CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION
DECEMBER 31, 2023 AND 2022

CONTENTS

Independent Auditor's Report

To the Board Directors of
Clinton-Henry Housing Development Fund Corporation

Opinion

I have audited the accompanying financial statements of Clinton-Henry Housing Development Fund Corporation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Clinton-Henry Housing Development Fund Corporation as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Clinton-Henry Housing Development Fund Corporation and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

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

- Identify and assess the risks of material misstatement of the 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 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 Clinton-Henry Housing Development Fund Corporation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Clinton-Henry Housing Development Fund Corporation's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

New York, New York
July 19, 2024

CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

A S S E T S

	2023	2022
Current assets		
Cash and cash equivalents	$ 1,285,486	$ 1,318,513
Tenant accounts receivable	55,512	75,388
Prepaid expenses	17,515	16,559
Total current assets	1,358,513	1,410,460
Deposits held in trust		
Security deposits - tenants	58,055	58,268
Fixed assets, net of accumulated depreciation of $116,119 in 2023 and $104,642 in 2022	239,458	250,935
Other assets		
Operating reserve	874,917	818,298
Note receivable	100,000	-
Total Other Assets	974,917	818,298
TOTAL ASSETS	$ 2,630,943	$ 2,537,961

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

CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

LIABILITIES AND NET ASSETS

	2023	2022
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	$ 19,791	$ 23,638
Prepaid Rent	3,125	6,236
Total current liabilities	22,916	29,874
Deposit Liabilities		
Security deposits - tenant	52,292	58,268
Total liabilities	75,208	88,142
Net Assets		
Net Assets without donor restrictions	2,555,735	2,449,819
TOTAL LIABILITIES AND NET ASSETS	$ 2,630,943	$ 2,537,961

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

CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Revenues:		
Rental income	$ 383,982	$ 381,016
Interest income	42,791	15,729
Unrealized gain (loss)	3,403	(35,626)
Real estate tax reimbursement	2,773	5,431
Total revenues	432,949	366,550
Operating expenses:		
Management fees	39,728	42,725
Salaries	61,260	60,196
Payroll taxes and fringe	35,767	43,484
Utilities	26,061	31,943
Cleaning and maintenance supplies	7,925	7,117
Repairs and maintenance	80,628	45,779
Exterminating	1,348	1,030
Insurance	28,822	25,599
Real estate tax	5,489	4,897
Professional fees	10,627	11,935
Office expenses	743	559
Miscellaneous	3,305	3,712
Bad debts	-	3,214
Dues and permits	200	235
Water and sewer	13,503	12,902
Investment expenses	150	150
Depreciation	11,477	11,679
Total operating expenses	327,033	307,156
Increase in Net Assets	105,916	59,394
Net Assets without Donor Restrictions - Beginning of Year	2,449,819	2,390,425
Net Assets without Donor Restrictions - End of Year	$ 2,555,735	$ 2,449,819

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

CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash flows from operating activities:		
Increase in net assets	$ 105,916	$ 59,394
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	11,477	11,679
Bad debt expense	-	3,214
Unrealized (gain)/loss	(3,403)	35,626
(Increase) Decrease in operating assets:		
Tenant accounts receivable	19,876	26,392
Prepaid expenses	(956)	(880)
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued expenses	(3,847)	3,716
Prepaid rent	(3,111)	6,236
Tenant security deposit	(5,976)	4,253
Net cash provided by operating activities	119,976	149,630
Cash flows from investing activities:		
Purchase of fixed assets	-	(18,000)
Proceeds from sale of operating reserve	300	16,941
Net cash used in investing activities	300	(1,059)
Cash flows from financing activities:		
Note receivable	(100,000)	-
Net cash used in financing activities	(100,000)	-
Net increase in cash and restricted cash	20,276	148,571
Cash and restricted cash - Beginning of Year	1,867,390	1,718,819
Cash and restricted cash - End of Year	$ 1,887,666	$ 1,867,390

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

CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 - ORGANIZATION

Clinton-Henry Housing Development Fund Corporation (a not-for-profit corporation) (″the Corporation″) was organized to develop and operate a low income homeless housing project in New York City. The Corporation is tax exempt under Section 501 (c)(3) of the Internal Revenue Code.

The Corporation received a grant from New York State in connection with the rehabilitation and construction of a six-story building located at 204 Clinton Street. The grant was from the Homeless Housing and Assistance Corporation ("HHAC") under the Homeless Housing and Assistance Program ("HHAP"). Construction was completed in 1995 and the site provides 10 units of low income housing. The original cost of the rehabilitation and construction is not reflected in the accompanying financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Corporation are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

Net assets of the Corporation are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets without Donor Restrictions - Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets with Donor Restrictions - Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Corporation. Certain restrictions may be needed to be maintained in perpetuity.

CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

Earnings related to restricted net assets will be included in net assets without donor restrictions unless otherwise specifically required to be included in donor-restricted net assets by the donor or by applicable state law.

All net assets of the Corporation at December 31, 2023 and 2022 were considered to be net assets without donor restrictions.

Risks and Uncertainties

The Corporation is subject to various risks and uncertainties in the ordinary course of business that could have adverse impacts on its operating results and financial condition. Future operations could be affected by changes in the economy or other conditions in the geographical area where property is located or by changes in federal low-income housing subsidies or the demand for such housing.

Capitalization and Depreciation

Fixed assets are recorded at cost. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation.

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives by use of the straight-line method for financial reporting purposes. The fixed assets being depreciated over the estimated life of tax basis do not result in a material difference from GAAP basis. The estimated service lives of the assets for depreciation purposes may be different from their actual economic useful lives. For financial statement purposes, the following estimated useful lives are used.

	Estimated Life	Method
Building improvements	30.0 Years	Straight-line
Equipment	5.0 Years	Straight-line

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment

The Corporation reviews its investment in rental property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. For assets held and used, if management's estimate of the aggregate future cash flows to be generated by the properties, undiscounted and without interest charges, by the rental property including any estimated proceeds from the eventual disposition of the real estate are less than their carrying amounts, an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. The determination of undiscounted cash flows requires significant estimates by management. Subsequent changes in estimated undiscounted cash flows could impact the determination of whether impairment exists. No impairment loss has been recognized during the years ended December 31, 2023 and 2022.

Investment Securities

Investment scrutinies are consisted of government, corporate debt securities and mutual funds. The securities are carried at fair market value.

Fair Value Measurement

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

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Rental Income and Prepaid Rents

Rental income is recognized as rent becomes due. Rental incomes received in advance are deferred or classified as liabilities until earned. All leases between the Corporation and the tenants of the property are operating leases.

Tenant Accounts Receivable

Tenant accounts receivable are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of tenant accounts receivable. It is reasonably possible that management's estimate of the allowance will change. There was no allowance for doubtful accounts as of December 31, 2023 and 2022.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 Equivalents

Included in cash equivalents are short-term investments in money market funds or marketable securities with original maturities of 90 days or less when purchased. The securities are carried at cost, which approximates fair market value.

Fair Values of Financial Instruments

The Corporation's financial instruments consist primarily of cash, accounts receivable, reserve deposit and accounts payable. The carrying values of cash, accounts receivable, reserve deposit and accounts payable are considered to be representative of their respective fair values.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Corporation was organized under the New York State not-for-profit laws. The Corporation is exempt from Federal, New York State, and New York City income taxes.

Revenue Recognition

The Corporation's primary revenue stream is rent charge for residential units under leases. The Corporation records revenue for such leases at gross potential rent. The rental value of vacancies and other concessions are stated separately to present net rental income on the accrual basis. Subsidy revenue for low-income eligible tenants is provided under a Section 8 housing assistance payment contract. This contract requires tenants to contribute a portion of the contract rent based on formulas prescribed by the Department of Housing and Urban Development (HUD). The difference from the calculated subsidy and the contract rent is paid by a tenant. Subsidy income is considered part of the lease and is not considered a contribution under ASC 958. This standard indicates that government payments to specifically identified participants are to be considered exchange transactions and potentially subject to ASC 606. The Corporation believes that such both rental and subsidy income streams are exempted from compliance with ASC 606 due to their inclusion under current and future lease standards. Revenue streams subject to ASC 606 include: tenant reimbursement of consumption-based costs paid by the Corporation on behalf of the tenant, such as utilities and other monthly fees. Additional revenue includes laundry, vending, and pet as well as damages. Such fees are ancillary to the lease process and are recognized as revenue at the point in time such fees are incurred.

Adoption Of Accounting Pronouncement

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification ("ASC") 842, *Leases* ("FASB ASC 842") to increase transparency and comparability among organizations by requiring the recognition of lease assets and lease liabilities on the statement of financial position by lessees and the disclosure of key information about leasing arrangements. The Corporation adopted FASB ASC 842 effective January 1, 2022. However, there is

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption Of Accounting Pronouncement (Continued)

no adjustment necessary as of January 1, 2022 to be recognized under FASB ASC 842. With respect to tenant leases, FASB ASC 842 did not have a material impact on the financial statements as of December 31, 2022 and the year then ended. The Corporation has no other leases other than leases with tenants.

NOTE 3 - FIXED ASSETS

Fixed assets consist of the following as of December 31, 2023 and 2022:

	2023	2022
Building improvements	$ 344,318	$ 344,318
Equipment	11,259	11,259
	355,577	355,577
Less: accumulated depreciation	(116,119)	(104,642)
Net fixed assets	$ 239,458	$ 250,935

NOTE 4 - OPERATING RESERVE

The Corporation maintains an operating reserve. The activities during 2023 and 2022 were as follows:

	2023	2022
Balance beginning of year	$ 818,298	$ 820,528
Additions during the year	18,697	18,898
Fees	(150)	(150)
Unrealized gain/(loss)	3,403	(35,626)
Investment Income	34,669	14,648
Balance end of year	$ 874,917	$ 818,298

The operating reserve balance consists of the following:

NOTE 4 - OPERATING RESERVE (CONTINUED)

	2023	2022
Cash	$ 544,125	$ 490,609
Government bonds	50,903	56,107
Corporate bonds	40,994	40,951
Mutual funds	238,895	230,631
	$ 874,917	$ 818,298

The operating reserve is maintained in an account with a brokerage firm. The account contains cash and securities. Balances are insured up to $500,000 (with a limit of $250,000 for cash) by the Security Investor Protection Corporation. The brokerage firm maintains additional insurance to cover any significant credit risk on all cash, cash equivalents and securities held by the broker. This insurance does not cover any loss on market value of all cash, cash equivalents and securities held but losses due to the actions of the brokerage firm. The Corporation has not experienced any losses in such account and believes it is not exposed to any significant credit risk on cash, cash equivalents and securities.

NOTE 5 - FAIR VALUE MEASUREMENT

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31, 2023 and 2022 are as follows:

	2023	2022
Level 1 Inputs		
Government securities	$ 48,129	$ 52,938
Mutual funds	238,895	230,631
Level 2 Inputs		
Government Securities	2,774	3,169
Corporate bonds	40,994	40,951
	330,792	327,689
Cash alternative - money market	544,125	490,609
	$ 874,917	$ 818,298

CLINTON-HENRY HOUSING DEVELOPMENT FUND CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 - FAIR VALUE MEASUREMENT (CONTINUED)

As of December 31, 2023 and 2022, the contractual maturities of all debt securities classified as government securities or corporate bonds are as follows:

	2023	2022
Maturing within one	$ 22,164	$ -
Maturing in 2-5 years	34,348	56,799
Maturing in 6-10 years	-	-
Maturing after 10 years	35,385	40,259
	$ 91,897	$ 97,058

NOTE 6 - TENANTS' SECURITY DEPOSITS

Tenants' security deposits are to be held in a separate bank account in the name of the Corporation. As of December 31, 2023 and 2022, the balance in the security account was $58,055 and $58,268 respectively.

NOTE 7 - HOUSING ASSISTANCE PAYMENTS

The Corporation receives a portion of its rental income from the Federal "Section 8" subsidy program administered by the New York City Department of Housing Preservation and Development (HPD).

Total Section 8 received during the years ended December 31, 2023 and 2022 was $93,538 and $103,584 respectively. This amount is included in rental income in the accompanying statements of activities. For the years ended December 31, 2023 and 2022, the Corporation received 22% and 28% respectively of its income in the form of Section 8 subsidies. The Corporation also receives subsidy rental payments from local public assistance.

NOTE 8 - EXEMPTION FROM REAL ESTATE TAXES

The Corporation is exempt from real estate taxes from New York City for residential units.

NOTE 9 - TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES

Management fees are paid to The Lower East Side People's Mutual Housing Association, Inc. (LESPMHA). The fee is 10% of the monthly rental collection. LESPMHA is a related party. Total management fees were $39,728 in 2023 and $42,725 in 2022 respectively. The Corporation also reimburses LESPMHA for superintendent services provided. The total costs reimbursed, including fringe benefits and other expenses, were $97,890 in 2023 and $104,395 in 2022.

The total amount owed to LESPMHA for management fees and reimbursable expenses at December 31, 2023 and 2022 is $11,217 and $11,632 respectively and is included in accounts payable and accrued expenses in the accompanying financial statements.

NOTE 10 - CONCENTRATION OF CREDIT RISK

The Corporation maintains its cash and cash equivalents within a financial institution. Cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 at each financial institution. At times, these balances may exceed the FDIC limits. At December 31, 2023 and 2022, the total amounts exceeding the limit are $430,233 and $465,979 respectively. The Corporation has not experienced any losses in such accounts. The Corporation believes it is not exposed to any significant credit risk on cash.

NOTE 11 - CASH AND RESTRICTED CASH

The balances in cash and restricted cash as reflected in the statements of cash flows consist of the following:

	2023	2022
Cash	$ 1,285,486	$ 1,318,513
Tenant Security Deposit	58,055	58,268
Restricted deposits		
Operating reserve	544,125	490,609
Total Cash and Restricted Deposits	$ 1,887,666	$ 1,867,390

Amounts included in operating reserve represent cash portions of these accounts.

NOTE 12 - CONTINGENCIES

The Corporation, as owners of real estate, is subject to various Federal, state, and local environmental laws. Compliance by the Corporation with existing laws has not had a material adverse effect on the Corporation. However, the Corporation cannot predict the impact of new or changed laws or regulations on its current properties.

The Corporation does not believe there is any litigation pending or threatened against that, individually or in the aggregate, reasonably may be expected to have a material adverse effect on the Corporation.

NOTE 13 - LIQUIDITY

At December 31, 2023, the Corporation has $1,340,998 of liquid assets, consisting of cash of $1,285,486 and accounts receivable of $55,512 available to meet needs for general expenditures. None of the financial assets are subject to donor or other contractual restrictions. Accordingly, all such funds are available to meet the cash needs of the Corporation in the next 12 months.

In addition, the Corporation may maintain funds in an operating reserve account. Such funds are not considered by the Corporation to have donor restrictions.

The Corporation manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. Cash needs of the Corporation are expected to be met on a monthly basis from the rents of project units. In general, the Corporation maintains sufficient financial assets on hand to meet 30 days worth of normal operating expenses.

NOTE 14 - FUNCTIONAL EXPENSES

The Corporation provides low-income housing to its tenants. The cost of providing program services and supporting services has been summarized on a functional basis in the tables below. Expenses directly attributable to a specific functional activity are reported as expenses of those functional activities. Allocation of expenses were made on a direct allocation basis.

NOTE 14 - FUNCTIONAL EXPENSES (CONTINUED)

	Program Services	Supporting Services	
2023	Rental Operations	Management and General	Total Expenses
Management fee	$ -	$ 39,728	$ 39,728
Salary and benefits	97,027	-	97,027
Utilities	39,564	-	39,564
Exterminating	1,348	-	1,348
Repairs and maintenance	88,553	-	88,553
Office expenses	743	-	743
Insurance	28,822	-	28,822
Professional	2,352	8,275	10,627
Real estate	5,489	-	5,489
Internet expense	2,256	-	2,256
Other expenses	1,399	-	1,399
Depreciation	11,477	-	11,477
Total	$ 279,030	$ 48,003	$ 327,033
2022			
Management fee	$ -	$ 42,725	$ 42,725
Salary and benefits	103,680	-	103,680
Utilities	44,845	-	44,845
Exterminating	1,030	-	1,030
Repairs and maintenance	52,896	-	52,896
Office expenses	559	-	559
Insurance	25,599	-	25,599
Professional	5,310	6,625	11,935
Bad debts	3,214	-	3,214
Real estate	4,897	-	4,897
Internet expense	2,256	-	2,256
Other expenses	1,841	-	1,841
Depreciation	11,679	-	11,679
Total	$ 257,806	$ 49,350	$ 307,156

NOTE 15 - OPERATING RISK

The Corporation's sole asset is a 10-unit apartment building. The Corporation's operations are concentrated in the low income real estate market. In addition, the Corporation operates in a heavily regulated environment. The operations of the Corporation are subject to the administrative directives, rules and regulations of federal, state, and local regulatory agencies, including, but not limited to HUD, which are subject to change by an act of Congress or by administrative charge. Such changes may occur with little notice.

NOTE 16 - SUBSEQUENT EVENTS

Management has evaluated subsequent events or transactions occurring through July 19, 2024, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to financial statements.