cost of the specific security sold.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. No impairment losses were recognized during the years ended December 31, 2023 and 2022.

Credit Card

The Organization maintains company credit cards for ten employees with a total credit line of \$15,000. Management places limits on employee cards based on expected usage. The balance is paid in full semimonthly and included in accounts payable on these consolidated financial statements.

Revenue Recognition

The Organization earns revenue as follows:

Contracts: The Organization evaluates its revenue contracts with customers based on the five-step model under ASC 606 *Contracts with Customers*: (1) identify the contract with the customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price; and (5) recognize revenue when (or as) each performance obligation is satisfied. See Note 13.

Contributions: Contributions are recorded when the awards are received or if they contain a significant donor-imposed barrier when the Organization is entitled to the funds. Contributions are recorded with donor restrictions or without donor restrictions, depending on the existence of any donor restrictions, see Note 12. Contributions with donor restrictions that have been spent in the year they were received are considered unrestricted for financial statement purposes.

Leases: The Organization recognized and measures its leases in accordance with ASC 842 Leases. Rental revenue attributable to residential leases are recorded when due from residents, generally upon the first day of each month. Leases are for periods of up to one year, with rental payments due monthly. Other revenue results from fees for late payments, cleaning, damages, and laundry facilities and is recorded when earned. Land and commercial leasing activity is discussed in detail in Note 8.

Revenues received in advance are deferred until earned.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

1. Summary of Significant Accounting Policies (continued)

Income Taxes

POUA, Sanctuary Place, Sancta Maria House, Rose Hill Manor, and Riley House are not-for-profit organizations that are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except for income taxes on “unrelated business income”, if any. For the years ended December 31, 2023 and 2022, those entities did not have any “unrelated business income” subject to income taxes; accordingly, no provision for income taxes for these entities has been included in the consolidated financial statements.

Affiliated limited partnerships and LLCs are treated as pass-through entities for income tax purposes and, as such, are not subject to federal income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and reported by their partners or members on their respective income tax returns. Accordingly, these consolidated financial statements do not reflect a provision for federal income taxes for these entities. Single-member LLCs are disregarded entities for tax unless they elect corporate treatment. The operating activity of disregarded entities is reported on the tax filings of the sole owner.

The Organization adopted provisions of ASC 740 related to the subsequent recognition and measurement of tax positions. This guidance requires recognition of the financial statement impact of a tax position when it is more-likely-than-not that the position will be sustained upon examination. The Organization did not identify any uncertain tax positions that qualify for either recognition or disclosure in the consolidated financial statements.

Income tax returns filed by the Organization are subject to examination by the Internal Revenue Service (“IRS”) for a period of three years.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the program and supporting services that benefited. The consolidated statement of functional expenses reports certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, and payroll taxes which are allocated based on estimates of time and effort.

Advertising

Advertising costs are expensed as they are incurred.

Reclassifications

Certain items in the December 31, 2023 consolidated financial statements have been reclassified to conform to the current year’s classifications. These reclassifications had no effect on net assets.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

1. Summary of Significant Accounting Policies (continued)

Events Occurring After Reporting Date

Events that occur after the consolidated statement of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the consolidated statement of financial position date are recognized in the accompanying consolidated financial statements. Subsequent events which provide evidence about conditions that existed after the consolidated statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of the Organization through August 28, 2024 and concluded that, except for those discussed in Note 20, no subsequent events have occurred that would require recognition in the consolidated financial statements or disclosure in the notes to the consolidated financial statements.

2. Financial Assets and Liquidity

The Organization's operations are substantially supported by development fees, contributions, and rental income. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Some rental properties have regulatory and loan restrictions which require adequate reserves. Security deposits from rental tenants are held until the lease is terminated. Therefore, these financial assets may not be available for general expenditure within one year.

As part of the Organization's liquidity management, it structures its financial assets to be available for its general expenditures, liabilities, and other obligations as they come due. Management analyzes its cash needs for the upcoming two-year period on a rolling basis. The analysis includes operating profitability projections as well as the inclusion of pre-development funding needs for various projects being developed for future construction or rehabilitation.

The following table reflects the Organization's financial assets as of December 31, 2023 and 2022 reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year.

	2023	2022
Cash and cash equivalents	\$13,599,063	\$14,689,747
Investments in certificates of deposit	1,511,049	1,477,786
Tenant rents and other receivables	1,299,289	1,189,065
Contributions receivable	387,681	158,766
Restricted reserves and escrows	8,691,343	9,054,298
Tenant security deposits	536,869	439,693
Financial assets, at year-end	26,025,294	27,009,355
Less: unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with purpose restrictions	(365,000)	(503,075)
Subsidiary operating cash restricted by agreements	(3,953,006)	(6,138,206)
Reserves restricted by regulatory or loan agreements	(8,691,343)	(9,054,298)
Tenant security deposits restricted by lease agreements	(507,662)	(418,374)
Financial assets available to meet cash needs for general expenditures within one year	\$12,508,283	\$10,895,402

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

3. Fixed Assets

Fixed assets, held for sale, are measured at the lower of cost or fair value less cost to sell. They are not depreciated while held for sale. During the year ended December 31, 2023, the Organization completed construction of 12 housing units which are classified as held for sale. The cost to construct the units of \$6,706,757 exceeds estimated proceeds from sales of \$2,700,000, resulting in a recognized impairment loss of \$4,006,757. See Note 19 for the disposition of the fixed asset held for sale as of December 31, 2022.

Fixed assets, held and used, are carried at cost. Maintenance, repairs, and minor renewals are expensed as incurred, while more extensive improvements, renewals, and betterments are capitalized. Provision for depreciation is provided on a straight-line basis over the estimated useful lives of the respective assets as follows:

Sitework and landscaping	15-20 years
Buildings and improvements	10-40 years
Leasehold improvements	10 years
Furniture and equipment	3-15 years

Depreciation expense for the years ended December 31, 2023 and 2022 was \$7,490,369 and \$6,914,666, respectively.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

4. Restricted Reserves and Escrows

Pursuant to various regulatory, loan, operating, and partnership agreements, the following entities hold restricted reserves and escrows in the following amounts as of December 31, 2023. Other reserves and escrows are held for less common purposes, including lease-up, residual receipts, commercial space, supportive services, punch list work, rent deficit, retaining wall work, asset management and interest.

	Tax & Insurance Escrows	Replace- ment Reserves	Operating Reserves	Other Reserves and Escrows	Total Reserves and Escrows
Kent Village Associates LP	\$ 111,475	\$ 172,979	\$ -	\$ 16,786	\$ 301,240
Rollins Square LP	11,677	173,861	324,728	-	510,266
Riley House Non-Profit Housing Corporation	28,252	62,579	-	-	90,831
St. Jean Baptiste LLC	36,030	78,434	131,341	-	245,805
St. Aidan's LLC	-	56,236	121,854	-	178,090
Hayes Building MT LLC	15,595	204,064	62,774	-	282,433
Hayes Building LLC	30,867	58,474	70,898	48,801	209,040
40 Upton Street LLC	-	161,299	1,039,695	59,444	1,260,438
Rose Hill Manor Corporation	136,835	161,009	-	3,191	301,035
Hadley Apartments LLC	16,226	41,707	117,188	-	175,121
135 Lafayette LLC	67,855	133,834	348,262	142,860	692,811
St. Kevin's LP	21,229	35,032	270,545	-	326,806
Uphams Corner LP	59,938	247,663	534,322	-	841,923
165 Winter Street Apartments LLC	18,861	22,810	90,523	-	132,194
Harbor Place at Merrimack LLC	84,422	84,802	230,562	-	399,786
Sancta Maria House Inc.	-	48,964	103,501	-	152,465
Kennedy Building LLC	20,794	38,933	306,681	94,959	461,367
48 Boylston Street Residential LLC	-	73,798	284,168	-	357,966
WestminsterWashingtonLIHTC LLC	-	22,637	333,114	86,553	442,304
Cote Village Townhomes LP	35,647	18,014	196,901	-	250,562
Cote Village LP	125,819	27,463	530,307	-	683,589
Twenty Charlesgate Holdings LLC	-	100,000	276,293	18,978	395,271
Totals	\$ 821,522	\$ 2,024,592	\$ 5,373,657	\$ 471,572	\$ 8,691,343

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

4. Restricted Reserves and Escrows (continued)

Restricted reserves and escrows had the following balances as of December 31, 2022:

	Tax & Insurance Escrows	Replace- ment Reserves	Operating Reserves	Other Reserves and Escrows	Total Reserves and Escrows
Kent Village Associates LP	\$ 107,194	\$ 298,344	\$ -	\$ 16,694	422,232
Rollins Square LP	30,953	147,397	316,307	-	494,657
Riley House Non-Profit Housing Corporation	21,892	103,564	-	-	125,456
St. Jean Baptiste LLC	33,435	72,960	125,008	-	231,403
St. Aidan's LLC	-	43,985	121,246	-	165,231
Hayes Building MT LLC	19,106	288,138	59,747	-	366,991
Hayes Building LLC	29,300	37,027	253,342	61,672	381,341
40 Upton Street LLC	-	155,995	1,005,505	73,553	1,235,053
Rose Hill Manor Corporation	131,611	141,434	-	3,191	276,236
Hadley Apartments LLC	11,575	18,571	108,524	-	138,670
135 Lafayette LLC	63,786	111,033	341,721	141,587	658,127
St. Kevin's LP	35,241	26,291	280,000	-	341,532
Uphams Corner LP	57,173	218,738	508,557	-	784,468
165 Winter Street Apartments LLC	19,434	18,288	119,507	-	157,229
Harbor Place at Merrimack LLC	51,895	80,548	219,445	-	351,888
Sancta Maria House Inc.	-	49,989	102,985	-	152,974
Kennedy Building LLC	28,128	36,474	331,618	109,910	506,130
48 Boylston Street Residential LLC	-	57,451	284,111	-	341,562
Westminster Washington LIHTC LLC	-	11,181	228,574	85,172	324,927
Cote Village Townhomes LP	15,024	8,645	186,903	115,490	326,062
Cote Village LP	53,475	3,124	503,379	712,151	1,272,129
Totals	\$ 709,222	\$ 1,929,177	\$ 5,096,479	\$ 1,319,420	\$ 9,054,298

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

5. Related Party TransactionsPre-development Advances

The Organization regularly advances funds to related parties in the pre-development phase, i.e., prior to physical construction commencement. The advances are typically repaid upon construction loan closing. Pre-development advance receivable balances at December 31, 2023 and 2022 are presented below by entity:

	2023	2022
RHW Development LLC	\$ 1,500	\$ 1,500
Merrimack Street Development LLC	3,316	2,795
Total Pre-development Advances Receivable	<u>\$ 4,816</u>	<u>\$ 4,295</u>

Pre-development advances payable are due to Fenway Community Development Corp at December 31, 2023 and 2022 in the amount of \$376,502 and \$0, respectively.

Advances to/from Related Parties

The Organization regularly advances or receives funds to or from related parties for operations, either due to convenience or as required by operating deficit guarantees. The advances are expected to be repaid from existing cash or future operating cash flows. Advances receivable at December 31, 2023 and 2022 are presented below by entity:

	2023	2022
Barstow Village LLC	\$ 520	\$ 520
Merrimack Street Ventures LLC	6,849	50
Roxbury Stone House, Inc. ("Stone House")	78,502	82,195
Harbor Place Primary Condominium	5,000	-
Total Advances Receivable	<u>\$ 90,871</u>	<u>\$ 82,765</u>

Advances payable at December 31, 2023 and 2022 are presented below by entity:

	2023	2022
WestminsterWashingtonNMTC LLC	\$ 29	\$ 29
Garnet LIHTC Fund XV, LLC	55,104	55,104
Pine Street Inn, Inc.	19,076	-
Total Advances Payable	<u>\$ 74,209</u>	<u>\$ 55,133</u>

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

5. Related Party Transactions (continued)Loans and Deferred Interest Receivable

The Organization adjusts its notes and interest receivable to their net present value using an appropriate discount rate. Loans and deferred interest receivable, net of discounts and allowances, at December 31, 2023 are presented below by entity:

	Principal Balance	Deferred Interest	Discount Balance	Receivable Balance
RHW Development LLC	\$ 4,656,820	\$ -	\$ (1,232,492)	\$ 3,424,328
JKS Paxton LLC	745,500	663	(406,697)	339,466
Total	\$ 5,402,320	\$ 663	\$ (1,639,189)	\$ 3,763,794

Loans and deferred interest receivable, net of discounts and allowances, at December 31, 2022 are presented below by entity:

	Principal Balance	Deferred Interest	Discount Balance	Receivable Balance
RHW Development LLC	\$ 4,656,820	\$ -	\$ (1,297,660)	\$ 3,359,160
JKS Paxton LLC	745,500	589	(415,452)	330,637
Total	\$ 5,402,320	\$ 589	\$ (1,713,112)	\$ 3,689,797

The loan to RHW Development LLC was funded by the sale of state tax credits. It is non-interest bearing and secured by the property. The outstanding balance is due on November 1, 2039 and has been discounted using a rate of 1.94%, the long-term Applicable Federal Rate ("AFR") at inception.

The loan to JKS Paxton LLC was funded by the sale of state tax credits. It bears simple interest at 0.01% per annum and is secured by the property. The outstanding balance of principal and interest is due on March 15, 2053 and has been discounted using a rate of 2.66%, the long-term AFR at inception.

Investments in Affiliates

The Organization accounts for its investments in controlled affiliates at cost unless an investment has been impaired. Management has determined that no impairment has occurred as of December 31, 2023 and 2022.

The Organization uses the equity method to account for investments in which it has significant influence that does not rise to the level of a controlling interest. Under the equity method, the investment is initially recorded at cost and adjusted annually for its share of the earnings or losses of the entity. The Organization has elected the cumulative earnings approach to account for distributions. Under the cumulative earnings approach, distributions received are considered returns on investment until cumulative distributions exceed cumulative equity in earnings recognized by the Organization, after which point those distributions will be considered returns of investment.

POUA has a non-controlling 50% ownership interest in Merrimack Street Ventures, LLC. After adjusting for POUA's share of Merrimack Street Ventures loss of \$459,579 and \$434,450 for the years ended December 31, 2023 and 2022, respectively, the equity investment in Merrimack Street Ventures was \$10,055,073 and \$10,514,652 as of December 31, 2023 and 2022, respectively.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

5. Related Party Transactions (continued)

Member Advances

The operating agreement of SFH 48 Boylston Street LLC requires the members to advance funds to cover carrying costs between acquisition and construction closing. The advances bear compound interest at a rate of 10% per annum. The balance of member advances and interest payable to Saint Francis House, Inc. was \$612,749 and \$557,249 as of December 31, 2023 and 2022, respectively.

Standby Line of Credit

The managing member of WestminsterWashingtonLIHTC, LLC, obtained a standby line of credit from MHIC CMF Affordable Housing Fund I, LLC, a party related to the investor member in the amount of \$100,000. It is available to fund the special capital contributions required to eliminate operating deficits of the project. The line of credit bears a variable interest rate equal to Prime Rate plus 0.5% per annum. The rate will be fixed for each advance of funds. The maturity date is the earlier of the end of the 15-year compliance period under Section 42 and the time at which the balance in the operating reserve is \$328,000. No funds had been advanced as of December 31, 2023 and 2022.

Capital Contributions

During the years ended December 31, 2023 and 2022, the Organization received capital contributions from unrelated and non-controlling partners (see Note 11) as follows:

	2023	2022
Cote Village Townhomes LP	\$ 442,699	\$ 7,525,891
Cote Village LP	412,050	7,925,192
WestminsterWashingtonLIHTC LLC	9,999	8,120,694
Morton Station Village LLC	985,813	-
Total Capital Contributions from Non-Controlling Interests	\$ 1,850,561	\$ 23,571,777

The capital contributed to Morton Station Village LLC during the year ended December 31, 2023 was reduced by \$130,785 to reimburse the limited partner for syndication costs. The capital contributed to Cote Village LP during the year ended December 31, 2022 was reduced by \$115,473 to reimburse the limited partner for syndication costs.

Capital Distributions

During the years ended December 31, 2023 and 2022, the Organization received distributions of surplus cash as follows:

	2023	2022
Barstow Village LLC	\$ 14,941	\$ 28,976
St. Aidans Developer LLC	389,766	-
Total Capital Distributions	\$ 404,707	\$ 28,976

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

5. Related Party Transactions (continued)Capital Distributions (continued)

Distributions made to unrelated and non-controlling partners (see Note 11) during December 31, 2023 and 2022 were as follows:

	2023	2022
St. Adian's LLC	\$ 8,608	\$ 8,136
135 Lafayette LLC	2,226	20,617
Harbor Place at Merrimack LLC	3,890	5,324
Cote Village LLC	482,127	180,154
Morton Station Ventures LLC	-	61,250
Cote Village Townhomes LP	5,047	-
Westminster Washinton LIHTC LLC	9,674	-
Total Capital Distributions to Non-Controlling Interests	\$ 511,572	\$ 275,481

Management Fees

The operating rental properties pay various fees to their partners for asset management and other oversight services. The elimination of those fees earned by the Organization has been allocated to the controlling interest in those rental properties.

6. InvestmentsCertificates of Deposit

The Organization invests in certificates of deposit which have terms in excess of three months. Maturity dates range from August 2024 to December 2024. The investments are carried at their current balances which were \$1,511,049 and \$1,477,786 at December 31, 2023 and 2022, respectively.

Available-for-Sale Mutual Funds

Available-for-sale mutual funds at December 31, 2023 consist of the following:

	Cost Basis	Estimated Fair Value	Cumulative Unrealized Losses	Unrealized Gain
Mutual funds:				
Fidelity Investment Grade (FBNDX)	\$1,042,685	\$1,010,524	\$ (32,161)	\$ 26,326

Available-for-sale mutual funds at December 31, 2022 consist of the following:

	Cost Basis	Estimated Fair Value	Cumulative Unrealized Losses	Unrealized Loss
Mutual funds:				
Fidelity Investment Grade (FBNDX)	\$1,007,454	\$ 948,967	\$ (58,487)	\$ (172,758)

The fair value of the Organization's investment in available-for-sale mutual funds has been valued using inputs from Level 1 of the fair value hierarchy.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

7. Property Under Development

The Organization capitalizes all costs related to construction projects during the term of their development. If the project is determined to be infeasible, all related costs are expensed in the year the determination is made.

POUA Solar Project

The Organization is exploring the addition of solar panels to existing rental properties. Total costs incurred as of December 31, 2023 and 2022 were \$19,149 and \$41,143, respectively. During the year ended December 31, 2023, costs of \$19,054 were written off and \$6,849 were billed to Merrimack Street Ventures for reimbursement, see Note 5.

POUA Holdings Pre-Development

The purpose of POUA Holdings, LLC, is to perform pre-development work on potential projects which have not reached the threshold of establishing a stand-alone legal entity. The balance of \$2,073,721 and \$1,212,343 as of December 31, 2023 and 2022, respectively, is related to the following future projects that management expects to be developed:

	2023	2022
River Senior project located in Mattapan	\$ 1,031,700	\$ 662,504
Thatcher Street project located in Brockton	574,540	433,364
Twenty Charlesgate project located in Boston	-	106,400
St. Ann's project located in Wayland	459,821	9,625
Other potential projects	7,660	450
	<u>\$ 2,073,721</u>	<u>\$ 1,212,343</u>

SFH 48 Boylston

The Organization is developing a 126-unit low- to moderate-income housing project in Boston, Massachusetts. Total costs incurred after intercompany eliminations as of December 31, 2023 and 2022 were \$7,633,683 and \$7,216,818, respectively.

Drexel Village

The Organization is developing a three-building, 217-unit residential housing project in Boston, Massachusetts. Total costs incurred as of December 31, 2023 and 2022 were \$682,950 and \$431,943, respectively.

Sanctuary Place

The Organization is developing an eight-unit low-income supportive housing project in Wrentham, Massachusetts. Total costs incurred as of December 31, 2023 and 2022 were \$1,935,718 and \$1,488,874, respectively.

Constitution Inn

The Organization is developing a 100-unit low-income supportive housing project in Boston, Massachusetts. Total costs incurred as of December 31, 2023 and 2022 were \$890,320 and \$570,336, respectively.

Morton Station Village and Homeownership

The Organization developed a housing project consisting of 28 rental apartments and 12 homeownership units in Mattapan, Massachusetts. Total costs incurred as of December 31, 2022 were \$9,371,877. Development was completed and placed in service during the year ended December 31, 2023.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

7. Property Under Development (continued)

Twenty Charlesgate

The Organization is redeveloping a 140-unit low-income residential housing project in Boston, Massachusetts. Total costs incurred as of December 31, 2023 and 2022 were \$534,624 and \$0, respectively.

Other

Other miscellaneous property under development totaled \$15 and \$5,511 as of December 31, 2023 and 2022, respectively.

8. Leases

Lessor – General

In addition to residential leases, the Organization has leased various commercial spaces to related parties. The related security deposits, right-of-use assets, unbilled lease receivables, lease liabilities, deferred revenue, lease income, and lease expense have been eliminated from these consolidated financial statements accordingly. Initial lease costs are deferred and amortized over the term of their respective lease.

Lessor – POUA Holdings

The Organization entered into an agreement to sublease commercial space located in 135 Lafayette LLC's building to The Urban Food Initiative, Inc. The lease has a five-year term commencing on September 9, 2023 with options for two five-year extensions. Annual base rent began at \$52,044 and escalates annually by \$0.50 per square foot. Additional variable monthly rent is due to cover common area maintenance, real estate taxes and other obligations of the tenant. Unbilled lease receivables were \$49,337 and \$0 at December 31, 2023 and 2022, respectively.

Initial lease costs consisted of commissions paid to find a lessee. Deferred initial lease costs at December 31, 2023 and 2022 were \$13,376 and \$0, respectively.

Lessor – Lowell Square Associates Joint Venture

The Organization entered into a lease agreement with Chin Management, LLC, to lease one commercial unit in the building. The lease commenced on June 1, 2020 with a ten-year term. Base rent began at \$35,302 and escalates annually. Additional rent is due should operating costs or real estate taxes of the commercial unit exceed base year costs. Lease income earned during the years ended December 31, 2023 and 2022 was \$42,642 and \$54,347, respectively. Unbilled lease receivables were \$42,000 and \$38,593 at December 31, 2023 and 2022, respectively.

The Organization entered into a lease agreement with Inrupt, Inc., to lease one commercial unit in the building. The lease had a one-year term commencing on January 1, 2022, and was classified as a short-term lease. Base rent is \$52,860 and additional rent is due should operating costs or real estate taxes of the commercial unit exceed base year costs. The lease was extended for an additional one-year term to December 31, 2023. Lease income earned during the years ended December 31, 2023 and 2022 was \$17,098 and \$52,860, respectively.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

8. Leases (continued)

Lessor – Lowell Square Associates Joint Venture (continued)

The Organization entered into a lease agreement with Keen Charitable Foundation to lease one commercial unit in the building. The lease had a ten-year term commencing on June 1, 2012. Base rent is \$7,545 and additional rent is due should operating costs or real estate taxes of the commercial unit exceed base year costs. The lease expired on May 31, 2022 and continued at-will until the tenant vacated the unit in December 2022. Lease income earned during the year ended December 31, 2022 was \$7,545.

Initial lease costs consisted of commissions paid to find lessees. Deferred initial lease costs at December 31, 2023 and 2022 were \$18,115 and \$20,902, respectively.

Lessor – St. Jean Baptiste

The Organization entered into a community facility lease with an affiliate of the non-investor member to lease 1,800 square feet of the project. The lease had an initial fifteen-year term with two five-year extensions available to the lessee. The lease requires rent payments in the amount of \$9,000 per year, increased annually by 3%, and common area maintenance ("CAM") charges equal to 7.5% of the maintenance, repair, and insurance costs of the property. The lease income earned by the Organization during the years ended December 31, 2023 and 2022 was \$15,104 and \$14,664, respectively. The CAM charges billed by the Organization during the years ended December 31, 2023 and 2022 were \$10,921 and \$12,743, respectively.

Lessor – Sancta Maria House

The Organization entered into a lease agreement with Casa Myrna Vazquez, Inc., to lease the nine housing units and common areas of the property. The lease commenced on April 30, 2018 with a one-year term. The tenant has the option to extend the term annually for up to 20 years. Base rent is \$100 per year and additional rent is due in an amount to cover operating expenses of the leased property. Lease income earned during the years ended December 31, 2023 and 2022 was \$4,625 and \$4,500, respectively.

Lessor – 48 Boylston

The Organization entered into three lease agreements with Saint Francis House, Inc., to lease the three commercial units in the building. The leases were executed on December 27, 2017 and commenced December 31, 2018 each with terms of 19 years. The leases called for prepaid rent of \$2,119,051. Base rent began at \$105,000 and escalates 2-4% annually through year 15, when rent switches to fair market value. Additional rent is due should operating costs of the commercial units exceed base rent. The tenant shall have the option to purchase the leased premises at the appraised fair market value beginning on December 31, 2029. Lease income earned during the years ended December 31, 2023 and 2022 was \$250,926 and \$262,920, respectively. Prepaid rent at December 31, 2023 and 2022 was \$1,561,411 and \$1,672,939, respectively.

Lessor – Cote Village LLC

The Organization entered into an agreement to sublease commercial space located in Cote Village LP's building to Caribbean Integration Community Development, Inc. ("CICD"). The lease has a fifteen-year term commencing on January 1, 2023. Base rent is \$6,000 per year and the subtenant shall pay all costs related to the use and operation of the leased space. Lease income earned during the years ended December 31, 2023 and 2022 was \$6,000 and \$0, respectively.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

8. Leases (continued)Lessor – Minimum Noncancelable Future Rentals

The Organization's minimum noncancelable future rentals as lessor are as follows:

2024	\$	247,285
2025		247,160
2026		246,910
2027		255,385
2028		243,009
Thereafter		1,596,800
Total	\$	<u>2,836,549</u>

Lessee – Administrative Office

The Organization entered into an agreement to lease its administrative offices in Boston, MA under a lease agreement for the period June 2006 through July 2016. During the year ended December 31, 2014, the lease was extended through July 2024. The rate implicit in the lease was not readily determinable, so the Organization used an incremental borrowing rate of 1.84%, the current rate at commencement of the extension for a 10-year Treasury bond, to discount the future lease payments.

The right-of-use asset balance was \$100,468 and \$276,539 at December 31, 2023 and 2022, respectively. The lease liability at December 31, 2023 and 2022 was \$110,020 and \$299,762, respectively. Lease expense for the years ended December 31, 2023 and 2022 was \$240,118 and \$240,004, respectively. Maturities of the lease is as follows:

2024	\$	129,640
Total undiscounted lease payments		129,640
Less: discount		(19,620)
Total lease liability	\$	<u>110,020</u>

Subsequent to December 31, 2023, the Organization entered into a lease agreement for a new administrative office, see Note 20.

Lessee – Hayes

The Organization entered into a lease with Merrimack Valley Regional Transit Authority to lease 53 parking spaces on Granite Street, Haverhill, MA, effective November 1, 2011. The lease costs of \$606,543 were prepaid and shared between the two entities located at the property. The respective right-of-use asset balances at December 31, 2023 and lease expense during the year ended December 31, 2023 are as follows:

	Right-of-Use	
	Asset	Lease Expense
Hayes Building MT LLC	\$ 138,376	\$ 8,447
Hayes Building LLC	207,559	12,671
Total	<u>\$ 345,935</u>	<u>\$ 21,118</u>

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

8. Leases (continued)

Lessee – Hayes (continued)

The respective right-of-use asset balances at December 31, 2022 and lease expense during the year ended December 31, 2022 are as follows:

	Right-of-Use Asset	Lease Expense
Hayes Building MT LLC	\$ 146,823	\$ 8,447
Hayes Building LLC	220,230	12,671
Total	<u>\$ 367,053</u>	<u>\$ 21,118</u>

Lessee – Hadley Apartments LLC

The Organization has entered into a 20-year parking lot lease with an unrelated third party commencing on June 28, 2011. Pursuant to the lease agreement, the Organization shall pay monthly rent for the use of the parking lot in the amount of \$20 per parking pass. The monthly rent shall increase on each anniversary of the commencement date by the percentage increase in the Consumer Price Index. The above parking pass payments are variable payments made to third parties and are not included in rent expense.

In connection with the lease agreement, the Organization prepaid \$550,000. The payment was being amortized over the term of the lease. Effective February 28, 2023, the Organization terminated the lease pursuant to the terms of the lease agreement. The right-of-use asset balance was \$0 and \$233,750 at December 31, 2023 and 2022, respectively. During the year ended December 31, 2023, the Organization recognized a loss on disposal of the right-of-use assets of \$229,167. Parking lot lease expense during the years ended December 31, 2023 and 2022 was \$4,583 and \$27,500, respectively.

Lessee – Kennedy Building LLC

The Organization entered into a ground lease with Cardinal Cushing Centers, Inc. on May 16, 2017. The lease of land and real property is for a period of ninety-nine years. It is a triple net lease which called for an up-front base rent payment of \$236,800 and conveyed all existing improvements for \$947,200. The Organization also agreed to fit out and lease commercial space back to Cardinal Cushing Center, Inc. for ninety-nine years with a one-time rent payment of \$1.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

9. Long-term Debt

Long-term debt consisted of the following at December 31, 2023 and 2022:

Unsecured loans:	2023	2022
St. Chretienne Educational Institute – Seller note from the acquisition of the Sanctuary Place Inc. property. The note is non-interest-bearing and requires quarterly payments of \$4,917 through the maturity date of April, 1, 2024.	\$ 14,750	\$ 29,500
Community Economic Development Assistance Corporation (“CEDAC”) – Line of credit provides for borrowing up to \$750,000 for predevelopment costs of the 150 River Street property. The line bears simple interest at the rate of 5.5% on the advanced and unpaid portion of the available principal. The balance of principal and interest shall be due upon the earlier of construction financing closing or July 7, 2024.	498,634	351,203
CEDAC – Line of credit provides for borrowing up to \$400,000 for predevelopment costs of the Saint Ann’s Senior Village property. The line bears simple interest at the rate of 7% on the advanced and unpaid portion of the available principal. The balance of principal and interest shall be due upon construction financing closing.	4,000	-
BlueHub Loan Fund – Note provides for borrowing up to \$1,000,000 for predevelopment costs of the Drexel Village property. The note bears simple interest at the rate of 5.5% on the advanced and unpaid portion of the available principal. Interest is payable monthly and the principal balance shall be due upon the earlier of construction financing closing or December 21, 2025.	163,872	-
CICD – Non-interest-bearing loan to Morton Station Village from a member of its managing member. The maturity date of the loan is December 1, 2064.	100,000	-
Stone House – Non-interest-bearing loan to WestminsterWashingtonLIHTC from a member of its managing member. The maturity date of the loan is December 31, 2051.	276,017	276,017
Subtotal – unsecured loans	1,057,273	656,720

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

9. Long-term Debt (continued)

Loans secured by properties:	2023	2022
Life Insurance Community Investment Initiative – Loans for the acquisition of properties, bearing interest from 5% to 5.25%, payable quarterly, to be repaid in full through 2024.	2,323,249	2,323,249
CEDAC – Line of credit provides for borrowing up to \$1,000,000 for predevelopment costs of the Twenty Charlesgate property. The line bears simple interest at the rate of 7% on the advanced and unpaid portion of the available principal. The balance of principal and interest shall be due upon construction financing closing.	39,194	-
Construction loans, bearing interest from 1.92% to 7.95%, with both fixed and variable interest rates, to be repaid in full through 2024. Total allowable borrowing under the loans and balances available to draw upon are \$15,066,013 and \$1,595,274, respectively, as of December 31, 2023.	13,470,739	3,804,048
Amortizing loans, bearing interest from 2.5% to 6.97%, with principal and interest due monthly, to be repaid in full through 2064.	38,145,676	38,824,478
Deferred payment loans, bearing interest from 0% to 6.1%, to be repaid in full through 2073. Some loans include clauses requiring annual repayments from available cash surplus.	117,762,591	102,424,050
Partner loans – Non-interest-bearing loans from non-controlling partners, or parties related to them, to be repaid in full through 2048. One loan includes a clause requiring annual repayments from available cash surplus.	4,321,031	4,321,031
Subtotal – loans secured by properties	176,062,480	151,696,856
Total long-term debt	177,119,753	152,353,576
Unamortized debt issuance costs	(2,078,205)	(1,988,674)
Net long-term debt balance	\$ 175,041,548	\$ 150,364,902

The liability under the mortgage notes is limited to the underlying value of the real estate collateral, assignment of rents and leases plus other amounts deposited with the lender.

Deferred interest is carried on interest bearing, non-amortizing loans. Deferred interest payable as of December 31, 2023 and 2022 was \$8,031,451 and \$7,154,166, respectively.

Debt issuance costs are amortized over the term of their respective loans. Debt issuance costs, net of accumulated amortization, are presented as a deduction from the carrying value of the long-term debt. Amortization expense on debt issuance costs has been presented as interest expense on the consolidated statement of functional expenses.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

9. Long-term Debt (continued)

Maturities of long-term debt are as follows:

2024	\$	8,885,944
2025		8,536,264
2026		990,065
2027		776,480
2028		809,118
Thereafter		157,121,882
Total long-term debt		177,119,753
Less: unamortized debt issuance costs		(2,078,205)
Total	\$	<u>175,041,548</u>

10. Irrevocable Letter of Credit

In connection with the security deposit on the Organization's administrative offices, an irrevocable letter of credit was established with available borrowing of \$35,000, subsequently reduced to \$10,000. The letter has been renewed annually throughout the term of the lease. See Note 8.

11. Non-Controlling Interests

This amount represents the aggregate balance of non-controlling equity interests, i.e., limited partner interests in non-wholly owned limited partnerships, that are included in the consolidated financial statements as required under GAAP. The following schedule presents the changes in net assets during the years ended December 31, 2023 and 2022:

	Without Donor Restrictions			With Donor Restrictions	Total
	Controlling	Non-controlling	Total		
Balance at 12/31/21	\$ 48,811,306	\$ 54,753,433	\$103,564,739	\$ 9,700	\$103,574,439
Capital contributions	-	23,571,777	23,571,777	-	23,571,777
Capital distributions	-	(275,481)	(275,481)	-	(275,481)
Syndication	-	(115,473)	(115,473)	-	(115,473)
Change in net assets	5,638,440	(5,376,604)	261,836	493,375	755,211
Balance at 12/31/22	54,449,746	72,557,652	127,007,398	503,075	127,510,473
Capital contributions	-	1,850,561	1,850,561	-	1,850,561
Capital distributions	-	(511,572)	(511,572)	-	(511,572)
Syndication	-	(130,785)	(130,785)	-	(130,785)
Change in net assets	(4,889,988)	(5,073,798)	(9,963,786)	(138,075)	(10,101,861)
Balance at 12/31/23	\$ 49,559,758	\$ 68,692,058	\$118,251,816	\$ 365,000	\$118,616,816

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

12. Net Assets with Donor Restrictions

The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources must be maintained in perpetuity. Net assets with donor restrictions as of December 31, 2023 and 2022 are restricted for the following purposes and periods:

<u>Subject to expenditure for specified purpose</u>	2023	2022
Real Estate Development activities:		
Cote Village playground	\$ -	\$ 184,481
Sanctuary Place construction	115,000	318,594
Constitution Inn construction	250,000	-
Total net assets with donor restrictions	<u>\$ 365,000</u>	<u>\$ 503,075</u>

When a donor restriction expires, that is, when a stipulated time restrictions ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Contributions of property, equipment, or cash to acquire or construct fixed assets are released from donor-restriction when the fixed assets are placed in service. During the years ended December 31, 2023 and 2022, the following net assets with donor restrictions were released by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors:

<u>Purpose restrictions accomplished:</u>	2023	2022
50 th Anniversary Gala	\$ -	\$ 9,700
Cote Village playground expenses	184,481	42,327
Sanctuary Place construction	318,594	-
Total net assets released from donor restrictions	<u>\$ 503,075</u>	<u>\$ 52,027</u>

13. Development Fees

The Organization develops affordable housing projects and earns fees for those services. Performance obligations are typically satisfied as services are rendered and payments are typically received from investor capital installments contingent on certain development milestones. Any portion of the development fee not expected to be paid using contributions from the equity partner, such as out of cash flow from operations represents variable consideration.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

13. Development Fees (continued)

The Organization estimates whether it will be entitled to variable consideration under the terms of the development agreement and includes its estimate of variable consideration in the total development fee amount when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur in accordance with the accounting guidance in ASC Topic 606, *Revenue from Contracts with Customers*, on constraining estimates of variable consideration, which typically includes the following factors:

- Susceptibility of consideration amount to factors outside the project's influence.
- Sufficiency of equity and debt proceeds at the completion of construction.
- Uncertainty about consideration amount not expected to be resolved in the short term.
- Company's experience with similar types of agreements.
- Changes to payment terms.
- Range of possible consideration amounts.

Development fees earned during the year ended December 31, 2023 are presented below by entity:

Developer Entity	Developed Entity	Fee Earned
POUA	WestminsterWashingtonLIHTC LLC	\$ 4,617
Morton Station Ventures LLC	Morton Station Village LLC	1,215,270
Morton Station Ventures LLC	Morton Station Homeownership LLC	651,038
Total		<u>\$ 1,870,925</u>

Development fees earned during the year ended December 31, 2022 are presented below by entity:

Developer Entity	Developed Entity	Fee Earned
POUA	WestminsterWashingtonLIHTC LLC	\$ 325,000
Cote Village LLC	Cote Village Townhomes LP	600,585
Cote Village LLC	Cote Village LP	1,505,262
Morton Station Ventures LLC	Morton Station Village LLC	303,818
Total		<u>\$ 2,734,665</u>

The above fees have not been eliminated from these consolidated financial statements due to the capitalization of the fee into the basis of the fixed assets of the developed entity.

For its services in connection with the development of RHW Development LLC, the Organization is owed \$9,596 and \$52,824 as of December 31, 2023 and 2022, respectively.

Development fees payable as of December 31, 2023 are presented below by entity:

Developed Entity	Payable To	Balance
48 Boylston Street Residential LLC	Saint Francis House, Inc.	\$ 425,227
Total		<u>\$ 425,227</u>

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

13. Development Fees (continued)

Development fees payable as of December 31, 2022 are presented below by entity:

Developed Entity	Payable To	Balance
48 Boylston Street Residential LLC	Saint Francis House, Inc.	\$ 425,227
WestminsterWashingtonLIHTC LLC	Roxbury Stone House, Inc.	9,052
Total		<u>\$ 434,279</u>

14. Government Rental Assistance

The Organization has entered into rental assistance contracts under various Federal and state programs. The entities are economically dependent on the income received under their respective contracts. In the event of non-compliance or lack of government funding, the entities' operating cash flows could be adversely affected. The terms of the rental assistance contracts in effect during the years ended December 31, 2023 and 2022 are detailed below:

Entity	Contract Type	Units Covered	Expiration Date
Kent Village LP	HAP Contract	64	10/28/2033
Lowell Square LP	HAP Contract	58	1/31/2041
Rollins Square LP	HAP Contract	37	8/31/2033
Riley House Non-Profit Housing Corp	PRAC Contract	38	10/31/2028
St. Jean Baptiste, LLC	Sec. 8 Housing Assistance Payments ("HAP") Contract	12	4/15/2029
St. Aidan's LLC	HAP Contract	6	7/22/2024
Hayes Building LLC	HAP Contract	4	9/30/2025
40 Upton Street LLC	HAP Contract	18	11/23/2026
Rose Hill Manor Corporation	PRAC Contract	35	1/31/2029
135 Lafayette LLC	HAP Contract	8	2/28/2029
St. Kevin's LP	MRVP Contract	8	6/1/2030
Uphams Corner LP	MRVP Contract	12	9/1/2030
Harbor Place at Merrimack LLC	MRVP Contract	6	12/1/2031
165 Winter St LLC	HAP Contract	3	10/8/2030
Kennedy Building LLC	HAP Contract	4	6/15/2033
48 Boylston St LLC	MA Rental Voucher Program ("MRVP") Contract	20	3/19/2034
WestminsterWashingtonLIHTC LLC	HAP Contract	8	10/1/2036
WestminsterWashingtonLIHTC LLC	MRVP Contract	24	9/14/2036
Cote Village Townhomes LP	MRVP Contract	3	10/1/2035
Cote Village LP	Sec. 811 Project Rental Assistance Contract ("PRAC")	4	3/31/2042
Cote Village LP	MRVP Contract	7	7/20/2037
Morton Station Village LLC	MRVP Contract	7	12/15/2038

Total government rental assistance earned under the above contracts totaled \$9,884,216 and \$7,541,002 during the years ended December 31, 2023 and 2022, respectively.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

15. Sale of State Tax Credits

As part of the Massachusetts low income housing tax credit program, entities may transfer, sell, or assign any tax credits issued to other parties. The Organization utilizes the sale of state tax credits to finance developments, either by loaning or contributing the proceeds of the sale back to the project which earned them. Since the Organization does not have any basis in the tax credits, the entire sale price is recognized as a gain upon sale. Proceeds from the sale of state tax credits were passed through as long-term debt during the years ended December 31, 2023 and 2022 as follows:

	2023		2022
Cote Village LP (loan balances eliminated)	\$ -	\$	5,986,000
RHW Development LLC	-		78,241
Total gain on sale of credits	\$ -	\$	6,064,241

16. Casualty Events

The Organization incurred casualty losses related to damages and/or destruction to its various properties. The table below presents the casualty detail by project during the year ended December 31, 2023:

	Insurance Proceeds	Cost to Repair or Replace	Casualty Gain (Loss)
Lowell Square LP	\$ -	\$ (59,956)	\$ (59,956)
Lowell Square Associates Joint Venture	-	(24,164)	(24,164)
Riley House Non-Profit Housing Corp.	49,565	(28,553)	21,012
St. Jean Baptiste LLC	31,209	(28,217)	2,992
Hadley Apartments LLC	205,943	(130,800)	75,143
	\$ 286,717	\$ (271,690)	\$ 15,027

The table below presents the casualty detail by project during the year ended December 31, 2022:

	Insurance Proceeds	Cost to Repair or Replace	Casualty Loss
Lowell Square LP	\$ 59,956	\$ (267,459)	\$ (207,503)
Lowell Square Associates Joint Venture	-	(21,084)	(21,084)
St. Jean Baptiste LLC	-	(3,576)	(3,576)
135 Lafayette LLC	357,071	(395,848)	(38,777)
48 Boylston St Residential LLC	90,229	(100,945)	(10,716)
Cote Village LP	455,000	(465,000)	(10,000)
	\$ 962,256	\$ (1,253,912)	\$ (291,656)

Lowell Square LP

On January 15, 2022, the project's condominium unit was damaged due to a fire sprinkler check valve burst causing extensive water damage to multiple floors of the building. Thirteen units and common areas of the condominium unit were impacted. The Organization has paid \$471,813 towards costs related to the event and has not received any insurance claim funds as of December 31, 2022. Of the costs incurred, \$204,354 is receivable from the condominium and another unit owner. During the year ended December 31, 2023, the insurance claim proceeds were deemed uncollectible and included as a casualty loss.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

16. Casualty Events (continued)

Lowell Square Associates Joint Venture

During the year ended December 31, 2022, a flooding event occurred at the project. The cost to repair fell below the deductible limit of the insurance policy. Additional costs were incurred during the year ended December 31, 2023 to finalize the repairs.

Riley House Non-Profit Housing Corp

On September 16, 2023, a fire occurred in the project causing fire and flood damage to a single unit and nearby common areas. Insurance claim proceeds of \$49,565 are receivable at December 31, 2023.

St. Jean Baptiste LLC

On December 9, 2022, a fire occurred in the project causing fire and flood damage throughout one apartment. No insurance proceeds had been received and not all expenses were incurred as of December 31, 2022. The remaining activity was incurred during the year ended December 31, 2023.

Hadley Apartments LLC

On February 4, 2023, water damage occurred due to frozen pipes at the project, affecting seven units and common areas. All activity related to the event was incurred during the year ended December 31, 2023.

135 Lafayette LLC

On January 16, 2022, a sprinkler pipe burst causing significant water damage throughout the building including apartments, building equipment, and common areas. All activity related to the event was incurred during the year ended December 31, 2022.

48 Boylston Street Residential LLC

On December 20, 2021, a fire occurred in the project causing fire and flood damage to a single unit and common areas below it. Insurance claim receipts totaled \$72,183 during the year ended December 31, 2022. Receivables related to the event of \$18,046 remain as of December 31, 2022. All activity related to the event was incurred during the year ended December 31, 2022.

WestminsterWashingtonLIHTC LLC

On January 12, 2022, a sprinkler head failed causing water damage in the vestibule area of the building. It was determined that the event was caused by construction defects, so the repairs were partially covered by the general contractor. The parties agreed that the total costs to be paid by the Organization were \$15,254; therefore, management has accrued those costs as of December 31, 2022 and they were capitalized to the building.

Cote Village LP

During the year ended December 31, 2022, a flooding event occurred at the project. All activity related to the event was incurred during the year ended December 31, 2022.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

17. Tax Sheltered Annuity

Prior to January 1, 2012, the Organization sponsored a tax-sheltered annuity program, which qualified under Section 403(b) of the Internal Revenue Code, covering all full-time employees. The program was completely voluntary and funded only by employee contributions. When the Organization adopted the 401(k) plan identified below, the 403(b) plan was frozen with no additional contributions allowed. Employees who participated in the 403(b) plan are fully vested and control their account independently of the Organization.

On January 1, 2012, the Organization joined a new 401(k) defined contribution plan (the "Plan"). The Organization participates with other Archdiocesan organizations in the Plan, which was administered by TIAA-CREF through December 9, 2022 and Voya thereafter. Eligible employees may elect to make retirement savings contributions to the Plan. Effective January 1, 2016, each eligible employee who makes contributions (either through Roth or pre-tax deferrals) will receive a matching employer contribution in an amount equal to 100% of the first 3% of compensation contributed plus 50% of the next 2% contributed. The maximum combined employer contribution shall be 4% of eligible compensation. Employee benefit costs associated with this Plan amounted to \$45,883 and \$41,634 for the years ended December 31, 2023 and 2022, respectively.

18. Commitments and Contingencies

AHP Subsidy Contingency

The Organization has received subsidy through the Federal Home Loan Bank of Boston Affordable Housing Program to fund the development of multiple properties. The subsidy was provided in the form of a promissory note with a forgiveness clause should the property comply with the affordable housing requirements through the end of the fifteen year LIHTC compliance period. The subsidy was recognized as grant income by the Organization based on the expectation of receiving forgiveness. Should noncompliance occur prior to forgiveness, the Organization is potentially liable for the following amounts:

	Compliance Period End	Contingency Amount
St. Aidans LLC	2024	\$ 400,000
135 Lafayette LLC	2028	400,000
St. Kevin's LP	2030	200,000
Uphams Corner LP	2030	250,221
Kennedy Building LLC	2033	500,000
48 Boylston St Residential LLC	2033	500,000
		<u>\$ 2,250,221</u>

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

18. Commitments and Contingencies (continued)Guarantees

The Organization has entered into various agreements with certain operating rental projects or their affiliated owners whereby the Organization provides guarantees, which are detailed below:

Guarantee Type	Maximum Potential of Future Payment
Operating Deficits – Guarantee to loan funds to twelve rental projects in the event that the rental projects incur operating deficits as defined in the respective partnership or operating agreements or fail to meet their current financial obligations. These agreements expire at various times based on the terms of the underlying partnership, operating, or guaranty agreements.	\$ 3,014,990
Tax Credit Recapture – Guarantee that offers tax indemnification to sixteen rental projects in the event of Federal or State LIHTC recapture. The Organization's potential liability under these agreements is dependent upon IRS audits and final letters of determination of the rental project's qualified basis in tax credit properties. These agreements expire at various times based on the compliance period for each building under Internal Revenue Code Section 42.	75,407,694
Development Fee Payment – Guarantee to contribute funds to three rental projects if the rental projects are unable to pay the entire development fee for the construction of the property. These agreements expire at various times based on the terms of the underlying partnership or guaranty agreements.	1,736,777
Purchase of Partner Interest – Guarantee to purchase the limited partner or investor member interest in ten rental projects if certain terms of the partnership or operating agreements are not met. These agreements expire at various times based on the terms of the underlying partnership, operating, or guaranty agreements.	50,552,245
Construction Completion – Guarantee of project completion and provides a repayment guarantee for the associated loan. Construction contracts are in place with various third party contractors to construct and rehabilitate the projects. The guarantee terminates when construction is complete and permanent financing repays the construction loan. The construction loan balances have been included in these consolidated financial statements so there is no additional potential liability.	-
Other Guarantees – Guarantees that offer indemnification if the rental projects or their affiliated owners become liable under any environmental or securities laws, or certain general partner or managing member actions or inactions. However, management is not aware of any known liability. These agreements expire at various times based on the terms of the underlying partnership or guaranty agreements. The maximum potential liability under these guarantees is not estimable as of December 31, 2023.	-

As of the date of this report, the Organization was not obligated for any balance over what had been paid or recorded as liabilities through December 31, 2023.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

18. Commitments and Contingencies (continued)

Chapter 121A Regulatory Agreements

The Organization entered into regulatory agreements with the Boston Redevelopment Authority for certain projects. In consideration of the exemption of the projects and all the real and personal property from taxation and from betterments and special assessments and from the payments of any tax, excise, or assessment to or from the projects, it shall pay the excises with respect to the project which a Chapter 121A entity would be bound to pay. The agreements also limit the distribution of net income to 8% of the total amount invested by the partners on a cumulative basis. The expiration dates of the agreements for St. Kevin's LP and Uphams Corner LP are December 16, 2031, and for Cote Village LP and Cote Village Townhomes LP are December 3, 2039.

Options to Purchase and Rights of First Refusal

Through its ownership of certain operating rental projects, the Organization has options to purchase and rights of first refusal on various low-income housing properties. These options and rights are only available after the expiration of certain time periods or the occurrence of certain events.

Use Restrictions

Many operating rental projects were developed using funds provided by grants and restrictive, low interest rate loans. The terms of the grants and loans restrict the use of the properties and generally require them to rent to qualified low-income tenants for the period of the grant or loan term. Failure to comply with the terms of the grants or loans could result in a requirement to repay a portion or all the funds received. Many operating rental projects are also subject to various regulatory agreements which restrict the distribution of surplus cash.

19. Acquisitions and Sales

61 Prince Street Acquisition and Sale

On December 23, 2022, the Organization exercised its right of first refusal and purchased a residential condominium unit in Boston, Massachusetts, for \$162,509. The unit was held for sale until its sale on March 20, 2023 for \$865,000, resulting in a gain of \$639,648 during the year ended December 31, 2023.

Constitution Inn Property Acquisition

The Organization has entered into an option agreement, extended through September 29, 2024, to purchase the land and building for the future Constitution Inn development at an amount of \$19,750,000.

Twenty Charlesgate Property Acquisition

On October 17, 2023, the Organization purchased the land and building for the future Twenty Charlesgate redevelopment at an amount of \$14,000,000.

Thatcher Street Property Acquisition

The Organization has entered into a purchase and sale contract, extended through November 30, 2023, to purchase the land and building for the future Thatcher Street development. The purchase price shall be \$12,000 per unit permitted for development by the City of Brockton.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

20. Subsequent Events

After December 31, 2023, the following significant events occurred with respect to the Organization:

- On January 4, 2024, the \$1,094,250 balance of the Life Insurance Community Investment Initiative acquisition loan for Sanctuary Place was paid in full with construction financing from CEDAC and POUA Holdings LLC.
- On March 22, 2024, the Organization acquired vacant land located in Boston, Massachusetts, closed on construction financing, and entered into various regulatory agreements related to the future 150 River Street development.
- On May 1, 2024, the Organization expressed its interest in purchasing property in Westminister, Massachusetts for \$2,900,000 to explore redevelopment.
- On May 20, 2024, the BlueHub loan for Drexel Village was amended to extend the maturity date to December 21, 2025 and increase the interest rate to 7.81%.
- On May 21, 2024, the Organization entered into a lease agreement for a new administrative office location. The lease agreement has a ten year term which will commence upon the later of delivery of premises to the Organization or August 1, 2024.
- On May 22, 2024, the Organization entered into a purchase and sale agreement to acquire property in Gloucester and Attleboro, Massachusetts at an amount of \$8,750,000.

21. Combined Financial Statements

The combined financial statements are included to present the operating results and balances of POUA and the following wholly owned pre-development entities:

POUA Holdings, LLC
Constitution Inn LLC
Sanctuary Place, Inc.

Any transactions between the entities have been eliminated from the combined financial statements.

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2023

Assets	Planning Office for Urban Affairs	POUA Holdings, LLC	Kent Village Associates LP	Lowell Square LP	Lowell Square Associates Joint Venture	Rollins Square LLC	Rollins Square Realty Trust	Rollins Square LP
Current Assets								
Cash and cash equivalents	\$ 8,230,366	\$ 740,512	\$ 891,343	\$ 1,530,258	\$ 352,852	\$ -	\$ 31,431	\$ 103,950
Investments in certificates of deposit	1,511,049	-	-	-	-	-	-	-
Tenant rent and other receivables, net of allowances	183,144	83,873	30,401	257,177	86,860	-	-	32,113
Contributions receivable	272,681	-	-	-	-	-	-	-
Fixed assets, held for sale	-	-	-	-	-	-	-	-
Prepaid expenses	37,927	-	37,271	18,052	-	-	-	8,362
Total Current Assets	10,235,167	824,385	959,015	1,805,487	439,712	-	31,431	144,425
Fixed Assets, held and used, at cost:								
Land and improvements	-	-	470,589	841,447	449,288	-	-	-
Building and improvements	11,218	-	6,893,154	11,747,548	484,782	-	-	9,094,484
Furniture and equipment	23,885	-	294,036	660,244	32,530	-	-	113,206
Total Fixed Assets, held and used, at cost	35,103	-	7,657,779	13,249,239	966,600	-	-	9,207,690
Accumulated depreciation	(24,598)	-	(5,631,632)	(12,014,950)	(509,155)	-	-	(4,740,736)
Fixed Assets, held and used, net	10,505	-	2,026,147	1,234,289	457,445	-	-	4,466,954
Other Assets								
Restricted reserves and escrows	-	-	301,240	-	-	-	-	510,266
Pre-development advances	1,168,054	1,571,911	-	-	-	-	-	-
Advances to related parties, net of allowances	84,793	-	-	-	-	-	-	-
Loans and deferred interest receivable, net of discounts and allowances	32,131,652	-	-	-	-	339,967	-	-
Member advances and interest receivable	759,508	-	-	-	-	-	-	-
Investments in affiliates	15,690,844	-	-	-	-	-	-	-
Development fees receivable	789,430	-	-	-	-	-	-	-
Investments in mutual funds	-	-	-	1,010,524	-	-	-	-
Property under development	19,164	2,073,721	-	-	-	-	-	-
Tax credit fees, net of accumulated amortization	-	-	-	-	-	-	-	-
Tenant security deposits	-	-	27,440	36,695	9,067	-	-	7,902
Deferred initial lease costs	-	13,376	-	-	18,115	-	-	-
Unbilled lease receivables	-	49,337	-	-	42,000	-	-	-
Right-of-use assets	100,468	303,146	-	-	-	-	-	-
Total Other Assets	50,743,913	4,011,491	328,680	1,047,219	69,182	339,967	-	518,168
Total Assets	\$ 60,989,585	\$ 4,835,876	\$ 3,313,842	\$ 4,086,995	\$ 966,339	\$ 339,967	\$ 31,431	\$ 5,129,547

See Independent Auditor's Report

PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2023

Assets	Rollins Square Inc.	Riley House Non-Profit Housing Corp.	St. Jean Baptiste, LLC	St. Aidan's LLC	St. Aidan's Inc.	Hayes Building MT LLC	Hayes Building LLC	40 Upton Street LLC
Current Assets								
Cash and cash equivalents	\$ -	\$ 11,911	\$ 57,030	\$ 228,446	\$ -	\$ 117,319	\$ 34,290	\$ 77,492
Investments in certificates of deposit	-	-	-	-	-	-	-	-
Tenant rent and other receivables, net of allowances	-	48,462	9,376	501	-	83,635	-	2,307
Contributions receivable	-	-	-	-	-	-	-	-
Fixed assets, held for sale	-	-	-	-	-	-	-	-
Prepaid expenses	-	9,962	10,015	1,675	-	45,111	-	4,105
Total Current Assets	-	70,335	76,421	230,622	-	246,065	34,290	83,904
Fixed Assets, held and used, at cost:								
Land and improvements	-	1,114,904	881,668	876,418	-	211,986	412,432	350,661
Building and improvements	-	5,333,650	4,470,632	8,022,062	-	6,912,824	10,375,141	6,520,230
Furniture and equipment	-	619,303	37,741	85,182	-	99,477	149,215	124,992
Total Fixed Assets, held and used, at cost	-	7,067,857	5,390,041	8,983,662	-	7,224,287	10,936,788	6,995,883
Accumulated depreciation	-	(3,602,285)	(2,536,119)	(3,052,055)	-	(2,428,196)	(3,643,914)	(2,027,858)
Fixed Assets, held and used, net	-	3,465,572	2,853,922	5,931,607	-	4,796,091	7,292,874	4,968,025
Other Assets								
Restricted reserves and escrows	-	90,831	245,805	178,090	-	282,433	209,040	1,260,438
Pre-development advances	-	-	-	-	-	-	-	-
Advances to related parties, net of allowances	-	-	-	-	-	-	13,269	-
Loans and deferred interest receivable, net of discounts and allowances	-	-	-	-	-	-	77,338	-
Member advances and interest receivable	-	-	-	-	-	-	-	-
Investments in affiliates	258,336	-	-	-	184,343	-	-	-
Development fees receivable	-	-	-	-	-	-	-	-
Investments in mutual funds	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-
Tax credit fees, net of accumulated amortization	-	-	-	956	-	340	3,353	5,103
Tenant security deposits	-	12,097	13,075	15,203	-	40,100	-	2,129
Deferred initial lease costs	-	-	-	-	-	-	-	-
Unbilled lease receivables	-	-	-	-	-	-	193,800	-
Right-of-use assets	-	-	-	-	-	1,438,770	207,559	-
Total Other Assets	258,336	102,928	258,880	194,249	184,343	1,761,643	704,359	1,267,670
Total Assets	\$ 258,336	\$ 3,638,835	\$ 3,189,223	\$ 6,356,478	\$ 184,343	\$ 6,803,799	\$ 8,031,523	\$ 6,319,599

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Financial Position

December 31, 2023

Assets	40 Upton Street MM LLC	Rose Hill Manor Corporation	Hadley Apartments LLC	Hadley Manager LLC	Hadley Tenant LLC	Hadley Tenant Manager LLC	135 Lafayette LLC	135 Lafayette Managing Member LLC
Current Assets								
Cash and cash equivalents	\$ -	\$ 16,577	\$ 29,627	\$ -	\$ 44,244	\$ -	\$ 130,493	\$ -
Investments in certificates of deposit	-	-	-	-	-	-	-	-
Tenant rent and other receivables, net of allowances	4,152	-	10,217	-	844	-	71,402	-
Contributions receivable	-	-	-	-	-	-	-	-
Fixed assets, held for sale	-	-	-	-	-	-	-	-
Prepaid expenses	-	15,438	13,774	-	194	-	56,625	-
Total Current Assets	4,152	32,015	53,618	-	45,282	-	258,520	-
Fixed Assets, held and used, at cost:								
Land and improvements	-	1,213,382	300,006	-	-	-	5,491,571	-
Building and improvements	-	6,506,532	21,113,374	-	-	-	14,754,965	-
Furniture and equipment	-	514,936	263,243	-	-	-	128,985	-
Total Fixed Assets, held and used, at cost	-	8,234,850	21,676,623	-	-	-	20,375,521	-
Accumulated depreciation	-	(2,949,164)	(8,170,255)	-	-	-	(4,175,716)	-
Fixed Assets, held and used, net	-	5,285,686	13,506,368	-	-	-	16,199,805	-
Other Assets								
Restricted reserves and escrows	-	301,035	175,121	-	-	-	692,811	-
Pre-development advances	-	-	-	-	-	-	-	-
Advances to related parties, net of allowances	-	-	-	339,858	33,492	-	-	-
Loans and deferred interest receivable, net of discounts and allowances	-	-	-	-	-	-	-	-
Member advances and interest receivable	-	-	-	-	-	-	-	-
Investments in affiliates	4,924,783	-	-	-	-	1,569,635	-	450,100
Development fees receivable	-	-	-	-	-	-	-	-
Investments in mutual funds	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-
Tax credit fees, net of accumulated amortization	-	-	56,960	-	-	-	23,888	-
Tenant security deposits	-	22,481	18,226	-	401	-	24,348	-
Deferred initial lease costs	-	-	-	-	-	-	-	-
Unbilled lease receivables	-	-	-	-	-	-	58,595	-
Right-of-use assets	-	-	-	-	1,405,800	-	-	-
Total Other Assets	4,924,783	323,516	250,307	339,858	1,439,693	1,569,635	799,642	450,100
Total Assets	\$ 4,928,935	\$ 5,641,217	\$ 13,810,293	\$ 339,858	\$ 1,484,975	\$ 1,569,635	\$ 17,257,967	\$ 450,100

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Financial Position

December 31, 2023

	St. Kevin's LP	Uphams Corner LP	165 Winter Street Apartments LLC	Harbor Place at Merrimack LLC	Sancta Maria House, Inc.	Kennedy Building LLC	SFH 48 Boylston St	48 Boylston Street Residential LLC
Assets								
Current Assets								
Cash and cash equivalents	\$ 10,952	\$ 31,562	\$ 15,339	\$ 101,183	\$ 18,747	\$ 63,531	\$ 254,873	\$ 73,185
Investments in certificates of deposit	-	-	-	-	-	-	-	-
Tenant rent and other receivables, net of allowances	43,332	52,632	9,422	45,040	-	43,141	26,546	179,069
Contributions receivable	-	-	-	-	-	-	-	-
Fixed assets, held for sale	-	-	-	-	-	-	-	-
Prepaid expenses	25,013	39,459	16,359	3,335	-	29,822	-	54,789
Total Current Assets	79,297	123,653	41,120	149,558	18,747	136,494	281,419	307,043
Fixed Assets, held and used, at cost:								
Land and improvements	1,425,605	2,546,136	295,144	81,564	73,797	570,218	-	2,652,278
Building and improvements	13,110,483	17,321,467	4,174,030	19,224,701	1,303,347	13,551,281	-	29,880,047
Furniture and equipment	95,040	137,092	60,636	260,351	10,335	343,657	-	419,255
Total Fixed Assets, held and used, at cost	14,631,128	20,004,695	4,529,810	19,566,616	1,387,479	14,465,156	-	32,951,580
Accumulated depreciation	(3,152,354)	(3,901,991)	(961,664)	(3,560,511)	(211,411)	(2,181,518)	-	(3,992,739)
Fixed Assets, held and used, net	11,478,774	16,102,704	3,568,146	16,006,105	1,176,068	12,283,638	-	28,958,841
Other Assets								
Restricted reserves and escrows	326,806	841,923	132,194	399,786	152,465	461,367	-	357,966
Pre-development advances	-	-	-	-	-	-	-	-
Advances to related parties, net of allowances	-	350	-	-	-	-	18,836	-
Loans and deferred interest receivable, net of discounts and allowances	-	-	-	-	-	-	-	-
Member advances and interest receivable	-	-	-	-	-	-	-	-
Investments in affiliates	-	-	-	-	-	-	-	-
Development fees receivable	-	-	-	-	-	-	1,205,061	-
Investments in mutual funds	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	8,044,247	-
Tax credit fees, net of accumulated amortization	22,572	31,916	4,222	53,800	-	40,940	-	54,466
Tenant security deposits	18,893	26,530	7,635	27,809	-	37,926	-	36,836
Deferred initial lease costs	-	-	-	-	-	-	-	-
Unbilled lease receivables	-	-	-	-	-	-	-	-
Right-of-use assets	-	-	-	-	-	-	-	-
Total Other Assets	368,271	900,719	144,051	481,395	152,465	540,233	9,268,144	449,268
Total Assets	\$ 11,926,342	\$ 17,127,076	\$ 3,753,317	\$ 16,637,058	\$ 1,347,280	\$ 12,960,365	\$ 9,549,563	\$ 29,715,152

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2023

Assets	Drexel Village LLC	Sanctuary Place, Inc.	Westminster Washington LIHTC, LLC	Constitution Inn LLC	Cote Village Townhomes LP	Cote Village LP	Cote Village LLC	Morton Station Ventures LLC
Current Assets								
Cash and cash equivalents	\$ 9,895	\$ 16,032	\$ 95,618	\$ 10,096	\$ 80,963	\$ 17,314	\$ -	\$ -
Investments in certificates of deposit	-	-	-	-	-	-	-	-
Tenant rent and other receivables, net of allowances	-	-	42,887	-	20,142	106,011	6,000	-
Contributions receivable	-	115,000	-	-	-	-	-	-
Fixed assets, held for sale	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	46,156	-	7,280	67,328	-	-
Total Current Assets	9,895	131,032	184,661	10,096	108,385	190,653	6,000	-
Fixed Assets, held and used, at cost:								
Land and improvements	-	-	2,065,954	-	1,061,744	964,958	-	-
Building and improvements	-	-	13,843,253	-	13,112,582	30,287,831	-	-
Furniture and equipment	-	-	410,065	-	275,971	784,197	-	-
Total Fixed Assets, held and used, at cost	-	-	16,319,272	-	14,450,297	32,036,986	-	-
Accumulated depreciation	-	-	(855,975)	-	(783,084)	(1,206,538)	-	-
Fixed Assets, held and used, net	-	-	15,463,297	-	13,667,213	30,830,448	-	-
Other Assets								
Restricted reserves and escrows	-	-	442,304	-	250,562	683,589	-	-
Pre-development advances	-	-	-	-	-	-	-	-
Advances to related parties, net of allowances	-	-	78,502	-	3,120	3,120	-	-
Loans and deferred interest receivable, net of discounts and allowances	-	-	-	-	-	-	-	-
Member advances and interest receivable	-	-	-	-	-	-	-	-
Investments in affiliates	-	-	-	-	-	-	-	-
Development fees receivable	-	-	-	-	-	-	438,306	1,995,126
Investments in mutual funds	-	-	-	-	-	-	-	-
Property under development	682,950	1,935,718	-	890,320	-	-	-	-
Tax credit fees, net of accumulated amortization	-	-	66,166	-	51,341	78,751	-	-
Tenant security deposits	-	-	10,969	-	31,362	21,313	-	-
Deferred initial lease costs	-	-	-	-	-	-	-	-
Unbilled lease receivables	-	-	-	-	-	-	-	-
Right-of-use assets	-	-	-	-	-	-	-	-
Total Other Assets	682,950	1,935,718	597,941	890,320	336,385	786,773	438,306	1,995,126
Total Assets	\$ 692,845	\$ 2,066,750	\$ 16,245,899	\$ 900,416	\$ 14,111,983	\$ 31,807,874	\$ 444,306	\$ 1,995,126

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2023

	Morton Station Village LLC	Morton Station Homeownership LLC	Twenty Charlesgate LLC	Twenty Charlesgate Holdings LLC	Total	Inter- Company Eliminations	Consolidated Balance
Assets							
Current Assets							
Cash and cash equivalents	\$ 117,745	\$ 6,628	\$ 37,482	\$ 9,777	\$ 13,599,063	\$ -	\$ 13,599,063
Investments in certificates of deposit	-	-	-	-	1,511,049	-	1,511,049
Tenant rent and other receivables, net of allowances	11,720	5,023	39,353	14,185	1,548,967	(249,678)	1,299,289
Contributions receivable	-	-	-	-	387,681	-	387,681
Fixed assets, held for sale	-	2,700,000	-	-	2,700,000	-	2,700,000
Prepaid expenses	5,970	2,559	-	118,535	675,116	-	675,116
Total Current Assets	135,435	2,714,210	76,835	142,497	20,421,876	(249,678)	20,172,198
Fixed Assets, held and used, at cost:							
Land and improvements	1,808,295	-	3,499,778	-	29,659,823	222	29,660,045
Building and improvements	12,706,182	-	-	10,300,000	291,055,800	-	291,055,800
Furniture and equipment	757,566	-	-	200,000	6,901,140	-	6,901,140
Total Fixed Assets, held and used, at cost	15,272,043	-	3,499,778	10,500,000	327,616,763	222	327,616,985
Accumulated depreciation	(18,760)	-	-	(57,813)	(76,390,991)	-	(76,390,991)
Fixed Assets, held and used, net	15,253,283	-	3,499,778	10,442,187	251,225,772	222	251,225,994
Other Assets							
Restricted reserves and escrows	-	-	-	395,271	8,691,343	-	8,691,343
Pre-development advances	-	-	-	-	2,739,965	(2,735,149)	4,816
Advances to related parties, net of allowances	246,613	-	717,454	-	1,539,407	(1,448,536)	90,871
Loans and deferred interest receivable, net of discounts and allowances	-	-	10,500,000	-	43,048,957	(39,285,163)	3,763,794
Member advances and interest receivable	-	-	-	-	759,508	(759,508)	-
Investments in affiliates	-	-	-	-	23,078,041	(13,022,968)	10,055,073
Development fees receivable	-	-	-	-	4,427,923	(4,418,327)	9,596
Investments in mutual funds	-	-	-	-	1,010,524	-	1,010,524
Property under development	-	-	444,624	-	14,090,744	(410,564)	13,680,180
Tax credit fees, net of accumulated amortization	49,760	-	-	-	544,534	-	544,534
Tenant security deposits	-	-	-	88,432	536,869	-	536,869
Deferred initial lease costs	-	-	-	-	31,491	-	31,491
Unbilled lease receivables	-	-	-	-	343,732	(252,395)	91,337
Right-of-use assets	-	-	-	3,492,639	6,948,382	(6,501,979)	446,403
Total Other Assets	296,373	-	11,662,078	3,976,342	107,791,420	(68,834,589)	38,956,831
Total Assets	\$ 15,685,091	\$ 2,714,210	\$ 15,238,691	\$ 14,561,026	\$ 379,439,068	\$ (69,084,045)	\$ 310,355,023

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2023

Liabilities and Net Assets	Planning Office for Urban Affairs	POUA Holdings, LLC	Kent Village Associates LP	Lowell Square LP	Lowell Square Associates Joint Venture	Rollins Square LLC	Rollins Square Realty Trust	Rollins Square LP
Current Liabilities								
Current portion of long-term debt	\$ 498,634	\$ -	\$ 238,081	\$ -	\$ -	\$ -	\$ -	\$ 40,219
Accounts payable	146,915	239,805	17,103	8,492	2,098	-	-	4,606
Accrued expenses	109,036	-	107,918	93,931	-	-	-	25,038
Deferred revenue, current portion	-	-	5,431	25,069	-	-	-	5,195
Total Current Liabilities	754,585	239,805	368,533	127,492	2,098	-	-	75,058
Long-term Liabilities								
Long-term debt, net of current portion and unamortized debt issuance costs	4,000	-	11,631,885	3,748,000	492,130	-	-	3,980,534
Pre-development advances	-	1,005,406	-	-	-	-	-	-
Deferred interest payable	-	-	-	22,054,217	268,617	-	-	1,503,897
Development fees payable	-	-	-	-	-	-	-	-
Member advances and interest payable	-	-	-	-	-	-	-	-
Advances from a related party	-	-	-	-	-	-	-	-
Tenant security deposits	-	4,337	23,870	36,600	8,754	-	1,310	7,773
Deferred revenue, net of current portion	50,000	-	-	-	-	-	-	-
Lease liability	110,020	361,741	-	-	-	-	-	-
Total Long-term Liabilities	164,020	1,371,484	11,655,755	25,838,817	769,501	-	1,310	5,492,204
Total Liabilities	918,605	1,611,289	12,024,288	25,966,309	771,599	-	1,310	5,567,262
Net Assets								
Without donor restrictions:								
Controlling interests	59,820,980	3,224,587	(8,710,446)	(21,879,314)	194,740	339,967	30,121	(437,715)
Non-controlling interests	-	-	-	-	-	-	-	-
Total Net Assets								
without Donor Restrictions	59,820,980	3,224,587	(8,710,446)	(21,879,314)	194,740	339,967	30,121	(437,715)
With donor restrictions	250,000	-	-	-	-	-	-	-
Total Net Assets	60,070,980	3,224,587	(8,710,446)	(21,879,314)	194,740	339,967	30,121	(437,715)
Total Liabilities and Net Assets	\$ 60,989,585	\$ 4,835,876	\$ 3,313,842	\$ 4,086,995	\$ 966,339	\$ 339,967	\$ 31,431	\$ 5,129,547

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2023

Liabilities and Net Assets	Rollins Square Inc.	Riley House Non-Profit Housing Corp.	St. Jean Baptiste, LLC	St. Aidan's LLC	St. Aidan's Inc.	Hayes Building MT LLC	Hayes Building LLC	40 Upton Street LLC
Current Liabilities								
Current portion of long-term debt	\$ -	\$ -	\$ 43,672	\$ 27,526	\$ -	\$ 26,447	\$ 12,274	\$ -
Accounts payable	-	182,250	19,366	3,169	-	4,560	6,908	5,370
Accrued expenses	-	24,598	18,601	16,301	-	77,647	25,000	23,933
Deferred revenue, current portion	-	-	929	8,685	-	4,325	-	6,265
Total Current Liabilities	-	206,848	82,568	55,681	-	112,979	44,182	35,568
Long-term Liabilities								
Long-term debt, net of current portion and unamortized debt issuance costs	-	6,819,800	2,364,792	3,689,792	-	5,570,244	4,880,530	1,338,801
Pre-development advances	-	-	-	-	-	-	-	-
Deferred interest payable	-	-	1,881,728	1,667,118	-	1,286	2,963	-
Development fees payable	-	-	-	-	-	-	-	-
Member advances and interest payable	-	-	-	-	-	-	-	-
Advances from a related party	-	-	-	-	-	13,789	-	19,076
Tenant security deposits	-	12,065	13,075	9,540	-	36,481	-	2,160
Deferred revenue, net of current portion	-	-	-	-	-	-	-	-
Lease liability	-	-	-	-	-	1,494,194	-	-
Total Long-term Liabilities	-	6,831,865	4,259,595	5,366,450	-	7,115,994	4,883,493	1,360,037
Total Liabilities	-	7,038,713	4,342,163	5,422,131	-	7,228,973	4,927,675	1,395,605
Net Assets								
Without donor restrictions:								
Controlling interests	258,336	(3,399,878)	(1,152,756)	183,978	184,343	(425,174)	(25,842)	4,924,783
Non-controlling interests	-	-	(184)	750,369	-	-	3,129,690	(789)
Total Net Assets								
without Donor Restrictions	258,336	(3,399,878)	(1,152,940)	934,347	184,343	(425,174)	3,103,848	4,923,994
With donor restrictions	-	-	-	-	-	-	-	-
Total Net Assets	258,336	(3,399,878)	(1,152,940)	934,347	184,343	(425,174)	3,103,848	4,923,994
Total Liabilities and Net Assets	\$ 258,336	\$ 3,638,835	\$ 3,189,223	\$ 6,356,478	\$ 184,343	\$ 6,803,799	\$ 8,031,523	\$ 6,319,599

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Financial Position

December 31, 2023

	40 Upton Street MM LLC	Rose Hill Manor Corporation	Hadley Apartments LLC	Hadley Manager LLC	Hadley Tenant LLC	Hadley Tenant Manager LLC	135 Lafayette LLC	135 Lafayette Managing Member LLC
Liabilities and Net Assets								
Current Liabilities								
Current portion of long-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,901	\$ -
Accounts payable	-	25,279	107,092	-	140	-	4,534	-
Accrued expenses	-	-	453,163	-	4,950	-	45,946	-
Deferred revenue, current portion	-	1,477	44,407	-	-	-	216	-
Total Current Liabilities	-	26,756	604,662	-	5,090	-	108,597	-
Long-term Liabilities								
Long-term debt, net of current portion and unamortized debt issuance costs	-	8,239,571	10,275,831	-	-	-	8,239,903	-
Pre-development advances	-	-	-	-	-	-	-	-
Deferred interest payable	-	-	1,700,178	-	-	-	803	-
Development fees payable	-	-	-	-	-	-	-	-
Member advances and interest payable	-	-	-	-	-	-	-	-
Advances from a related party	-	-	995,803	-	-	-	-	-
Tenant security deposits	-	22,100	18,212	-	-	-	23,412	-
Deferred revenue, net of current portion	-	-	1,462,067	-	-	-	-	-
Lease liability	-	-	-	-	-	-	-	-
Total Long-term Liabilities	-	8,261,671	14,452,091	-	-	-	8,264,118	-
Total Liabilities	-	8,288,427	15,056,753	-	5,090	-	8,372,715	-
Net Assets								
Without donor restrictions:								
Controlling interests	4,928,935	(2,647,210)	646,492	339,858	1,479,885	1,569,635	449,761	450,100
Non-controlling interests	-	-	(1,892,952)	-	-	-	8,435,491	-
Total Net Assets								
without Donor Restrictions	4,928,935	(2,647,210)	(1,246,460)	339,858	1,479,885	1,569,635	8,885,252	450,100
With donor restrictions	-	-	-	-	-	-	-	-
Total Net Assets	4,928,935	(2,647,210)	(1,246,460)	339,858	1,479,885	1,569,635	8,885,252	450,100
Total Liabilities and Net Assets	\$ 4,928,935	\$ 5,641,217	\$ 13,810,293	\$ 339,858	\$ 1,484,975	\$ 1,569,635	\$ 17,257,967	\$ 450,100

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2023

	St. Kevin's LP	Uphams Corner LP	165 Winter Street Apartments LLC	Harbor Place at Merrimack LLC	Sancta Maria House, Inc.	Kennedy Building LLC	SFH 48 Boylston St	48 Boylston Street Residential LLC
Liabilities and Net Assets								
Current Liabilities								
Current portion of long-term debt	\$ 18,928	\$ 20,989	\$ 4,425	\$ 36,594	\$ -	\$ 18,639	\$ 1,243,249	\$ 14,014
Accounts payable	3,868	14,400	2,751	3,482	-	6,859	533,813	166,240
Accrued expenses	87,223	67,635	53,114	40,447	-	104,698	32,998	123,678
Deferred revenue, current portion	3,066	17,184	4,178	4,302	-	4,502	-	12,001
Total Current Liabilities	113,085	120,208	64,468	84,825	-	134,698	1,810,060	315,933
Long-term Liabilities								
Long-term debt, net of current portion and unamortized debt issuance costs	5,912,113	9,612,645	1,971,620	10,805,376	1,514,264	10,364,905	4,280,957	15,444,859
Pre-development advances	-	-	-	-	-	-	131,244	-
Deferred interest payable	110,933	88,341	5,621	3,024	-	187	-	-
Development fees payable	-	-	-	-	-	-	1,205,061	1,205,061
Member advances and interest payable	-	-	-	-	-	-	1,372,257	-
Advances from a related party	350	-	-	-	-	32,228	-	18,836
Tenant security deposits	18,661	26,586	4,873	25,980	-	34,644	-	36,836
Deferred revenue, net of current portion	-	-	-	-	-	-	-	1,561,411
Lease liability	-	-	-	-	-	-	-	-
Total Long-term Liabilities	6,042,057	9,727,572	1,982,114	10,834,380	1,514,264	10,431,964	6,989,519	18,267,003
Total Liabilities	6,155,142	9,847,780	2,046,582	10,919,205	1,514,264	10,566,662	8,799,579	18,582,936
Net Assets								
Without donor restrictions:								
Controlling interests	(230)	(397)	(104)	(340,382)	(166,984)	(255)	374,993	(437)
Non-controlling interests	5,771,430	7,279,693	1,706,839	6,058,235	-	2,393,958	374,991	11,132,653
Total Net Assets								
without Donor Restrictions	5,771,200	7,279,296	1,706,735	5,717,853	(166,984)	2,393,703	749,984	11,132,216
With donor restrictions	-	-	-	-	-	-	-	-
Total Net Assets	5,771,200	7,279,296	1,706,735	5,717,853	(166,984)	2,393,703	749,984	11,132,216
Total Liabilities and Net Assets	\$ 11,926,342	\$ 17,127,076	\$ 3,753,317	\$ 16,637,058	\$ 1,347,280	\$ 12,960,365	\$ 9,549,563	\$ 29,715,152

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
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Liabilities and Net Assets	Drexel Village LLC	Sanctuary Place, Inc.	Westminster Washington LIHTC, LLC	Constitution Inn LLC	Cote Village Townhomes LP	Cote Village LP	Cote Village LLC	Morton Station Ventures LLC
Current Liabilities								
Current portion of long-term debt	\$ -	\$ 1,094,750	\$ 25,823	\$ -	\$ 28,941	\$ 93,566	\$ -	\$ -
Accounts payable	37,237	158,222	67,019	47,618	17,277	97,650	-	-
Accrued expenses	-	36,310	44,093	-	54,874	105,479	-	-
Deferred revenue, current portion	-	-	8,529	-	6,533	4,825	-	-
Total Current Liabilities	37,237	1,289,282	145,464	47,618	107,625	301,520	-	-
Long-term Liabilities								
Long-term debt, net of current portion and unamortized debt issuance costs	163,872	-	7,902,964	-	6,007,547	24,078,410	-	-
Pre-development advances	491,736	1,538	-	652,798	-	-	-	-
Deferred interest payable	-	-	301,520	-	192,249	632,585	-	-
Development fees payable	-	-	-	-	-	438,306	-	-
Member advances and interest payable	-	-	-	-	-	-	-	-
Advances from a related party	-	-	29	-	-	-	-	-
Tenant security deposits	-	-	10,663	-	31,293	21,032	-	-
Deferred revenue, net of current portion	-	-	-	-	-	-	-	-
Lease liability	-	-	-	-	-	-	-	-
Total Long-term Liabilities	655,608	1,538	8,215,176	652,798	6,231,089	25,170,333	-	-
Total Liabilities	692,845	1,290,820	8,360,640	700,416	6,338,714	25,471,853	-	-
Net Assets								
Without donor restrictions:								
Controlling interests	-	660,930	(8,235)	200,000	(50,188)	(188)	292,697	1,296,832
Non-controlling interests	-	-	7,893,494	-	7,823,457	6,336,209	151,609	698,294
Total Net Assets								
without Donor Restrictions	-	660,930	7,885,259	200,000	7,773,269	6,336,021	444,306	1,995,126
With donor restrictions	-	115,000	-	-	-	-	-	-
Total Net Assets	-	775,930	7,885,259	200,000	7,773,269	6,336,021	444,306	1,995,126
Total Liabilities and Net Assets	\$ 692,845	\$ 2,066,750	\$ 16,245,899	\$ 900,416	\$ 14,111,983	\$ 31,807,874	\$ 444,306	\$ 1,995,126

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES
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Liabilities and Net Assets	Morton Station Village LLC	Morton Station Homeownership LLC	Twenty Charlesgate LLC	Twenty Charlesgate Holdings LLC	Total	Inter- Company Eliminations	Consolidated Balance
Current Liabilities							
Current portion of long-term debt	\$ 3,671	\$ 5,337,601	\$ -	\$ -	\$ 8,885,944	\$ -	\$ 8,885,944
Accounts payable	-	86,157	7,989	73,188	2,101,457	(14,600)	2,086,857
Accrued expenses	1,044,932	304,905	-	32,751	3,159,199	(530,519)	2,628,680
Deferred revenue, current portion	-	-	-	8,505	175,624	(15,855)	159,769
Total Current Liabilities	1,048,603	5,728,663	7,989	114,444	14,322,224	(560,974)	13,761,250
Long-term Liabilities							
Long-term debt, net of current portion and unamortized debt issuance costs	12,533,176	-	14,429,972	10,500,000	206,798,493	(40,642,889)	166,155,604
Pre-development advances	50,040	25,395	753,494	-	3,111,651	(2,735,149)	376,502
Deferred interest payable	59,634	74,275	8,105	7,389	30,564,670	(22,533,219)	8,031,451
Development fees payable	1,344,088	651,038	-	-	4,843,554	(4,418,327)	425,227
Member advances and interest payable	-	-	-	-	1,372,257	(759,508)	612,749
Advances from a related party	-	246,613	-	717,454	2,044,178	(1,969,969)	74,209
Tenant security deposits	-	-	-	77,405	507,662	-	507,662
Deferred revenue, net of current portion	-	-	-	-	3,073,478	(1,389,945)	1,683,533
Lease liability	-	-	-	3,539,131	5,505,086	(5,395,066)	110,020
Total Long-term Liabilities	13,986,938	997,321	15,191,571	14,841,379	257,821,029	(79,844,072)	177,976,957
Total Liabilities	15,035,541	6,725,984	15,199,560	14,955,823	272,143,253	(80,405,046)	191,738,207
Net Assets							
Without donor restrictions:							
Controlling interests	(21)	(4,011,774)	39,131	(394,797)	38,238,757	11,321,001	49,559,758
Non-controlling interests	649,571	-	-	-	68,692,058	-	68,692,058
Total Net Assets							
without Donor Restrictions	649,550	(4,011,774)	39,131	(394,797)	106,930,815	11,321,001	118,251,816
With donor restrictions	-	-	-	-	365,000	-	365,000
Total Net Assets	649,550	(4,011,774)	39,131	(394,797)	107,295,815	11,321,001	118,616,816
Total Liabilities and Net Assets	\$ 15,685,091	\$ 2,714,210	\$ 15,238,691	\$ 14,561,026	\$ 379,439,068	\$ (69,084,045)	\$ 310,355,023

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Activities For the Year Ended December 31, 2023

	Planning Office for Urban Affairs	POUA Holdings, LLC	Kent Village Associates LP	Lowell Square LP	Lowell Square Associates Joint Venture	Rollins Square LLC	Rollins Square Realty Trust	Rollins Square LP
Revenue and Support								
Development fees	\$ 4,617	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution income	360,710	-	-	-	-	-	-	-
Rental income	-	21,512	2,103,925	2,182,861	141,615	-	13,565	1,001,093
Management fee income	311,421	-	-	-	62,679	-	-	-
Fundraising revenue	5,800	-	-	-	-	-	-	-
Capital distributions of cash surplus from operations	1,467,951	-	-	-	3,959	-	-	-
Capital distributions of development fees earned	839,647	-	-	-	-	-	-	-
Capital distributions of management fees earned	76,005	-	-	-	-	-	-	-
Other revenue	-	-	189	-	45	-	-	3,932
Total Revenue and Support	3,066,151	21,512	2,104,114	2,182,861	208,298	-	13,565	1,005,025
Functional Expenses								
Program services	1,989,801	44,528	1,581,306	2,529,308	226,823	-	9,388	1,124,720
Management and general	1,191,915	-	-	-	-	-	-	-
Fundraising	60,280	-	-	-	-	-	-	-
Total Functional Expenses	3,241,996	44,528	1,581,306	2,529,308	226,823	-	9,388	1,124,720
Change in Net Assets Before								
Non-operating Income and Expenses	(175,845)	(23,016)	522,808	(346,447)	(18,525)	-	4,177	(119,695)
Non-operating Income (Expenses)								
Dividends paid to related parties	-	-	-	-	-	-	(202,578)	-
Gain on sale of fixed assets held for sale	-	639,648	-	-	-	-	-	-
Impairment loss on fixed assets held for sale	-	-	-	-	-	-	-	-
Deferred interest income	921,705	-	-	-	-	5,517	-	-
Interest income	144,937	-	13,807	53,346	417	-	919	18,098
Change in equity investment	(459,579)	-	-	-	-	-	-	-
Unrealized gain (loss) on investment	-	-	-	26,326	-	-	-	-
Loss on uncollectible accounts	(4,688,033)	-	-	-	-	-	-	-
Discounts on receivables, net of recoveries	247,138	-	-	-	-	15,711	-	-
Management fees to related parties	-	-	(4,000)	(84,291)	-	-	-	(63,760)
Casualty gain (loss)	-	-	-	(59,956)	(24,164)	-	-	-
Loss on disposal of right-of-use assets	-	-	-	-	-	-	-	-
Organizational costs	-	-	-	-	-	-	-	-
Total Non-operating Income (Expenses)	(3,833,832)	639,648	9,807	(64,575)	(23,747)	21,228	(201,659)	(45,662)
Change in Net Assets	\$ (4,009,677)	\$ 616,632	\$ 532,615	\$ (411,022)	\$ (42,272)	\$ 21,228	\$ (197,482)	\$ (165,357)

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Activities For the Year Ended December 31, 2023

	Rollins Square Inc.	Riley House Non-Profit Housing Corp.	St. Jean Baptiste, LLC	St. Aidan's LLC	St. Aidan's Inc.	Hayes Building MT LLC	Hayes Building LLC	40 Upton Street LLC
Revenue and Support								
Development fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution income	-	-	-	-	-	-	-	-
Rental income	-	650,538	413,073	508,911	-	1,048,715	115,300	253,174
Management fee income	-	-	-	-	-	-	-	-
Fundraising revenue	-	-	-	-	-	-	-	-
Capital distributions of cash surplus from operations	-	-	-	-	-	-	-	-
Capital distributions of development fees earned	-	-	-	-	-	-	-	-
Capital distributions of management fees earned	-	-	-	-	-	-	-	-
Other revenue	-	2,728	10,921	14,011	-	17,967	-	-
Total Revenue and Support	-	653,266	423,994	522,922	-	1,066,682	115,300	253,174
Functional Expenses								
Program services	-	820,213	586,214	676,168	-	1,309,486	335,978	387,478
Management and general	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-
Total Functional Expenses	-	820,213	586,214	676,168	-	1,309,486	335,978	387,478
Change in Net Assets Before								
Non-operating Income and Expenses	-	(166,947)	(162,220)	(153,246)	-	(242,804)	(220,678)	(134,304)
Non-operating Income (Expenses)								
Dividends paid to related parties	-	-	-	-	-	-	-	-
Gain on sale of fixed assets held for sale	-	-	-	-	-	-	-	-
Impairment loss on fixed assets held for sale	-	-	-	-	-	-	-	-
Deferred interest income	-	-	-	-	-	-	-	-
Interest income	-	736	10,031	859	-	18,295	4,921	42,937
Change in equity investment	-	-	-	-	-	-	-	-
Unrealized gain (loss) on investment	-	-	-	-	-	-	-	-
Loss on uncollectible accounts	-	-	-	-	-	-	-	-
Discounts on receivables, net of recoveries	-	-	-	-	-	-	-	-
Management fees to related parties	-	-	-	(18,629)	(40,984)	(7,500)	(5,000)	(33,609)
Casualty gain (loss)	-	21,012	2,992	-	-	-	-	-
Loss on disposal of right-of-use assets	-	-	-	-	-	-	-	-
Organizational costs	-	-	-	-	-	-	-	-
Total Non-operating Income (Expenses)	-	21,748	13,023	(17,770)	(40,984)	10,795	(79)	9,328
Change in Net Assets	\$ -	\$ (145,199)	\$ (149,197)	\$ (171,016)	\$ (40,984)	\$ (232,009)	\$ (220,757)	\$ (124,976)

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Activities
For the Year Ended December 31, 2023

	40 Upton Street MM LLC	Rose Hill Manor Corporation	Hadley Apartments LLC	Hadley Manager LLC	Hadley Tenant LLC	Hadley Tenant Manager LLC	135 Lafayette LLC	135 Lafayette Managing Member LLC
Revenue and Support								
Development fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution income	-	-	16,970	-	-	-	-	-
Rental income	-	486,143	680,700	-	18,589	-	1,089,879	-
Management fee income	4,152	-	-	33,598	-	-	-	-
Fundraising revenue	-	-	-	-	-	-	-	-
Capital distributions of cash surplus from operations	-	-	-	-	-	-	-	-
Capital distributions of development fees earned	-	-	-	-	-	-	-	-
Capital distributions of management fees earned	-	-	-	-	-	-	-	-
Other revenue	-	4,660	17,877	-	11,367	-	9,969	-
Total Revenue and Support	4,152	490,803	715,547	33,598	29,956	-	1,099,848	-
Functional Expenses								
Program services	-	744,860	1,391,622	-	38,259	-	1,327,026	-
Management and general	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-
Total Functional Expenses	-	744,860	1,391,622	-	38,259	-	1,327,026	-
Change in Net Assets Before								
Non-operating Income and Expenses	4,152	(254,057)	(676,075)	33,598	(8,303)	-	(227,178)	-
Non-operating Income (Expenses)								
Dividends paid to related parties	-	-	-	-	-	-	-	-
Gain on sale of fixed assets held for sale	-	-	-	-	-	-	-	-
Impairment loss on fixed assets held for sale	-	-	-	-	-	-	-	-
Deferred interest income	-	-	-	-	-	-	-	-
Interest income	-	256	556	-	-	-	13,703	-
Change in equity investment	(124,976)	-	-	-	-	-	-	-
Unrealized gain (loss) on investment	-	-	-	-	-	-	-	-
Loss on uncollectible accounts	-	-	-	(33,598)	-	-	-	-
Discounts on receivables, net of recoveries	-	-	-	-	-	-	-	-
Management fees to related parties	-	-	(41,160)	-	-	-	(5,000)	-
Casualty gain (loss)	-	-	75,143	-	-	-	-	-
Loss on disposal of right-of-use assets	-	-	(229,167)	-	-	-	-	-
Organizational costs	-	-	-	-	-	-	-	-
Total Non-operating Income (Expenses)	(124,976)	256	(194,628)	(33,598)	-	-	8,703	-
Change in Net Assets	\$ (120,824)	\$ (253,801)	\$ (870,703)	\$ -	\$ (8,303)	\$ -	\$ (218,475)	\$ -

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Activities For the Year Ended December 31, 2023

	St. Kevin's LP	Uphams Corner LP	165 Winter Street Apartments LLC	Harbor Place at Merrimack LLC	Sancta Maria House, Inc.	Kennedy Building LLC	SFH 48 Boylston St	48 Boylston Street Residential LLC
Revenue and Support								
Development fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution income	-	-	-	-	-	-	-	-
Rental income	465,206	666,567	187,950	752,875	4,625	699,240	24,000	1,203,576
Management fee income	-	-	-	-	-	-	5,627	-
Fundraising revenue	-	-	-	-	-	-	-	-
Capital distributions of cash surplus from operations	-	-	-	-	-	-	-	-
Capital distributions of development fees earned	-	-	-	-	-	-	-	-
Capital distributions of management fees earned	-	-	-	-	-	-	-	-
Other revenue	2,168	6,042	8,610	41,154	-	9,710	-	4,312
Total Revenue and Support	467,374	672,609	196,560	794,029	4,625	708,950	29,627	1,207,888
Functional Expenses								
Program services	865,882	1,164,811	300,491	1,147,152	44,208	1,063,359	48,413	1,836,269
Management and general	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-
Total Functional Expenses	865,882	1,164,811	300,491	1,147,152	44,208	1,063,359	48,413	1,836,269
Change in Net Assets Before								
Non-operating Income and Expenses	(398,508)	(492,202)	(103,931)	(353,123)	(39,583)	(354,409)	(18,786)	(628,381)
Non-operating Income (Expenses)								
Dividends paid to related parties	-	-	-	-	-	-	-	-
Gain on sale of fixed assets held for sale	-	-	-	-	-	-	-	-
Impairment loss on fixed assets held for sale	-	-	-	-	-	-	-	-
Deferred interest income	-	-	-	-	-	-	-	-
Interest income	14,995	33,101	5,928	14,741	762	10,065	-	78
Change in equity investment	-	-	-	-	-	-	-	-
Unrealized gain (loss) on investment	-	-	-	-	-	-	-	-
Loss on uncollectible accounts	-	-	-	-	-	-	-	-
Discounts on receivables, net of recoveries	-	-	-	-	-	-	-	-
Management fees to related parties	(5,000)	(5,000)	(5,000)	(46,950)	-	(11,425)	-	(11,090)
Casualty gain (loss)	-	-	-	-	-	-	-	-
Loss on disposal of right-of-use assets	-	-	-	-	-	-	-	-
Organizational costs	-	-	-	-	-	-	-	-
Total Non-operating Income (Expenses)	9,995	28,101	928	(32,209)	762	(1,360)	-	(11,012)
Change in Net Assets	\$ (388,513)	\$ (464,101)	\$ (103,003)	\$ (385,332)	\$ (38,821)	\$ (355,769)	\$ (18,786)	\$ (639,393)

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Activities
For the Year Ended December 31, 2023

	Drexel Village LLC	Sanctuary Place, Inc.	Westminster Washington LIHTC, LLC	Constitution Inn LLC	Cote Village Townhomes LP	Cote Village LP	Cote Village LLC	Morton Station Ventures LLC
Revenue and Support								
Development fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,866,308
Contribution income	-	115,000	-	-	-	-	-	-
Rental income	-	-	888,622	-	622,897	1,235,685	6,000	-
Management fee income	-	-	-	-	-	-	5,000	-
Fundraising revenue	-	-	-	-	-	-	-	-
Capital distributions of cash surplus from operations	-	-	-	-	-	-	45,427	-
Capital distributions of development fees earned	-	-	-	-	-	-	-	-
Capital distributions of management fees earned	-	-	-	-	-	-	-	-
Other revenue	-	-	8,979	-	13,281	122,390	-	-
Total Revenue and Support	-	115,000	897,601	-	636,178	1,358,075	56,427	1,866,308
Functional Expenses								
Program services	-	-	1,290,231	-	1,094,588	2,237,888	-	-
Management and general	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-
Total Functional Expenses	-	-	1,290,231	-	1,094,588	2,237,888	-	-
Change in Net Assets Before								
Non-operating Income and Expenses	-	115,000	(392,630)	-	(458,410)	(879,813)	56,427	1,866,308
Non-operating Income (Expenses)								
Dividends paid to related parties	-	-	-	-	-	-	-	-
Gain on sale of fixed assets held for sale	-	-	-	-	-	-	-	-
Impairment loss on fixed assets held for sale	-	-	-	-	-	-	-	-
Deferred interest income	-	-	-	-	-	-	-	-
Interest income	-	-	6,771	-	13,577	36,491	-	-
Change in equity investment	-	-	-	-	-	-	-	-
Unrealized gain (loss) on investment	-	-	-	-	-	-	-	-
Loss on uncollectible accounts	-	-	-	-	-	-	-	-
Discounts on receivables, net of recoveries	-	-	-	-	-	-	-	-
Management fees to related parties	-	-	(31,827)	-	(10,200)	(10,038)	-	-
Casualty gain (loss)	-	-	-	-	-	-	-	-
Loss on disposal of right-of-use assets	-	-	-	-	-	-	-	-
Organizational costs	-	-	-	-	-	-	-	-
Total Non-operating Income (Expenses)	-	-	(25,056)	-	3,377	26,453	-	-
Change in Net Assets	\$ -	\$ 115,000	\$ (417,686)	\$ -	\$ (455,033)	\$ (853,360)	\$ 56,427	\$ 1,866,308

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Consolidating Statement of Activities For the Year Ended December 31, 2023

	Morton Station Village LLC	Morton Station Homeownership LLC	Twenty Charlesgate LLC	Twenty Charlesgate Holdings LLC	Total	Inter- Company Eliminations	Consolidated Balance
Revenue and Support							
Development fees	\$ -	\$ -	\$ -	\$ -	\$ 1,870,925	\$ -	\$ 1,870,925
Contribution income	-	5,023	-	-	497,703	(50,000)	447,703
Rental income	-	-	39,131	119,906	17,645,873	(199,210)	17,446,663
Management fee income	-	-	-	-	422,477	(422,477)	-
Fundraising revenue	-	-	-	-	5,800	-	5,800
Capital distributions of cash surplus from operations	-	-	-	-	1,517,337	(1,112,630)	404,707
Capital distributions of development fees earned	-	-	-	-	839,647	(839,647)	-
Capital distributions of management fees earned	-	-	-	-	76,005	(76,005)	-
Other revenue	11,720	-	-	-	322,032	(44,563)	277,469
Total Revenue and Support	11,720	5,023	39,131	119,906	23,197,799	(2,744,532)	20,453,267
Functional Expenses							
Program services	122,970	9,000	-	514,703	26,863,143	(1,153,642)	25,709,501
Management and general	-	-	-	-	1,191,915	-	1,191,915
Fundraising	-	-	-	-	60,280	-	60,280
Total Functional Expenses	122,970	9,000	-	514,703	28,115,338	(1,153,642)	26,961,696
Change in Net Assets Before							
Non-operating Income and Expenses	(111,250)	(3,977)	39,131	(394,797)	(4,917,539)	(1,590,890)	(6,508,429)
Non-operating Income (Expenses)							
Dividends paid to related parties	-	-	-	-	(202,578)	202,578	-
Gain on sale of fixed assets held for sale	-	-	-	-	639,648	-	639,648
Impairment loss on fixed assets held for sale	-	(4,006,757)	-	-	(4,006,757)	-	(4,006,757)
Deferred interest income	-	-	-	-	927,222	(927,148)	74
Interest income	-	-	-	-	460,327	-	460,327
Change in equity investment	-	-	-	-	(584,555)	124,976	(459,579)
Unrealized gain (loss) on investment	-	-	-	-	26,326	-	26,326
Loss on uncollectible accounts	-	-	-	-	(4,721,631)	4,721,631	-
Discounts on receivables, net of recoveries	-	-	-	-	262,849	(188,926)	73,923
Management fees to related parties	-	-	-	-	(440,463)	422,477	(17,986)
Casualty gain (loss)	-	-	-	-	15,027	-	15,027
Loss on disposal of right-of-use assets	-	-	-	-	(229,167)	-	(229,167)
Organizational costs	(94,228)	(1,040)	-	-	(95,268)	-	(95,268)
Total Non-operating Income (Expenses)	(94,228)	(4,007,797)	-	-	(7,949,020)	4,355,588	(3,593,432)
Change in Net Assets	\$ (205,478)	\$ (4,011,774)	\$ 39,131	\$ (394,797)	\$ (12,866,559)	\$ 2,764,698	\$ (10,101,861)

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Combined Statement of Financial Position

December 31, 2023

Assets

Current Assets	
Cash and cash equivalents	\$ 8,997,006
Investment in certificates of deposit	1,511,049
Tenant rent and other receivables, net of allowances	267,017
Contributions receivable	387,681
Prepaid expenses	37,927
Total Current Assets	<u>11,200,680</u>
Fixed Assets, held and used, at cost:	
Building and improvements	11,218
Furniture and equipment	23,885
Total Fixed Assets, held and used, at cost	<u>35,103</u>
Accumulated depreciation	<u>(24,598)</u>
Fixed Assets, held and used, net	<u>10,505</u>
Other Assets	
Pre-development advances	1,080,223
Advances to related parties	84,793
Loans and deferred interest receivable, net of discounts and allowances	32,131,652
Member advances and interest receivable	759,508
Investments in affiliates	12,940,844
Development fees receivable	789,430
Property under development	4,918,923
Deferred initial lease costs	13,376
Unbilled lease receivables	49,337
Right-of-use assets	403,614
Total Other Assets	<u>53,171,700</u>
Total Assets	<u><u>\$ 64,382,885</u></u>

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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Combined Statement of Financial Position

December 31, 2023

Liabilities and Net Assets

Current Liabilities

Current portion of long-term debt	\$ 1,094,750
Accounts payable	592,560
Accrued expenses	145,346
Total Current Liabilities	<u>1,832,656</u>

Long-term Liabilities

Long-term debt, net of current portion and unamortized debt issuance costs	502,634
Tenant security deposits	4,337
Deferred revenue, net of current portion	50,000
Lease liability	471,761
Total Long-term Liabilities	<u>1,028,732</u>

Total Liabilities	<u>2,861,388</u>
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Net Assets

Without donor restrictions	61,156,497
With donor restrictions	365,000
Total Net Assets	<u>61,521,497</u>

Total Liabilities and Net Assets	<u><u>\$ 64,382,885</u></u>
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PLANNING OFFICE FOR URBAN AFFAIRS, INC. AND SUBSIDIARIES

Combined Statement of Activities
For the Year Ended December 31, 2023

Revenue and Support	
Development fees	\$ 4,617
Contribution income	425,710
Rental income	21,512
Management fee income	311,421
Fundraising revenue	5,800
Capital distributions of cash surplus from operations	1,467,951
Capital distributions of development fees earned	839,647
Capital distributions of management fees earned	76,005
Total Revenue and Support	<u>3,152,663</u>
Functional Expenses	
Program services	1,984,329
Management and general	1,191,915
Fundraising	60,280
Total Functional Expenses	<u>3,236,524</u>
Change in Net Assets Before	
Non-operating Income (Expenses)	(83,861)
Non-operating Income (Expenses)	
Gain on sale of property	639,648
Deferred interest income	921,705
Interest income	144,937
Change in equity investment	(459,579)
Loss on uncollectible accounts ⁽¹⁾	(4,688,033)
Discounts on receivables, net of recoveries	247,138
Total Non-operating Income (Expenses)	<u>(3,194,184)</u>
Change in Net Assets	<u>\$ (3,278,045)</u>

⁽¹⁾ POUA performs an annual evaluation of the collectibility of the notes and deferred interest receivable from a related party using a capitalization rate valuation methodology. The balance is removed through intercompany elimination on the consolidated financial statements.

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