# WEST HARLEM DEVELOPMENT CORPORATION
# AND SUBSIDIARY

## CONSOLIDATED FINANCIAL STATEMENTS
## AND CONSOLIDATING SUPPLEMENTARY INFORMATION

## YEARS ENDED DECEMBER 31, 2025 AND 2024

**West Harlem Development Corporation and Subsidiary**

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# Independent Auditor's Report

To the Board of Directors
West Harlem Development Corporation and Subsidiary
New York, New York

## Opinion

We have audited the accompanying consolidated financial statements of West Harlem Development Corporation (a nonprofit organization) and Subsidiary, which comprise the consolidated statements of financial position as of December 31, 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 financial position of West Harlem Development Corporation and Subsidiary as of December 31, 2025 and 2024, and the changes in their net assets and their 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Harlem Development Corporation and Subsidiary 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 West Harlem Development Corporation and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of West Harlem Development Corporation and Subsidiary'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 West Harlem Development Corporation and Subsidiary'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.

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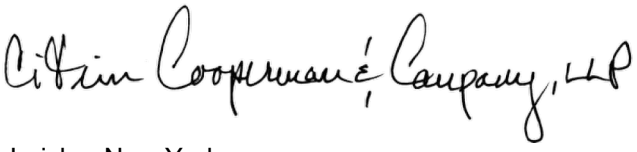
**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information contained in the schedules on pages 24 and 25 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Jericho, New York
September 21, 2026

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**West Harlem Development Corporation and Subsidiary**
**Consolidated Statements of Financial Position**
**December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| | Net Assets With Donor Restrictions | Net Assets With Donor Restrictions |
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | $ 375,258 | $ 1,162,062 |
| Investments, at fair value | 56,223,352 | 54,348,043 |
| Prepaid expenses | 20,731 | 17,260 |
| **Total current assets** | 56,619,341 | 55,527,365 |
| **Other assets** | | |
| Operating lease right-of-use asset | 486,218 | 603,323 |
| Security deposits | 22,375 | 22,375 |
| **Total other assets** | 508,593 | 625,698 |
| **Total assets** | $ 57,127,934 | $ 56,153,063 |
| **Liabilities and Net Assets** | | |
| **Current liabilities** | | |
| Accounts payable and accrued expenses | $ 86,088 | $ 125,331 |
| Grants payable | 802,000 | 1,005,750 |
| Current portion of operating lease obligation | 122,030 | 117,171 |
| **Total current liabilities** | 1,010,118 | 1,248,252 |
| **Operating lease obligation, net of current portion** | 382,752 | 504,782 |
| **Total liabilities** | 1,392,870 | 1,753,034 |
| **Net assets** | | |
| With donor restrictions | 55,735,064 | 54,400,029 |
| **Total net assets** | 55,735,064 | 54,400,029 |
| **Total liabilities and net assets** | $ 57,127,934 | $ 56,153,063 |

See accompanying notes to consolidated financial statements.

**West Harlem Development Corporation and Subsidiary**
**Consolidated Statement of Activities**
**Year Ended December 31, 2025**

| | Net Assets Without Donor Restrictions | Net Assets With Donor Restrictions | Total |
|---|---|---|---|
| **Support and revenues** | | | |
| Interest and dividends, net | $ - | $ 940,697 | $ 940,697 |
| Realized investment gains | - | 1,013,676 | 1,013,676 |
| Unrealized investment gains | - | 2,727,466 | 2,727,466 |
| In-kind contributions | - | 170,498 | 170,498 |
| **Total support and revenues** | - | 4,852,337 | 4,852,337 |
| **Net assets released from restrictions** | 3,517,302 | (3,517,302) | - |
| **Total support, revenues and reclassifications** | 3,517,302 | 1,335,035 | 4,852,337 |
| **Functional expenses** | | | |
| Program services: | | | |
| Grants and community services | 2,642,916 | - | 2,642,916 |
| Youth services | 279,683 | - | 279,683 |
| Senior services | 193,374 | - | 193,374 |
| Housing services | 38,549 | - | 38,549 |
| Workforce development services | 60,702 | - | 60,702 |
| Total program services | 3,215,224 | - | 3,215,224 |
| Supporting services: | | | |
| Management and general | 302,078 | - | 302,078 |
| **Total functional expenses** | 3,517,302 | - | 3,517,302 |
| **Increase in net assets** | - | 1,335,035 | 1,335,035 |
| **Net assets - Beginning of year** | - | 54,400,029 | 54,400,029 |
| **Net assets - End of year** | $ - | $ 55,735,064 | $ 55,735,064 |

See accompanying notes to consolidated financial statements.

**West Harlem Development Corporation and Subsidiary**
**Consolidated Statement of Activities**
**Year Ended December 31, 2024**

| | Net Assets Without Donor Restrictions | Net Assets With Donor Restrictions | Total |
|---|---|---|---|
| **Support and revenues** | | | |
| Interest and dividends, net | $ - | $ 978,387 | $ 978,387 |
| Realized investment gains | - | 595,879 | 595,879 |
| Unrealized investment gains | - | 1,072,243 | 1,072,243 |
| Adjustment to discount on Benefits Fund receivable | - | 269,853 | 269,853 |
| In-kind contributions | - | 93,834 | 93,834 |
| **Total support and revenues** | - | 3,010,196 | 3,010,196 |
| **Net assets released from restrictions** | 3,925,418 | (3,925,418) | - |
| **Total support, revenues and reclassifications** | 3,925,418 | (915,222) | 3,010,196 |
| **Functional expenses** | | | |
| Program services: | | | |
| Grants and community services | 2,861,817 | - | 2,861,817 |
| Youth services | 296,822 | - | 296,822 |
| Senior services | 147,101 | - | 147,101 |
| Housing services | 231,158 | - | 231,158 |
| Workforce development services | 62,793 | - | 62,793 |
| Total program services | 3,599,691 | - | 3,599,691 |
| Supporting services: | | | |
| Management and general | 325,727 | - | 325,727 |
| **Total functional expenses** | 3,925,418 | - | 3,925,418 |
| **Decrease in net assets** | - | (915,222) | (915,222) |
| **Net assets - Beginning of year** | - | 55,315,251 | 55,315,251 |
| **Net assets - End of year** | $ - | $ 54,400,029 | $ 54,400,029 |

See accompanying notes to consolidated financial statements.

**West Harlem Development Corporation and Subsidiary**
**Consolidated Statement of Functional Expenses**
**Year Ended December 31, 2025**

| | Program Services | | | | | | Supporting Services | |
|---|---|---|---|---|---|---|---|---|
| | Grants and Community Services | Youth Services | Senior Services | Housing Services | Workforce Development Services | Total Program Services | Management and General | Total Functional Expenses |
| Salaries | $ 231,327 | $ 44,733 | $ 44,733 | $ 21,057 | $ 40,592 | $ 382,442 | $ 182,103 | $ 564,545 |
| Payroll taxes and employee benefits | 53,632 | 10,371 | 10,371 | 4,882 | 9,411 | 88,667 | 42,221 | 130,888 |
| Total salaries and related expenses | 284,959 | 55,104 | 55,104 | 25,939 | 50,003 | 471,109 | 224,324 | 695,433 |
| Grants to nonprofits | 2,039,418 | 156,958 | - | - | - | 2,196,376 | - | 2,196,376 |
| Enrichment programs | 9,452 | 7,575 | 107,509 | - | - | 124,536 | - | 124,536 |
| Professional fees | 26,999 | 1,509 | 1,509 | 710 | 1,369 | 32,096 | 35,897 | 67,993 |
| Consultants | 38,164 | 32 | 32 | 15 | 29 | 38,272 | 128 | 38,400 |
| Lease costs | 111,049 | 6,322 | 6,322 | 2,976 | 5,736 | 132,405 | 25,733 | 158,138 |
| Community and grantee meetings | 91,577 | 48,255 | 18,970 | 7,060 | - | 165,862 | - | 165,862 |
| Technical assistance to grantees | 18,023 | - | - | - | - | 18,023 | - | 18,023 |
| Conferences and meetings | 2,680 | 518 | 518 | 244 | 470 | 4,430 | 2,111 | 6,541 |
| Telecommunication and postage | 4,417 | 555 | 555 | 261 | 504 | 6,292 | 2,262 | 8,554 |
| Office supplies and copying | 6,665 | 1,216 | 1,216 | 572 | 1,103 | 10,772 | 4,949 | 15,721 |
| Liability insurance | 7,391 | 1,429 | 1,429 | 673 | 1,297 | 12,219 | 5,819 | 18,038 |
| Miscellaneous | 2,122 | 210 | 210 | 99 | 191 | 2,832 | 855 | 3,687 |
| **Total expenses** | $ 2,642,916 | $ 279,683 | $ 193,374 | $ 38,549 | $ 60,702 | $ 3,215,224 | $ 302,078 | $ 3,517,302 |

See accompanying notes to consolidated financial statements.

**West Harlem Development Corporation and Subsidiary**
**Consolidated Statement of Functional Expenses**
**Year Ended December 31, 2024**

| | Program Services | | | | | | Supporting Services | |
|---|---|---|---|---|---|---|---|---|
| | Grants and Community Services | Youth Services | Senior Services | Housing Services | Workforce Development Services | Total Program Services | Management and General | Total Functional Expenses |
| Salaries | $ 182,419 | $ 45,037 | $ 46,530 | $ 154,732 | $ 42,116 | $ 470,834 | $ 196,716 | $ 667,550 |
| Payroll taxes and employee benefits | 38,652 | 9,531 | 9,856 | 32,839 | 8,929 | 99,807 | 41,641 | 141,448 |
| Total salaries and related expenses | 221,071 | 54,568 | 56,386 | 187,571 | 51,045 | 570,641 | 238,357 | 808,998 |
| Grants to nonprofits | 2,327,978 | 213,750 | - | - | - | 2,541,728 | - | 2,541,728 |
| Enrichment programs | 7,529 | 6,725 | 77,812 | - | - | 92,066 | - | 92,066 |
| Professional fees | 34,547 | 2,347 | 2,427 | 8,086 | 2,199 | 49,606 | 43,103 | 92,709 |
| Consultants | 50,169 | - | - | - | - | 50,169 | - | 50,169 |
| Lease costs | 102,891 | 6,049 | 6,255 | 20,842 | 5,725 | 141,762 | 26,428 | 168,190 |
| Community and grantee meetings | 78,346 | 9,300 | - | - | - | 87,646 | - | 87,646 |
| Technical assistance to grantees | 19,283 | - | - | - | - | 19,283 | - | 19,283 |
| Conferences and meetings | 2,096 | 517 | 534 | 1,780 | 484 | 5,411 | 2,258 | 7,669 |
| Telecommunication and postage | 3,895 | 524 | 542 | 1,805 | 491 | 7,257 | 2,289 | 9,546 |
| Office supplies and copying | 8,258 | 1,623 | 1,678 | 5,971 | 1,520 | 19,050 | 7,092 | 26,142 |
| Liability insurance | 4,745 | 1,170 | 1,210 | 4,032 | 1,096 | 12,253 | 5,113 | 17,366 |
| Miscellaneous | 1,009 | 249 | 257 | 1,071 | 233 | 2,819 | 1,087 | 3,906 |
| **Total expenses** | $ 2,861,817 | $ 296,822 | $ 147,101 | $ 231,158 | $ 62,793 | $ 3,599,691 | $ 325,727 | $ 3,925,418 |

See accompanying notes to consolidated financial statements.

**West Harlem Development Corporation and Subsidiary**
**Consolidated Statements of Cash Flows**
**Years Ended December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Increase (decrease) in net assets | $ 1,335,035 | $ (915,222) |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities: | | |
| Realized investment gains | (1,013,676) | (595,879) |
| Change in unrealized investment gains | (2,727,466) | (1,072,243) |
| Adjustment to discount on Benefits Fund receivable | - | (269,853) |
| Non-cash lease expense | 125,170 | 125,170 |
| Changes in operating assets and liabilities: | | |
| (Increase) decrease in: | | |
| Collection of Benefits Fund receivable | - | 7,250,000 |
| Prepaid expenses and other assets | (3,471) | 10,312 |
| Increase (decrease) in: | | |
| Accounts payable and accrued expenses | (39,243) | 41,963 |
| Grants payable | (203,750) | (34,118) |
| Payments on operating lease obligation | (125,236) | (121,001) |
| **Total adjustments** | (3,987,672) | 5,334,351 |
| **Net cash provided by (used in) operating activities** | (2,652,637) | 4,419,129 |
| **Cash flows from investing activities** | | |
| Purchase of investments | (43,742,540) | (54,736,117) |
| Proceeds from sale of investments | 45,608,373 | 50,503,692 |
| **Net cash provided by (used in) investing activities** | 1,865,833 | (4,232,425) |
| **Net increase (decrease) in cash and cash equivalents** | (786,804) | 186,704 |
| **Cash and cash equivalents - Beginning of year** | 1,162,062 | 975,358 |
| **Cash and cash equivalents - End of year** | $ 375,258 | $ 1,162,062 |

See accompanying notes to consolidated financial statements.

## Note 1 – Organization and Nature of Activities

*Organization and Nature of Activities*
West Harlem Development Corporation ("WHDC"), a nonprofit organization, was incorporated in the State of Delaware on March 14, 2011, as a non-stock corporation. WHDC was authorized to do business in the State of New York on November 2, 2011.

WHDC's mission is to promote increased economic opportunities and quality of life to sustain a vibrant community in West Harlem under the provisions of a Community Benefits Agreement ("CBA") (defined below) with Columbia University ("CU").

A CBA is a legally enforceable agreement between a real estate developer and a community that binds the developer to provide agreed-upon benefits. In 2005, Community Board 9 of New York City approved the creation of a local development corporation, D9 Local Development Corporation ("D9"), a nonprofit New York State entity, incorporated on March 16, 2006, to engage in negotiations with Columbia University on behalf of the community of West Harlem. Through an amendment on October 5, 2006, D9 changed its name to West Harlem Local Development Corporation ("WHLDC"). On May 1, 2013, the New York Supreme Court approved the petition by WHLDC to transfer its assets and obligations under the CBA to WHDC and subsequently dissolve WHLDC. WHDC is the successor organization to WHLDC.

WHDC is a consequence of the 25-year campus expansion project of Columbia University in the City of New York. This educational mixed-use complex that began in 2009 will eventually span 17 acres and will include academic, commercial, cultural and community facility space, and open public space. To facilitate this significant development, Columbia University signed the CBA on May 18, 2009. The CBA provided $150 million in financial commitments on the part of Columbia University.

WHDC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") and has been classified as a publicly supported organization as described in Code Sections 509(a)(1) and 170(b)(1)(A)(vi). WHDC is charged with implementing the CBA for the benefit of residents in the West Harlem community, more precisely of Manhattan Community District 9.

124th Housing LLC ("124$^{th}$ LLC") was incorporated in the State of Delaware on June 26, 2019, and was authorized to do business in the State of New York on July 26, 2019. 124$^{th}$ LLC is a special purpose limited liability company formed to invest in a low-income affordable housing development in upper Manhattan. WHDC is the sole member of 124th LLC.

*Principles of Consolidation*
The consolidated financial statements include the accounts of WHDC and its wholly-owned subsidiary, 124$^{th}$ LLC (collectively, the "Organization"). All significant intercompany balances and transactions have been eliminated in consolidation.

## Note 2 – Summary of Significant Accounting Policies

*Basis of Presentation*
The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The Organization reports information regarding its consolidated financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

*Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Board may designate assets without restrictions for specific operational purposes from time to time.

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. When a restriction expires (when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

*Promises to Give, Revenue and Expenditures*
Unconditional promises to give are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Unconditional and conditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their future cash flows. The discounts on those amounts are computed using a risk-adjusted interest rate applicable to the years in which the promises are received. Amortization of the discounts is included in revenue. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities will be reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets.

*Concentrations of Revenue*
WHDC provides various social services for the benefit of the residents of Manhattan Community District 9 ("MCD9"). For the year ended December 31, 2025, approximately 100% of the Organization's revenue is from investment earnings. For the year ended December 31, 2024, approximately 100% of the Organization's revenue is attributable to contributions from CU and related investment earnings thereon, provided by the CBA.

**Note 2 – Summary of Significant Accounting Policies (continued)**

*Cash and Cash Equivalents*
For consolidated financial statements purposes, the Organization considers cash held in checking, money market, and savings accounts as cash and cash equivalents. Cash held by investment managers is reported as part of investments. The Organization maintains cash balances at banks in the New York metropolitan area. Cash accounts at the banks are insured by the Federal Deposit Insurance Corporation ("FDIC"), subject to certain limits. The standard FDIC deposit insurance amount is up to $250,000 per depositor, per insured bank for each ownership category. At times, cash balances may be in excess of the insured limits.

As of December 31, 2025 and 2024, the Organization had approximately $0 and $629,000 in excess of FDIC limits, respectively. The Organization has not experienced any losses on its accounts.

*Investments*
Investments in marketable securities with readily determinable fair values are reported at their fair value in the consolidated statements of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment transactions are recorded on a trade-date basis. Interest income is recorded using the accrual basis. Dividends are recorded on the ex-dividend date. Interest and dividend income are recorded net of investment management fees. Realized gains or losses on investments are determined by comparison of the average cost of acquisition to proceeds at the time of disposition. Unrealized gains and losses on investments held at the end of the year are included in the consolidated statements of activities.

*Impairment of Long-Lived Assets*
The Organization evaluates whether events and circumstances have occurred that indicate the remaining estimated useful life of long-lived assets may warrant revision or that the remaining balance of an asset may not be recoverable. The measurement of possible impairment is based on the ability to recover the balance of assets from expected future operating cash flows on an undiscounted basis. Impairment losses, if any, would be determined based on fair value, using the present value of the cash flows with discount rates that reflect the inherent risk of the underlying business. No impairment was required to be recognized for the years ended December 31, 2025 and 2024.

*Use of Estimates*
The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Estimates are based on past experience and other assumptions that management believes are reasonable under the circumstances, and management evaluates these estimates on an ongoing basis.

*Functional Expenses and Allocation Method*
The costs of providing various programs and supporting services have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions. Accordingly, certain costs have been allocated among the programs and supporting services benefited, using appropriate measurement methodologies. The expenses that are allocated include salaries and related expenses, professional fees, lease costs, conferences and meetings, telecommunications and postage, office supplies and copying, liability insurance and miscellaneous expenses. All of these expenses are allocated based on estimates of time and effort and employee head count.

**Note 2 – Summary of Significant Accounting Policies (continued)**

*Tax-Exempt Status*
The Organization has been notified by the Internal Revenue Service that it is exempt from Federal income taxes under section 501(c)(3) of the Code. The Organization is further classified as an organization that is not a private foundation under Section 509(a)(3) of the Code. The Organization follows the guidance of Accounting Standards Codification ("ASC") 740, *Accounting for Income Taxes*, related to uncertain income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. All significant tax positions have been considered by management.

It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. There are no material uncertain tax positions recognized as of and for the years ended December 31, 2025 or 2024.

*Fair Value Measurements*
In accordance with Financial Accounting Standards Board ("FASB") ASC 820, *Fair Value Measurement*, WHDC has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. The levels of the hierarchy and those investments included in each are as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the assets or liabilities;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the assets or liabilities.

**Note 2 – Summary of Significant Accounting Policies (continued)**

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Fair values are based on quoted market prices when available (Level 1). When market prices are not available, fair value is generally estimated using current market inputs for similar financial instruments with comparable terms and credit quality, commonly referred to as matrix pricing (Level 2). In instances where there is little or no market activity for the same or similar instruments, estimates of fair value are made using methods, models and assumptions that management believes are relevant to the particular asset or liability. This may include discounted cash flow analysis or other income-based approaches (Level 3). These valuation techniques involve some level of management estimation and judgment. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model or input used and are reflective of the assumptions that market participants would use in valuing assets or liabilities.

The following is a description of the valuation methodologies used for investments measured at fair value:

*Equities:* These are securities that trade on major exchanges. Accordingly, these securities are disclosed as level 1 of the hierarchy.

*Certificates of Deposit ("CDs"):* Valued at estimated market value based on changes in interest rates, plus accrued interest.

*Fixed Income:* The fixed income government and corporate issued bonds employ a strategy of direct holdings of treasuries and fixed income positions to seek maximum total return consistent with the preservation of capital. The fair value estimates of such fixed income strategies are based on observable market information rather than market quotes as of the measurement date. Accordingly, the estimates of fair value for such fixed income securities are included in the fixed income securities amount disclosed in level 2 of the hierarchy.

There have been no changes in the methodologies used at December 31, 2025 and 2024.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

## Note 2 – Summary of Significant Accounting Policies (continued)

*Operating Leases*
The Organization determines whether an arrangement is or contains a lease at contract inception. The Organization made the accounting policy election to apply the short-term lease exception, which does not require the capitalization of leases with terms of 12 months or less. For leases with a lease term greater than one year, the Organization recognizes a lease asset for its right to use the underlying leased asset ("ROU") and a lease liability (current and long-term) for the corresponding lease obligation, calculated at present value. In determining the present value of lease payments, the Organization elected to use a risk-free rate for a period comparable with that of the lease terms. Operating lease ROU assets and liabilities are adjusted to result in a single straight-line lease expense over the life of the lease. The Organization considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease if the Organization is reasonably certain to exercise the option, (2) terminate the lease if the Organization is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor. Variable lease expenses are recorded when incurred.

*Advertising*
Advertising costs are expensed as incurred. Advertising expenses were $20,430 and $25,464 for the years ended December 31, 2025 and 2024, respectively, and are included in professional fees on the consolidated statements of functional expenses.

*Reclassifications of a General Nature*
Certain amounts in the prior year presented have been reclassified to conform to the current year consolidated financial statement presentation. These reclassifications have no effect on the previously reported decrease in net assets or net assets – beginning of year.

*Subsequent Events*
Management has evaluated subsequent events and transactions for potential recognition or disclosure in the consolidated financial statements through September 21, 2026, the date the consolidated financial statements were available to be issued.

## Note 3 – Community Benefits Agreement

WHDC implements the CBA with Columbia University by providing and supporting programs that promote economic development, education, environmental protection, transportation, employment, affordable housing, arts and culture, community facilities, historical preservation and the overall economic and social improvement of the community and residents of MCD9, otherwise known as West Harlem.

**Note 3 – Community Benefits Agreement (continued)**

The boundaries of MCD9 in Manhattan are defined as South to North from 110th Street to 155th Street; and East to West from Morningside, St. Nicholas, Bradhurst, and Edgecombe Avenues to the Hudson River. In January 2015, the board of WHDC strategically decided to focus on the areas of education (and youth development), workforce and economic development, and affordable housing. The CBA contains the following commitments from CU in cash and in-kind contributions:

| | (In $ millions) |
|---|---|
| 1) The Benefits Fund | $ 76 |
| 2) The Affordable Housing Fund – (payable by phases of construction) | 20 |
| 3) Housing Related Legal Assistance Benefits (managed by CU) | 4 |
| 4) Access to CU's facilities and amenities known as "In-kind" | 20 |
| 5) Commitment to a Demonstration Community Public School (established in conjunction with and managed by Teachers College) | 30 |
| Total commitment | $150 |

The cumulative amounts paid to/used by WHDC and the respective remaining balances of CU's commitments as of December 31, 2025 and 2024, are shown below:

| | 2025 | | |
|---|---|---|---|
| | CU's Original Commitment | Cumulative Paid/Used 12/31/2025 | WHDC Balance 12/31/2025 |
| Benefits Fund - non-designated | $ 73,000,000 | $ 73,000,000 | $ - |
| Benefits Fund - designated (Grant/Manhattanville) | 3,000,000 | 3,000,000 | - |
| Total Benefits Fund (1) | $ 76,000,000 | $ 76,000,000 | $ - |
| Affordable Housing Fund (2) | $ 20,000,000 | $ 10,000,000 | $ 10,000,000 |
| Access to CU's facilities and amenities (In-kind) | $ 20,000,000 | $ 682,186 | $ 19,317,814 |
| Items not controlled by WHDC: | | | |
| Housing related legal assistance benefits (3) | $ 4,000,000 | N/A | N/A |
| Demonstration community public school (5) | $ 30,000,000 | N/A | N/A |

**Note 3 – Community Benefits Agreement (continued)**

| | 2024 | | |
|---|---|---|---|
| | CU's Original Commitment | Cumulative Paid/Used 12/31/2024 | WHDC Balance 12/31/2024 |
| Benefits Fund - non-designated | $ 73,000,000 | $ 73,000,000 | $ - |
| Benefits Fund - designated (Grant/Manhattanville) | 3,000,000 | 3,000,000 | - |
| Total Benefits Fund (1) | $ 76,000,000 | $ 76,000,000 | $ - |
| Affordable Housing Fund (2) | $ 20,000,000 | $ 10,000,000 | $ 10,000,000 |
| Access to CU's facilities and amenities (In-kind) | $ 20,000,000 | $ 511,688 | $ 19,488,312 |
| Items not controlled by WHDC: | | | |
| Housing related legal assistance benefits (3) | $ 4,000,000 | N/A | N/A |
| Demonstration community public school (5) | $ 30,000,000 | N/A | N/A |

The Housing related legal assistance benefits (3) and the Demonstration community public school (5) are CU commitments to the community and are not the responsibility of WHDC.

**Note 4 – Cash and Cash Equivalents**

Cash and cash equivalents consisted of the following balances, all of which were maintained in bank accounts held by WHDC, as of December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Benefits Fund - cash | $ 82,501 | $ 865,866 |
| 124th Housing LLC - cash | 11,306 | 11,305 |
| Grant Houses and Manhattanville Houses (custodial) | | |
| - cash | 32,998 | 79,431 |
| - cash equivalents | 248,453 | 205,460 |
| Total cash and cash equivalents | $ 375,258 | $ 1,162,062 |

**Note 5 – Benefits Fund Receivable**

In connection with the CBA, CU committed to make payments into a Benefits Fund in the original amount of $76,000,000 payable over 16 years at the date of the CBA in 2009. As of December 31, 2024, CU has paid the entire $76,000,000, which included the final payment made in 2024. Unconditional promises to give were recorded at the present value of their estimated future cash flows. For the year ended December 31, 2024, the adjustment on the Benefits Fund receivable discount was $269,853, and was included in the consolidated statements of activities.

## Note 6 – Investments and Fair Value Measurements

WHDC's investments at December 31, 2025 and 2024, consist of equities, certificates of deposit ("CDs") and fixed income securities. Fair value methodologies for investments are described in Note 2. The following sets forth by level within the fair value hierarchy, the Organization's investments at fair value as of December 31, 2025 and 2024:

| | 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Equities | $25,462,817 | $ - | $ - | $25,462,817 |
| CDs | - | 1,307,090 | - | 1,307,090 |
| Fixed income - Government | - | 18,741,166 | - | 18,741,166 |
| Fixed income - Corporate | - | 8,051,408 | - | 8,051,408 |
| Total equities and fixed income securities | 25,462,817 | 28,099,664 | - | 53,562,481 |
| Cash funds* | - | - | - | 2,660,871 |
| Total investments | $25,462,817 | $28,099,664 | $ - | $56,223,352 |

| | 2024 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Equities | $21,939,759 | $ - | $ - | $21,939,759 |
| CDs | - | 1,253,468 | - | 1,253,468 |
| Fixed income - Government | - | 21,271,715 | - | 21,271,715 |
| Fixed income - Corporate | - | 8,395,343 | - | 8,395,343 |
| Total equities and fixed income securities | 21,939,759 | 30,920,526 | - | 52,860,285 |
| Cash funds* | - | - | - | 1,487,758 |
| Total investments | $21,939,759 | $30,920,526 | $ - | $54,348,043 |

* Cash funds are not leveled in the fair value hierarchy. The cash amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line item presented as investments, at fair value, on the Organization's consolidated statements of financial position.

## Note 6 – Investments and Fair Value Measurements (continued)

As of December 31, 2025 and 2024, WHDC had short-term investments, managed by Boston Trust and JP Morgan, which consists of the following:

| | December 31, 2025 | | | | | |
|---|---|---|---|---|---|---|
| | Cash Funds | Equities | CDs | Bonds - Government | Bonds - Corporate | Total |
| Short-term Fund | $ 85,498 | $ - | $ - | $ 1,191,859 | $ 1,043,934 | $ 2,321,291 |
| Invested Benefits Fund | 555,737 | 25,462,817 | - | 8,243,445 | 2,767,213 | 37,029,212 |
| Affordable Housing Fund | 344,885 | - | - | 5,796,318 | 3,421,151 | 9,562,354 |
| Grant Houses Fund - custodial | 47,256 | - | - | 1,242,308 | - | 1,289,564 |
| Manhattanville Houses Fund - custodial | 33,015 | - | - | 930,386 | - | 963,401 |
| Investments-124th Housing LLC | 1,319,286 | - | - | - | - | 1,319,286 |
| Morgan Stanley-Investments-124th LLC | 317 | - | 1,307,090 | - | - | 1,307,407 |
| Investments-WHDC | 202,220 | - | - | - | - | 202,220 |
| Reserve Housing Fund | 72,657 | - | - | 1,336,850 | 819,110 | 2,228,617 |
| | $ 2,660,871 | $ 25,462,817 | $ 1,307,090 | $ 18,741,166 | $ 8,051,408 | $ 56,223,352 |

| | December 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Cash Funds | Equities | CDs | Bonds - Government | Bonds - Corporate | Total |
| Short-term Fund | $ 316,676 | $ - | $ - | $ 3,725,803 | $ 1,639,614 | $ 5,682,093 |
| Invested Benefits Fund | 770,475 | 21,939,759 | - | 7,381,448 | 2,649,965 | 32,741,647 |
| Affordable Housing Fund | 276,727 | - | - | 5,455,998 | 3,379,446 | 9,112,171 |
| Grant Houses Fund - custodial | 34,220 | - | - | 1,204,487 | - | 1,238,707 |
| Manhattanville Houses Fund - custodial | 24,542 | - | - | 900,874 | - | 925,416 |
| Investments-124th Housing LLC | 2 | - | - | 1,270,547 | - | 1,270,549 |
| Morgan Stanley-Investments-124th LLC | 8 | - | 1,253,468 | - | - | 1,253,476 |
| Reserve Housing Fund | 65,108 | - | - | 1,332,558 | 726,318 | 2,123,984 |
| | $ 1,487,758 | $ 21,939,759 | $ 1,253,468 | $ 21,271,715 | $ 8,395,343 | $ 54,348,043 |

Cash funds include accrued interest income of $184,096 and $148,892 as of December 31, 2025 and 2024, respectively.

## Note 7 – Grants Payable

WHDC has elected to fulfill its obligations under the CBA by awarding grants to nonprofit organizations that provide the services itemized in the CBA, and selective operating programs in the priority areas, all with emphasis on benefiting the residents of MCD9.

WHDC provides annual community benefits grant awards ranging from $5,000 up to a maximum of $50,000 to support activities pursuant to the CBA through WHDC's Grant-Making Program. WHDC requires its grantees to meet specified or negotiated measurable goals within WHDC's vision. Funded projects of grantee organizations must be located in, or provide services to MCD9. Applications are prioritized by those that protect and preserve affordable housing, support and promote equity in the arts, support youth and seniors, and help spur economic development throughout MCD9. The entire grants payable liability is recorded upon WHDC's Board of Directors final approval of the list of grantees and amounts being granted. The community benefits grants awarded are usually disbursed in two installments, with 50% paid in the granting year and the remaining 50% paid in the following year. In addition, WHDC also approves one-time grants to certain approved organizations to fulfill its obligations under the CBA. Total grants payable amounted to $802,000 and $1,005,750 at December 31, 2025 and 2024, respectively.

## Note 8 – Pension Plan

WHDC maintains a 403(b) plan for its employees who work more than 20 hours per week. Eligible employees can make contributions to their individual 403(b) accounts and vest in them immediately. The employer matches the first 2% of employee contribution for the year. Pension expense for the years ended December 31, 2025 and 2024, amounted to $10,594 and $11,863, respectively, and are included in Payroll taxes and employee benefits on the consolidated statements of functional expenses.

The vesting schedule of employer contributions is as follows:

| Years of service | Vesting % |
|---|---|
| Less than 1 year | 0% |
| 1 | 50% |
| 2 | 100% |

## Note 9 – Net Assets with Donor Restrictions

The net assets of WHDC as of December 31, 2025 and 2024, are all classified as "With Donor Restrictions" and are comprised of the following:

| | 2025 | 2024 |
|---|---|---|
| Allocations of net assets from Benefits Fund: | | |
| Grant/Manhattanville Housing allocation | $ 2,534,416 | $ 2,449,015 |
| Benefits Fund - short-term investments | 41,000,295 | 40,303,512 |
| Net assets from Benefits Fund | 43,534,711 | 42,752,527 |
| Allocations of net assets from Affordable Housing Fund | | |
| Affordable Housing Fund - short-term investments | 9,562,354 | 9,112,171 |
| Funds in 124th Housing LLC - Cash and short-term investments | 2,637,999 | 2,535,331 |
| Net assets from Affordable Housing Fund | 12,200,353 | 11,647,502 |
| Total net assets with donor restrictions | $ 55,735,064 | $ 54,400,029 |

As of December 31, 2025 and 2024, WHDC cumulatively expended $774,304 and $767,227 of the earned designated amount to vendors on behalf of Grant and Manhattanville Houses, leaving a balance of $2,534,416 and $2,449,015 in custody for the public houses, respectively.

## Note 10 – In-Kind Contributions

In-kind contributions are recorded as revenue and expense when benefit is received, which is also the time they are placed into service or distributed. Donated services are reported at their fair value if such services create or enhance non-financial assets or would have been purchased if not provided by donations. The CBA contains a provision for CU to provide $20,000,000 of in-kind facilities, services, and amenities to MCD9 through requests from WHDC. Through the years ended December 31, 2025 and 2024, WHDC has requested and received a total of $682,186 and $511,688 in in-kind contributions, leaving unclaimed in-kind services and amenities of $19,317,814 and $19,488,312 at December 31, 2025 and 2024, respectively. The unclaimed balance has not been recorded in the consolidated financial statements.

**Note 10 – In-Kind Contributions (continued)**

According to the CBA, WHDC can request up to $2,000,000 of in-kind benefits each year. The unused portion of the $20,000,000 in-kind benefit provision expires at the earlier of December 31, 2045 or exhaustion of the fund benefit.

In-kind contributions for the year ended December 31, 2025, are as follows:

| | |
|---|---|
| Year ended December 31, 2025: | |
| Use of facilities and services of CU | $ 170,498 |
| Total in-kind contributions | $ 170,498 |
| Columbia University unclaimed in-kind balance: | |
| Original commitment | $ 20,000,000 |
| Claimed by WHDC as of January 1, 2025 | (511,688) |
| Claimed during the year ended December 31, 2025 | (170,498) |
| Unclaimed Columbia University in-kind balance | $ 19,317,814 |

In-kind contributions for the year ended December 31, 2024, are as follows:

| | |
|---|---|
| Year ended December 31, 2024: | |
| Use of facilities and services of CU | $ 90,834 |
| Use of Non-CU facility | 3,000 |
| Total in-kind contributions | $ 93,834 |
| Columbia University unclaimed in-kind balance: | |
| Original commitment | $ 20,000,000 |
| Claimed by WHDC as of January 1, 2024 | (420,854) |
| Claimed during the year ended December 31, 2024 | (90,834) |
| Unclaimed Columbia University in-kind balance | $ 19,488,312 |

**Note 11 - Lease Obligations**

The Organization leases office and programming spaces under the terms of two leases with original expiration dates through December 31, 2024. In April 2023, both the office and programming leases were extended through December 31, 2029.

**Note 11 - Lease Obligations (continued)**

The following is a summary of the lease-related assets and liabilities recorded as of December 31, 2025 and 2024:

| | | 2025 | 2024 |
|---|---|---|---|
| Assets | Operating lease right-of-use asset | $ 486,218 | $ 603,323 |
| Liabilities | Operating lease obligation | | |
| | Current portion | $ 122,030 | $ 117,171 |
| | Long-term portion | 382,752 | 504,782 |
| | Total operating lease obligation | $ 504,782 | $ 621,953 |

The following is a summary of certain information related to the lease costs for operating leases for the years ended December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Lease costs: | | |
| Operating lease costs | $ 125,170 | $ 125,170 |
| Other variable lease costs | 28,056 | 36,538 |
| Short-term lease costs | 4,912 | 6,482 |
| Total lease costs | $ 158,138 | $ 168,190 |
| Other information: | | |
| Cash paid for amounts included in the measurement of lease liabilities | | |
| Operating cash flows | $ 125,236 | $ 121,001 |
| Weighted-average remaining lease term (in years) | 4.00 | 4.95 |
| Weighted-average discount rate (%) | 1.45 | 1.45 |

**Note 11 - Lease Obligations (continued)**

The future undiscounted minimum lease payments, as reconciled to the discounted minimum lease obligation indicated on the Organization's consolidated statements of financial position, under current portion of operating lease obligations and operating lease obligations (net of current portion) as of December 31, 2025, comprises the following:

| Years Ending December 31, | |
|---|---|
| 2026 | $ 128,367 |
| 2027 | 130,292 |
| 2028 | 130,292 |
| 2029 | 130,292 |
| Total future minimum lease payments | 519,243 |
| Less: imputed interest | (14,461) |
| Present value of future minimum lease payments | 504,782 |
| Less: current portion | (122,030) |
| Long-term portion | $ 382,752 |

**Note 12 – Percentages of Functional Expenses**

On December 18, 2012, WHLDC, the predecessor organization of WHDC, entered into an Assurance of Discontinuance ("AOD") agreement with the Office of the Attorney General of the State of New York. The AOD agreement expired on December 17, 2015; however, management has elected to continue to follow certain prudent guidelines in the agreement. The AOD agreement required that "on a fiscal-year basis, the Organization will make at least 85% of its expenditures in the form of direct grants of CBA funds or other program expenses". For the years ended December 31, 2025 and 2024, WHDC's direct grants from the CBA's Benefits Fund and other allocated program expenses comprised $3,215,224 and $3,599,691 or 91.41% and 91.70% of total expenditures, both respectively. The allocated management and general expenses for the years ended December 31, 2025 and 2024, amounted to $302,078 and $325,727 or 8.59% and 8.30% of total expenditures, both respectively.

**Note 13 – Liquidity and Availability**

As of December 31, 2025 and 2024, all financial assets of the Organization are restricted per the CBA, limiting their use to programs which benefit MCD9 and the related management and general expenses required to administer these programs.

The following table indicates which financial assets of the Organization are available within one year of the consolidated statements of financial position date for management and general expenditures:

| | 2025 | 2024 |
|---|---|---|
| Cash and cash equivalents | $ 82,501 | $ 865,866 |
| Investments, at fair value | 2,523,511 | 5,682,092 |
| Total financial assets | $ 2,606,012 | $ 6,547,958 |

**Note 13 – Liquidity and Availability (continued)**

The amounts held in custody by WHDC, the Affordable Housing Fund, Reserve Housing Fund and the Invested Benefits Fund are not available for management and general expenditures and not included in the liquidity and availability amounts above.

**Note 14 – Contingencies**

The Organization is subject to legal proceedings, claims, and liabilities, arising in the ordinary course of operations for which the outcome cannot be reasonably estimated. Accruals for losses associated with any litigation are made when losses are deemed probable and can be reasonably estimated. Management presently believes that the ultimate outcome of these proceedings, individually or in the aggregate, will not have a material adverse effect on the Organization's financial position, change in net assets, or cash flows. Nevertheless, litigation is subject to inherent uncertainties, and unfavorable rulings could occur. An unfavorable ruling could include money damages and, in such event, could result in a material adverse impact on the Organization's financial position, change in net assets, or cash flows for the period in which the ruling occurs.

In January 2024, the Organization became aware of a legal matter in which it was named as one of several defendants in a trip and fall claim. The matter is currently in the discovery phase, and the Organization and its counsel continue to review this complaint and expect to vigorously contest this matter. At this stage, they are unable to predict the outcome of this matter or determine any potential estimate of liability.

In October 2025, a former employee filed a lawsuit against the Organization alleging employment discrimination and related claims. The plaintiff is seeking damages that could include lost wages and benefits, compensatory damages, punitive damages, and attorney’s fees and costs. The matter is currently in the discovery stage. The Organization denies the allegations and intends to vigorously defend the action. Based on information currently available and after consultation with legal counsel, management is unable to predict the ultimate outcome of the litigation or reasonably estimate the amount or range of any potential loss.

**Note 15 – Risks and Uncertainties**

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect investment balances, and the amounts reported on the consolidated financial statements. Management understands the risks implicit in investing and believes that with the guidance of the Investment Committee of the Board of Directors, consultation with professional investment advisors, and the qualifications and experience of management, appropriate oversight is being exercised and WHDC’s diverse portfolio carries a reasonable overall level of risk.

**Supplementary Information**

**West Harlem Development Corporation and Subsidiary**
**Consolidating Statement of Financial Position**
**December 31, 2025**

| | WHDC | 124th LLC | Eliminations | Consolidated Total |
|---|---|---|---|---|
| **Assets** | | | | |
| **Current assets** | | | | |
| Cash and cash equivalents | $ 363,952 | $ 11,306 | $ - | $ 375,258 |
| Investments, at fair value | 53,596,659 | 2,626,693 | - | 56,223,352 |
| Prepaid expenses | 20,731 | - | - | 20,731 |
| **Total current assets** | 53,981,342 | 2,637,999 | - | 56,619,341 |
| **Other assets** | | | | |
| Investment in 124th Housing LLC | 2,637,999 | - | (2,637,999) | - |
| Operating lease right-of-use asset | 486,218 | - | - | 486,218 |
| Security deposits | 22,375 | - | - | 22,375 |
| **Total other assets** | 3,146,592 | - | (2,637,999) | 508,593 |
| **Total assets** | $ 57,127,934 | $ 2,637,999 | $ (2,637,999) | $ 57,127,934 |
| **Liabilities and Net Assets** | | | | |
| **Current liabilities** | | | | |
| Accounts payable and accrued expenses | $ 86,088 | $ - | $ - | $ 86,088 |
| Grants payable | 802,000 | - | - | 802,000 |
| Current portion of operating lease obligation | 122,030 | - | - | 122,030 |
| **Total current liabilities** | 1,010,118 | - | - | 1,010,118 |
| **Operating lease obligation, net of current portion** | 382,752 | - | - | 382,752 |
| **Total liabilities** | 1,392,870 | - | - | 1,392,870 |
| **Net assets** | | | | |
| With donor restrictions | 55,735,064 | 2,637,999 | (2,637,999) | 55,735,064 |
| **Total liabilities and net assets** | $ 57,127,934 | $ 2,637,999 | $ (2,637,999) | $ 57,127,934 |

See independent auditor's report.

**West Harlem Development Corporation and Subsidiary**
**Consolidating Statement of Activities**
**Year Ended December 31, 2025**

| | WHDC | 124th LLC | Eliminations | Consolidated Total |
|---|---|---|---|---|
| **Support and revenues** | | | | |
| Interest and dividends, net | $ 855,104 | $ 85,593 | $ - | $ 940,697 |
| Realized investment gains | 967,282 | 46,394 | - | 1,013,676 |
| Unrealized investment gains | 2,756,784 | (29,318) | - | 2,727,466 |
| Unrealized gain - investment in 124th Housing LLC | 102,669 | - | (102,669) | - |
| In-kind contributions | 170,498 | - | - | 170,498 |
| **Total support and revenues** | 4,852,337 | 102,669 | (102,669) | 4,852,337 |
| **Functional expenses** | | | | |
| Program services: | | | | |
| Grants and community services | 2,642,916 | - | - | 2,642,916 |
| Youth services | 279,683 | - | - | 279,683 |
| Senior services | 193,374 | - | - | 193,374 |
| Housing services | 38,549 | - | - | 38,549 |
| Workforce development services | 60,702 | - | - | 60,702 |
| Total program services | 3,215,224 | - | - | 3,215,224 |
| Supporting services: | | | | |
| Management and general | 302,078 | - | - | 302,078 |
| **Total functional expenses** | 3,517,302 | - | - | 3,517,302 |
| **Increase in net assets** | 1,335,035 | 102,669 | (102,669) | 1,335,035 |
| **Net assets - Beginning of year** | 54,400,029 | 2,535,330 | (2,535,330) | 54,400,029 |
| **Net assets - End of year** | $ 55,735,064 | $ 2,637,999 | $ (2,637,999) | $ 55,735,064 |