

**New Destiny Housing Corporation  
and Affiliates**

Consolidated Financial Statements

June 30, 2025 and 2024

## **Independent Auditors' Report**

**Board of Directors**  
**New Destiny Housing Corporation and Affiliates**

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of New Destiny Housing Corporation and Affiliates (the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of June 30, 2025 and 2024, and the consolidated results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

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

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

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on pages 35 to 40 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*PKF O'Connor Davies, LLP*

Harrison, New York  
November 6, 2025

# New Destiny Housing Corporation and Affiliates

## Consolidated Statements of Financial Position

	June 30,	
	2025	2024
<b>ASSETS</b>		
Real estate, net	\$ 104,458,893	\$ 101,910,258
Cash - operations	6,924,042	6,352,307
Investments	2,499,400	597,062
Rent receivable, net	239,558	282,076
Fees receivable	418,733	31,714
Other receivable	22,747	-
Grants receivable	5,017,763	3,701,587
Prepaid expenses and other assets	1,015,761	996,503
Tenant security deposits	145,721	157,262
Escrow and reserves	4,480,839	4,217,983
Predevelopment costs	342,375	500
Deposits	154,463	135,915
Loans receivable - related parties	10,898	-
Capitalized costs, net	246,150	280,215
Right-of-use-asset, net	1,439,515	610,187
	<u>\$ 127,416,858</u>	<u>\$ 119,273,569</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Long-term debt, net	\$ 71,647,659	\$ 67,385,325
Recoverable grant	120,000	120,000
Deferred income	295,353	643,699
Accrued interest payable	9,672,445	8,298,159
Accounts payable and accrued expenses	2,227,052	2,301,438
Prepaid rent	101,983	94,206
Operating lease liability	1,453,414	627,420
Tenant security deposits payable	148,516	152,272
Total Liabilities	<u>85,666,422</u>	<u>79,622,519</u>
Net Assets		
Syndication costs	(40,000)	(40,000)
Without donor restrictions	12,130,249	11,422,241
With donor restrictions	4,382,143	669,833
	16,472,392	12,052,074
Non-controlling interests in consolidated for-profit affiliates	<u>25,278,044</u>	<u>27,598,976</u>
Total Net Assets	<u>41,750,436</u>	<u>39,651,050</u>
	<u>\$ 127,416,858</u>	<u>\$ 119,273,569</u>

See notes to consolidated financial statements

# New Destiny Housing Corporation and Affiliates

## Consolidated Statements of Activities

	Year Ended June 30,	
	2025	2024
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
<b>SUPPORT AND REVENUE</b>		
Grants and contributions	\$ 12,144,341	\$ 8,362,196
Special events, net of cost of direct benefits to donors of \$50,841 and \$48,802	148,161	88,190
Rental income	5,151,365	4,806,616
Property management	62,375	167,848
Developer fees	418,733	137,044
Interest income	228,918	224,004
Investment returns	127,070	67,873
Other income	100,658	368,229
Net assets released from restrictions	1,969,690	858,673
Total Support and Revenue Without Donor Restrictions	20,351,311	15,080,673
<b>EXPENSES</b>		
Program Services		
Housing and management services	10,721,552	10,280,343
Social services	10,894,656	8,861,830
Total Program Services	21,616,208	19,142,173
Supporting Services		
Management and general	2,428,626	1,032,672
Fundraising	356,410	196,706
Total Supporting Services	2,785,036	1,229,378
Total Expenses	24,401,244	20,371,551
Change in Net Assets Without Donor Restrictions Before Other Changes	(4,049,933)	(5,290,878)
<b>OTHER CHANGES</b>		
Capital contributions	2,437,009	519,710
Total Other Changes	2,437,009	519,710
Change in Net Assets Without Donor Restrictions	(1,612,924)	(4,771,168)
Net Assets Without Donor Restrictions and Non-Controlling Interests in Consolidated For-Profit Affiliates		
Beginning of year	39,021,217	43,792,385
End of year	\$ 37,408,293	\$ 39,021,217
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
<b>SUPPORT AND REVENUE</b>		
Grants and contributions	\$ 5,682,000	\$ 1,290,476
Net assets released from restrictions	(1,969,690)	(858,673)
Change in Net Assets With Donor Restrictions	3,712,310	431,803
Net Assets With Donor Restrictions		
Beginning of year	669,833	238,030
End of year	\$ 4,382,143	\$ 669,833
Change in Net Assets	\$ 2,099,386	\$ (4,339,365)
<b>NET ASSETS</b>		
Syndication costs	(40,000)	(40,000)
Beginning of year	39,691,050	44,030,415
End of year	\$ 41,750,436	\$ 39,651,050

See notes to consolidated financial statements

**New Destiny Housing Corporation and Affiliates**

Consolidated Statement of Functional Expenses  
Year Ended June 30, 2025

	Program Services			Supporting Services		
	Housing and Management Services	Social Services	Total	Management and General	Fundraising	Total
Salaries	\$ 1,386,364	\$ 3,474,983	\$ 4,861,347	\$ 1,438,740	\$ 247,887	\$ 6,547,974
Fringe benefits	315,401	790,566	1,105,967	327,316	56,395	1,489,678
Building and office maintenance	1,113,261	15,241	1,128,502	3,797	1,171	1,133,470
Management and support services	128,373	-	128,373	-	-	128,373
Office rent	58,117	138,213	196,330	33,699	10,615	240,644
Utilities	919,120	8,767	927,887	2,138	673	930,698
Telephone	20,585	59,255	79,840	14,448	4,551	98,839
Insurance	472,313	21,286	493,599	5,190	1,635	500,424
Professional fees	363,544	336,287	699,831	210,365	12,970	923,166
Security service contract	-	839,278	839,278	-	-	839,278
Tenant activities	-	4,904,941	4,904,941	-	-	4,904,941
Travel	-	-	-	3,721	-	3,721
Equipment repairs and maintenance	29,408	97,216	126,624	39,545	4,728	170,897
Employment and advertising fees	-	-	-	600	-	600
Postage and printing	3,695	10,637	14,332	2,593	817	17,742
Bad debt expense	407,471	-	407,471	213,693	-	621,164
Miscellaneous	169,872	197,986	367,858	119,489	65,809	553,156
Total Expenses Before Interest Expense, Depreciation and Amortization	5,387,524	10,894,656	16,282,180	2,415,334	407,251	19,104,765
Interest expense	1,772,542	-	1,772,542	-	-	1,772,542
Interest expense - debt issuance costs	32,359	-	32,359	-	-	32,359
Depreciation and amortization	3,529,127	-	3,529,127	13,292	-	3,542,419
Total Expenses	10,721,552	10,894,656	21,616,208	2,428,626	407,251	24,452,085
Expenses Deducted Directly from Revenues on the Statement of Activities						
Direct cost of special events	-	-	-	-	(50,841)	(50,841)
Total Expenses Reported by Function	\$ 10,721,552	\$ 10,894,656	\$ 21,616,208	\$ 2,428,626	\$ 356,410	\$ 24,401,244

See notes to consolidated financial statements

**New Destiny Housing Corporation and Affiliates**

Consolidated Statement of Functional Expenses  
Year Ended June 30, 2024

	Program Services			Supporting Services		
	Housing and Management Services	Social Services	Total	Management and General	Fundraising	Total
Salaries	\$ 1,263,804	\$ 3,606,043	\$ 4,869,847	\$ 696,184	\$ 132,611	\$ 5,698,642
Fringe benefits	176,739	707,869	884,608	136,661	26,032	1,047,301
Building and office maintenance	749,482	70,097	819,579	13,533	2,578	835,690
Management and support services	162,302	127,794	290,096	24,672	4,700	319,468
Office rent	18,003	158,379	176,382	30,577	28,824	235,783
Utilities	920,258	8,232	928,490	1,589	303	930,382
Telephone	6,856	53,643	60,499	10,356	1,973	72,828
Insurance	430,453	23,672	454,125	4,570	871	459,566
Professional fees	712,764	368,622	1,081,386	71,166	13,556	1,166,108
Security service contract	252	2,214	2,466	428	81	2,975
Tenant activities	-	3,143,849	3,143,849	-	-	3,143,849
Travel	220	1,937	2,157	374	319	2,850
Equipment repairs and maintenance	10,767	94,724	105,491	18,287	3,483	127,261
Employment and advertising fees	356	3,134	3,490	605	115	4,210
Postage and printing	722	6,357	7,079	1,227	233	8,539
Bad debt expense	544,484	-	544,484	-	-	544,484
Security services	-	369,026	369,026	-	-	369,026
Miscellaneous	209,716	94,375	304,091	18,222	29,025	351,338
Total Expenses Before Interest Expense, Depreciation and Amortization	5,207,178	8,839,967	14,047,145	1,028,451	244,704	15,320,300
Interest expense	1,714,039	-	1,714,039	-	-	1,714,039
Interest expense - debt issuance costs	31,770	-	31,770	-	-	31,770
Depreciation and amortization	3,327,356	21,863	3,349,219	4,221	804	3,354,244
Total Expenses	10,280,343	8,861,830	19,142,173	1,032,672	245,508	20,420,353
Expenses Deducted Directly from Revenues on the Statement of Activities						
Direct cost of special events	-	-	-	-	(48,802)	(48,802)
Total Expenses Reported by Function	\$ 10,280,343	\$ 8,861,830	\$ 19,142,173	\$ 1,032,672	\$ 196,706	\$ 20,371,551

See notes to consolidated financial statements



**New Destiny Housing Corporation and Affiliates**

Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets		
Without donor restrictions before other changes	\$ (4,049,933)	\$ (5,290,878)
With donor restrictions	<u>3,712,310</u>	<u>431,803</u>
	(337,623)	(4,859,075)
Adjustments to reconcile changes in net assets to net cash from operating activities		
Depreciation and amortization	3,542,419	3,354,244
Bad debt expense	621,164	544,484
Interest expense - debt issuance costs	32,359	31,770
Realized (gain) on investments	(50,200)	(15,281)
Unrealized (gain) on investments	(50,387)	(44,162)
Loss on disposal of investment in real estate	42,574	102,854
reduction in the carrying value of right-of-use assets	696,556	191,447
Changes in operating assets and liabilities		
Rent receivable	(578,646)	(438,681)
Fees receivable	(387,019)	(31,714)
Other receivable	(22,747)	-
Grants receivable	(1,316,176)	(909,388)
Prepaid expenses and other assets	(19,258)	30,188
Tenant security deposits	11,541	8,331
Deposits	(18,548)	4,085
Loans receivable - related parties	(10,898)	-
Deferred income	(348,346)	394,401
Accrued interest payable	1,374,286	1,213,700
Accounts payable and accrued expenses	(74,386)	1,274,925
Prepaid rent	7,777	(7,666)
Reduction in the carrying value of right-of-use liability	(699,890)	(185,599)
Tenant security deposits payable	<u>(3,756)</u>	<u>(14,596)</u>
Net Cash from Operating Activities	<u>2,410,796</u>	<u>644,267</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	(6,099,563)	(6,383,447)
Purchases of investments	(3,188,224)	(678,701)
Proceeds from sales of investments	1,386,473	663,578
Change in predevelopment costs	<u>(341,875)</u>	<u>(500)</u>
Net Cash from Investing Activities	<u>(8,243,189)</u>	<u>(6,399,070)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	9,798,544	5,168,606
Repayments of long-term debt	(5,462,903)	(97,081)
Capitalized mortgage cost	(105,666)	-
Construction costs payable	-	(66,154)
Capital contributions	<u>2,437,009</u>	<u>519,710</u>
Net Cash from Financing Activities	<u>6,666,984</u>	<u>5,525,081</u>
Net Change in Cash and Restricted Cash	834,591	(229,722)
<b>CASH AND RESTRICTED CASH</b>		
Beginning of year	<u>10,570,290</u>	<u>10,800,012</u>
End of year	<u>\$ 11,404,881</u>	<u>\$ 10,570,290</u>

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

#### **1. Organization**

New Destiny Housing Corporation (“New Destiny”) was organized as a not-for-profit organization under the nonprofit laws of the State of New York and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code (“IRC”). New Destiny’s mission is to end the cycle of violence for low-income families and individuals at risk of homelessness and domestic violence by connecting them to safe, permanent housing and services.

To achieve its mission, New Destiny builds and manages housing with on-site services; offers innovative programs that empower victims of abuse to find and retain affordable housing; and expands access to permanent housing resources for low-income families. New Destiny pursues the following activities in furtherance of its mission:

- Develops, owns, and manages housing for low-income domestic violence survivors.
- Provides on-site social services and support to tenants in its permanent housing and under executed agreements, to tenants in affordable housing owned by others.
- Provides housing training workshops; maintains a housing resource website; and provides technical assistance to domestic violence survivors and to social service and legal providers seeking information and assistance with permanent housing issues.
- Through its Housing Access and Stability Services, connects domestic violence survivors with affordable permanent housing that is safe, well maintained, and sustainable, and provides aftercare to ensure long-term stability.
- Educates the public about the permanent housing and service needs of low-income domestic violence survivors and advocates for increasing the resources available to this population.
- Directly owns and operates Park Place, which consists of five cooperative apartments in the Crown Heights section of Brooklyn, New York. The five apartments are leased to tenants at below-market rents.

To achieve its goals and strengthen its mission, New Destiny has investments in various low-income housing entities through general partner interest in limited partnerships, managing member interests in limited liability companies, and control of other affordable housing organizations.

New Destiny is affiliated through common board control and ownership with the following entities (collectively, the “Affiliates”). The consolidated financial statements include the accounts of New Destiny Housing Corporation and the Affiliates (the “Organization”):

- CityWide Supportive Housing, Inc. (“CityWide”) was incorporated as a not-for-profit organization in the State of New York and is tax-exempt under Section 501(c)(3) of the IRC. CityWide now owns a building located at 2303 Andrews Avenue in The Bronx, New York. New Destiny developed this property into 30 units of affordable housing and rental operations began on December 2024.
- Prelude SI was incorporated as a not-for-profit organization in the State of New York and is in process of obtaining tax-exempt under Section 501(c)(3) of the IRC. The sole member of Prelude SI is New Destiny. Prelude Place continues to be operated in the same manner as it was when it was owned by CityWide.

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 1. Organization (*continued*)

- CityWide Supportive Housing Development Fund Corp. (“HDFC”) was incorporated as a not-for-profit organization in the State of New York and is tax-exempt under Section 501(c)(3) of the IRC.

HDFC owns and operates 307 E. 54<sup>th</sup> Street, New York, New York. The property consists of eight low-income residential units. For internal reporting purposes, HDFC Corporate, which is a wholly owned component of HDFC, was established in July 2017, to segregate certain assets that formerly belonged to other buildings previously owned by HDFC.

- Andrews Avenue Associates, L.P. (“Andrews LP”) is a limited partnership organized on July 7, 2006, under the laws of the State of New York.
- Citywide Andrews Associates, Inc. (“Citywide Andrews”) is a New York corporation organized under Section C of the IRC.

Citywide Andrews was formed to act as the corporate general partner of Andrews LP and is 100% owned by HDFC. Citywide Andrews owns .01% of Andrews LP. Andrews LP was formed for the purpose of providing low-income housing through the construction and operation of 37 residential units and one superintendent’s unit in The Bronx, New York, in a building known as Marcello Manor.

- 1070 Anderson Avenue Limited Partnership (“Anderson”) is a limited partnership organized on December 8, 2009, under the laws of the State of New York.
- 1070 Anderson Avenue GP Corp. (“1070 GP”) is a New York corporation organized under Section C of the IRC.

1070 GP was formed to act as the corporate general partner of Anderson and is 100% owned by 1070 Anderson Housing Development Fund Corporation, a not-for-profit organization in the State of New York, and all the directors are appointed by New Destiny in its capacity as sole member of 1070 GP. 1070 GP owns .01% of Anderson. Anderson was formed for the purpose of providing low-income housing through the construction and operation of 40 residential units and one superintendent’s unit in The Bronx, New York, in a building known as The Anderson.

- 291 Bainbridge Limited Partnership (“291 LP”) is a limited partnership organized on October 18, 2011, under the laws of the State of New York.
- 291 Bainbridge GP Corp. (“291 GP”) is a New York corporation organized under Section C of the IRC. 291 GP was formed to act as the corporate general partner of 291 LP and is 78% owned by 291 Bainbridge Housing Development Fund Corporation, a not-for-profit organization in the State of New York, and all the directors are appointed by New Destiny in its capacity as sole member of 291 GP. 291 GP owns .01% of 291 LP. 291 LP was formed for the purpose of providing low-income housing through the construction and operation of 23 residential units in Brooklyn, New York, in a building known as Bainbridge Manor.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

#### **1. Organization (*continued*)**

- 2017 Morris Avenue Owner LLC ("2017 LLC") is a limited liability company organized on December 9, 2013, under the laws of the State of New York.
- 2017 Morris Avenue Corp. ("2017 GP") is a New York corporation organized under Section C of the IRC.

2017 GP was formed to act as the corporate managing member of 2017 LLC and is 100% owned by 2017 Morris Housing Development Fund Corporation, a not-for-profit organization in the State of New York, and all the directors are appointed by New Destiny in its capacity as sole member of 2017 GP. 2017 GP owns .01% of 2017 LLC. 2017 LLC was formed for the purpose of providing low-income housing through the construction and operation of 38 residential units, and one superintendent's unit in The Bronx, New York, in a building known as The Morris.

- Bridge Community Associates LLC ("BCA") is a limited liability company organized in September 2015, under the laws of the State of New York.
- Bridge Community Associates MM Inc. ("BCA MM") is a New York corporation organized under Section C of the IRC.

BCA MM was formed to act as the corporate managing member of BCA, is 100% owned by HDFC, and all the directors are appointed by New Destiny in its capacity as sole member of BCA MM. BCA MM owns .01% of BCA. BCA was formed for the purpose of providing low-income housing through the acquisition, rehabilitation, and operation of an affordable housing project. On October 28, 2016, BCA acquired the project and four multifamily buildings from HDFC. The buildings contain 36 residential units, including one superintendent's unit, in Brooklyn, New York, in a complex now known as the BCA Project.

- 902 Jennings Street Housing Development Fund Corporation ("902 HDFC") was incorporated in the State of New York on May 5, 2015, and is tax-exempt under Section 501(c)(4) of the IRC. 902 HDFC was formed to acquire the vacant site at 902 Jennings Street, in The Bronx, New York ("902 Jennings"). On June 28, 2017, this vacant site was sold to 902 Jennings Street Owner, LLC ("902 Owner").
- 902 Jennings Street Owner, LLC ("902 Owner") is a limited liability company organized on February 13, 2017, under the laws of the State of New York.
- 902 Jennings Street MM Inc. ("902 MM") is a New York corporation organized under Section C of the IRC.

902 MM was formed to act as the managing member of 902 Owner, is 100% owned by 902 HDFC, and all the directors are appointed by New Destiny in its capacity as sole member of 902 HDFC. 902 MM LLC owns .01% of 902 Owner. 902 Owner was formed for the purpose of providing low-income housing through the construction and operation of 43 residential units at 902 Jennings Street ("902 Jennings") in The Bronx, New York. On June 28, 2016, 902 Owner acquired the vacant site for this construction from 902 HDFC.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

#### **1. Organization (*continued*)**

- Bryant Avenue Housing Development Fund Corporation (“Bryant Avenue HDFC”) was incorporated in the State of New York on September 28, 2018, and is tax-exempt under Section 501(c)(4) of the IRC. Bryant Avenue HDFC was formed to acquire 2 vacant lots then located at 1071 and 1075 Bryant Avenue, in The Bronx, New York (“Bryant Avenue”).
- Bryant Avenue Owner, LLC (“Bryant Avenue Owner”) is a limited liability company organized on February 13, 2017, under the laws of the State of New York.
- Bryant Avenue Managing Member Inc. (“Bryant MM”) is a limited liability company organized on February 27, 2017, under the laws of the State of New York.

Bryant MM was formed to act as the managing member of Bryant Avenue Owner, is 100% owned by Bryant Avenue HDFC, and all the directors are appointed by New Destiny in its capacity as sole member of Bryant Avenue HDFC. Bryant MM owns .01% of Bryant Avenue Owner.

- Bryant Avenue Owner was formed to provide low-income housing through the construction and operation of 62 residential units, including one superintendent’s unit, in a building located at 1115 East 165<sup>th</sup> Street in The Bronx, New York. The site of the building was formerly the 2 vacant lots that had other addresses on Bryant Avenue. The building is known as The Corden. The construction on the building was completed and it was placed into operations on January 2022.
- 1145 Webster Housing Development Fund Corporation (“Webster HDFC”) was incorporated in the State of New York on January 11, 2022. Webster HDFC was formed to acquire the site locate at 1139-1145 Webster Avenue, in The Bronx, New York (“1139 Webster”). On June 17, 2022, Webster HDFC obtained a commitment for a \$5,550,000 acquisition and predevelopment loan from the Corporation for Supportive Housing for the purchase and development of this site into 70 units of affordable housing. The loan closed on July 12, 2022; at which time the site was acquired from an unaffiliated owner. New Destiny is the sole member of Webster HDFC and is the guarantor of the Corporation for Supportive Housing loan. Webster HDFC has a nominee agreement with 1145 Webster Owner LLC under which Webster HDFC retains legal title to a new multi-use property being developed by 1145 Webster Managing Member Inc. in The Bronx, New York, part of which will contain low-income and supportive housing units.
- 1145 Webster Owner LLC (“1145 Webster Owner”) is a limited liability company organized on May 30, 2023, under the laws of the State of New York. 1145 Webster Owner was formed to lease, own or manage real estate, and for any other lawful purpose. 1145 Webster Owner is managed by 1145 Webster MM Inc.
- 1145 Webster MM Inc. (“1145 Webster MM”) is a New York corporation, organized May 30, 2023, to operate under Section C of the IRC. 1145 Webster MM was formed under Section 402 of the New York State Business Corporation Law to engage in any lawful act or activity and is 100% owned by Webster HDFC. 1145 Webster MM is the sole member of 1145 Webster Owner.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

#### **1. Organization (*continued*)**

- New Destiny is the sole member of Raven Hall Housing Development Fund Corp. (“Raven Hall HDFC”), a not-for-profit corporation under the laws of the State of New York. Raven Hall HDFC has a nominee agreement with Raven Hall Moderate LLC under which Raven Hall HDFC retains legal title to a new multi-use property being developed by Raven Hall Developer LLC in Brooklyn, New York, part of which will contain low-income and supportive housing units.
- New Destiny is the sole member of 153 Jamaica Housing Development Fund Corp. (“153 Jamaica HDFC”), a not-for-profit corporation under the laws of the State of New York. 153 Jamaica HDFC has a nominee agreement with Jamaica Owner LLC under which 153 Jamaica HDFC retains legal title to a new multi-use property being developed by 153 Jamaica Developer LLC in Queens, New York, part of which will contain low-income and supportive housing units. The building is known as The Kira.
- New Destiny, as Atlantic Avenue NDHC Member Inc. (“ND Member”), on March 22, 2024, entered into an Amended and Restated Operating Agreement (the “Agreement”), Atlantic Avenue Brooklyn (West) LLC, with Albanese Atlantic Avenue Brooklyn (West) LLC. The purpose of the Agreement is to formalize the joint venture for the pursuit of the development of 2797 Atlantic Avenue, Brooklyn. The planned project is pursuing financing from New York State Housing Finance Agency and New York City Department of Housing Preservation and Development for a supportive housing project to build a 161-unit project of which 97 will be supportive units. ND Member will own 51% of Atlantic Ave Brooklyn (West) Manager LLC, as required by financing program. The remaining 49% is accounted for as non-controlling interest.
- New Destiny owns 25% in Raven Hall Developer LLC (“RH Developer”). While New Destiny has an economic interest in RH Developer, it does not have control. Therefore, the operations of RH Developer are not consolidated in the financial statements of the Organization and are accounted for under the equity method.
- Raven Hall HDFC is a 50% member in Raven Hall MM LLC, which is a 0.01% managing member of Raven Hall LLC. Raven Hall LLC is the 99.5% member of Raven Hall Moderate LLC. Raven Hall Moderate LLC has a master lease with Raven Hall LLC under which Raven Hall LLC leases the low-income and supportive housing portion of the property being developed by RH Developer. While New Destiny has an economic interest in Raven Hall MM LLC, Raven Hall LLC, and Raven Hall Moderate LLC, it does not have control. Therefore, the operations of these three LLCs are not consolidated in the financial statements of the Organization and are accounted for under the equity method. Ongoing rental real estate operations at the property commenced on January 31, 2022.
- New Destiny owns a 20% interest in 153 Jamaica Developer LLC (“Jamaica Developer”). While New Destiny has an economic interest in Jamaica Developer, it does not have control. Therefore, Jamaica Developer’s operations are not consolidated in the financial statements of the Organization and are accounted for under the equity method.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

#### **1. Organization (*continued*)**

- 153 Jamaica HDFC is a 20% member in Jamaica JV LLC, which is the 50% managing member of Jamaica MM LLC. 153 Jamaica HDFC is the other 50% member in Jamaica MM LLC. While New Destiny has an economic interest in Jamaica JV LLC and Jamaica MM LLC, it does not have control. Therefore, their operations are not consolidated in the financial statements of the Organization and are accounted for under the equity method.

New Destiny provides ongoing tenant support services at Marcello Manor, The Anderson, Bainbridge Manor, The Morris, the BCA Project and 902 Owner, and began to supply these services at The Corden in October 2021. New Destiny began providing ongoing tenant support services at the low-income and supportive housing parts of The Kira and Raven Hall, the properties that were developed by Jamaica Developer and RH Developer, in October 2021.

Throughout these notes, references to the general partner, partner or partnership should be interpreted as including the corresponding entities as described above.

#### **2. Summary of Significant Accounting Policies**

##### ***Basis of Presentation and Use of Estimates***

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Some of the more significant estimates required to be made by management include the allowance for doubtful receivables, depreciation, and fixed asset impairment.

##### ***Principles of Consolidation***

The accompanying consolidated financial statements include the accounts of New Destiny, its corporate affiliates, and the partnerships that are controlled by New Destiny's affiliates. The general partnership interests held by Affiliates of New Destiny equal .01% of the respective limited partnership's equity, with the remainder held by the limited partners. All material intercompany accounts and transactions have been eliminated in consolidation.

##### ***Non-Controlling Interest in For-Profit Affiliates that are Part of Consolidation***

The portions of the limited partnerships not owned by New Destiny affiliated entities are presented in the consolidated financial statements as the non-controlling ownership interests, in an aggregate amount.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

#### **2. Summary of Significant Accounting Policies *(continued)***

##### ***Net Asset Presentation***

Net assets of the Organization 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. This category may also include amounts designated by the Board of Directors.

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 Organization. Certain restrictions may require the assets to be maintained in perpetuity.

Earnings related to restricted net assets are 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.

##### ***Cash and Restricted Cash***

Certain investments in highly liquid debt instruments with a maturity date of three months or less at the time of purchase, are shown as cash equivalents. Restricted cash consists principally of cash held for real estate taxes, property maintenance and insurance as required by certain loan and regulatory agreements.

##### ***Real Estate***

Property and equipment are stated as cost unless donated. Donated assets are capitalized at the estimated fair value at the date of receipt. Expenditures that substantially increase estimated useful lives are capitalized. Items with an acquisition cost of less than \$10,000 or a useful life of less than one year are expensed in the year purchased. Maintenance, repairs, and minor renewals are expensed as incurred. Depreciation is provided for by the straight-line method over the estimated useful life of the related asset. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts, and the resulting gains and losses are included in operations.

The estimated service life of the assets for depreciation purposes is as follows:

Buildings and improvements	30 - 40 years
Furniture and equipment	5 - 20 years



## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

## **2. Summary of Significant Accounting Policies *(continued)***

### ***Investment in Real Estate***

The Organization reviews its investment in real estate for impairment annually and 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 rental property, undiscounted and without interest charges, 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. There was no impairment loss recognized during the years ended June 30, 2025 and 2024.

### ***Accounts Receivable***

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 accounts outstanding. It is reasonably possible that management's estimate of the allowance will differ from actual results.

### ***Escrow and Reserves***

Escrow and reserves are accounts that are required to be maintained by the Organization in accordance with regulatory or debt agreements.

### ***Predevelopment Project Costs***

The Organization incurs costs in connection with properties it is considering for development, as well as costs associated with properties in the initial stages of development. Predevelopment project costs are capitalized and recorded as predevelopment costs until such a time as the project is either abandoned as not feasible or becomes an approved project with independent funding sources. Predevelopment costs are charged to operations at the time a potential project is no longer considered feasible. When a project has been approved and funded for development, some of these costs are reimbursed to the Organization and some become part of the Organization's operating expenses. Predevelopment costs totaled \$342,375 at June 30, 2025. There were no predevelopment costs at June 30, 2023.

### ***Capitalized Costs***

Capitalized costs related to tax credit fees are amortized over the terms of the agreements using the straight-line method.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

## **2. Summary of Significant Accounting Policies *(continued)***

### ***Investment Valuation and Income Recognition***

Investments are carried at fair value in the consolidated statements of financial position. Interest and dividend income, as well as realized gains or losses and unrealized appreciation or depreciation in investment value, are recognized as with or without donor restrictions, in accordance with donor intent in the consolidated statements of activities. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis and dividends are recorded on the ex-dividend date.

### ***Fair Value of Financial Instruments***

The Organization follows U.S. GAAP guidance on fair value measurements which defines 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 unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which 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.

### ***Debt Issuance Costs***

Debt issuance costs are reported on the consolidated statements of financial position as a direct deduction from the face amount of the debt. The debt issuance costs are amortized over the term of the debt on a method that approximates the effective interest method. The Organization reflects the amortization of debt issuance costs as interest expense.

### ***Grants***

The Organization receives government contracts and private grants, which are reviewed to determine if they contain traits more similar to contributions or exchange transactions. For those contracts and grants that have been determined to be exchange transactions, revenue is recognized when earned in accordance with the related agreement. For contracts and grants that have been determined to be non-exchange transactions, revenue is recognized when conditions, if any, are substantially met or when the grant becomes unconditional. Cash received in excess of expenditures incurred is recorded as refundable contractual advances and is recognized as revenue in the period an expenditure is incurred. Any unspent amounts might have to be returned to the granting agency, or the granting agency can approve that those amounts be applied to a future grant period.

### ***Special Events***

Revenues and expenses incurred relative to special events are recognized upon occurrence of the respective event. Revenues are shown net of costs of direct benefits to donors.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

## **2. Summary of Significant Accounting Policies (*continued*)**

### ***Rental Income and Prepaid Rent***

Rental income is recognized as it accrues. Advance receipts of rental income are deferred and classified as liabilities until earned. All leases between the Organization and tenants of the property are operating leases of one or two years.

### ***Contributions***

Contributions, including unconditional promises to give, are reported as revenues in the period received. Unconditional promises to give that are due beyond one year are discounted to reflect the present value of future cash flows using a risk adjusted discount rate assigned in the year the respective pledge originates. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any. Conditional promises to give are recognized when the conditions upon which they depend have been substantially met.

Contributions that the donor requires to be used to acquire long-lived assets (e.g., building improvements, furniture, and equipment) are reported as net assets with donor restrictions. The Organization reflects the expiration of a donor-imposed restriction when the related long-lived assets have been placed in service, at which time net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

### ***Development Fees Revenue***

Development fees are recognized as revenue, as the milestones in the development agreements are achieved.

### ***Advertising Costs***

The Organization expenses the cost of advertising as incurred.

### ***Leases***

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

ROU assets represent the right to use an underlying asset for the lease term and are recognized in an amount equal to the lease liability adjusted for any initial direct cost, prepaid or deferred rent, and lease incentives. The present value of the lease liability is determined using the risk-free discount rate at lease inception for operating leases.

## **New Destiny Housing Corporation and Affiliates**

Notes to Consolidated Financial Statements  
June 30, 2025 and 2024

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Functional Expenses Allocation***

Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Salaries and related expenses are allocated directly to programs and supporting services. Other expenses by function such as telephone, office supplies and expenses, and insurance have been allocated among program and supporting services on the basis of salary allocation. Management and general expenses include expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

#### ***Income Taxes and Accounting for Uncertainty in Income Taxes***

New Destiny and its not-for-profit affiliates are exempt from federal income tax under Section 501(c)(3) or 501(c)(4) of the IRC, as well as state and local income taxes. Other affiliates of New Destiny are treated as partnerships and corporations for federal, state, and local income tax purposes. Partnership taxable income or loss passes through to, and is reportable by, the partners, individually. The corporations either have had zero taxable income or have been carrying losses that are available for future netting against taxable income. These losses are carried forward for a period of time, as defined by the Internal Revenue Service, and then expire if unused. Losses carried forward should be computed as assets using the applicable tax rate and reported on the consolidating statements of financial position, subject to valuation allowance. In the case of the corporations, it is more likely than not that the respective asset will never be realized as the possibility of net income or gain is unlikely. Therefore, no asset has been recognized on these consolidated financial statements, as the valuation allowance would equal 100% of the asset value.

The Organization recognizes the effects of income tax positions only if they are more likely than not to be sustained. Management has determined that the Organization has no uncertain tax positions that would require financial statement recognition and/or disclosure. The Organization is no longer subject to examination by the applicable taxing jurisdictions for years prior to June 30, 2022.

#### ***Reclassifications***

Certain items from the 2024 financial statements have been reclassified to be in conformity with the 2025 financial statement presentation.

#### ***Evaluation of Subsequent Events by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 6, 2025.

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 3. Supplemental Cash Flow Information

At June 30, 2025 and 2024, cash and restricted cash consisted of the following:

	<u>2025</u>	<u>2024</u>
Operating cash		
Cash	\$ 6,924,042	\$ 6,352,307
Restricted Cash		
Operating reserves	2,232,317	2,185,001
Social service reserves	381,896	368,857
Replacement reserves	1,609,655	1,505,862
Escrows	211,055	112,803
Rent subsidy reserves	45,916	45,460
	<u>4,480,839</u>	<u>4,217,983</u>
	<u>\$ 11,404,881</u>	<u>\$ 10,570,290</u>

Supplemental cash flow information consists of the following for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Interest paid	\$ 896,862	\$ 500,339
Capitalized interest - paid	496,492	367,217
Non-cash Investing and Financing Activities		
Fixed assets financed with proceeds from mortgages	9,798,544	6,278,069
Predevelopment costs	335,875	500
Right-of-use assets obtained in exchange for new operating lease liabilities	1,525,884	-

#### 4. Real Estate

Real estate consists of the following at June 30:

	<u>2025</u>	<u>2024</u>
Land	\$ 10,189,826	\$ 10,189,826
Building and improvements	113,035,406	107,229,835
Furniture and equipment	1,424,725	1,559,873
Construction-in-progress	6,889,077	9,066,575
	131,539,034	128,046,109
Accumulated depreciation	<u>(27,080,141)</u>	<u>(26,135,851)</u>
	<u>\$ 104,458,893</u>	<u>\$ 101,910,258</u>

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 4. Real Estate (*continued*)

During 2024, the construction in progress is related to two construction projects. One of them is still in the predevelopment and design phase; Webster Avenue is expected to have a total construction cost of \$38.2 million with total development cost of \$57.3 million. The Lily House rehabilitation project was completed in November 2024, with a total cost of \$8,755,889.

During 2025, the construction in progress is related to one construction project, Webster Avenue and is expected to have a total construction cost of \$38.7 million with total development cost of \$57.3 million. The Webster Avenue project is 7% completed, with a total cost of \$2,551,918, and is not expected to be completed until May 2028. Retainage at June 30, 2025, amounted to \$42,096 and is included with accounts payable and accrued expenses on the consolidated statement of financial position.

#### 5. Escrows and Reserves

New Destiny, CityWide, HDFC, Andrews LP, The Anderson, 291 LP, 2017 LLC, BCA LLC, 902 Owner, and Bryant Avenue Owner are required to maintain certain escrow and reserve accounts. Operating reserves are used for funding operating deficits of the projects and replacement reserves are used for future improvements and replacements for the rental properties. Pursuant to a development agreement, New Destiny funded, for the benefit of Andrews LP, a social service reserve of \$300,000 and an operating reserve of \$135,000 from the proceeds of its developer's fees.

Per various commitments to lenders, regulators and partners' approvals must be received for any withdrawals from escrows and reserves.

Escrows and reserves consist of the following as of June 30:

	2025	2024
Operating reserves	\$ 2,232,317	\$ 2,185,001
Social service reserves	381,896	368,857
Replacement reserves	1,609,655	1,505,862
Escrows	211,055	112,803
Rent subsidy reserves	45,916	45,460
	<u>\$ 4,480,839</u>	<u>\$ 4,217,983</u>

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 6. Investments

The following are major classes and categories of investments measured at fair value at June 30, 2025 and 2024. All investment at fair value are valued using Level 1 inputs under the fair value hierarchy.

	2025	2024
Common stock	\$ 1,134,521	\$ 295,383
Mutual funds	213,675	49,509
Government securities	440,407	108,683
Corporate bonds	478,369	-
Exchanged traded funds	134,598	127,464
Total Investments at Fair Value	2,401,570	581,039
Cash and cash equivalents, at cost	97,830	16,023
	<u>\$ 2,499,400</u>	<u>\$ 597,062</u>

The composition of investment return as reported in the consolidated statements of activities for the years ended June 30, is as follows:

	2025	2024
Interest and dividends	\$ 39,077	\$ 13,025
Fees	(12,594)	(4,595)
Realized gain	50,200	15,281
Unrealized gain	50,387	44,162
	<u>\$ 127,070</u>	<u>\$ 67,873</u>

#### 7. Leases

The Organization determines whether to account for its leases as operating or financing leases depending on the underlying terms of the lease agreement. The Organization elected the practical expedient to account for non-lease components and the lease components to which they relate as a single component for all operating leases.

On July 1, 2020, the Organization entered into a lease agreement for office space that extended the lease term to June 30, 2027. The agreement provides for a monthly rent amount of \$15,897. The monthly rent amount will increase 2.75% each year over the life of the lease. The lease contains no significant restrictions. The lease is subject to escalations and requires payment of increases in real estate taxes, and a fixed monthly water and sewer charge.

The Organization has determined that no other current contracts meet the requirements of ASU 2016-02.

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 7. Leases *(continued)*

	2025	2024
Operating lease expense	\$ 230,542	\$ 225,681
Variable lease expense	10,102	10,102
	<u>\$ 240,644</u>	<u>\$ 235,783</u>
Supplemental cash flows		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating lease	\$ 233,783	\$ 206,934
ROU assets obtained in exchange for new operating lease liability	\$ 1,525,884	\$ -
Weighted average remaining lease term		
Operating lease	5 Years	3 Years
Weighted average discount rate		
Operating lease	4.00%	3.00%
Minimum future lease payments under the operating lease for each of the following years ending June 30, in the aggregate are:		
2026	\$ 308,742	
2027	330,591	
2028	288,006	
2029	333,461	
2030	343,465	
Total Undiscounted Cash Flows	1,604,265	
Less present value discount	<u>(150,851)</u>	
Total Lease Liability	<u>\$ 1,453,414</u>	

#### 8. Commitment – Construction Contracts

Entities consolidated into the Organization have entered into various construction contracts relating to capital improvements and repair work. At June 30, 2025, the Organization had entered into a \$38,713,400 construction contract, of which \$2,551,918 of the work had been completed. At June 30, 2024, the Organization had entered into a \$6,602,243 construction contract, of which \$6,530,114 of the work had been completed.



## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 9. Long-Term Debt

	2025	2024
New York State Homeless Housing and Assistance Program ("HHAP") provided a mortgage to Andrews LP, which bears interest at 1% per annum, compounded annually, with no payments until maturity. All accrued interest and principal are due in October 2058. The loan is secured by the investment in real estate.	\$ 3,732,450	\$ 3,732,450
New York City Department of Housing Preservation and Development ("HPD") provided a mortgage to Andrews LP, which bears interest at 1% per annum, compounded annually, with no payments until maturity. All accrued interest and principal are due in October 2058. The loan is secured by the investment in real estate.	1,600,000	1,600,000
New York State Housing Trust Fund Corporation ("HTFC") provided a mortgage to the Anderson, bearing interest at 1% per annum, payable from available cash flows, with no payments until maturity. The principal and any unpaid interest are due in June 2044. The loan is secured by the investment in real estate.	1,624,232	1,624,232
New York State Homeless Housing and Assistance Corporation ("HHAC") provided a mortgage to the Anderson bearing interest at 1% per annum, compounded annually, with no payments until maturity. The principal and all accrued interest are due in August 2062, unless a formal release/satisfaction is issued by HHAC. The loan is secured by the investment in real estate.	4,687,152	4,687,152
HPD provided a mortgage to the Anderson, bearing interest at 1% per annum, with no payments until maturity. The principal and all accrued interest are due in August 2060. The loan is secured by the investment in real estate.	1,000,000	1,000,000
Federal Home Loan Bank provided a mortgage to the Anderson, bearing interest at 1% per annum, with no payments until maturity. The principal and all accrued interest are due in August 2062. The loan is secured by the investment in real estate.	615,000	615,000
HHAC provided a mortgage to 291 LP, bearing interest at 6.25% per annum, compounded annually, with no payments until maturity. The principal and all accrued interest are due in November 2063, unless formal release/satisfaction is issued by HHAC. The loan is secured by the investment in real estate.	2,402,490	2,402,490

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 9. Long-Term Debt *(continued)*

	2025	2024
HTFC provided to 291 LP a mortgage of \$871,987, with interest at 1% per annum payable from available cash flows. Principal and any unpaid interest is due and payable in March 2045. The loan is secured by the investment in real estate.	\$ 871,987	\$ 871,987
HPD provided a mortgage to 291 LP, bearing interest at .5% per annum, with principal and all accrued interest due in June 2045. The loan is secured by the investment in real estate.	1,380,000	1,380,000
HHAC provided a mortgage to the Morris of \$3,179,128. The loan bears 6% interest per annum, compounded annually, with no payments until maturity, with principal and all accrued interest due in December 2044, unless a formal release/satisfaction is issued by HHAC. The loan is secured by the investment in real estate.	3,179,128	3,179,128
HPD provided a mortgage to the Morris of \$574,830. The loan bears 1.25% interest per annum. Principal and all accrued interest due in July 2046. The loan is secured by the investment in real estate.	574,830	574,830
HPD provided a mortgage to the Morris of \$1,026,000. The loan bears .25% interest per annum, with principal and all accrued interest due in July 2046. The loan is secured by the investment in real estate.	1,026,000	1,026,000
HPD provided a mortgage to the Morris of \$1,000,000. The loan bears no interest, with principal due in July 2046. The loan is secured by the investment in real estate.	1,000,000	1,000,000
HHAC provided \$5,060,000 for the construction and permanent financing of 902 Jennings. The loan bears 1% interest per annum, with no payments until maturity. Principal and accrued interest are due in December 2059, unless a formal release/satisfaction is issued by HHAC. The three separate notes initially executed for the loan were consolidated into one note on October 1, 2020. The loan is secured by the investment in real estate.	5,060,000	5,060,000

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 9. Long-Term Debt *(continued)*

	2025	2024
HPD provided \$3,924,755 for the construction of 902 Jennings. The loan bore interest at 0.25% per annum during construction. As of permanent conversion, the loan bears interest at 2.81%. The principal and accrued interest are due October 1, 2050. The loan was converted to a permanent loan on October 1, 2020. The loan is secured by the investment in real estate.	\$ 3,924,755	\$ 3,924,755
The Community Preservation Corporation ("CPC") provided a mortgage to 902 Jennings of \$3,299,703, bearing interest at 5.25% per annum. Monthly principal and interest payments of \$18,221 are required starting on December 1, 2020, with final payment due at maturity on November 1, 2050. The mortgage is secured by the assignments of leases and rents of the property.	3,064,931	3,116,508
Low Income Investment Fund provided \$1,999,760 for the construction of the BCA Project, with interest at 5.75% per annum. At permanent closing on October 31, 2019, \$156,000 was converted to a mortgage, and the remaining balance was repaid from additional contributed equity. The mortgage requires monthly payments of \$1,254, including interest at 5.25% per annum, with final payment due on November 1, 2034. The loan is secured by the investment in real estate.	110,849	120,550
HPD committed \$365,174 for the construction and permanent financing of the BCA Project. The loan bears interest at 1.93% per annum, compounded monthly. No monthly payments are required. The principal and accrued interest will be due on November 1, 2049. The loan is secured by the investment in real estate.	365,174	365,174
HPD provided another \$500,000 for the construction and permanent financing of the BCA Project. The loan bears interest at 1.93% per annum, compounded monthly, with no annual payments required until maturity. The principal and accrued interest will be due on November 1, 2049. The loan is secured by the investment in real estate.	500,000	500,000
HTFC provided \$439,844 for the construction and permanent financing of the BCA Project. The loan bears interest at 1.95% per annum, compounded annually. No payments are required until maturity. The principal and accrued interest will be due in 30 years from permanent closing of the HPD loan, but in no event later than October 1, 2048. The loan is secured by the investment in real estate.	439,844	439,844

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 9. Long-Term Debt *(continued)*

	2025	2024
HHAC provided \$5,776,625 for the construction of Bryant Avenue. The loan bears 1% interest per annum. No payments are required until maturity. Principal and accrued interest due on the 30th anniversary of the date building is approved as ready for occupancy. The loan is secured by the investment in real estate. The loan was converted to a permanent loan in December 2022.	\$ 5,776,625	\$ 5,776,625
HPD provided \$7,957,334 for the construction of Bryant Avenue. The loan bears .25% interest per annum during the construction period and 2.87% per annum at permanent loan conversion, compounded monthly. The loan requires no monthly payments. All principal and accrued interest will be due 30 years from the date the building is approved as ready for occupancy and the permanent closing has occurred. The loan is secured by the investment in real estate. The loan was converted to a permanent loan in December 2022.	7,957,334	7,957,334
HTFC committed \$1,323,700 for the construction of Bryant Avenue. During the construction period, the note bears no interest. After permanent closing, interest is payable from available cash flows at 1% per annum. Principal and any unpaid interest is due and payable on the 30th anniversary of the permanent loan conversion date. The loan is secured by the investment in real estate.	1,323,700	1,323,700
Aegon provided \$4,450,000 of permanent financing on December 1, 2022 for Bryant Avenue. The loan bears 5.98% interest per annum. Monthly payments of \$26,873 are required until maturity on December 1, 2052. The loan is secured by the investment in real estate.	4,308,621	4,362,771
Corporation for Supportive Housing committed \$5,550,000 for the acquisition of the property at 1145 Webster Avenue. The loan bears interest at 6% per annum, with maturity on the earlier of construction financing or July 12, 2025. The loan requires monthly interest payments, with any unpaid interest and principal due at maturity. The loan is secured by the investment in real estate. The loan was paid off on May 16, 2025, at construction loan closing.	-	4,832,989

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 9. Long-Term Debt *(continued)*

	2025	2024
Capital One committed \$7,423,196 for the construction of the property at 1145 Webster Avenue. The loan bears interest at Secured Overnight Financing Rate plus 2% per annum, with maturity on the earlier of construction financing or May 16, 2028. The loan requires monthly interest payments, with any unpaid interest and principal due at maturity. The loan is secured by the investment in real estate.	\$ 7,109,116	\$ -
CPC has committed \$2,660,500 for the rehabilitation of Lily House, bearing interest at 415 basis points over the sum of the term Secured Overnight Financing Rate and the initial spread adjustment of 11 basis points, which shall be adjusted monthly during the construction period. Monthly interest payments are required starting on February 1, 2023. The mortgage matures in 18 months of the loan date of January 31, 2023. At the permanent loan conversion on April 25, 2025 the mortgage carries an interest rate of 7.37% per annum. The mortgage requires monthly principal and interest payments of \$18,366 maturing on May 1, 2055. The mortgage is secured by the assignments of leases and rents of the property.	2,658,474	1,334,837
HHAC has committed \$6,095,389 for the rehabilitation of Lily House. The loan bears no interest. No payments are required until maturity. Principal and accrued interest due on the 30th anniversary of the date building is approved as ready for occupancy which was received April 1, 2025. The loan is secured by the investment in real estate.	5,917,110	5,365,803
Corporation for Supportive Housing committed \$500,000 for the acquisition of the property at 2797 Atlantic Avenue on December 6, 2024. The loan bears interest at 7.5% per annum, with maturity on the earlier of construction financing or January 6, 2027. The loan requires monthly interest payments, with any unpaid interest and principal due at maturity. The loan is secured by the investment in real estate.	300,000	-
Unamortized debt issuance costs	(862,143)	(788,834)
	<u>\$ 71,647,659</u>	<u>\$ 67,385,325</u>

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 9. Long-Term Debt *(continued)*

The future scheduled maturities of long-term debt are as follows for the years ending June 30:

2026	\$ 145,364
2027	459,072
2028	7,277,896
2029	178,391
2030	190,000
Thereafter	64,259,079
Unamortized debt issuance costs	(862,143)
	<u>\$ 71,647,659</u>

#### 10. Net Assets With Donor Restrictions

Net assets with donor restrictions transactions are as follows for the years ended June 30,

Program/Purpose	2025			
	2024	Additions	Releases	2025
Family Support Program	\$ 242,372	\$ 5,587,000	\$(1,447,229)	\$ 4,382,143
Advocacy	59,101	-	(59,101)	-
Asset Management - Tenant Subsidies	35,383	10,000	(45,383)	-
Housing Link	<u>332,977</u>	<u>85,000</u>	<u>(417,977)</u>	<u>-</u>
	<u>\$ 669,833</u>	<u>\$ 5,682,000</u>	<u>\$(1,969,690)</u>	<u>\$ 4,382,143</u>

  

Program/Purpose	2024			
	2023	Additions	Releases	2024
Family Support Services	\$ 3,669	\$ 427,500	\$ (188,797)	\$ 242,372
Advocacy	-	310,000	(250,899)	59,101
Asset Management - Tenant Subsidies	68,750	69,520	(102,887)	35,383
Housing Link	<u>165,611</u>	<u>483,456</u>	<u>(316,090)</u>	<u>332,977</u>
	<u>\$ 238,030</u>	<u>\$ 1,290,476</u>	<u>\$ (858,673)</u>	<u>\$ 669,833</u>

#### 11. Retirement Savings Plan

New Destiny sponsors a defined contribution plan (the "Plan") covering all employees with at least one year of consecutive service who agree to make contributions to the Plan. New Destiny makes a matching contribution to the Plan each year in an amount equal to 100% of employee contributions that does not exceed 5% of all participants' compensation. Total expense for the years ended June 30, 2025 and 2024 was \$195,068 and \$123,413.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

#### **12. Management Agreements**

New Destiny entered into nine separate management agreements with an unrelated company. The agreements were automatically renewed unless terminated by either party. Management agreements provided for rental management and other services. The agreements have been made for 307 E 54th Street, Andrews LP, the Anderson, 291 LP, 2017 LLC, Park Place, BCA, 902 Owner, and Bryant Avenue Owner. Other than for 902 Owner and Bryant Avenue Owner, the fee in each agreement is 8% of rents collected. For 902 Owner and Bryant Avenue Owner, the fee is 7% of rent collections. Management fee expense to this unrelated company for the years ended June 30, 2025 and 2024 was \$30,410 and \$307,848.

During 2024, New Destiny began to supervise the rental management, marketing and repairs and maintenance of its projects. The management agreement provides for property management fees of 8% of rent collected for all entities except for 902 Owner which is charged 7% of rent collected. The agreement commenced on July 1, 2024. New Destiny took over the physical management of the property on July 1, 2024, then the books and records on October 1, 2024. All transactions were eliminated as part of the consolidation.

#### **13. Housing Leases**

CityWide had entered into an operating lease for the Prelude property with Safe Horizon, a not-for-profit corporation. The lease provided for monthly payments of \$18,750 beginning June 2012, with a 2% increase every two years, through May 2022. On June 1, 2022, CityWide entered into a new operating lease with Safe Horizon. The lease provides for monthly payments of \$20,704 beginning June 2022, with a 2% increase every two years, through June 1, 2032. On January 31, 2023, this lease was assigned by CityWide to Prelude SI.

Minimum rental payments due from Safe Horizon are as follows for the years ending June 30:

2026	\$ 253,838
2027	258,480
2028	258,911
2029	263,652
2030	264,092
Thereafter	<u>515,453</u>
	<u>\$1,814,426</u>

The consolidated statements of activities reflect rental income from Safe Horizon on a straight-line basis over the terms of the leases. Rental income for the years ended June 30, 2025 and 2024 was \$253,416 and \$248,862.

#### **14. Contingency**

The New York State Office of Temporary and Disability Assistance ("NYSOTDA") has perfected its beneficial interest in Lily House by having CityWide execute a grant enforcement note for \$4,000,000, secured by a mortgage lien on the property. This note was previously recognized as income by the Organization.

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 14. Contingency (*continued*)

Under the terms of the enforcement lien, the property must remain as low-income housing during the restriction period, which ends August 2030.

HPD has perfected its interest in Lily House by having CityWide execute a grant enforcement note for \$1,000,000, secured by a mortgage lien on the property. This note was previously recognized as income by the Organization. Under the terms of the enforcement lien the property must remain low-income housing until June 2033.

New Destiny, through its affiliates, is the General Partner/Managing Member and sponsor of the Housing Entities and has guaranteed the obligations of its general partnership entities to the respective limited partners/members, and where applicable, government agencies, for tax credit compliance, operating deficits and construction completion for buildings under development. Generally, deficits that are funded under these guarantees are repaid from future operating cash flows of the LPs or LLCs. These obligations of New Destiny to the respective entities are limited by both time and amounts as detailed in each partnership/operating agreement. As of June 30, 2025 and 2024, there were no outstanding unfunded guarantees

Government funded activities are subject to audit by the applicable granting agencies. At June 30, 2025 and 2024, there were no material obligations outstanding as a result of such audits, and management believes that no material obligations will result from any future audits of such activities.

#### 15. Change in Consolidated Net Assets Without Donor Restrictions

Changes in consolidated net assets without donor restrictions are as follows for the years ended June 30:

	2025				
	Total	Without Donor Restrictions	With Donor Restrictions	Syndication Costs	Non- Controlling Interest
Balance, June 30, 2024	\$ 39,651,050	\$11,422,241	\$ 669,833	\$ (40,000)	\$ 27,598,976
Change in net assets	(337,623)	708,008	3,712,310	-	(4,757,941)
Capital contributions	2,437,009	-	-	-	2,437,009
Balance, June 30, 2025	<u>\$ 41,750,436</u>	<u>\$12,130,249</u>	<u>\$ 4,382,143</u>	<u>\$ (40,000)</u>	<u>\$ 25,278,044</u>



## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 15. Change in Consolidated Net Assets Without Donor Restrictions (*continued*)

	2024				
	Total	Without Donor Restrictions	With Donor Restrictions	Syndication Costs	Non- Controlling Interest
Balance, June 30, 2023	\$ 43,990,415	\$11,931,242	\$ 238,030	\$ (40,000)	\$ 31,861,143
Change in net assets	(4,859,075)	(509,001)	431,803	-	(4,781,877)
Capital contributions	519,710	-	-	-	519,710
Balance, June 30, 2024	<u>\$ 39,651,050</u>	<u>\$11,422,241</u>	<u>\$ 669,833</u>	<u>\$ (40,000)</u>	<u>\$ 27,598,976</u>

#### 16. Concentrations and Risks

##### ***Risks and Uncertainties***

The Organization 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 the property is located or by changes in federal low-income housing subsidies or the demand for such housing.

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, investments and receivables. The Organization places its cash with various financial institutions and limits the amount of credit exposure at any one financial institution. The Organization routinely assesses the diversification and financial strength of its cash and investment portfolios with the assistance of an independent investment consultant. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") are insured up to \$250,000. Investment holdings at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to \$500,000 (\$250,000 for cash holdings). At times, the cash and investment balances may be in excess of the FDIC and/or SIPC limit. At June 30, 2025 and 2024, approximately \$5.6 and \$5.2 million was maintained with an institution in excess of Federal Deposit Insurance Corporation limits. At June 30, 2025, the Organization's had uninsured investment holdings of approximately \$307 thousand in cash holdings and \$1.9 million in investment holdings. At June 30, 2024, the Organization's had uninsured investment holdings of approximately \$7 thousand in cash holdings and \$53 thousand in investment holdings.

## New Destiny Housing Corporation and Affiliates

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 17. Liquidity and Availability of Financial Assets

The Organization's financial assets available within one year of the consolidated statements of financial position date for general expenditures are as follows at June 30,:

	2025	2024
Cash - operations	\$ 6,924,042	\$ 6,352,307
Investments	2,499,400	597,062
Receivables:		
Rent receivable, net	239,558	282,076
Fees receivable	418,733	31,714
Other receivable	22,747	-
Grants receivable	<u>5,017,763</u>	<u>3,701,587</u>
	15,122,243	10,964,746
Less:		
Net assets with donor restrictions	<u>(4,382,143)</u>	<u>(669,833)</u>
	<u>\$ 10,740,100</u>	<u>\$ 10,294,913</u>

#### *Liquidity Management*

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. Any excess cash available above requirements is invested.

#### 18. Highgarden Tower

On December 17, 2020, New Destiny entered into an agreement to give it zero percent ownership interest in Highgarden Tower Developer LLC ("Highgarden Developer"). Highgarden Developer has a contract with Highgarden Tower LLC (the "Owner") to develop a new multi-use property in New Rochelle, New York ("Highgarden Tower"). The property consists in part of 219 rental apartments, including a superintendent's unit. Its arrangements concerning Highgarden Tower represent the first time New Destiny has been involved as a developer or support service provider outside of New York City. New Destiny in return will provide services to Highgarden Developer and the Owner during the lease-up to 77 units consisting of residents with special needs, ongoing support services to those residents and act as a consultant to Highgarden Developer, and the Owner as needed, with respect to the special need's rental units.

## **New Destiny Housing Corporation and Affiliates**

### **Notes to Consolidated Financial Statements June 30, 2025 and 2024**

#### **18. Highgarden Tower (*continued*)**

Under the agreement with Highgarden Developer, for its activities in support of the development of Highgarden Tower, New Destiny will receive a total developer fee of \$8,517,386, of which \$2,098,268 will be a deferred developer's fee (payable only out of certain future equity contributions and available operating cash flows from the rental apartments, as per the terms of Owner's operating agreement), and \$4,600,000 will be received at the time the project's financing converts from construction to permanent loans, but then be immediately loaned back to the Owner. The loan will bear interest of 2.66% per annum compounding annually. Principal and all accrued interest are payable at maturity, 40 years after conversion. In addition, New Destiny and an affiliate of the Owner entered into a Developer Loan Participation Agreement, under which New Destiny sold 67.5% participation interest in the loan above to the affiliate for consideration of ten dollars. No payments for the developer fee were received during the years ended June 30, 2025 and 2024.

\* \* \* \* \*

**New Destiny Housing Corporation  
and Affiliates**

Supplementary Information

June 30, 2025

**New Destiny Housing Corporation and Affiliates**

Consolidating Schedule of Financial Position  
June 30, 2025

(With summarized amounts at June 30, 2024)

	New Destiny Housing Corp. General Fund	Other Housing Activities	Real Estate Affiliates	Subtotal	Eliminations	2025 Total	2024 Total
<b>REAL ESTATE</b>							
Land	\$ -	\$ 369,267	\$ 10,243,698	\$ 10,612,965	\$ (423,139)	\$ 10,189,826	\$ 10,189,826
Buildings and improvements	146,752	14,915,952	104,449,145	119,511,849	(6,476,443)	113,035,406	107,229,835
Furniture and equipment	-	161,874	1,234,515	1,396,389	28,336	1,424,725	1,559,873
Construction-in-progress	-	-	7,058,704	7,058,704	(169,627)	6,889,077	9,066,575
Less, accumulated depreciation	<u>(47,014)</u>	<u>(1,714,487)</u>	<u>(24,547,552)</u>	<u>(26,309,053)</u>	<u>(771,088)</u>	<u>(27,080,141)</u>	<u>(26,135,851)</u>
Net Real Estate	99,738	13,732,606	98,438,510	112,270,854	(7,811,961)	104,458,893	101,910,258
<b>OTHER ASSETS</b>							
Cash - operations	5,300,194	719,285	904,563	6,924,042	-	6,924,042	6,352,307
Investments	2,499,400	-	-	2,499,400	-	2,499,400	597,062
Rent receivable, net	-	20,500	243,114	263,614	(24,056)	239,558	282,076
Fees receivable	1,937,047	-	40,000	1,977,047	(1,558,314)	418,733	31,714
Other receivable	1,540	4,536	16,671	22,747	-	22,747	-
Grants receivable	5,017,763	-	-	5,017,763	-	5,017,763	3,701,587
Prepaid expenses and other assets	54,148	2,503	1,109,566	1,166,217	(150,456)	1,015,761	996,503
Tenant security deposits	-	13,004	132,717	145,721	-	145,721	157,262
Replacement reserves	-	122,476	1,487,179	1,609,655	-	1,609,655	1,505,862
Operating reserves	180,728	100,951	1,950,638	2,232,317	-	2,232,317	2,185,001
Social service reserves	340,525	-	41,371	381,896	-	381,896	368,857
Rent subsidy reserves	-	-	45,916	45,916	-	45,916	45,460
Escrows	-	100,962	110,093	211,055	-	211,055	112,803
Predevelopment costs	342,375	-	-	342,375	-	342,375	500
Deposits	81,620	-	72,843	154,463	-	154,463	135,915
Deferred costs, net	-	-	246,150	246,150	-	246,150	280,215
Right-of-use-asset, net	1,439,515	-	-	1,439,515	-	1,439,515	610,187
Loans and interest receivable - related parties	<u>4,543,867</u>	<u>-</u>	<u>6,811</u>	<u>4,550,678</u>	<u>(4,539,780)</u>	<u>10,898</u>	<u>-</u>
	<u>\$ 21,838,460</u>	<u>\$ 14,816,823</u>	<u>\$ 104,846,142</u>	<u>\$ 141,501,425</u>	<u>\$ (14,084,567)</u>	<u>\$ 127,416,858</u>	<u>\$ 119,273,569</u>
<b>LIABILITIES AND NET ASSETS</b>							
<b>Liabilities</b>							
Long-term debt, net	\$ 300,000	\$ 8,470,505	\$ 62,877,154	\$ 71,647,659	\$ -	\$ 71,647,659	\$ 67,385,325
Recoverable grant	120,000	-	-	120,000	-	120,000	120,000
Deferred income	295,353	-	-	295,353	-	295,353	643,699
Due to developer	-	-	1,125,446	1,125,446	(1,125,446)	-	-
Loans payable - related parties	6,811	137,068	806,773	950,652	(950,652)	-	-
Accrued interest payable	12,875	16,327	10,213,816	10,243,018	(570,573)	9,672,445	8,298,159
Notes payable - related parties	-	-	2,750,414	2,750,414	(2,750,414)	-	-
Accounts payable and accrued expenses	849,377	349,199	1,754,311	2,952,887	(725,835)	2,227,052	2,301,438
Prepaid rent	-	5,181	96,802	101,983	-	101,983	94,206
Operating lease liability	1,453,414	-	-	1,453,414	-	1,453,414	627,420
Tenant security deposits payable	<u>-</u>	<u>12,032</u>	<u>136,484</u>	<u>148,516</u>	<u>-</u>	<u>148,516</u>	<u>152,272</u>
Total Liabilities	<u>3,037,830</u>	<u>8,990,312</u>	<u>79,761,200</u>	<u>91,789,342</u>	<u>(6,122,920)</u>	<u>85,666,422</u>	<u>79,622,519</u>
<b>Net Assets</b>							
Syndication costs	-	-	(40,000)	(40,000)	-	(40,000)	(40,000)
Without Donor Restrictions	14,418,487	5,826,511	(153,102)	20,091,896	(7,961,647)	12,130,249	11,422,241
With donor restrictions	<u>4,382,143</u>	<u>-</u>	<u>-</u>	<u>4,382,143</u>	<u>-</u>	<u>4,382,143</u>	<u>669,833</u>
	18,800,630	5,826,511	(193,102)	24,434,039	(7,961,647)	16,472,392	12,052,074
Non-controlling interests in consolidated for-profit affiliates	<u>-</u>	<u>-</u>	<u>25,278,044</u>	<u>25,278,044</u>	<u>-</u>	<u>25,278,044</u>	<u>27,598,976</u>
Total Net Assets	<u>18,800,630</u>	<u>5,826,511</u>	<u>25,084,942</u>	<u>49,712,083</u>	<u>(7,961,647)</u>	<u>41,750,436</u>	<u>39,651,050</u>
	<u>\$ 21,838,460</u>	<u>\$ 14,816,823</u>	<u>\$ 104,846,142</u>	<u>\$ 141,501,425</u>	<u>\$ (14,084,567)</u>	<u>\$ 127,416,858</u>	<u>\$ 119,273,569</u>

See independent auditors' report

**New Destiny Housing Corporation and Affiliates**

Consolidating Schedule of Activities  
Year Ended June 30, 2025  
(With summarized amounts for the year ended June 30, 2024)

	New Destiny Housing Corp. General Fund	Other Housing Activities	Real Estate Affiliates	Subtotal	Eliminations	2025 Total	2024 Total
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>							
<b>SUPPORT AND REVENUE</b>							
Grants and contributions	\$ 12,144,341	\$ -	\$ -	\$ 12,144,341	\$ -	\$ 12,144,341	\$ 8,362,196
Special events, net of cost of direct benefits to donors of \$50,841 and \$48,802	148,161	-	-	148,161	-	148,161	88,190
Rental income	-	740,370	4,432,595	5,172,965	(21,600)	5,151,365	4,806,616
Property management	737,423	-	-	737,423	(675,048)	62,375	167,848
Developer fees	630,691	-	-	630,691	(211,958)	418,733	137,044
Interest income	212,823	2,501	96,104	311,428	(82,510)	228,918	224,004
Investment income, net	127,070	-	-	127,070	-	127,070	67,873
Other income	40,054	43,483	43,851	127,388	(26,730)	100,658	368,229
Net assets released from restrictions	1,969,690	-	-	1,969,690	-	1,969,690	858,673
Total Support and Revenue	16,010,253	786,354	4,572,550	21,369,157	(1,017,846)	20,351,311	15,080,673
<b>EXPENSES</b>							
Program Services							
Housing and management services	1,230,291	1,001,034	9,326,539	11,557,864	(836,312)	10,721,552	10,280,343
Social services	10,894,656	-	-	10,894,656	-	10,894,656	8,861,830
Total Program Services	12,124,947	1,001,034	9,326,539	22,452,520	(836,312)	21,616,208	19,142,173
Supporting Services							
Management and general	2,428,626	-	-	2,428,626	-	2,428,626	1,032,672
Fundraising	356,410	-	-	356,410	-	356,410	196,706
Total Supporting Services	2,785,036	-	-	2,785,036	-	2,785,036	1,229,378
Total Expenses	14,909,983	1,001,034	9,326,539	25,237,556	(836,312)	24,401,244	20,371,551
Change in Net Assets Before Other Changes	1,100,270	(214,680)	(4,753,989)	(3,868,399)	(181,534)	(4,049,933)	(5,290,878)
Other Changes							
Capital contributions	-	-	2,437,009	2,437,009	-	2,437,009	519,710
Total Other Changes	-	-	2,437,009	2,437,009	-	2,437,009	519,710
Change in Net Assets Without Donor Restrictions	1,100,270	(214,680)	(2,316,980)	(1,431,390)	(181,534)	(1,612,924)	(4,771,168)
Net Assets Without Donor Restrictions							
Beginning of year	13,318,217	6,041,191	27,441,922	46,801,330	(7,780,113)	39,021,217	43,792,385
End of year	\$ 14,418,487	\$ 5,826,511	\$ 25,124,942	\$ 45,369,940	\$ (7,961,647)	\$ 37,408,293	\$ 39,021,217
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>							
<b>SUPPORT AND REVENUE</b>							
Grants and contributions	\$ 5,682,000	\$ -	\$ -	\$ 5,682,000	\$ -	\$ 5,682,000	\$ 1,290,476
Net assets released from restrictions	(1,969,690)	-	-	(1,969,690)	-	(1,969,690)	(858,673)
Change in Net Assets With Donor Restrictions	3,712,310	-	-	3,712,310	-	3,712,310	431,803
Beginning of year	669,833	-	-	669,833	-	669,833	238,030
End of year	\$ 4,382,143	\$ -	\$ -	\$ 4,382,143	\$ -	\$ 4,382,143	\$ 669,833
Change in net assets	\$ 4,812,580	\$ (214,680)	\$ (2,316,980)	\$ 2,280,920	\$ (181,534)	\$ 2,099,386	\$ (4,339,365)
<b>NET ASSETS</b>							
Syndication costs	-	-	(40,000)	(40,000)	-	(40,000)	(40,000)
Beginning of year	13,988,050	6,041,191	27,441,922	47,471,163	(7,780,113)	39,691,050	44,030,415
End of year	\$ 18,800,630	\$ 5,826,511	\$ 25,084,942	\$ 49,712,083	\$ (7,961,647)	\$ 41,750,436	\$ 39,651,050

**New Destiny Housing Corporation and Affiliates**

Schedule of Financial Position Other Housing Activities  
June 30, 2025  
(With summarized amounts at June 30, 2024)

	New Destiny Housing Corp. Park Place	CityWide Supportive Housing, Inc. Lily House	CityWide Supportive Housing Development Fund Corporation	Prelude SI	2025 Total	2024 Total
<b>ASSETS</b>						
<b>REAL ESTATE</b>						
Land	\$ -	194,267	\$ -	\$ 175,000	\$ 369,267	\$ 369,267
Buildings and improvements	91,211	12,000,839	2,609,866	214,036	14,915,952	9,072,116
Furniture and equipment	10,665	-	3,500	147,709	161,874	158,374
Construction-in-progress	-	-	-	-	-	7,909,776
Less, accumulated depreciation	<u>(95,136)</u>	<u>(213,650)</u>	<u>(1,270,825)</u>	<u>(134,876)</u>	<u>(1,714,487)</u>	<u>(3,869,120)</u>
Net Real Estate	6,740	11,981,456	1,342,541	401,869	13,732,606	13,640,413
<b>OTHER ASSETS</b>						
Cash - operations	18,543	348,585	159,657	192,500	719,285	305,160
Rent receivable, net	2,369	13,478	4,653	-	20,500	20,179
Other receivable	-	4,536	-	-	4,536	-
Prepaid expenses and other assets	-	1,333	1,170	-	2,503	-
Tenant security deposits	4,955	-	8,049	-	13,004	12,995
Replacement reserves	7,473	12,253	6,107	96,643	122,476	107,490
Operating reserves	-	-	100,951	-	100,951	110,951
Escrows	-	100,962	-	-	100,962	6,985
Loans receivable - related parties	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,128</u>
	<u>\$ 40,080</u>	<u>\$ 12,462,603</u>	<u>\$ 1,623,128</u>	<u>\$ 691,012</u>	<u>\$ 14,816,823</u>	<u>\$ 14,214,301</u>
<b>LIABILITIES AND NET ASSETS</b>						
Liabilities						
Long-term debt, net	\$ -	8,470,505	\$ -	\$ -	\$ 8,470,505	\$ 6,700,642
Loans payable - related parties	1,240	120,159	15,669	-	137,068	95,598
Accrued interest payable	-	16,327	-	-	16,327	-
Accounts payable and accrued expenses	12,536	141,782	38,996	155,885	349,199	1,362,500
Prepaid rent	-	3,309	1,872	-	5,181	1,563
Tenant security deposits payable	<u>4,955</u>	<u>-</u>	<u>7,077</u>	<u>-</u>	<u>12,032</u>	<u>13,026</u>
Total Liabilities	<u>18,731</u>	<u>8,752,082</u>	<u>63,614</u>	<u>155,885</u>	<u>8,990,312</u>	<u>8,173,329</u>
Net Assets						
Without donor restrictions	<u>21,349</u>	<u>3,710,521</u>	<u>1,559,514</u>	<u>535,127</u>	<u>5,826,511</u>	<u>6,040,972</u>
Total Net Assets	<u>21,349</u>	<u>3,710,521</u>	<u>1,559,514</u>	<u>535,127</u>	<u>5,826,511</u>	<u>6,040,972</u>
	<u>\$ 40,080</u>	<u>\$ 12,462,603</u>	<u>\$ 1,623,128</u>	<u>\$ 691,012</u>	<u>\$ 14,816,823</u>	<u>\$ 14,214,301</u>

**New Destiny Housing Corporation and Affiliates**

Schedule of Activities Other Housing Activities  
Year Ended June 30, 2025  
(With summarized amounts for the year ended June 30, 2024)

	New Destiny Housing Corp. Park Place	CityWide Supportive Housing, Inc. Lily House	CityWide Supportive Housing Development Fund Corporation	Prelude SI	2025 Total	2024 Total
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>						
<b>SUPPORT AND REVENUE</b>						
Rental income	\$ 88,415	\$ 295,879	\$ 102,660	\$ 253,416	\$ 740,370	\$ 448,151
Interest income	-	219	2,197	85	2,501	3,895
Other income	-	29	43,454	-	43,483	2,994,533
Total Support and Revenue	<u>88,415</u>	<u>296,127</u>	<u>148,311</u>	<u>253,501</u>	<u>786,354</u>	<u>3,446,579</u>
<b>EXPENSES</b>						
Program Services						
Housing and management services	<u>105,091</u>	<u>403,804</u>	<u>202,396</u>	<u>289,743</u>	<u>1,001,034</u>	<u>2,053,795</u>
Total Program Services	<u>105,091</u>	<u>403,804</u>	<u>202,396</u>	<u>289,743</u>	<u>1,001,034</u>	<u>2,053,795</u>
Total Expenses	<u>105,091</u>	<u>403,804</u>	<u>202,396</u>	<u>289,743</u>	<u>1,001,034</u>	<u>2,053,795</u>
Change in Net Assets (Deficit) Without Donor Restrictions	(16,676)	(107,677)	(54,085)	(36,242)	(214,680)	1,392,784
Net Assets						
Beginning of year	<u>38,025</u>	<u>3,818,198</u>	<u>1,613,599</u>	<u>571,369</u>	<u>6,041,191</u>	<u>4,648,188</u>
End of Year	<u>\$ 21,349</u>	<u>\$ 3,710,521</u>	<u>\$ 1,559,514</u>	<u>\$ 535,127</u>	<u>\$ 5,826,511</u>	<u>\$ 6,040,972</u>

See independent auditors' report



**New Destiny Housing Corporation and Affiliates**

Schedule of Financial Position of Real Estate Affiliates  
June 30, 2025  
(With summarized amounts at June 30, 2024)

	Andrews Ave Associates LP	1070 Anderson Avenue LP	291 Bainbridge LP	2017 Morris Ave Owner LLC	902 Jennings Street Owner LLC	Bridge Community Associates LLC	Bryant Avenue Owner LLC	1145 Webster Avenue LLC	1145 Webster Avenue HDFC	General Partners	2025 Total	2024 Total
<b>ASSETS</b>												
<b>REAL ESTATE</b>												
Land	\$ 541,500	\$ 1,588,310	\$ 693,090	\$ 928,500	\$ 2,050,000	\$ 945,000	\$ -	\$ 3,497,298	\$ -	\$ -	\$ 10,243,698	\$ 10,243,698
Buildings and improvements	10,062,067	12,399,709	8,860,034	11,543,634	22,666,316	7,675,792	31,241,593	-	-	-	104,449,145	104,240,885
Furniture and equipment	101,115	71,823	121,607	186,000	198,410	5,000	550,560	-	-	-	1,234,515	1,360,703
Construction-in-progress	-	-	-	-	-	-	-	7,058,704	-	-	7,058,704	1,419,130
Less, accumulated depreciation	<u>(4,168,766)</u>	<u>(4,049,757)</u>	<u>(2,815,163)</u>	<u>(3,391,391)</u>	<u>(3,663,086)</u>	<u>(1,678,288)</u>	<u>(4,781,101)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24,547,552)</u>	<u>(21,421,675)</u>
Net Real Estate	6,535,916	10,010,085	6,859,568	9,266,743	21,251,640	6,947,504	27,011,052	10,556,002	-	-	98,438,510	95,842,741
<b>OTHER ASSETS</b>												
Cash - operations	204,178	64,838	41,736	51,502	23,323	338,145	180,841	-	-	-	904,563	1,415,545
Rent receivable, net	31,063	28,145	13,700	14,714	49,180	32,705	73,607	-	-	-	243,114	275,397
Fees receivable	-	-	-	-	-	-	-	-	-	40,000	40,000	40,000
Other receivable	-	-	-	-	-	-	16,671	-	-	-	16,671	-
Prepaid expenses and other assets	4,578	2,183	2,549	3,192	3,953	1,899	940,756	-	-	150,456	1,109,566	1,105,056
Tenant security deposits	23,440	18,816	11,778	24,263	12,715	22,336	19,369	-	-	-	132,717	144,267
Replacement reserves	269,156	481,364	305,725	83,834	92,988	144,355	109,757	-	-	-	1,487,179	1,398,372
Operating reserves	180,119	342,360	211,185	227,850	335,128	170,797	483,199	-	-	-	1,950,638	1,899,442
Social service reserves	-	-	41,371	-	-	-	-	-	-	-	41,371	39,973
Rent subsidy reserves	-	-	-	45,916	-	-	-	-	-	-	45,916	45,460
Escrows	-	-	-	-	110,093	-	-	-	-	-	110,093	112,803
Deposits	15,315	289	-	3,455	17,075	-	36,709	-	-	-	72,843	72,810
Deferred costs, net	-	11,023	21,407	12,247	84,137	24,481	92,855	-	-	-	246,150	280,215
Loans receivable - related parties	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,811</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,811</u>	<u>29,374</u>
	<u>\$ 7,263,765</u>	<u>\$ 10,959,103</u>	<u>\$ 7,509,019</u>	<u>\$ 9,733,716</u>	<u>\$ 21,980,232</u>	<u>\$ 7,689,033</u>	<u>\$ 28,964,816</u>	<u>\$ 10,556,002</u>	<u>\$ -</u>	<u>\$ 190,456</u>	<u>\$ 104,846,142</u>	<u>\$ 102,701,455</u>
<b>LIABILITIES AND NET ASSETS</b>												
<b>Liabilities</b>												
Long-term debt, net	\$ 5,319,123	\$ 7,910,408	\$ 4,646,853	\$ 5,751,607	\$ 11,604,855	\$ 1,235,991	\$ 19,299,201	\$ 7,109,116	\$ -	\$ -	\$ 62,877,154	\$ 60,684,683
Due to developer	-	-	42,392	-	205,000	-	878,054	-	-	-	1,125,446	1,483,430
Loans payable - related parties	1,138	117,649	274,054	189,506	67,295	-	6,192	-	-	150,939	806,773	703,571
Accrued interest payable	955,146	874,637	2,572,628	3,109,059	1,028,344	682,113	991,889	-	-	-	10,213,816	8,786,879
Notes payable - related parties	-	-	-	-	-	2,750,414	-	-	-	-	2,750,414	2,750,414
Accounts payable and accrued expenses	64,293	96,252	68,996	124,087	183,993	85,028	81,018	1,009,877	-	40,767	1,754,311	658,667
Prepaid rent	6,470	13,042	10,264	24,641	19,618	9,501	13,266	-	-	-	96,802	92,643
Tenant security deposits payable	<u>23,889</u>	<u>19,345</u>	<u>12,121</u>	<u>24,622</u>	<u>13,166</u>	<u>22,772</u>	<u>20,569</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,484</u>	<u>139,246</u>
Total Liabilities	<u>6,370,059</u>	<u>9,031,333</u>	<u>7,627,308</u>	<u>9,223,522</u>	<u>13,122,271</u>	<u>4,785,819</u>	<u>21,290,189</u>	<u>8,118,993</u>	<u>-</u>	<u>191,706</u>	<u>79,761,200</u>	<u>75,299,533</u>
<b>Net Assets</b>												
Syndication costs	-	-	-	-	-	-	(40,000)	-	-	-	(40,000)	(40,000)
Without donor restrictions	147	138	(507)	(150,497)	(499)	(197)	(437)	-	-	(1,250)	(153,102)	(157,054)
Non-controlling interests in consolidated for-profit affiliates	<u>893,559</u>	<u>1,927,632</u>	<u>(117,782)</u>	<u>660,691</u>	<u>8,858,460</u>	<u>2,903,411</u>	<u>7,715,064</u>	<u>2,437,009</u>	<u>-</u>	<u>-</u>	<u>25,278,044</u>	<u>27,598,976</u>
Total Net Assets	<u>893,706</u>	<u>1,927,770</u>	<u>(118,289)</u>	<u>510,194</u>	<u>8,857,961</u>	<u>2,903,214</u>	<u>7,674,627</u>	<u>2,437,009</u>	<u>-</u>	<u>(1,250)</u>	<u>25,084,942</u>	<u>27,401,922</u>
	<u>\$ 7,263,765</u>	<u>\$ 10,959,103</u>	<u>\$ 7,509,019</u>	<u>\$ 9,733,716</u>	<u>\$ 21,980,232</u>	<u>\$ 7,689,033</u>	<u>\$ 28,964,816</u>	<u>\$ 10,556,002</u>	<u>\$ -</u>	<u>\$ 190,456</u>	<u>\$ 104,846,142</u>	<u>\$ 102,701,455</u>

**New Destiny Housing Corporation and Affiliates**

Schedule of Activities of Real Estate Affiliates  
Year Ended June 30, 2025

(With summarized amounts for the year ended June 30, 2024)

	Andrews Ave Associates LP	1070 Anderson Avenue LP	291 Bainbridge LP	2017 Morris Ave Owner LLC	902 Jennings Street Owner LLC	Bridge Community Associates LLC	Bryant Avenue Owner LLC	1145 Webster Avenue LLC	1145 Webster Avenue HDFC	General Partners	2025 Total	2024 Total
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>												
<b>SUPPORT AND REVENUE</b>												
Rental income	\$ 556,124	\$ 648,100	\$ 381,285	\$ 571,979	\$ 739,244	\$ 479,598	\$ 1,056,265	\$ -	\$ -	\$ -	\$ 4,432,595	\$ 4,390,865
Interest income	7,182	29,581	24,937	13,943	159	38	20,264	-	-	-	96,104	111,296
Other income	<u>4,909</u>	<u>5,057</u>	<u>3,529</u>	<u>6,623</u>	<u>6,852</u>	<u>2,531</u>	<u>9,922</u>	<u>-</u>	<u>4,908</u>	<u>(480)</u>	<u>43,851</u>	<u>118,448</u>
Total Support and Revenue	<u>568,215</u>	<u>682,738</u>	<u>409,751</u>	<u>592,545</u>	<u>746,255</u>	<u>482,167</u>	<u>1,086,451</u>	<u>-</u>	<u>4,908</u>	<u>(480)</u>	<u>4,572,550</u>	<u>4,620,609</u>
<b>EXPENSES</b>												
Housing and management services	<u>915,598</u>	<u>1,153,374</u>	<u>974,478</u>	<u>1,334,345</u>	<u>1,652,297</u>	<u>798,427</u>	<u>2,498,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,326,539</u>	<u>9,405,863</u>
Change in Net Assets Without Donor Restrictions	<u>(347,383)</u>	<u>(470,636)</u>	<u>(564,727)</u>	<u>(741,800)</u>	<u>(906,042)</u>	<u>(316,260)</u>	<u>(1,411,569)</u>	<u>-</u>	<u>4,908</u>	<u>(480)</u>	<u>(4,753,989)</u>	<u>(4,785,254)</u>
<b>OTHER CHANGES</b>												
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,437,009</u>	<u>-</u>	<u>-</u>	<u>2,437,009</u>	<u>519,710</u>
Total Other Changes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,437,009</u>	<u>-</u>	<u>-</u>	<u>2,437,009</u>	<u>519,710</u>
Change in Net Assets Without Donor Restrictions	<u>(347,383)</u>	<u>(470,636)</u>	<u>(564,727)</u>	<u>(741,800)</u>	<u>(906,042)</u>	<u>(316,260)</u>	<u>(1,411,569)</u>	<u>2,437,009</u>	<u>4,908</u>	<u>(480)</u>	<u>(2,316,980)</u>	<u>(4,265,544)</u>
Net Assets												
Syndication costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>
Beginning of year	<u>1,241,089</u>	<u>2,398,406</u>	<u>446,438</u>	<u>1,251,994</u>	<u>9,764,003</u>	<u>3,219,474</u>	<u>9,126,196</u>	<u>-</u>	<u>(4,908)</u>	<u>(770)</u>	<u>27,441,922</u>	<u>31,707,466</u>
End of year	<u>\$ 893,706</u>	<u>\$ 1,927,770</u>	<u>\$ (118,289)</u>	<u>\$ 510,194</u>	<u>\$ 8,857,961</u>	<u>\$ 2,903,214</u>	<u>\$ 7,674,627</u>	<u>\$ 2,437,009</u>	<u>\$ -</u>	<u>\$ (1,250)</u>	<u>\$ 25,084,942</u>	<u>\$ 27,441,922</u>