ASIAN AMERICANS FOR EQUALITY, INC.
AND SUBSIDIARIES

Consolidated Financial Statements and Supplementary Information (Together with Independent Auditors' Report) Years Ended December 31, 2021 and 2020

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
and Supplementary Information

(Together with Independent Auditors' Report)

YEARS ENDED DECEMBER 31, 2021 AND 2020

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Asian Americans for Equality, Inc. and Subsidiaries

Opinion

We have audited the consolidated financial statements of Asian Americans for Equality, Inc. and Subsidiaries (collectively, the “Agency”), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

We did not audit the 2021 financial statements of Hardesty Renaissance Economic Development Corporation, Inc. (“Hardesty”), a subsidiary, which statements reflect total assets of $4,583,861 as of December 31, 2021 and total revenues of $200,682, or 2.7% and .7%, respectively, for the year then ended. We also did not audit the financial statements of One Hardesty, LLC D/B/A Hardesty Storage (“One Hardesty”), a subsidiary, which statements reflect total assets of $5,975,873 as of December 31, 2021 and total revenues of $1,362,021, or 3.6% and 5%, respectively, for the year then ended. We also did not audit the financial statements of Norfolk Apartments Limited Partnership (“Norfolk”), an affiliate of Asian American Housing Development Fund Company, Inc. (“AAHDFC”), which statements reflect total assets of $2,368,312 as of December 31, 2021 and total revenues of $346,489, or 1.4% and 1.3%, respectively, for the year then ended. We also did not audit the financial statements of Norfolk II Apartments Limited Partnership (“Norfolk II”), an affiliate of AAHDFC, which statements reflect total assets of $1,669,198 as of December 31, 2021 and total revenues of $600,868, or 1% and 2.3%, respectively, for the year then ended. We also did not audit the financial statements of Downtown Manhattan Community Development Corporation (“DMCDC”), a subsidiary, which statements reflect total assets of $2,541,689 as of December 31, 2021 and total revenues of $782,539, or 1.5 and 3%, respectively, for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these entities, is based solely on the reports of the other auditors.

In our opinion, based on our audit and the reports of other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Agency as of December 31, 2021, and the changes in its consolidated net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Report on 2020 Consolidated Financial Statements

The consolidated financial statements of the Agency as of and for the year ended December 31, 2020 were audited by another auditor whose report dated November 12, 2021 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Agency'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency'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 Agency'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.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information (shown on pages 37-40) is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, net assets, and cash flows of the individual companies, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects when considered in relation to the consolidated financial statements as a whole.

The supplementary information referred to above for the year ended December 31, 2020 was subjected to the auditing procedures applied in the December 31, 2020 audit of the consolidated financial statements by another auditor, whose report on such information stated that it was fairly stated in all material respects in relation to the December 31, 2020 consolidated financial statements as a whole.

Mayer Hoffman McCann CPAs

New York, NY
November 15, 2022

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Cash and cash equivalents (Notes 2B and 16A)	$ 12,705,465	$ 11,457,484
Grants and contributions receivable, net (Notes 2D and 4)	2,615,536	2,480,740
Rents and other receivables, net (Note 2M)	1,065,108	715,148
Loans receivable, net (Notes 2E, 2N, 5 and 16B)	7,207,631	9,498,947
Due from affiliates (Note 14)	10,444	10,796
Real estate held for sale, at cost (Notes 2F and 6)	6,368,245	10,396,226
Investments in affiliates (Note 7)	4,612,875	4,767,109
Prepaid expenses and other assets	1,827,577	1,722,384
Restricted cash	1,987,408	1,299,940
Cash - designated for lending activity	10,755,484	7,159,222
Restricted reserve accounts (Notes 9 and 16)	13,950,363	13,194,862
Property and equipment, net (Notes 2G and 8)	98,519,645	89,285,285
Loan loss reserve (Note 5)	4,193,351	4,670,587
TOTAL ASSETS	$ 165,819,132	$ 156,658,730
LIABILITIES		
Accounts payable and accrued expenses	$ 4,448,568	$ 5,453,819
Refundable advances (Note 2K)	2,391,347	1,159,197
Loans payable, net (Note 10)	44,655,189	40,111,966
Paycheck Protection Program ("PPP") loan payable (Note 10)	1,120,668	1,536,221
Mortgages payable, net (Notes 2H and 12)	69,063,022	67,306,602
Bank lines of credit (Note 11)	5,773,624	5,850,278
Deferred rent obligation and other payables (Note 2J)	967,382	793,913
TOTAL LIABILITIES	128,419,800	122,211,996
COMMITMENTS AND CONTINGENCIES (Note 15)		
NET ASSETS (Note 2C)		
Without donor restrictions:		
Undesignated	22,409,136	22,408,990
Designated for lending activities	10,755,484	7,159,222
Total net assets without donor restrictions	33,164,620	29,568,212
With donor restrictions (Notes 2C and 13)	4,234,712	4,878,522
TOTAL NET ASSETS	37,399,332	34,446,734
TOTAL LIABILITIES AND NET ASSETS	$ 165,819,132	$ 156,658,730

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

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	For the Year Ended December 31, 2021			For the Year Ended December 31, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total 2021	Without Donor Restrictions	With Donor Restrictions	Total 2020
PUBLIC SUPPORT, REVENUE AND OTHER:						
Contributions and grants	$ 1,567,120	$ 2,035,270	$ 3,602,390	$ 1,242,474	$ 3,691,373	$ 4,933,847
Grants from government agencies (Note 2K)	6,168,500	-	6,168,500	4,023,038	-	4,023,038
Real estate sales (net of cost of real estate sales of $4,309,084 in 2021 and $226,026 in 2020)	1,216,676	-	1,216,676	886,262	-	886,262
Interest on loans and investments (Notes 2E and 5)	557,305	-	557,305	4,246,576	-	4,246,576
Management, consulting, and marketing fees	1,798,739	-	1,798,739	1,225,624	-	1,225,624
Rent (net of vacancy loss of $366,767 in 2021 and $366,230 in 2020)	9,865,735	-	9,865,735	9,795,649	-	9,795,649
Program service, incentives and fees	170,130	-	170,130	306,366	-	306,366
Special event income	622,662	-	622,662	190,494	-	190,494
Loan fees	29,358	-	29,358	18,814	-	18,814
Other income	1,848,215	-	1,848,215	1,810,580	-	1,810,580
Net assets released from restrictions (Note 13)	2,679,080	(2,679,080)	-	341,456	(341,456)	-
TOTAL PUBLIC SUPPORT, REVENUE AND OTHER	26,523,520	(643,810)	25,879,710	24,087,333	3,349,917	27,437,250
EXPENSES (Note 2L)**:**						
Program services:						
Community outreach and education	548,846	-	548,846	729,012	-	729,012
Housing, immigration and social services	2,207,576	-	2,207,576	2,283,701	-	2,283,701
Planning and development	2,187,002	-	2,187,002	1,792,369	-	1,792,369
Single family housing development	661,248	-	661,248	534,374	-	534,374
Homeownership loans	161,858	-	161,858	160,337	-	160,337
Homeownership counseling	412,757	-	412,757	325,802	-	325,802
Small business technical assistance and education	1,202,480	-	1,202,480	912,669	-	912,669
Small business loans	1,246,273	-	1,246,273	1,951,921	-	1,951,921
Affordable housing program services	9,626,239	-	9,626,239	9,726,896	-	9,726,896
Total Program Services	18,254,279	-	18,254,279	18,417,081	-	18,417,081
Supporting services:						
Management and general	4,472,873	-	4,472,873	5,305,457	-	5,305,457
Fundraising	133,351	-	133,351	70,392	-	70,392
TOTAL EXPENSES	22,860,503	-	22,860,503	23,792,930	-	23,792,930
CHANGE IN NET ASSETS BEFORE TRANSFER OF INTEREST	3,663,017	(643,810)	3,019,207	294,403	3,349,917	3,644,320
Change in limited partner's interest	(66,609)	-	(66,609)	(86,656)	-	(86,656)
Transfer of Limited Partner's Interest	-	-	-	90,932	-	90,932
CHANGE IN NET ASSETS	3,596,408	(643,810)	2,952,598	298,679	3,349,917	3,648,596
Net assets - beginning of year	29,568,212	4,878,522	34,446,734	29,269,533	1,528,605	30,798,138
NET ASSETS - END OF YEAR	$ 33,164,620	$ 4,234,712	$ 37,399,332	$ 29,568,212	$ 4,878,522	$ 34,446,734

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

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
(With Comparative Totals for 2020)

	For the Year Ended December 31, 2021														
	Program Services														
	Community Outreach and Education	Housing, Immigration, and Social Services	Planning and Development	Homeownership Development	Homeownership Loans	Homeownership Counseling	Small Business Technical Assistance and Education	Small Business Loans	Affordable Housing Program Services	Total Program Services	Management and General	Fundraising	Consolidating Eliminations	TOTAL 2021	TOTAL 2020
Salaries	$ 265,201	$ 962,233	$ 485,583	$ -	$ 47,844	$ 177,058	$ 809,388	$ 599,848	$ 1,807,677	$ 5,154,832	$ 1,854,472	$ 63,143	$ -	$ 7,072,447	$ 7,123,746
Payroll taxes and employee benefits (Note 17)	75,061	223,919	148,422	-	12,214	34,281	185,161	154,630	557,441	1,391,129	505,672	9,681	-	1,906,482	1,732,258
Total Salaries and Related Costs	340,262	1,186,152	634,005	-	60,058	211,339	994,549	754,478	2,365,118	6,545,961	2,360,144	72,824	-	8,978,929	8,856,004
Consultants and contractual services	26,741	151,013	20,790	227,310	5,184	13,176	34,308	21,766	66,882	567,170	514,710	-	(13,456)	1,068,424	1,939,441
Sub-contractors	-	-	-	-	8,500	-	79,929	46,656	-	135,085	125,303	41,398		301,786	-
Stipends	27,094	8,116	1,500	-	-	-	-	-	-	36,710	9,625	-		46,335	35,502
Supplies	31,794	11,218	29,219	79	1,256	3,192	10,963	91,817	11,292	190,830	17,947	9,696		218,473	75,266
Postage	-	(159)	-	-	-	-	160	481	613	1,095	915	-		2,010	7,958
Printing	163	5,188	29	-	-	-	3,079	3,079	-	11,538	2,269	-		13,807	8,530
Marketing and outreach	1,108	8,772	1,417	-	-	-	12,604	12,604	-	36,505	19,474	-		55,979	32,178
Program equipment	1,930	-	-	-	-	-	2,940	1,260	-	6,130	431	-		6,561	875
Equipment and rental	2,699	11,829	546	-	976	2,481	864	648	23,961	44,004	18,307	-		62,311	62,675
Repairs and maintenance	7,535	42,685	65,250	61,304	376	957	-	-	703,983	882,090	82,096	-		964,186	857,122
Rent	7,445	247,446	459,473	-	3,801	9,660	63,755	63,755	147,525	1,002,860	179,978	-	(412,148)	770,690	466,712
Travel and conference	12,396	16,186	-	-	-	-	882	841	-	30,305	3,131	-		33,436	5,614
Insurance	3,020	8,170	57,167	19,533	2,755	7,002	17,938	17,938	508,509	642,032	89,422	-		731,454	734,762
Utilities	4,900	44,334	68,277	-	4,030	10,243	-	-	1,659,092	1,790,876	104,232	-		1,895,108	1,664,787
Donations grants	-	-	3,784	-	-	-	-	-	213,160	216,944	-	368		217,312	12,341
Public relations	-	-	-	-	-	-	-	-	-	-	-	-		-	509
Dues and subscriptions	-	120	-	-	-	-	-	-	-	120	9,970	-		10,090	4,095
Telephone and internet	2,568	7,957	6,740	-	10,534	26,774	8,436	8,436	25,331	96,776	49,974	-		146,750	104,359
Interest expense (Notes 2H, 10 and 12)	30,036	217,532	500,276	247,709	40,807	62,872	11,673	248,395	813,471	2,172,771	416,188	-	(758,366)	1,830,593	2,181,056
Administration fees	-	41,912	-	-	-	-	14,606	27,105	1,379,805	1,463,428	853,074	58,283	(2,374,785)	-	-
Meetings and conferences	15,269	617	-	-	-	-	-	-	-	15,886	1,573	-		17,459	2,211
Fees	432	172,012	23,425	1,749	530	-	909	12,643	6,986	218,686	12,176	-	-	230,862	68,236
Real estate taxes	-	47,657	72,166	173,208	10,003	25,423	-	-	394,807	723,264	114,661	-	-	837,925	913,021
Bad debt	-	-	-	-	1,910	-	-	-	32,512	34,422	244,120	-	-	278,542	1,732,930
Depreciation and amortization (Notes 2G and 8)	-	-	264,442	-	21,605	54,913	13,767	13,767	2,523,762	2,892,256	250,718	-	-	3,142,974	3,180,772
Other	37,307	181,921	66,656	86,937	850	2,161	9,479	11,464	276,760	673,535	315,907	9,065	-	998,507	845,974
TOTAL EXPENSES - BEFORE ELIMINATIONS	552,699	2,410,678	2,275,162	817,829	173,175	430,193	1,280,841	1,337,133	11,153,569	20,431,279	5,796,345	191,634	(3,558,755)	22,860,503	23,792,930
ALLOCATION OF ELIMINATIONS	(3,853)	(203,102)	(88,160)	(156,581)	(11,317)	(17,436)	(78,361)	(90,860)	(1,527,330)	(2,177,000)	(1,323,472)	(58,283)	3,558,755	-	-
TOTAL EXPENSES	$ 548,846	$ 2,207,576	$ 2,187,002	$ 661,248	$ 161,858	$ 412,757	$ 1,202,480	$ 1,246,273	$ 9,626,239	$ 18,254,279	$ 4,472,873	$ 133,351	$ -	$ 22,860,503	$ 23,792,930

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

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	For the Year Ended December 31, 2020													
	Program Services													
	Community Outreach and Education	Housing, Immigration, and Social Services	Planning and Development	Homeownership Development	Homeownership Loans	Homeownership Counseling	Small Business Technical Assistance and Education	Small Business Loans	Affordable Housing Program Services	Total Program Services	Management and General	Fundraising	Consolidating Eliminations	Total
Salaries	$ 354,541	$ 962,919	$ 481,563	$ -	$ 38,860	$ 98,770	$ 605,490	$ 547,680	$ 2,046,695	$ 5,136,518	$ 1,963,914	$ 23,314	$ -	$ 7,123,746
Payroll taxes and employee benefits (Note 17)	112,619	289,140	107,126	-	13,003	33,050	193,576	101,911	476,293	1,326,718	400,765	4,775	-	1,732,258
Total Salaries and Related Costs	467,160	1,252,059	588,689	-	51,863	131,820	799,066	649,591	2,522,988	6,463,236	2,364,679	28,089	-	8,856,004
Consultants and contractual services	24,757	13,003	17,282	20,292	11,507	16,051	50,390	71,389	166,398	391,069	1,933,677	14,695	(400,000)	1,939,441
Sub-contractors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stipends	29,250	5,353	440	-	-	-	-	-	-	35,043	459	-	-	35,502
Supplies	4,534	7,250	2,828	-	1,201	3,053	2,918	1,726	13,617	37,127	38,139	-	-	75,266
Postage	16	652	-	-	-	-	1,500	257	3,325	5,750	2,208	-	-	7,958
Printing	519	1,406	43	-	-	-	-	-	-	1,968	5,752	810	-	8,530
Marketing and outreach	1,931	11,526	1,225	-	-	-	-	-	-	14,682	17,496	-	-	32,178
Program equipment	645	125	-	-	-	-	-	-	-	770	105	-	-	875
Equipment and rental	4,874	13,403	1,175	-	613	1,559	1,724	972	24,320	48,640	14,035	-	-	62,675
Repairs and maintenance	7,500	31,056	76,769	59,202	758	1,926	2,981	2,965	646,912	830,069	27,053	-	-	857,122
Rent	29,589	229,082	240,048	-	6,816	17,323	78,947	84,576	255,011	941,392	61,875	2,000	(538,555)	466,712
Travel and conference	223	3,303	44	-	-	-	-	192	-	3,762	1,852	-	-	5,614
Insurance	10,109	45,058	58,377	26,666	4,371	11,110	404	2,407	510,613	669,115	65,647	-	-	734,762
Utilities	10,528	37,874	66,290	42,712	3,979	10,114	2,209	911	1,456,082	1,630,699	34,088	-	-	1,664,787
Donations grants	-	-	-	-	-	-	-	-	195,547	195,547	12,341	-	(195,547)	12,341
Public relations	-	-	-	-	-	-	-	-	-	-	509	-	-	509
Dues and subscriptions	-	1,000	-	-	-	-	-	-	-	1,000	3,095	-	-	4,095
Telephone and internet	7,887	12,287	5,682	-	9,058	23,023	754	427	17,592	76,710	27,649	-	-	104,359
Interest expense (Notes 2H, 10 and 12)	35,736	72,650	286,772	393,767	37,946	58,974	24,072	252,641	881,321	2,043,879	710,427	-	(573,250)	2,181,056
Administration fees	-	-	125,000	-	-	-	-	-	-	125,000	39,602	16,973	(181,575)	-
Meetings and conferences	336	463	-	-	-	-	-	-	-	799	1,412	-	-	2,211
Fees	1,767	836	36,473	36	799	985	-	-	1,039,837	1,080,733	903,385	-	(1,915,882)	68,236
Real estate taxes	-	42,947	69,473	186,019	10,474	26,622	1,260	4,023	437,499	778,317	134,704	-	-	913,021
Bad debt	55,135	323,675	-	-	-	-	-	909,844	330	1,288,984	438,546	5,400	-	1,732,930
Depreciation and amortization (Notes 2G and 8)	-	-	265,757	-	21,881	55,614	25,391	24,122	2,548,534	2,941,299	239,473	-	-	3,180,772
Other	36,516	178,693	75,002	185,658	5,887	14,951	-	30,454	357,537	884,698	328,929	2,425	(370,078)	845,974
TOTAL EXPENSES - BEFORE ELIMINATIONS	729,012	2,283,701	1,917,369	914,352	167,153	373,125	991,616	2,036,497	11,077,463	20,490,288	7,407,137	70,392	(4,174,887)	23,792,930
ALLOCATION OF ELIMINATIONS	-	-	(125,000)	(379,978)	(6,816)	(47,323)	(78,947)	(84,576)	(1,350,567)	(2,073,207)	(2,101,680)	-	4,174,887	-
TOTAL EXPENSES	$ 729,012	$ 2,283,701	$ 1,792,369	$ 534,374	$ 160,337	$ 325,802	$ 912,669	$ 1,951,921	$ 9,726,896	$ 18,417,081	$ 5,305,457	$ 70,392	$ -	$ 23,792,930

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

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 2,952,598	$ 3,648,596
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	3,142,974	3,180,772
Amortization of deferred financing costs	39,992	67,751
Deferred rent obligation and other payables	173,469	139,490
Bad debt	278,542	1,732,930
Forgiveness of PPP loans	(1,536,221)	-
Gain on sale of real estate	(1,216,676)	(886,262)
Subtotal	3,834,678	7,883,277
Changes in operating assets and liabilities:		
Decrease (increase) in assets:		
Grants and contributions receivable	(134,796)	(327,224)
Rents and other receivables	(626,592)	(604,171)
Due from affiliates	352	988,544
Investments in affiliates	154,234	(2,929,182)
Prepaid expenses and other assets	(105,193)	176,659
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(1,005,251)	2,856,227
Due to affiliates	-	(148,384)
Refundable advances	1,232,150	(159,418)
Net Cash Provided by Operating Activities	3,349,582	7,736,328
CASH FLOWS FROM INVESTING ACTIVITIES:		
Collection of loans receivable	2,746,490	1,464,431
Disbursement of loans	(457,084)	(3,448,400)
Sales of Investments	-	70,170
Proceeds from sales of real estate	5,525,760	1,112,288
Improvements of real estate held for sale	(281,103)	(331,357)
Purchases of property and equipment	(12,377,334)	(19,597,961)
Net Cash Used in Investing Activities	(4,843,271)	(20,730,829)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from PPP loans	1,120,668	1,536,221
Proceeds from loans	13,110,503	15,891,558
Repayments of loans	(8,567,280)	(2,871,731)
Proceeds from bank lines of credit	135,851	925,269
Repayments of lines of credit	(212,505)	-
Proceeds from mortgages payable	2,187,821	7,479,139
Repayments of mortgages payable	(471,393)	(2,240,439)
Net Cash Provided by Financing Activities	7,303,665	20,720,017
NET INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	5,809,976	7,725,516
Cash and cash equivalents and restricted cash - beginning of year	37,782,095	30,056,579
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	$ 43,592,071	$ 37,782,095
Supplemental Disclosure of Cash Flow Information:		
Interest paid during the year (capitalized - $507,105 in 2021 and $521,667 in 2020)	$ 1,308,926	$ 1,659,389

The amounts reported as cash and cash equivalents and restricted cash consist of the following amounts reported in the consolidated statements of financial position:

	2021	2020
Cash and cash equivalents	$ 12,705,465	$ 11,457,484
Restricted cash	1,987,408	1,299,940
Restricted reserves	13,950,363	13,194,862
Cash - designated for lending activity	10,755,484	7,159,222
Cash - designated for loan loss reserve	4,193,351	4,670,587
	$ 43,592,071	$ 37,782,095

Supplemental Disclosure of Noncash Activities:

On November 27, 2019, Bremond House Associates Limited Partnership and King Davis Associates Limited Partnership transferred their limited partner's interest to Bremond King Davis HDFC as a result of repositioning approved by the New York City Department of Housing Preservation and Development ("HPD"). In conjunction with the transfer, the assets and liabilities assumed by the Company in 2020 were as follows:

Assets transferred:	
Building and improvements - net	$ 5,154,352
Cash and cash equivalents	236,890
Tenant security deposits	42,324
Rents receivable	74,742
Restricted reserves	1,027,061
Other assets	45,540
Sub-total	6,580,909
Mortgages and other liabilities transferred:	
Mortgages payable	6,076,568
Accounts payable and accrued expenses	7,870
Tenant security deposits payable	42,324
Other liabilities	363,215
Sub-total	6,489,977
Net assets transferred	$ 90,932

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

The consolidated financial statements include the accounts of Asian Americans for Equality, Inc. ("AAFE") and subsidiaries (collectively, the "Agency") by consolidating the following entities in which AAFE is the sole shareholder or member and/or has a controlling interest maintained through the right to appoint a majority of the entities' Boards of Directors:

- AAFE Community Development Fund, Inc. ("AAFE CDF")
- Asian American Housing Development Fund Company, Inc., and Affiliates ("AAHDFC")
- Chinatown Preservation Housing Development Fund Company, Inc. ("CPHDFC")
- Community Homes Housing Development Fund Company, Inc., and Affiliate ("CHHDFC")
- East Village Homes Housing Development Fund Company, Inc. ("EVHHDFC")
- Queens Housing and Immigration Center Corporation, Inc. ("QHICC")
- Renaissance Economic Development Corporation, Inc. ("REDC")
- Rivington Housing Development Fund Company, Inc. ("Rivington HDFC")
- Stanton Norfolk, Inc. ("Stanton")
- East Chinatown Housing Development Fund Company, Inc. ("ECHDFC")
- Hardesty Renaissance Economic Development Corporation, Inc. ("Hardesty")
- Community Renewal Housing Development Fund Company, Inc. ("CRHDFC")
- Morningside Realty Development, Inc. ("MRD")
- Montgomery Housing Development Fund Company, Inc. ("MHDFC")
- One Hardesty, LLC D/B/A Hardesty Storage ("One Hardesty")
- Harmony 106 Corporation ("Harmony")
- Flushing 106, LLC ("Flushing")
- El Caribe Housing Development Fund Company, Inc. ("El Caribe")
- Madison Street Housing Development Fund Company, Inc. ("Madison")
- Lower East Side Housing Development Fund Company, Inc. ("LESHDFC")
- Golden Allen, LLC ("Golden")
- 4 NYC Housing, Inc. ("4 NYC")
- AAFE Fair Housing Center, Inc. ("AAFE Fair Housing")
- Downtown Manhattan Community Development Corporation ("DMCDC")
- Bremond King Davis Housing Development Fund Company, Inc. ("BKDHDFC")

Upon consolidation, all significant intercompany balances and transactions are eliminated.

Founded in 1974, AAFE is a 501(c)(3) organization (exempt from federal, state and local taxes) that advances the rights of Asian Americans and all those in need through advocacy for civil rights, affordable housing and economic development. AAFE seeks to empower the communities it serves and strives to foster understanding and unity among diverse communities through building coalitions and the formation of collaborations.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

As a nonprofit organization, the Agency works in partnership with public and private sectors to provide services and programs that cater to the needs of its targeted communities and achieves its mission by:

- Providing immigrant assistance, education related support and social services to minority and low-income communities;
- Planning, developing and managing affordable housing for low-to-moderate income families;
- Providing financial assistance and counseling for minority, immigrant, and low to moderate-income individuals in the areas of home ownership and business ownership;
- Advocating for greater representation and financial support for immigrants and low-income constituents on the issues that most greatly affect those communities; and
- Providing economic development in low-income/high immigrant areas to meet community needs and create jobs.

Descriptions of the Agency's major programs are as follows:

- **Community Outreach and Education** – The Agency empowers community residents, stakeholders and supporters by providing education and information that encourages civic participation by registering voters and mobilizing the Asian American community city-wide to speak out on immigrant housing and quality of life issues. Other program opportunities for ages ranging from elementary school youth to seniors include college readiness initiatives, open access to computers; service learning; computer classes in English, Mandarin, Cantonese, and Spanish; and social activities that bring community members together.

- **Housing, Immigration and Social Services** – Housing, immigration and social services form the backbone of the Agency to the community. Available at storefront locations in Chinatown/Lower East Side and Flushing, these services include housing legal assistance and representation, immigration assistance and naturalization preparation, healthcare access, public assistance benefits counseling, and other services that assist low-income immigrant clients to stabilize their lives.

- **Planning and Development** – AAFE began developing affordable housing in 1986 with the construction of New York City's first Low-Income Housing Tax Credit project called Equality Houses. Since then, the Planning and Development team has leveraged close to $100 million in financing to produce over six hundred units of housing for low-income residents. AAFE successfully continues to work at revitalizing New York City neighborhoods through the preservation of existing low to moderate-income housing stock. In 2012, the program was extended to include economic development.

- **Homeownership Loans** – The Agency provides an affordable loan program to first time homebuyers throughout New York City, which lowers the loan-to-value ratio of their primary mortgage. Other products offered include: Emergency Repair Loan, which enables low and moderate-income families, seniors, the disabled and families living with the disabled, to complete emergency repairs on their homes in a timely and affordable manner, thereby preventing them from becoming predatory lending targets; Rehabilitation Loan, which allows homeowners to complete the rehabilitation of dilapidated and deteriorated homes; and Conversion Loan, which allows homeowners to convert single-family dwellings into legal, safe two and three family dwellings.

- **Homeownership Counseling** – Offering Full-Cycle Homeownership Counseling, AAFE CDF enhances homeownership opportunities for low and moderate-income Asian American, immigrant residents and other minorities in New York City. Among the services offered are: first-time homebuyers training; mortgage referral and origination; homeownership retention; landlord counseling; mortgage delinquency and default resolution; and foreclosure prevention and counseling.

- **Single Family Housing Development** – This program was created to increase and improve New York City's affordable housing stock, while promoting and advancing homeownership to minority, immigrant, low and moderate-income and underserved populations. The Agency initially acquired 36 properties from the City of New York in 2000 and continues to rehabilitate or build new one-to-four family homes. With a strong belief that homeownership will help families build equity as well as generate wealth in the communities, the homes are targeted to be sold to families earning at or below the median income in the area.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

- **Small Business Technical Assistance and Education** – REDC offers technical assistance to low-income, minority, women and immigrant entrepreneurs, both in concert with, and independent of, its small business loan program. Through individual counseling, group seminars and workshops, and counseling clinics with legal and financial professionals, REDC provides technical assistance on issues such as small business management, financial recordkeeping, marketing, taxation and contract procurement. Over the course of its history, REDC has trained or assisted more than 3,000 clients; the vast majority being minority or women entrepreneurs.

- **Small Business Loans** – This loan program provides affordable loans to low-income, minority, women and immigrant entrepreneurs and small business owners to help them overcome traditional impediments to business growth and success. It specializes in serving businesses in its target markets that banks and government programs cannot reach, including startup, thinly capitalized enterprises, whose owners are often hobbled by poor or nonexistent English skills and are unfamiliar with the banking system in this country.

- **Affordable Housing Program Services** – This program comprises the preservation, maintenance, and management of real estate acquired to provide affordable rental accommodation in New York City. These include essential capital improvements to apartment buildings, high quality and timely maintenance of properties, tenant support services, and effective asset management resulting in providing safe, stable, and good quality homes to AAFE rental clients.

The following subsidiaries are exempt organizations pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, accordingly, the Agency does not pay income taxes.

- **AAFE Community Development Fund, Inc.** ("AAFE CDF") – a community-based development financial institution that provides targeted technical assistance and affordable second mortgage loans to enhance homeownership opportunities for low and moderate-income Asian American and other minority and immigrant residents of New York City.

- **Asian American Housing Development Fund Company, Inc. and Affiliates** ("AAHDFC") **–** set up for the purposes of affordable housing development and preservation. This is achieved by AAHDFC becoming the replacement partner once the investor limited partners ("ILP") exit from certain limited partnerships with 15-year low-income housing tax credit projects. Subsequent to becoming the replacement partner, AAHDFC enters into agreements with government agencies to reposition the former tax-credit projects: transferring limited partnership assets and liabilities to the direct ownership of AAHDFC and extending affordability periods out for the long-term. On December 31, 2014, the Limited Partner of Norfolk transferred its 99.9% interest to AAHDFC, a related entity of the General Partner.

- **Chinatown Preservation Housing Development Fund Company, Inc.** ("CPHDFC") **–** was incorporated in 2006 for the purpose of developing and preserving affordable housing projects. CPHDFC was initially organized upon the approval of the New York City Department of Housing Preservation and Development ("HPD") for a project under the Lower Manhattan Development Corporation's ("LMDC") Chinatown/Lower East Side Acquisition Program. Under this program, buildings are purchased at market price for improvement and stabilization as long-term affordable rental housing.

- **Community Homes Housing Development Fund Company, Inc. and Affiliates** ("CHHDFC") – seeks to increase and improve New York City's affordable housing stock, while promoting and advancing home ownership for minority, immigrant, low and moderate-income, and underserved populations. In 2008, CHHDFC purchased two affordable rental buildings located in East Elmhurst, New York. As of December 31, 2013, CHHDFC has commenced steps to implement its plan of selling these two buildings, either through a condominium conversion process or an outright sale.

- **Queens Housing and Immigration Center Corporation, Inc.** ("QHICC") – provides immigrant housing and social services to the Asian American community and other minority and immigrant groups in Queens, New York.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

- **Montgomery Housing Development Fund Company, Inc.** ("MHDFC") – A property (lot) was acquired in Brooklyn, NY for the purpose of creating affordable housing. Potential rehabilitation is being explored to determine the best course of action.

- **Renaissance Economic Development Corporation, Inc.** ("REDC") – works to provide affordable loans and targeted technical assistance to low-income entities, minority, women and immigrant entrepreneurs and small business owners in New York City to help them overcome traditional impediments to business growth and success. REDC is a community development financial institution through the U.S. Department of Treasury's Community Development Financial Institutions Fund and is a Small Business Administration-approved ("SBA") Micro-Lender. REDC is also in the SBA Community Advantage Program.

- **Rivington Housing Development Fund Company, Inc.** ("Rivington HDFC") **–** was incorporated in 2006, with AAFE being the sole member, for the purpose of developing a housing project for low-income families. Rivington HDFC was organized by AAFE in anticipation of its designation as the owner and developer of a property on 87 Rivington Street, New York through HPD's Third Party Transfer Program ("TPT"). The purpose of the City program is to take abandoned or neglected buildings on the City's lien list and transfer them to responsible housing developers. As conditions of the transfer, AAFE has performed a gut-rehabilitation of the physical structure and afterwards maintained affordable rents for the existing tenants. Rivington HDFC received a final certificate of occupancy in October 2012 and currently has commercial and residential tenants.

- **Stanton Norfolk, Inc.** ("Stanton") – manages the Agency's entire affordable housing portfolio. Currently, Stanton oversees in excess of 500 affordable housing units located in Lower Manhattan and Queens. AAFE's subsidiaries have entered into several property management agreements with Stanton to provide for, among other matters, tenant services, property administration and rental management and building maintenance.

- **East Chinatown Housing Development Fund Company, Inc.** ("ECHDFC") – was established to provide low-income housing in New York City and promote affordable housing by assisting tenants to obtain and maintain qualification for government and private housing assistance programs, acting as liaison between tenants and building owners, and crafting solutions to allow tenants with financial or other problems to avoid eviction. The buildings consist of 60 residential units.

- **Hardesty Renaissance Economic Development Corporation, Inc.** ("Hardesty") – is a Missouri nonprofit corporation formed in 2011. The overarching vision is to complete a long-term development of a former Federal Complex at Hardesty and Independence Avenues, Kansas City, Missouri, that will meet the needs of the community and create jobs.

- **Community Renewal Housing Development Fund Company, Inc.** ("CRHDFC") – was incorporated on December 11, 2012 and started operations on January 1, 2013, with AAFE being the sole member, for the purpose of rehabilitating and conversion to cooperative ownership, on a non-profit basis, a housing project for persons of low-income.

- **Morningside Realty Development, Inc**. ("MRD") – was incorporated in August 2011 as a New York State corporation by AAFE in support of its affording housing management and development activities. MRD has remained inactive since its incorporation and is expected to be dissolved in 2022.

- **One Hardesty, LLC D/B/A Hardesty Storage** ("One Hardesty") – is a Missouri Limited Liability Company formed in 2016. It purchased the land, building and equipment, as well as the storage business, at Hardesty and Independence Avenues in Kansas City, MO on June 30, 2016. It began operations D/B/A as Hardesty Storage, a month-to-month storage rental operation and a U-Haul rental business on July 1, 2016.

- **Harmony 106 Corporation** ("Harmony") – was established as a New York for-profit C corporation for the purpose of renovating a Flushing, New York property that was transferred in by CHHDFC, the owner of all the issued common shares of Harmony. The property was sold to Flushing 106, LLC on December 21, 2017.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

- **Flushing 106, LLC** ("Flushing") – was established on November 29, 2017 under Section 203 of the Limited Liability Company Law for the purpose of being the transferee/grantee entity of the property from Harmony. Flushing is a single member LLC and is 100% owned by CHHDFC. Flushing will continue the renovation of the transferred property and supports the housing development projects run by CHHDFC.

- **El Caribe Housing Development Fund Company, Inc.** ("El Caribe") – was formed in February 2016 as a New York not-for-profit corporation duly organized as a housing development fund company. El Caribe acquired from a partnership a low-income project consisting of five buildings with 49 residential rental dwellings and six commercial units.

- **Madison Street Housing Development Fund Company, Inc.** ("Madison") – was formed in February 2016 as a New York not-for-profit corporation duly organized as a housing development fund company. On August 17, 2016, AAHDFC, a related party, transferred the rights of 81 Madison Street. The building is comprised of 20 residential rental dwellings.

- **Lower East Side Housing Development Fund Company, Inc.** ("LESHDFC") – was formed in May 2016 as a New York not-for-profit corporation duly organized as a housing development fund company.

- **Golden Allen, LLC** ("Golden") – was formed in November 2016 as a New York Limited Liability Company. The purpose of the organization is to acquire the 2nd floor condominium at 2 Allen Street in New York City.

- **4 NYC Housing, Inc.** ("4 NYC") – was established in May 2017 to promote common good and welfare and economic development in New York.

- **AAFE Fair Housing Center, Inc.** ("AAFE Fair Housing") – is a 501(c)(3) not-for-profit corporation that was formed in 1998 to lease office space in the Jackson Heights neighborhood of Queens.

- **Downtown Manhattan Community Development Corporation** ("DMCDC") – was incorporated in July 1994 and changed to its current legal name in 2002. DMCDC conducts educational activities that address slum living and blight employment conditions that affect residents of the Lower East Side and Chinatown neighborhoods of Manhattan. DMCDC is also involved in developing, rebuilding and preserving its community.

- **East Village Homes Housing Development Fund Company, Inc.** ("EVH") – was incorporated on May 30, 2019, to be the title holder of the property located at 302 East 2nd Street in Manhattan as part of AAFE's East Village Homes Phase 1 mixed use affordable housing development. The beneficial owner ("East Village Homes Owner LLC") and the managing member of the beneficial owner ("East Village Homes Manager Corp.") had tax returns filed separately. AAFE Inc. is the single member of East Village Homes HDFC and East Village Homes Manager Corp. The beneficial owner, East Village Homes Owner LLC, is owned 0.01% by East Village Homes Manager Corp. and 99.9% by the tax credit investor, Wincopin Circle LLLP.

- **Bremond King Davis Housing Development Fund Company, Inc. ("BKDHDFC")** - formed on May 29, 2015 as a New York not-for-profit corporation duly organized as a housing development fund company pursuant to the provisions of article XI of the Private Finance Housing Law of the state of New York. Asian Americans for Equality is the majority owner of Bremond King Davis HDFC.

AAFE is also the general partner in two limited partnership for-profit entities through ownership of the following subsidiaries: Norfolk Apartments Development Corp. and Norfolk Apartments II Development Corp. The general partner's ownership in these limited partnerships is 0.01%. These limited partnerships were formed for the purposes of constructing and rehabilitating buildings to provide affordable housing, along with commercial and community spaces, for low to moderate-income families. The projects managed by each limited partnership qualify for the Low-Income Housing Tax Credit established by the Tax Reform Act of 1986. In 2014, AAHDFC became the replacement Limited Partner for the Norfolk Apartments Limited Partnership and since the Agency now owns 100%, Norfolk Apartments has been included in the consolidation. In 2019, AAHDFC became the replacement Limited Partner for the Norfolk II Apartments Limited Partnership and since the Agency now owns 100%, Norfolk Apartments II has been included in the consolidation.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ***Basis of Accounting and Use of Estimates*** – The Agency's consolidated financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") as established by the Financial Accounting Standards Board (the "FASB"). The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. ***Cash and Cash Equivalents and Restricted Cash*** – The Agency considers all liquid debt instruments purchased with maturities of three months or less to be cash equivalents, except for restricted reserves and cash designated for loan loss reserves, which is considered restricted cash.

C. ***Net Assets –*** Net assets and revenues are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

(i) *Net Assets Without Donor Restrictions* – represents resources available for support of the Agency's operations over which the Board of Directors (the "Board") has discretionary control and not subject to donor (or certain grantor) restrictions. The Board of AAFE CDF and REDC has designated an amount for lending activities or future operating deficits and other projects.

(ii) *Net Assets With Donor Restrictions* – represents net assets resulting from contributions and other inflows of assets whose use by the Agency is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Agency pursuant to those stipulations. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reported in the consolidated statements of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the gift is received, the Agency reports the support as without donor restrictions.

D. ***Grants and Contributions and Allowance for Uncollectible Amounts*** – Grants and contributions are accounted for under Accounting Standards Update ("ASU") 2018-08. Unconditional promises to give are recorded as income when the Agency is formally notified of the grants or contributions by the respective donors. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value, while those that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk adjusted interest rates applicable to the years in which the promises are received. Conditional promises to give are not included as support until the conditions are substantially met. As of December 31, 2021 and 2020, the Agency determined that an allowance of approximately $59,000 and $77,000, respectively, was necessary for grants and contributions receivable, as well as fees receivable from affiliates. Such estimate is based on management's evaluation of the creditworthiness of its donors, government and other sources, as well as current economic conditions and historical information.

E. ***Loans Receivable*** – AAFE CDF and REDC report loans receivable at their outstanding unpaid principal balances, reduced by an allowance for doubtful accounts. AAFE CDF and REDC determine the allowance based on a combination of factors, such as historical bad debt experience and factors related to specific borrowers' ability to pay, through management's performance of ongoing credit evaluations and evaluations for potential credit losses. REDC maintains an allowance for doubtful accounts of approximately 5% -15% of the total loan portfolio, with the exception of PPP loans that are 100% guaranteed by the SBA, (this amounted to $662,071 and $986,941, as of December 31, 2021 and 2020, respectively). In addition, AAFE CDF maintains an allowance for doubtful accounts of approximately $40,000, as of December 31, 2021 and 2020. The estimated allowance for doubtful accounts is based on the following assumptions: an appreciable percentage of REDC's outstanding loan portfolio is comprised of loans that are larger than its previous loans; a significant portion of the borrowers are located in lower Manhattan south of 14th Street, constituting some geographical risk; a portion of the portfolio is comprised of loans to small businesses that are fairly new with limited repayment histories. In addition, REDC has increased the deployment of its Emergency Loan Fund to assist businesses impacted by local disasters where these borrowers may require deferment of their loan repayments.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Furthermore, AAFE CDF and REDC perform ongoing credit evaluations of their borrowers and an evaluation for potential credit losses. AAFE CDF and REDC write-off loans receivable against the allowance when a balance is determined to be uncollectible. Interest on loans is computed using the effective interest method. Interest earned on loans is considered without donor restrictions revenue and can be used for general operations.

Loans receivable are considered past due starting 30 days after the payment due date. AAFE CDF and REDC discontinue their accrual of interest on loans that are 90 days or more past due and are forwarded to lawyers for appropriate legal action. AAFE CDF and REDC apply payments received on past due loans not yet written off against the outstanding loan balances and resume its accrual of interest. Payments on loans already written off are recorded as other income upon receipt. Interest on loans is computed using the effective interest method. Interest earned on loans is considered without donor restrictions revenue and can be used for general operations.

F. ***Real Estate Held for Sale*** – Real estate held for sale is stated at the lower of cost or fair value less selling costs and is not depreciated. Rehabilitation costs are capitalized directly to each property. Interest costs on acquisition/construction loans are capitalized and included as cost of real estate held for sale. Interest costs incurred after the completion of construction/rehabilitation of property are recognized as expenses. The sale of properties is recognized when title passes to the buyer and all of the following conditions are met: (a) a sale is consummated, (b) a significant down payment is received, (c) the earnings process is complete, and (d) the collection of any remaining receivables is reasonably assured. Buyers typically finance their purchases with loans from third party financial institutions.

G. ***Property and Equipment*** – Property and equipment is stated at cost less accumulated depreciation or amortization. These amounts do not purport to represent replacement or realizable values. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. The Agency capitalizes all owned property and equipment having a useful life of greater than one year and a cost ranging from $1,000 to $5,000 (for various consolidated entities). There may be instances where certain expenditures for property and equipment are included in the consolidated financial statements as expenses because the cost of these items was reimbursed by certain governmental funding sources and the contractual agreement specifies that title to these assets rests with the funding sources rather than the Agency. Leasehold improvements are amortized over the lesser of the useful lives of the improvements or the term of the applicable lease.

The Agency reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. There are no assets considered impaired as of December 31, 2021 and 2020.

H. ***Deferred Financing Costs*** – The costs incurred to obtain financing and fees, as well as certain closing costs, have been deferred. Deferred costs amounting to $507,105 and $521,667 as of December 31, 2021 and 2020, respectively, are amortized using the straight-line method ranging from ten to thirty-five years, which is not materially different from the interest method. For the years ended December 31, 2021 and 2020, amortization of debt issuance costs of $39,992 and $67,751, respectively, is reported as interest expense in the accompanying consolidated financial statements and is amortized on the straight-line basis.

I. ***Development and Other Fees*** – Development and other fees are recognized as revenue in the period in which the underlying services are provided or the fees are earned. Development costs are recognized based on construction progress and actual costs incurred.

The Agency may enter site development and management agreements to manage/develop operations of the property and to conduct and to manage redevelopment of the property as the owner's representative. Certain agreements may create contingencies that could significantly reduce the maximum possible fees ultimately earned by the Agency.

J. ***Deferred Rent*** – The Agency leases real property under operating leases, expiring at various dates in the future. If material, the deferred rent obligation is recorded based on the straightlining of rent.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. ***Government Grants*** – Government and other grants are nonexchange transactions and accounted for under ASU 2018-08. Grants are recognized as revenue when barriers within the contracts are overcome, and there is no right of return. As of December 31, 2021 and 2020, the Agency received conditional grants and contracts in the aggregate amount of approximately $3,078,000 and $1,535,000, respectively, that have not been recorded in the accompanying consolidated financial statements, as they have not been earned. Revenue from government contracts is subject to audit and negotiations between the Agency and the government funding sources.

L. ***Functional Allocation of Expenses*** – The costs of providing the various programs and other activities have been summarized on a functional basis. The consolidated statements of functional expenses represent the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited as determined by management. Expenses that can be identified with a specific program are charged directly to the particular program according to their natural expense classification. The Agency uses a step-by-step methodology to allocate costs. First, indirect costs that benefit all program services, but cannot be charged directly to a particular program are pooled together and allocated to the Agency's various programs based on each program's proportionate share of direct costs.

Through several years of experience, a general and administrative rate has been determined for all expense categories which, when combined, total approximately 50 percent. Thus, 50 percent of pooled general and administrative costs are allocated to the program services and fundraising functions based on each function's proportionate share of the total of direct costs and indirect costs allocated in the first step. Finally, audit expenses are allocated among the administrative and general, program services, and fundraising functions based on each function's proportionate share of costs after performing the first two steps.

M. ***Rental Income*** – Rental income is recognized for apartment rentals as it accrues, reduced by an allowance for doubtful accounts, amounting to approximately $328,000 and $220,000 for the years ended December 31, 2021 and 2020, respectively. The Agency estimates the allowance for bad debt based on historical uncollectible rents, factors related to specific tenants' ability to pay and current economic trends. The Agency writes off rents and other receivables against the allowance when a balance is determined to be uncollectible. Advance receipts of rentals are deferred and classified as liabilities until earned.

N. ***Related-Party Transactions*** – Certain subsidiaries receive and make loans with stated rates of interest that are lower than the prevailing market rates for commercial loans. The Agency accounts for these loans at the stated rates. U.S. GAAP requires that loans with below market interest rates be restated for financial reporting purposes at amounts that reflect the expected cash flows discounted at market rates, with certain exceptions. The management of the Agency believes that certain exceptions are applicable to the Agency, and accordingly, interest rates have not been restated.

O. ***Fair Value Measurements*** – Fair value measurements are based on 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. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels.

P. ***Interest Rate Swaps*** – The Agency is subject to risk from adverse fluctuations in interest rates affecting its payments under the mortgage payable at a variable rate. The Agency manages this risk by the use of derivative financial instruments, primarily an interest rate swap. The counterparty to this contract is a financial institution. The Agency is exposed to credit loss in the event of nonperformance by the counterparty. The Agency does not use derivative instruments for trading or speculative purposes. If material, the Agency records the interest rate swap agreement at fair value in the consolidated statements of financial position with the related gain or loss reflected in the consolidated statements of activities (see Note 12).

Q. ***Eliminations*** – In preparation of the accompanying consolidated financial statements, all material inter-entity accounts and transactions have been eliminated.

R. ***Reclassifications*** – Certain line items in the 2020 consolidated financial statements including restricted reserve account, accounts payable, due to/from affiliates, and other were reclassified to conform to the 2021 presentation. Such reclassification did not have an impact on net assets.

NOTE 3 – LIQUIDITY AND AVAILABILITY

The Agency regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Agency has various sources of liquidity at its disposal, including cash and cash equivalents and lines of credit that provide funding for operations and capital expenditures as needed.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, AAFE considers all expenditures related to its ongoing activities. In addition to financial assets available to meet general expenditures over the next 12 months, the Agency expects to operate at a surplus and anticipates collecting sufficient revenue to cover general expenditures.

As of December 31, the financial assets available to meet general expenditures over the next 12 months were as follows:

	2021	2020
Cash and cash equivalents	$ 12,705,465	$ 11,457,484
Rents and other receivables	1,065,108	715,148
Loans receivable, due in one year	2,534,811	2,564,108
Due from affiliates (current portion)	10,444	10,796
Grants and contributions receivable, net	2,615,536	2,480,740
Less net assets with donor restrictions	(4,234,712)	(4,878,522)
	$ 14,696,652	$ 12,349,754

In addition, the Agency has lines of credit totaling $2,401,000 and $2,325,000 as of December 31, 2021 and 2020, respectively, with financial institutions, which can be drawn upon if needed (see Note 11).

NOTE 4 – GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable consist of the following as of December 31:

	2021	2020
Government grants	$ 2,287,866	$ 2,332,096
Contributions and other receivables	386,346	225,539
	2,674,212	2,557,635
Less: allowance for doubtful accounts:	(58,676)	(76,895)
	$ 2,615,536	$ 2,480,740

All grants and contributions receivable are due in full within one year.

NOTE 5 – LOANS RECEIVABLE, NET

The outstanding loans receivable as of December 31 were funded as follows:

Funding Source	2021	2020	Number of Loans Outstanding 2021		Number of Loans Outstanding 2020	
			AAFE CDF	REDC	AAFE CDF	REDC
Funding from loans:						
Capital One NA (formerly Green Point Community Development Corp.)	$ 83,862	$ 132,575	5	-	7	-
TD Bank NA	2,867	11,108	1	-	1	-
East West Bank	114,516	136,807	6	-	6	-
Federal - Community Development Financial Institutions Fund ("CDFI")	123,641	153,704	4	2	4	3
NeighborWorks Lending Fund	574,530	775,924	26	9	31	10
United International Bank	13,492	19,157	1	-	1	-
State Bank of India	50,226	169,768	-	4	-	11
Dime Community Bank	602,948	670,091	-	38	-	33
Empire State Development Corp.	367,276	798,694	-	40	-	66
REDC Intermediary Lending Program	229,667	229,667	-	3	-	3
PNC Bank	224,718	486,811	-	6	-	11
ESBRLF COVID-19	1,423,306	2,210,755	-	108	-	114
SBA PPP	845,142	1,501,879	-	41	-	77
Small Business Administration	2,709,400	2,380,006	-	181	-	221
	7,365,591	9,676,946	43	432	50	549
Funding from grants:						
Empire State Development Corp.	355,363	611,127	-	30	-	35
Fed CDFI Cap Lending	55,000	-	-	4	-	-
Chase Pro Neighborhood	130,519	233,766	-	11	-	13
Federal CDFI (G)	2,929	4,372	-	1	-	1
	543,811	849,265	-	46	-	49
Gross loans receivable	7,909,402	10,526,211	43	478	50	598
Less: allowance for doubtful accounts	(701,771)	(1,027,264)				
Loans receivable, net	$ 7,207,631	$9,498,947				

AAFE CDF loans range from $6,200 to $64,000 and carry interest rates ranging from 2.5% to 6.5%. AAFE CDF holds a second lien position on the property held as collateral for these loans. The average loan size for REDC is approximately $23,800 and the maximum loan size is $250,000 with interest rates ranging from 4% to 8%. Repayment terms on these loans range from 24 to 60 months. Personal guarantees from business owners who have significant ownership in the businesses and a security interest in the customer's business assets are held as security for the loans.

NOTE 5 – LOANS RECEIVABLE, NET (Continued)

On March 27, 2020, due to the COVID-19 pandemic, REDC launched Emergency Small Business Relief Loan Fund ("ESBRLF") to help small businesses impacted by the pandemic. The ESBRLF was initially capitalized with REDC net assets without donor restrictions and then later with debt instruments from New York Community Bank ("NYCB") and Industrial and Commercial Bank of China ("ICBC"), designated specifically for COVID-19 relief. Funds were given to businesses based on REDC's source of funds, location of business, program objectives and other applicable lending guidelines. The average loan size for the ESBRLF loan fund is approximately $19,700 with the maximum loan amount of $50,000 bearing interest rates at 3% fixed and repayment terms between 24 months to 48 months with the option to defer principal and interest for the initial 6 months. REDC made 114 ESBRLF loans between March 2020 to September 30, 2020, when the loan program ended. These emergency loans have a dedicated cash loan loss reserve of 30% due to the high-risk nature of these loans during the time of pandemic.

In May 2020, REDC became a Small Business Administration ("SBA") Paycheck Protection Program ("PPP") lender to help small businesses impacted by the pandemic to keep their workforce employed. These PPP loans will be forgiven by the SBA if the small business meets the employee retention criteria, and the funds were used for eligible expenses by the SBA. PPP loans have an interest rate of 1%.

Loans issued before June 5, 2020, have a two-year term. Loans issued after June 5, 2020, have a maturity of five years. Loan payments will be deferred for borrowers who apply for loan forgiveness until SBA remits the borrower's loan forgiveness amount to the REDC. If a borrower does not apply for loan forgiveness, payments are deferred 10 months after the end of the covered period for the borrower's loan forgiveness (between 8 and 24 weeks). These PPP loans have no collateral or personal guarantee requirements. The borrower is responsible for loan repayment to REDC for any portion of the PPP loan not forgiven by the SBA. In the event of borrower default, SBA is providing a 100% guarantee on the PPP loan. In 2020, REDC made 77 PPP loans at an average loan amount of $19,500. For administering PPP loans, SBA paid REDC a 5% processing fee for loans not more than $350,000, 3% for loans greater than $350,000 but less than $2,000,000, and 1% for loans at least $2,000,000.

In order to secure the liquidity needed to participate in the first round of the SBA PPP, REDC had initially used its net assets without donor restrictions to fund SBA PPP loans and at the same time applied to the Cleveland Federal Reserve Bank on May 29, 2020, for the Paycheck Protection Program Liquidity Fund ("PPPLF"), a liquidity facility offered to non-depository institutions (such as CDFIs) using PPP loans originated as pledged collateral. This liquidity facility bears a fixed annual rate of interest of 35 basis points (0.35%) and repayment is matched to the repayment terms and timing of the underlying PPP loans pledged as collateral. When these underlying PPP loans pledged to the Federal Reserve are forgiven by the SBA or repayment from the borrower, the forgiven funds or repaid funds will be used to reduce the PPPLF debt outstanding.

Aging of loan receivables as well as the credit risk exposure, based on payment activity, as of December 31, are as follows:

	2021	2020
Performing		
Current	$ 7,906,600	$10,478,431
31-60 days	2,565	20,242
61-90 days	237	272
Nonperforming		
Over 90 days	-	27,266
	$ 7,909,402	$10,526,211

The Agency had no loans on nonaccrual status as of December 31, 2021 and 2020. As of December 31, 2021 and 2020, the Agency had fifteen and five loans over 90 days past due, respectively, that are still accruing interest. The past due balances on such loans amounted to $0 and $27,266 as of December 31, 2021 and 2020, respectively.

NOTE 5 – LOANS RECEIVABLE, NET (Continued)

An analysis of the allowance for doubtful accounts as of December 31 is as follows:

	2021	2020
Balance at beginning of year	$ 1,027,264	$ 611,105
(Recovery of) provisions for doubtful accounts	(7,214)	909,844
Less: loans written off	(318,279)	(493,685)
	$ 701,771	$ 1,027,264

As required by certain lenders, loan loss reserves equivalent to 10% to 25% of the outstanding loans receivable balances are maintained in separate cash accounts by AAFE CDF. REDC is also required to set aside as an escrow, a portion of funds for its inter-partnership loan. As of December 31, 2021 and 2020, the loan loss reserve fund (including the amount held in escrow) for AAFE CDF amounted to $97,006 and $125,941, respectively, and for REDC amounted to $4,096,345 and $4,544,646, respectively. Such amounts are included as loan loss reserve in the accompanying consolidated statements of financial position.

Loans receivable are due as follows for the years ending after December 31, 2021:

2022	$ 2,534,811
2023	1,913,432
2024	1,178,598
2025	584,109
2026	454,768
Thereafter	1,243,684
	7,909,402
Less: allowance for doubtful accounts	(701,771)
	$ 7,207,631

NOTE 6 – SALES AND REAL ESTATE HELD FOR SALE

CHHDFC's real estate held for sale consists of the acquisition and rehabilitation costs-in-progress of six properties in 2021 and 2020, which are in various stages of completion. These properties have a total carrying value of $743,278 as of both December 31, 2021 and 2020. The property that was sold in 2020 had an aggregate selling price of $1,112,288. Total acquisition, rehabilitation and other costs of the sold property amounted to $226,026 and is included as costs of real estate sales in the accompanying consolidated statements of activities. There were no sales in 2021.

On December 21, 2017, Harmony 106 Corporation transferred 32-56 106th Street Queens, New York to Flushing 106 LLC. The property was being renovated and developed as an affordable housing project for individuals with low to moderate-income. The carrying value as of December 31, 2021 and 2020 amounted to $5,620,991 and $9,652,948 respectively. In 2021, Flushing 106 sold 13 units and 7 parking spaces for an aggregate selling price of $5,525,760. Total acquisition, rehabilitation and other costs of the sold units amounted to $4,309,084 and are included as costs of real estate sales in the accompanying consolidated statement of activities.

NOTE 7 – INVESTMENTS IN AFFILIATES

Investments in limited partnerships consisted of the following as of December 31:

	2021	2020
Norfolk Apartments II Limited Partnership	$ 102,616	$ 102,318
Norfolk GP	105,616	105,738
One Flushing NP, LLC	3,700,657	3,855,286
Ocean Bay Retail Project	703,986	703,767
	$ 4,612,875	$ 4,767,109

NOTE 8 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	2021	2020	Estimated Useful Life
Land	$ 10,200,440	$ 10,195,015	
Buildings and improvements	90,077,468	88,700,372	27 ½ - 40 Years
Leasehold improvements	943,537	943,537	5-10 Years
Lease assignment	55,000	55,000	3 Years
Computers	79,751	73,196	5 Years
Furniture and equipment	1,397,488	1,303,544	5-7 Years
Construction in progress	31,868,664	21,058,723	
	134,622,348	122,329,387	
Less: accumulated depreciation and amortization	(36,102,703)	(33,044,102)	
Net book value	$ 98,519,645	$ 89,285,285	

Depreciation and amortization expense amounted to $3,142,974 and $3,180,772 for the years ended December 31, 2021 and 2020, respectively. Disposal of fully depreciated items amounted to $84,373 and $0 December 31, 2021 and 2020, respectively.

During the year ended December 31, 2020, as part of the acquisition of Bremond King Davis Housing Development Fund Company, Inc., AAFE assumed property plant and equipment with total book value of $5,154,352 and accumulated depreciation of $762,496.

NOTE 9 – RESTRICTED RESERVE ACCOUNTS

As provided for in the mortgage agreements, the Agency is required to maintain certain escrow deposits and reserve funds. The reserve requirements have been funded in accordance with the mortgage agreements for the years ended December 31, 2021 and 2020. The balances of these reserves as of December 31 consist of the following:

	2021	2020
Replacement reserve	$ 5,349,998	$ 5,154,565
Operating reserve	7,548,723	7,122,592
Mortgage escrow	1,051,642	917,705
	$ 13,950,363	$ 13,194,862

NOTE 10 – LOANS PAYABLE

Loans payable consist of the following as of December 31:

Description	2021	2020	Year(s) of Maturity
To Deutsche Bank. These loans are unsecured and noninterest bearing with the principal payment due at maturity dates.	$ 80,000	$ 120,000	2022 and 2023
To Enterprise Community Partners, Inc. This loan is unsecured and due in full at maturity in December 2022.	225,000	225,000	2022
To Valley National Bank at an interest rate of 1%. This is an SBA PPP loan designed to provide direct incentive to keep employees on payroll. Funds are to be used for payroll costs, including benefits, and may be used for mortgage interest, rent, utilities, worker protection costs related to COVID19, uninsured property damage caused by looting or vandalism during 2020 and certain supplier costs and expenses for operations. This PPP loan was issued prior to June 5, 2020, therefore has a two-year maturity. If AAFE does not apply for SBA loan forgiveness, payments are deferred 10 months after the end of the covered period for the AAFE's loan forgiveness (between 8 and 24 weeks). SBA will forgive this PPP loan if AAFE meets the PPP criteria and funds are used for eligible expenses.	605,073	605,072	2022
To East West Bank at an interest rate of 3%. The principal amount of this loan is due in full at maturity. This loan is unsecured with interest payable quarterly.	500,000	500,000	2022
To Cathay Bank, the original loan was for a $1,800,000 mortgage on a property located in New York, NY. In December 2019, the original mortgage loan was amended and restated with a principal amount of $1,513,912 and a maturity date of January 1, 2030. The annual interest rate for the initial 5 year period is a fixed rate equal to 4.01%. The annual interest rate for the 5 year period following the initial term will be a floating rate, changing daily, equal to 50 basis points above the Prime Rate as published in The Wall Street Journal. The mortgage loan is amortized using a 25-year amortization schedule over a 10- year period with monthly principal and interest payments in the amount of $8,048 commenced on February 1, 2020, and will continue to January 1, 2025. The outstanding principal and any unpaid interest are to be paid in full at maturity.	1,441,261	1,478,409	2030

NOTE 10 – LOANS PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To Valley National Bank at an interest rate of 1%. This is an SBA PPP loan designed to provide direct incentive to keep employees on payroll. Funds are to be used for payroll costs, including benefits, and may be used for mortgage interest, rent, utilities, worker protection costs related to COVID19, uninsured property damage caused by looting or vandalism during 2020 and certain supplier costs and expenses for operations. This PPP loan was issued prior to June 5, 2020, therefore has a two-year maturity. If CDF does not apply for SBA loan forgiveness, payments are deferred 10 months after the end of the covered period for the CDF's loan forgiveness (between 8 and 24 weeks). SBA will forgive this PPP loan if CDF meets the PPP criteria and funds are used for eligible expenses.	$ -	$ 42,045	2021
To Small Business Administration at an interest rate of 2% during which the first 12 months from the date of the loan interest will be bought down by 2%. No payments of principal or interest are required during the first 12 months from the date of the loan. Payments on the loan, based on the 2% buy down, will be $11,574. The balance of the loan is due at maturity. The loan is secured by REDC's SBA Microloan fund assets and its restricted cash for SBA loan loss reserve.	822,549	968,919	2027
To Small Business Administration at an interest rate of 1% during which the first 12 months from the date of the loan interest will be bought down by 2%. No payments of principal or interest are required during the first 12 months from the date of the loan. Payments on the loan, based on the 2% buy down, will be $6,944. The balance of the loan is due at maturity. The loan is secured by REDC's SBA Microloan fund assets and its restricted cash for SBA loan loss reserve.	46,875	159,375	2022
To Small Business Administration at an interest rate of 0.75% during which the first 12 months from the date of the loan interest will be bought down by 2%. No payments of principal or interest are required during the first 12 months from the date of the loan. Payments on the loan, based on the 2% buy down, will be $2,083. The balance of the loan is due at maturity. The loan is secured by REDC's SBA Microloan fund assets and its restricted cash for SBA loan loss reserve.	-	91,662	2022
To Small Business Administration at an interest rate of 0.75% during which the first 12 months from the date of the loan interest will be bought down by 2%. No payments of principal or interest are required during the first 12 months from the date of the loan. Payments on the loan, based on the 2% buy down, will be $8,535. The balance of the loan is due at maturity. The loan is secured by REDC's SBA Microloan fund assets and its restricted cash for SBA loan loss reserve.	287,580	448,307	2023

NOTE 10 – LOANS PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To Small Business Administration at an interest rate of 2.75% during the first 12 months from the date of the loan interest will be bought down by 2%. No payments of principal or interest are required during the first 12 months from the date of the loan. Payments on the loan, based on the 2% buy down, will be $5,615. The balance of the loan is due at maturity. The loan is secured by REDC's SBA Microloan fund assets and its restricted cash for SBA loan loss reserve	$ 483,505	$ 549,152	2028
To Empire State Development Corporation Small Business Revolving Loan Fund (SBRLF) at an interest rate of 1%. Based on a loan amendment in 2015, principal repayment will commence nine (9) years from the date of the loan. Principal repayment will be on an annual basis equivalent to 33.33% of the principal outstanding balance.	1,333,333	1,333,333	2022
To Valley National Bank at an interest rate of 4.42%. The interest rate and the amount of the monthly payment will be adjusted on the first day every 60th month after the initial payment date based on index (weekly average yield on U.S. Treasury Securities adjusted to a constant maturity of five years) plus 3.6%. The monthly principal payment is $4,762 with the balance due at maturity. The loan is collateralized by the REDC's mortgaged property at 4721 8th Avenue, Brooklyn, NY.	674,255	699,749	2033
To Small Business Administration at an interest rate of 1.50% during which the first 12 months from the date of the loan interest will be bought down by 2%. No payments of principal or interest are required during the first 12 months from the date of the loan. Payments on the loan, based on the 2% buy down, will be $6,944. The balance of the loan is due at maturity. The loan is secured by REDC's SBA Microloan fund assets and its restricted cash for SBA loan loss reserve.	311,244	403,857	2025
To Small Business Administration at an interest rate of 1.25% during which the first 12 months from the date of the loan interest will be bought down by 2%. No payments of principal or interest are required during the first 12 months from the date of the loan. Payments on the loan, based on the 2% buy down, will be $11,574. The balance of the loan is due at maturity. The loan is secured by REDC's SBA Microloan fund assets and its restricted cash for SBA loan loss reserve.	679,348	830,314	2026
To Empire State Development Corporation at an interest rate of 0%. Principal repayment will commence three (3) years from the date of the loan. Principal repayment will be on an annual basis equivalent to 33.33% of the principal outstanding balance. This Global New York Loan is unsecured with the principal payment due based on the term of loan.	166,667	166,667	2024

NOTE 10 – LOANS PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To Empire State Development Corporation at an interest rate of 1%. Interest on outstanding principal balance to be paid annually. After the fifth year, any remaining balance will be converted to a five (5) year term loan, to be fully amortized at a rate of 1%. After five (5) years, monthly principal and interest payments will be $6,406. This Minority Revolving Loan Fund (MRLF) is unsecured with the principal payment due based on the term of loan.	$ 250,000	$ 250,000	2024
To Empire State Development Corporation Small Business Revolving Loan Fund (SBRLF) at an interest rate of 1%. Principal repayment will commence four years from the date of the loan.	166,667	166,667	2022
To BNB Bank at an interest rate of 2.50%. 17 quarterly consecutive interest payments beginning August 18, 2018 with final payment due on August 18, 2022 for all principal and accrued interest not yet paid.	1,000,000	1,000,000	2022
To Small Business Administration at an interest rate of 1.875% during which the first 12 months from the date of the loan interest will be bought down by 2%. No payments of principal or interest are required during the first 12 months from the date of the loan. Payments on the loan, based on the 2% buy down, will be $11,111. The balance of the loan is due at maturity. The loan is secured by REDC's SBA Microloan fund assets and its restricted cash for SBA loan loss reserve.	1,036,043	1,167,521	2029
To Industrial and Commercial Bank of China (USA) at an interest rate of 2%. Eighty-three monthly installments of accrued interest on the outstanding principal balance commencing June 1, 2020 through maturity date. Outstanding principal balance and accrued unpaid interest shall be due on the maturity date.	1,915,971	2,000,000	2027
To New York Community Bank at an interest rate of 2%. This is an Equity Equivalent Investment (EQ2). Interest-only payments beginning disbursement date shall be payable on a quarterly basis for the ten-year term of the loan. Outstanding principal balance and accrued unpaid interest shall be due on the maturity date.	500,000	500,000	2030
To Cleveland Federal Reserve Bank at an interest rate of 0.35%. This is the PPPLF, a liquidity facility offered to non-depository institutions (such as CDFIs) using PPP loans originated as pledged collateral. Repayment is matched to the repayment terms and timing of the underlying PPP loans pledged as collateral. When these underlying PPP loans pledged to the Federal Reserve are forgiven by the SBA or repayment from the borrower, the forgiven funds or repaid funds will be used to reduce the PPPLF debt outstanding.	472,802	1,308,027	2022

NOTE 10 – LOANS PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To Valley National Bank at an interest rate of 1%. This is an SBA PPP loan designed to provide direct incentive to keep employees on payroll. Funds are to be used for payroll costs, including benefits, and may be used for mortgage interest, rent, utilities, worker protection costs related to COVID19, uninsured property damage caused by looting or vandalism during 2020 and certain supplier costs and expenses for operations. This PPP loan was issued prior to June 5, 2020, therefore has a two-year maturity. If REDC does not apply for SBA loan forgiveness, payments are deferred 10 months after the end of the covered period for the REDC's loan forgiveness (between 8 and 24 weeks). SBA will forgive this PPP loan if REDC meets the PPP criteria and funds are used for eligible expenses.	$ -	$ 315,412	2021
To Popular Community Bank. This loan is unsecured, and at a variable interest rate of 6.1971% and 6.8469%. Interest is paid monthly with the balance due at maturity in July 2021.	1,012,086	6,297,084	2022
To NeighborWorks Capital Corporation. One loan of $5,400,000 and is secured by building and equipment. The second loan of $500,000 is unsecured. Interest is at 5.25% compounded quarterly. In addition to the quarterly interest payment, One Hardesty is to pay $37,500 towards principal.	4,939,000	5,126,500	2023
To Valley National Bank at an interest rate of 1%. This is an SBA PPP loan designed to provide direct incentive to keep employees on payroll. Funds are to be used for payroll costs, including benefits, and may be used for mortgage interest, rent, utilities, worker protection costs related to COVID19, uninsured property damage caused by looting or vandalism during 2020 and certain supplier costs and expenses for operations. This PPP loan was issued prior to June 5, 2020, therefore has a two-year maturity. If One Hardesty does not apply for SBA loan forgiveness, payments are deferred 10 months after the end of the covered period for the One Hardesty's loan forgiveness (between 8 and 24 weeks). SBA will forgive this PPP loan if One Hardesty meets the PPP criteria and funds are used for eligible expenses.	-	56,557	2021
To Valley National Bank at an interest rate of 1%. This is an SBA PPP loan designed to provide direct incentive to keep employees on payroll. Funds are to be used for payroll costs, including benefits, and may be used for mortgage interest, rent, utilities, worker protection costs related to COVID19, uninsured property damage caused by looting or vandalism during 2020 and certain supplier costs and expenses for operations. This PPP loan was issued prior to June 5, 2020, therefore has a two-year maturity. If DMCDC does not apply for SBA loan forgiveness, payments are deferred 10 months after the end of the covered period for the DMCDC's loan forgiveness (between 8 and 24 weeks). SBA will forgive this PPP loan if DMCDC meets the PPP criteria and funds are used for eligible expenses.	30,000	31,540	2022

NOTE 10 – LOANS PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To Valley National Bank at an interest rate of 1%. This is an SBA PPP loan designed to provide direct incentive to keep employees on payroll. Funds are to be used for payroll costs, including benefits, and may be used for mortgage interest, rent, utilities, worker protection costs related to COVID19, uninsured property damage caused by looting or vandalism during 2020 and certain supplier costs and expenses for operations. This PPP loan was issued prior to June 5, 2020, therefore has a two-year maturity. If Stanton does not apply for SBA loan forgiveness, payments are deferred 10 months after the end of the covered period for the Stanton's loan forgiveness (between 8 and 24 weeks). SBA will forgive this PPP loan if Stanton meets the PPP criteria and funds are used for eligible expenses.	$ 485,595	$ 485,595	2022
Low Income Investment Fund. Construction loan secured by the property at 302 East 2nd Street NY, NY. Total loan amount available for drawdown is $15,246,000. Interest rate is 5.9%.	7,350,437	5,389,173	2057
Low Income Investment Fund. Construction loan secured by the property at 302 East 2nd Street NY, NY. Total loan amount available for drawdown is $15,246,000. Interest rate is 2.25%.	14,498,419	8,573,134	2057
Low Income Investment Fund. Construction loan secured by the property at 133-04 39th Avenue, Flushing, NY. Total loan amount available for drawdown is $3,729,757. Interest rate is 5.75%.	3,044,492	-	2023
In December 2013, HREDC entered into an agreement with the City of Kansas City, for $300,000 of funding from the Kansas City Brownfields Revolving Loan Fund program for Building 11. Work commenced and was completed in 2014. The loan is repayable in 60 equal installments commencing with the Cleanup Completion. The loan is noninterest bearing through the maturity date, which is sixty months after the Cleanup Completion date. After the maturity date, or in the event of default, interest accrues at the per annum rate otherwise in effect, plus 2%. Repayment of the loan began in November 2016 with principal payments of $5,000 a month. In March 2017, an additional loan for $504,853 was obtained through this same program for Building 10. This loan is repayable in 60 equal installments beginning on the 10th day of the first month after cleanup completion, which is the issuance of the Letter of Completion by the City of Kansas City, MO. The Letter of Completion was expected to be issued in June 2018. The loan is noninterest bearing until this maturity date, or in the event of default, at which time it is the per annum rate otherwise in effect, plus 2%.	385,351	382,912	2039

NOTE 10 – LOANS PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
In 2021, HREDC recevied a $200,000 grant from the U.S. Environmental Protection Agency ("EPA") and a loan from the Kansas City Revolving Loan Fund (KCRLF) for the building 9 hazardous materials cleanup. The loan bears interest at 3% with a 15-year term amortized over 25 years after the Cleanup Completion date with a balloon at maturity.	1,053,898	-	2036
	45,797,451	41,671,983	
REDC incurred financing costs in the amount of $38,363 in 2013, which are being amortized over the life of the loans using the straight-line basis.	(21,594)	(23,796)	
	$ 45,775,857	$ 41,648,187	

Future approximate annual principal repayments are as follows for the five years ending after December 31, 2021 and thereafter:

2022	$ 5,096,000
2023	9,411,000
2024	1,709,000
2025	1,031,000
2026	510,000
Thereafter	28,040,000
	$ 45,797,000

The proceeds from these loans enabled the Agency to make loans to individuals and businesses and expand the Agency's activities. The Agency is required to adhere to certain financial covenants.

AAFE, REDC, CDF, Stanton, DMCDC and One Hardesty applied for PPP loans through an SBA authorized lender. Total loans amounting to $1,536,221, were approved and funded in May-June 2020. The loans and accrued interest are forgivable after a specified period as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the specified period. Accrued interest was not recorded since it was immaterial to the consolidated financial statements.

The Agency is guided by FASB ASC Topic 470 "Debt." Based on the guidance in FASB ASC 470, the loans would remain recorded as a liability until they are in part or wholly forgiven and legal release is received or the entity pays off the loan. Once the loan is forgiven in part or wholly, and legal release is received, each entity will reduce the liability by the amount forgiven.

AAFE, REDC, CDF, Stanton, DMCDC and One Hardesty applied for forgiveness during 2021, and between March and July 2021 each entity received forgiveness for total loan balances plus accrued interest.

During January-February of 2021, AAFE, Stanton and DMCDC applied for a Second Draw Paycheck Protection Program loan under the Consolidated Appropriations Act, 2021 and received $1,120,668 in February 2021. If the proceeds from the loans are used for specified purposes, some or all of the loans can be forgiven. Any portion of the loan that is not forgiven must be repaid. Loan payments, if any, are deferred until the SBA remits the borrower's loan forgiveness amount to the lender and are payable with interest at 1% for a five-year term. The loans are uncollateralized and guaranteed by the Small Business Association.

NOTE 11 – BANK LINES OF CREDIT

In 2016, the State Bank of India provided REDC with a $3,000,000 unsecured revolving credit line for purposes of lending to small businesses in targeted economic areas. The line is considered unsecured, although the underlying loans are collateralized by REDC's own borrowers. The line bears interest at the fixed rate of 3% per annum. As of December 31, 2021 and 2020, the outstanding borrowings on the credit line amounted to $3,000,000. The line of credit was due for maturity on June 28, 2021, and was extended through March 30, 2026.

In April 2020, the Industrial and Commercial Bank of China USA provided REDC with a $1,500,000 unsecured revolving credit line for purposes of lending to small businesses in targeted economic areas. The line is considered unsecured, although the underlying loans are collateralized by REDC's own borrowers. The line bears interest at the fixed rate of 3% per annum. As of December 31, 2021 and 2020, the outstanding borrowings on the credit line amounted to $709,961 and $915,323, respectively. The line of credit matures on April 23, 2027.

Local Initiatives Support Corporation provided AAFE with a $175,000 line of credit. The line's interest rate was fixed at 4.5% per annum until it increased to 6.0% as of March 1, 2020 and then increased to 6.25% as of May 1, 2021. As of December 31, 2021 and 2020, the outstanding borrowings on the credit line amounted to $161,555 and $168,698, respectively. The line of credit will mature on February 1, 2023.

Enterprise Community Loan Fund, Inc. provided AAFE with a line of credit. The line is to be disbursed through sub-loans based on the borrower's request and the aggregate principal amount of all outstanding sub-loans cannot exceed $2,500,000. The line matures 36 months after the origination date or December 31, 2021. However, each sub-loan has a 24 month term period. The interest rate for all sub-loans will accrue at a fixed rate of 6% per annum until the outstanding balance reaches $1,000,000. The interest rate for all disbursements exceeding $1,000,000 will accrue at a fixed rate of 5.75% per annum. Outstanding balances as of December 31, 2021 and 2020 amounted to $902,108 and $766,257, respectively.

SeaChange Capital Projects provided AAFE with a $1,000,000 line of the credit. The line bears interest at the fixed rate of 6.05% per annum. As of both December 31, 2021 and 2020, outstanding borrowings on the credit line amounted to $1,000,000. The line of credit will mature on September 30, 2023.

NOTE 12 – MORTGAGES PAYABLE

Mortgages payable as of December 31 consist of the following:

Description	2021	2020	Year(s) of Maturity
To Global Bank at interest rate of 4.25%. The loan is secured by AAFE's assets with interest payable monthly. The principal payment is due in full at maturity in July 2024.	$ 691,319	$ 716,786	2024
To Valley National Bank. This is secured by a mortgage of property with monthly principal and interest payments of $11,659. The interest rate is variable, revised every five years based on the Index of Federal Home Loan Bank plus 2%. As of December 31, 2020 and 2019, the rate is 4.75%	-	884,520	2028
To Global Bank at interest rate of 4.00%. This mortgage is secured by two of CHHDFC's properties located in Jackson Heights, New York. The mortgage is amortized based on a 25-year amortization schedule with monthly principal and interest payments of $9,027, and a balloon payment due at maturity.	1,656,367	1,693,457	2030
To HPD at interest rate of 1.25% – Mortgage with interest and service fee payable on a monthly basis. Principal is due at maturity. The initial maturity date can be extended for an additional 15 years plus an additional three years based on compliance with the regulatory agreement, making its possible future maturity in 2038.	3,102,418	3,102,418	2038

NOTE 12 – MORTGAGES PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To HPD at interest rate of 1.00% – Second mortgage with monthly principal and interest payments of $421. Annual minimum principal repayments are $10, and the balance is due at the maturity date. The initial maturity date can be extended for an additional 15 years plus an additional three years based on compliance with the regulatory agreement, making its possible future maturity in 2038.	$ 503,933	$ 503,943	2038
To New York State Housing Trust Fund ("HTF") at interest rate of 1.00% – Third mortgage payable in full at the maturity date plus accrued interest. Accrued interest payable as of both December 31, 2021 and 2020 amounted to $73,446. The Company began to pay the interest in 2010. The initial maturity date can be extended for an additional 15 years plus an additional 3 years based on compliance with the regulatory agreement, making its possible future maturity in 2038.	545,440	545,440	2038
To HPD at interest rate of 1.00% – Equal monthly installments of interest only in the amount of $1,583 commencing on the first installment date, January 1, 2009, and continuing to the maturity date. The principal amount and any and all other amounts of the indebtedness are due on maturity.	2,223,623	2,223,623	2039
To HPD at interest rate of 1.25% – Equal monthly installments of interest only in the amount of $1,442 commencing on the first installment date, August 1, 2008, and continuing to the maturity date. The principal amount and any and all other amounts of the indebtedness are due on maturity.	1,384,684	1,384,684	2039
To HPD at interest rate of 0.25% – Installment of interest only was due on January 1, 2012. A monthly installment of principal and interest in the amount of $417 was due on February 1, 2012 and continuing to the maturity date.	635,630	639,036	2042
To HPD – No regular payments of principal or interest. At the end of the term, the principal amount shall be reduced in its entirety and deemed satisfied if the Mortgagor is in compliance with the terms and conditions of the Regulatory Agreement.	141,528	165,115	2027
To CPC at interest rate of 7.13% – Principal and interest of $1,802 is due monthly commencing on the first installment due date, February 1, 2012, and continuing to the maturity date.	230,545	235,136	2042
To HTF at interest rate of 1.00% – Pursuant to an agreement with the State of New York, acting through its Division of Housing and Community Renewal ("DHCR") and New York State Housing Trust ("HTF"). HTF has committed to provide a loan to finance the construction of Norfolk's building. The interest rate for the loan is 1%. Interest payment is due annually and is paid from excess income as defined in the mortgage agreement.	1,800,000	1,800,000	2030

NOTE 12 – MORTGAGES PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To HTF at interest rate of 1.00% – Pursuant to an agreement with the State of New York, acting through its Division of Housing and Community Renewal ("DHCR") and New York State Housing Trust ("HTF"). HTF has committed to provide a loan to finance the construction of Norfolk II's building. The interest rate for the loan is 1%. Interest payment is due annually and is paid from excess income as defined in the mortgage agreement.	$ 1,800,000	$ 1,800,000	2034
To Bellwether at interest rate of 2.97% – This loan is secured by the real property of the Company. Principal and an interest payment of $57,094 is due monthly, with any outstanding balance due in full at maturity.	12,415,765	12,737,912	2048
To HPD – First mortgage consisting of four separate mortgages that require no payment of principal or interest. Will be deemed satisfied at maturity if the Company is in compliance with the terms and conditions of the regulatory agreement.	14,250,000	14,250,000	2036
To HPD at interest rate of 0.25% – Second mortgage requires monthly interest accrual only. Will be deemed satisfied at maturity if the Company is in compliance with the terms and conditions of the regulatory agreement.	667,748	667,748	2024
To HPD – Third mortgage with interest and principal payable in full at maturity date. Will be deemed satisfied at maturity if the Company is in compliance with the terms and conditions of the regulatory agreement.	831,950	831,950	2026
To New York City HDC at interest rate of 1.25% – the note requires no monthly payments of principal until the note becomes due in 2046. Interest is due and payable in equal monthly installments commencing on July 1, 2016. A service fee in the amount of .25% of the principal amount or $60 monthly is also due and payable commencing on July 1, 2016.	287,091	287,091	2046
To HPD Building Loan – the note requires no monthly payments of principal or interest and will be forgiven at the end of the term provided there have been no defaults thereunder and the project has met all applicable requirements.	334,332	334,332	2045
To First mortgage to the Housing Trust Fund Corporation ("HTFC") at interest rate of 1.00% – the note requires no monthly payments of principal until the note becomes due. Interest is payable annually on the principal balance advanced and outstanding, commencing on the 30th day of June 2011, and continuing annually thereafter until June 30, 2046. Interest payments shall be due and payable on an annual basis solely to the extent of net cash flow as defined in the promissory note.	2,290,000	2,290,000	2046
To CPC at interest rate of 7.44% – First mortgage loan with principal and interest payable monthly commencing July 2014 and on the first day of each and every month thereafter until maturity.	840,905	866,529	2037

NOTE 12 – MORTGAGES PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To HPD at interest rate of 1.00% – Second mortgage loan. Beginning on July 1, 2014, an installment of principal and interest in the amount of approximately $880 is due, and a like installment is due on the first day of each month thereafter until and including June 1, 2037. Beginning July 1, 2037, installment of principal and interest in the amount of approximately $8,510 is due, and a like installment is due on the first day of each month thereafter until and including June 1, 2042.	$ 584,229	$ 588,527	2042
To HPD – No payments of principal or interest. At the end of the term, the principal amount shall be reduced in its entirety and deemed satisfied if the mortgagor is in compliance with the terms and conditions of the Regulatory Agreement.	527,000	527,000	2044
To First mortgage to the Enterprise Community at interest rate of 5.25% – the borrower shall make a principal and interest payment of $7,017 due the first date of each month until maturity. Effective September 2020, payments were deferred by Enterprise and resumed January 2021.	1,151,263	1,173,553	2043
To Second mortgage to HPD – no payments of principal or interest. At the end of the term, the principal amount shall be reduced in its entirety and deemed satisfied if the mortgagor is in compliance with the terms and conditions of the Regulatory Agreement.	2,000,000	2,000,000	2042
To Third mortgage to HPD – the borrower shall make interest payments of 1% inclusive of a 0.25% servicing fee. No payments of principal shall be payable by the borrower. Monthly interest payments in the amount of $685 are payable by the borrower. The principal balance and any accrued interest will be due upon maturity.	822,505	822,505	2046
To Fourth mortgage to HPD – the borrower shall have no payments of principal. Servicing fee shall be payable at 0.25%. This loan is forgivable if the mortgagor is in compliance with the terms and conditions of the Regulatory Agreement.	170,000	170,000	2046
To First mortgage to HPD – The loan shall be due and payable on December 1, 2045. No interest shall be due or payable on the loan.	1,754,543	1,754,543	2045
To Second mortgage to HPD – The loan shall be due and payable on December 1, 2045. No interest shall be due and payable on the Community Development Block Grants Loan.	210,000	210,000	2045
To Third mortgage to HDC at interest rate of 1.00% – The Article 8 loan shall be due and payable on September 25, 2029. Interest on the Article 8 Loan shall be payable at the rate of 0.75% per annum in equal monthly installments of interest only in the amount of $385 on the first day of each and every month, together with a servicing fee in the amount of 0.25% per annum on the Article 8 Loan and payable monthly in the amount of $128.	716,100	716,100	2029

NOTE 12 – MORTGAGES PAYABLE (Continued)

Description	2021	2020	Year(s) of Maturity
To Fourth mortgage to HDC at interest rate of 1.00% – The Article 8 loan shall be due and payable on May 31, 2028. Interest on the Article 8 Loan shall be payable at the rate of 0.75% per annum in equal monthly installments of interest only in the amount of $18,305 on the first day of each and every month, together with a servicing fee in the amount of 0.25% per annum on the Article 8 Loan and payable monthly in the amount of $61.	$ 292,885	$ 292,885	2028
To TD Bank at interest rate of 4.10%. This mortgage is secured by the real property located at 2 Allen Street, New York, NY, with monthly principal and interest payments of $18,763.	2,467,884	2,542,430	2027
To BankUnited N.A – Mortgage is due and payable on May 10, 2022 and carries an interest of 3.25% with monthly interest and principal payments of $13,462.	2,682,456	2,754,328	2022
To Neighborhood Partnership Housing Development Fund Company, Inc. This is a standing loan that does not bear interest or require the payment of installments. The principal balance is due in full at maturity.	495,000	495,000	2044
To HDC at interest rate of 0.25% – Mortgage with interest payable on a monthly basis. Principal is due at maturity on June 1, 2022.	1,996,084	1,996,084	2022
To HDC at interest rate of 1.25% – Second mortgage with interest payable on a monthly basis. Principal is due at maturity on June 1, 2022.	249,511	249,511	2022
To HPD at interest rate of 1.00% – The Home Permanent loan bears interest at the rate of 1% per annum. Principal is due at maturity on October 31, 2031.	644,623	644,623	2031
To HPD – No payments of principal, interest, or servicing fee shall be payable on the construction loan	2,947,422	2,947,422	2029
To HPD at interest rate of .25% - Mortage issued to finance the construction of three properties of the Lower East Housing Development Financing Corporation and is secured by those properties. Interest is paid monthly. Maturity occurs at the earlier of the first day of the first month after construntion completion or the Intital maturity Date of July 1, 2024	598,782	-	2024
To Local Initiatives Support Corporation (LISC) at interest rate of 5.62% - Mortage issued to finance the construction of three properties of the Lower East Housing Development Financing Corporation and is secured by those properties. Interest is paid monthly. Maturity occurs at the earlier of the first day of the first month after construntion completion or the intital maturity date of July 1, 2024	2,639,258	-	2024
	69,582,823	67,844,231	
Less: unamortized debt issuance costs	(519,801)	(537,629)	
	$ 69,063,022	$ 67,306,602	

NOTE 12 – MORTGAGES PAYABLE (Continued)

Golden Allen, LLC entered into a derivative transaction ("swap") with a notional amount that changes over time to correspond to the outstanding principal based on the agreed schedule for the mortgage. The notional amount of the derivative is the basis for calculating the volume of the transactions and does not represent the amount at risk. The market values of the swap can vary depending on movements in interest rates. The transaction creates off-balance sheet risk in that Golden Allen, LLC could potentially lose more on the swaps than the amounts at which these instruments are carried in the consolidated statements of financial position. The transaction had not been designated as a hedge. The counterparty is a New York financial institution. Golden Allen, LLC is obligated to pay an effective fixed interest rate of 3.11% on the notional amount (same as the principal balance). When taken together with the mortgage payable, the effect of the derivative transaction is to substantially convert variable rate (subject to the risk of going to a level higher than the current fixed rate) to a fixed rate mortgage payable that is subject to a 4.2% maximum rate.

As of December 31, 2021 and 2020, the estimated fair value of the swap agreement amounted to $146,327 and $291,727 which was deemed immaterial to the consolidated financial statements taken as a whole. Accordingly, the accompanying consolidated financial statements did not reflect such amounts.

Future approximate mortgage repayments for the five years ending after December 31, 2021 and thereafter are as follows:

2022	$ 3,139,000
2023	2,716,000
2024	4,337,000
2025	472,000
2026	486,000
Thereafter	58,432,000
	$ 69,582,000

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following purposes as of December 31:

	2021	2020
With donor restrictions:		
Small business grant reserve program	$ 2,711,425	$ 2,315,737
Housing development and related activities	43,172	531,455
LES housing development	-	95,000
Technical assistance	374,587	1,067,879
Strategic IT plan design/implementation	-	13,653
Other programs (COVID-19 related)	1,105,528	854,798
	$ 4,234,712	$ 4,878,522

During the years ended December 31, 2021 and 2020, net assets with donor restrictions which amounted to $2,679,080 and $341,456, respectively, were released from donor restrictions by incurring expenses (or the passage of time), thus satisfying the donor restrictions.

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

The Agency's net assets with donor restrictions include funds received from NeighborWorks America ("NWA") restricted for use as a revolving loan and capital projects fund.

The investment of funds received from NWA is governed by the NeighborWorks America Investment and Grant Agreement (the "Agreement"). Under the Agreement, the restricted capital grant funds shall be used for purposes that will build assets for the Agency and the community in which it operates. As noted above, the funds received from NWA were used as capital lending funds and for the rehabilitation of residential multifamily rental buildings. Interest on loans as well as proceeds on capital projects in excess of the total amount of restricted capital grant funds provided by NWA invested or otherwise used to fund such projects may be transferred to net assets without donor restrictions, to be used for purposes of furthering the Agency's mission. Cash from any restricted capital funds provided by NWA, and not expended according to the terms of the agreement, shall be fully invested in securities either of the United States government or that are guaranteed by the United States government, or exclusively deposited in federally insured or state insured accounts. For the years ended December 31, 2021 and 2020, there were no unspent capital funds.

NOTE 14 – RELATED-PARTY TRANSACTIONS

AAFE, being the general partner in the limited partnerships, receives management and incentive fees from the limited partnerships. The total management and incentive fees received for the years ended December 31, 2021 and 2020, amounted to $337,108 and $725,266, respectively, and are included under program service, incentives and fees in the accompanying consolidated statements of activities. There were no outstanding receivables as of December 31, 2021 and 2020.

Due from affiliates amounted to $10,444 and $10,796 as of December 31, 2021 and 2020, respectively and represents amounts due from various unconsolidated affiliates for services provided and loans extended by AAFE. Based on agreements in place the balance is to be collected with one to three years.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

A. Certain grants and contracts may be subject to audit by the funding sources. Such audits might result in disallowances of costs submitted for reimbursement. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying consolidated financial statements.

B. REDC is involved in several legal actions to recover monetary losses resulting from the default on loans by certain borrowers. No amounts for estimated recoveries have been included in the accompanying consolidated financial statements. REDC will recognize other income in the event any recoveries are made.

C. CHHDFC is a party to various legal proceedings involved in the ordinary course of business. Management is of the opinion that such legal actions will not result in a material loss to the Agency.

D. As permitted under the transfer agreement with HPD, CHHDFC leased portions of certain properties to commercial tenants in the interest of neighborhood revitalization and stabilization of local businesses. As of December 31, 2021, CHHDFC had such lease agreements with three commercial tenants, of which the lease agreements for one tenant will expire in 2022, one tenant in 2024, and one tenant in 2025.

   Future approximate minimum lease payments to be received for the years ending after December 31, 2021, are as follows:

2022	$ 269,000
2023	278,000
2024	112,000
2025	63,000
2026	10,000
	$ 732,000

NOTE 15 – COMMITMENTS AND CONTINGENCIES (Continued)

E. As the sponsor of the general partners in two limited partnerships (see Note 1), AAFE is obligated under certain guarantees associated with the operations of these partnerships.

F. In December 2015, REDC guaranteed a $3,075,000 loan by BankUnited to the Downtown Manhattan Community Development Corporation ("DMCDC"), a sponsored entity. The loan is also collateralized by a property known as 1 Pike Street a/k/a 109-111 Division Street, New York, New York. REDC has not accrued a liability on this guarantee as the fair value of the guarantee is deemed immaterial.

G. The Agency believes it had no uncertain income tax positions as of December 31, 2021 and 2020 in accordance with Accounting Standards Codification ("ASC") Topic 740 ("Income Taxes"), which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

H. The Agency subleases real property to tenants at 176-180 Eldridge Street, 111 Norfolk Street, 133-04 39th Avenue and 108 Norfolk Street in New York City. The approximate future minimum annual rentals to be received under these subleases for the years ending after December 31, 2021 are as follows:

	Total	176 Eldridge	180 Eldridge
2022	$ 124,000	$ 54,000	$ 70,000
2023	128,000	56,000	72,000
2024	132,000	58,000	74,000
2025	136,000	59,000	77,000
2026	140,000	61,000	79,000
	$ 660,000	$ 288,000	$ 372,000

Rental income from subleases amounted to $174,441 and $351,947 for the years ended December 31, 2021 and 2020, respectively.

NOTE 16 – CONCENTRATIONS

A. Cash and cash equivalents that potentially subject the Agency to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits by approximately $21,540,000 and $16,154,000 as of December 31, 2021 and 2020, respectively. Cash accounts with participating banks are insured up to $250,000 per depositor.

B. REDC lends money to small businesses in its target communities. Many of these small business borrowers operate businesses in the retail, wholesale, restaurant and certain personal service industries with their primary business operations located in Manhattan, Queens and Brooklyn. Funding for these loans is obtained by REDC in the form of loans, grants and credit lines from various organizations.

C. For the years ended December 31, 2021 and 2020, ECHDFC received revenue from 10 of its residential units in the form of Section 8 subsidies and the Senior Citizen Rent Increase Exemption program subsidies administered by HPD and the New York City Department of Finance, respectively. The balance of the rent is received from tenants, many of whom receive public assistance.

D. For the years ended December 31, 2021 and 2020, AAHDFC received approximately 23%, respectively, of its residential income in the form of Section 8 subsidies and the Senior Citizen Rent Increase Exemption program subsidies administered by HPD and the New York City Department of Finance, respectively. The balance of the rent is received from tenants, many of whom receive public assistance.

E. For the years ended December 31, 2021 and 2020, El Caribe received approximately 22% and 21%, respectively, of its residential income in the form of Section 8 subsidies and the Senior Citizen Rent Increase Exemption program subsidies administered by HPD and the New York City Department of Finance, respectively. The balance of the rent is received from tenants, many of whom receive public assistance.

F. For the year ended December 31, 2021, BKDHDFC received approximately 16% of its residential income in the form of Section 8 subsidies and the Senior Citizen Rent Increase Exemption program subsidies administered by HPD and the New York City Department of Finance, respectively. The balance of the rent is received from tenants, many of whom receive public assistance.

NOTE 17 – PENSION PLAN

In 2016, the Agency established a 403(b) plan (the "Plan"). All employees over age 21 of AAFE, or any affiliate who has adopted the Plan, with three consecutive months of continuous service are eligible to participate. The Plan has a discretionary match, which is a maximum of 2% for those employees contributing a minimum of 2% to the Plan. In addition, the Plan provides a 1% employer annual contribution for each participant who meets the following requirements:

- Employees who have worked at least 500 hours for the year, OR
- Employees who are still in "active" employee status at the end of the Plan year

During 2020, the 2% employer match was deposited into employees' accounts each pay period while the 1% employer contribution, calculated biweekly, was deposited to principal accounts until the end of the year. The 1% employer annual contribution for plan year 2020 was deposited to employees' accounts on 1/13/2021.

Effective January 1, 2021, the Plan was amended to reflect revised eligibility requirements for the 1% employer annual contribution as follows:

- Employees who have worked at least 500 hours for the year, AND
- Employees who are still in "active" employee status at the end of the Plan year

For the years ended December 31, 2021 and 2020, total employer contributions amounted to $164,693 and $120,107, respectively. Matching contributions are made to participant accounts each pay period.

NOTE 18 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through November 15, 2022, the date the consolidated financial statements were available to be issued.

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

	Asian Americans For Equality, Inc.	Renaissance Economic Development Corporation, Inc.	AAFE Community Development Fund, Inc.	Queens Housing and Immigration Center Corporation, Inc.	Hardesty Renaissance Economic Development Corporation, Inc.	4 NYC Housing, Inc.	Lower East Side Housing Development Fund Company, Inc.	Community Renewal Housing Development Fund Company, Inc.	Montgomery Housing Development Fund Company, Inc.	Community Homes Housing Development Fund Company, Inc. and its Affiliates	One Hardesty, LLC DBA Hardesty Storage	Golden Allen, LLC	Stanton Norfolk, Inc.	Asian American Housing Development Fund Company, Inc. and its Affiliates
ASSETS														
Cash and cash equivalents	$ 885,027	$ 2,257,388	$ 841,575	$ 10,409	$ 50,907	$ 1,183,020	$ 168,797	$ 34,129	$ 3,360	$ 708,083	$ 150,971	$ 36,620	$ 1,725,029	$ 1,472,039
Grants and contributions receivable, net	1,691,912	877,618	46,006	-	-	-	-	-	-	-	-	-	-	-
Rents and other receivables, net	-	-	-	-	-	-	397,122	-	-	21,368	17,534	-	259,664	85,933
Loans receivable, net	-	6,453,341	754,290	-	-	-	-	-	-	-	-	-	-	-
Due from affiliates	7,984,011	8,850,444	1,462,814	2,042,944	-	-	-	-	-	7,597,351	191,236	341,004	2,598,794	55,000
Real estate held for sale, at cost	-	-	-	-	-	-	-	-	-	6,364,269	-	-	-	-
Investments in affiliates	5,683,503	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	59,499	27,591	9,572	-	8,781	-	79,145	-	5,464	182,815	302,018	1,420	8,539	363,403
Restricted cash	-	1,987,408	-	-	-	-	-	-	-	-	-	-	-	-
Cash - designated for lending activity	-	9,598,159	1,157,325	-	-	-	-	-	-	-	-	-	-	-
Restricted reserve accounts	12,318	-	-	-	-	-	-	-	-	-	-	84,277	-	7,703,569
Property and equipment, net	1,546,921	1,368,023	3,173,266	4,048,006	4,524,173	2,385,094	3,621,175	-	578,942	-	5,314,114	3,807,180	27,949	8,809,488
Loan loss reserve	-	4,096,345	97,006	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	$ 17,863,191	$ 35,516,317	$ 7,541,854	$ 6,101,359	$ 4,583,861	$ 3,568,114	$ 4,266,239	$ 34,129	$ 587,766	$ 14,873,886	$ 5,975,873	$ 4,270,501	$ 4,619,975	$ 18,489,432
LIABILITIES														
Accounts payable and accrued expenses	$ 498,805	$ 376,130	$ 61,445	$ 55,353	$ 475,798	$ 285,262	$ 890,723	$ 3,172	$ 1,601	$ 71,174	$ 67,294	$ 32,317	$ 283,381	$ 246,428
Due to affiliates	5,134,662	90,000	1,224,518	6,166,317	4,857,361	3,575,959	134,090	7,891	189,996	6,288,858	1,548,574	2,056,323	68,128	306,819
Refundable advances	103,959	2,252,777	34,611	-	-	-	-	-	-	-	-	-	-	-
Loans payable	305,000	10,125,245	1,941,261	3,044,492	1,439,249	-	-	-	-	1,012,086	4,939,000	-	-	-
Mortgages payable	691,319	-	-	-	-	-	3,238,040	-	495,000	1,622,077	-	2,467,884	-	12,362,010
Paycheck Protection Program ("PPP") loan payable	605,073	-	-	-	-	-	-	-	-	-	-	-	485,595	-
Bank lines of credit	2,063,663	3,709,961	-	-	-	-	-	-	-	-	-	-	-	-
Deferred rent obligation and other payables	37,440	-	-	-	-	-	-	28,586	-	61,268	-	-	24,000	276,839
TOTAL LIABILITIES	9,439,921	16,554,113	3,261,835	9,266,162	6,772,408	3,861,221	4,262,853	39,649	686,597	9,055,463	6,554,868	4,556,524	861,104	13,192,096
NET ASSETS (DEFICIT):														
Without donor restrictions:														
Undesignated	8,346,765	5,416,028	2,912,504	(3,164,803)	(2,188,547)	(293,107)	3,386	(5,520)	(98,831)	5,818,423	(578,995)	(286,023)	3,758,871	5,297,336
Designated for lending activities	-	9,598,159	1,157,325	-	-	-	-	-	-	-	-	-	-	-
Total net assets (deficit) without donor restrictions	8,346,765	15,014,187	4,069,829	(3,164,803)	(2,188,547)	(293,107)	3,386	(5,520)	(98,831)	5,818,423	(578,995)	(286,023)	3,758,871	5,297,336
With donor restrictions	76,505	3,948,017	210,190	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET ASSETS (DEFICIT)	8,423,270	18,962,204	4,280,019	(3,164,803)	(2,188,547)	(293,107)	3,386	(5,520)	(98,831)	5,818,423	(578,995)	(286,023)	3,758,871	5,297,336
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	$ 17,863,191	$ 35,516,317	$ 7,541,854	$ 6,101,359	$ 4,583,861	$ 3,568,114	$ 4,266,239	$ 34,129	$ 587,766	$ 14,873,886	$ 5,975,873	$ 4,270,501	$ 4,619,975	$ 18,489,432

See independent auditors' report.

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

	Chinatown Preservation Housing Development Fund Company, Inc.	East Chinatown Housing Development Fund Company, Inc.	Rivington Housing Development Fund Company, Inc.	Madison Street Housing Development Fund Company, Inc.	El Caribe Housing Development Fund Company, Inc.	AAFE Fair Housing Center, Inc.	East Village Homes Housing Development Fund, Inc.	Downtown Manhattan Community Development Corporation	Bremond King Davis Housing Development Fund Company, Inc.	Consolidating Eliminations	Consolidated Total 2021	Consolidated Total 2020
ASSETS												
Cash and cash equivalents	$ 1,308,975	$ 307,502	$ 136,752	$ 20,349	$ 433,881	$ 7,112	$ 104,976	$ 598,509	$ 260,055	$ -	$ 12,705,465	$ 11,457,484
Grants and contributions receivable, net	-	-	-	-	-	-	-	-	-	-	2,615,536	2,480,740
Rents and other receivables, net	40,308	27,092	9,198	15,433	30,997	-	-	4,411	156,048	-	1,065,108	715,148
Loans receivable, net	-	-	-	-	-	-	-	-	-	-	7,207,631	9,498,947
Due from affiliates	-	-	-	-	-	-	1,200	1,104,709	-	(32,219,063)	10,444	10,796
Real estate held for sale, at cost	-	-	-	-	-	-	-	3,976	-	-	6,368,245	10,396,226
Investments in affiliates	-	-	-	-	-	-	-	-	-	(1,070,628)	4,612,875	4,767,109
Prepaid expenses and other assets	428,398	58,454	13,367	20,116	78,902	24,000	13,863	97,831	44,399	-	1,827,577	1,722,384
Restricted cash	-	-	-	-	-	-	-	-	-	-	1,987,408	1,299,940
Cash - designated for lending activity	-	-	-	-	-	-	-	-	-	-	10,755,484	7,159,222
Restricted reserve accounts	1,554,880	1,745,811	30,780	81,745	1,613,804	-	-	-	1,123,179	-	13,950,363	13,194,862
Property and equipment, net	22,682,134	1,638,924	1,753,764	3,728,242	1,703,050	50,329	23,241,233	732,253	3,785,385	-	98,519,645	89,285,285
Loan loss reserve	-	-	-	-	-	-	-	-	-	-	4,193,351	4,670,587
TOTAL ASSETS	$ 26,014,695	$ 3,777,783	$ 1,943,861	$ 3,865,885	$ 3,860,634	$ 81,441	$ 23,361,272	$ 2,541,689	$ 5,369,066	$ (33,289,691)	$ 165,819,132	$ 156,658,730
LIABILITIES												
Accounts payable and accrued expenses	$ 203,832	$ 304,919	$ 17,832	$ 24,080	$ 38,477	$ -	$ 922,019	$ 67,912	$ 96,533	$ (575,919)	$ 4,448,568	$ 5,453,819
Due to affiliates	28,837	17,219	1,862	62,448	11,594	91,660	590,397	17,818	5,230	(32,476,561)	-	-
Refundable advances	-	-	-	-	-	-	-	-	-	-	2,391,347	1,159,197
Loans payable	-	-	-	-	-	-	21,848,856	-	-	-	44,655,189	40,111,966
Mortgages payable	27,811,353	2,901,202	1,897,053	4,083,460	2,973,528	-	-	2,682,456	5,837,640	-	69,063,022	67,306,602
Paycheck Protection Program ("PPP") loan payable	-	-	-	-	-	-	-	30,000	-	-	1,120,668	1,536,221
Bank lines of credit	-	-	-	-	-	-	-	-	-	-	5,773,624	5,850,278
Deferred rent obligation and other payables	330,674	39,480	33,308	15,118	43,166	-	-	33,175	44,328	-	967,382	793,913
TOTAL LIABILITIES	28,374,696	3,262,820	1,950,055	4,185,106	3,066,765	91,660	23,361,272	2,831,361	5,983,731	(33,052,480)	128,419,800	122,211,996
NET ASSETS (DEFICIT):												
Without donor restrictions:												
Undesignated	(2,360,001)	514,963	(6,194)	(319,221)	793,869	(10,219)	-	(289,672)	(614,665)	(237,211)	22,409,136	22,408,990
Designated for lending activities	-	-	-	-	-	-	-	-	-	-	10,755,484	7,159,222
Total net assets (deficit) without donor restrictions	(2,360,001)	514,963	(6,194)	(319,221)	793,869	(10,219)	-	(289,672)	(614,665)	(237,211)	33,164,620	29,568,212
With donor restrictions	-	-	-	-	-	-	-	-	-	-	4,234,712	4,878,522
TOTAL NET ASSETS (DEFICIT)	(2,360,001)	514,963	(6,194)	(319,221)	793,869	(10,219)	-	(289,672)	(614,665)	(237,211)	37,399,332	34,446,734
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	$ 26,014,695	$ 3,777,783	$ 1,943,861	$ 3,865,885	$ 3,860,634	$ 81,441	$ 23,361,272	$ 2,541,689	$ 5,369,066	$ (33,289,691)	$ 165,819,132	$ 156,658,730

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

	Year Ended December 31, 2021												
	Asian Americans For Equality, Inc.	**Renaissance Economic Development Corporation, Inc.**	**AAFE Community Development Fund, Inc.**	**Queens Housing and Immigration Center Corporation, Inc.**	**Hardesty Renaissance Economic Development Corporation, Inc.**	**4 NYC Housing, Inc.**	**Lower East Side Housing Development Fund Company, Inc.**	**Community Renewal Housing Development Fund Company, Inc.**	**Montgomery Housing Development Fund Company Inc.**	**Community Homes Housing Development Fund Company, Inc. and its Affiliates**	**One Hardesty, LLC DBA Hardesty Storage**	**Golden, Allen LLC**	**Stanton Norfolk Inc.**
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:													
PUBLIC SUPPORT, REVENUE AND OTHER:													
Contributions and grants	$ 738,403	$ 652,395	$ 152,734	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Grants from government agencies	3,068,060	2,358,288	-	-	200,000	-	-	-	-	-	56,557	-	485,595
Real estate sales (net of cost of real estate sales of $4,309,084 in 2021 and $226,026 in 2020)	-	-	-	-	-	-	-	-	-	1,216,676	-	-	-
Interest on loans and investments	232,267	575,816	86,501	5	-	-	-	-	-	192,544	-	-	66,020
Management, consulting, and marketing fees	100,000	-	-	-	-	-	-	-	-	-	-	-	2,723,780
Rent (net of vacancy loss of $366,767 in 2021 and $366,230 in 2020)	174,441	-	209,126	-	-	-	-	-	-	237,259	1,213,418	341,004	560,612
Program service, incentives and fees	1,378,141	-	-	-	-	-	-	-	-	-	30,189	-	-
Special event income	622,662	-	-	-	-	-	-	-	-	-	-	-	-
Loan fees	-	-	29,358	-	-	-	-	-	-	-	-	-	-
Other income	412,276	550,275	-	-	682	-	730	-	-	19,048	61,857	-	429,682
Net assets released from restrictions	1,133,951	1,230,730	223,176	-	-	-	-	-	-	-	-	-	-
TOTAL PUBLIC SUPPORT, REVENUE AND OTHER	7,860,201	5,367,504	700,895	5	200,682	-	730	-	-	1,665,527	1,362,021	341,004	4,265,689
EXPENSES:													
Program services:													
Community outreach and education	552,699	-	-	-	-	-	-	-	-	-	-	-	-
Housing, immigration and social services	1,953,801	-	-	456,877	-	-	-	-	-	-	-	-	-
Planning and development	899,032	-	-	-	-	-	-	-	-	-	1,219,590	-	-
Homeownership development	-	-	-	-	-	-	-	-	-	817,829	-	-	-
Homeownership loans	-	-	173,175	-	-	-	-	-	-	-	-	-	-
Homeownership counseling	-	-	338,970	-	-	-	-	-	-	-	-	-	-
Small business technical assistance and education	-	1,280,841	-	-	-	-	-	-	-	-	-	-	-
Small business loans	-	1,337,133	-	-	-	-	-	-	-	-	-	-	-
Affordable housing program services	-	-	-	-	-	-	-	-	-	-	-	-	2,568,354
Total Program Services	3,405,532	2,617,974	512,145	456,877	-	-	-	-	-	817,829	1,219,590	-	2,568,354
Supporting services:													
Management and general	2,500,510	454,252	85,346	-	219,816	106,795	543	1,921	27,660	34,459	186,434	338,636	854,718
Fundraising	19,129	172,505	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	5,925,171	3,244,731	597,491	456,877	219,816	106,795	543	1,921	27,660	852,288	1,406,024	338,636	3,423,072
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS BEFORE CHANGE IN AND TRANSFER OF INTEREST	1,935,030	2,122,773	103,404	(456,872)	(19,134)	(106,795)	187	(1,921)	(27,660)	813,239	(44,003)	2,368	842,617
Change in limited partner's interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of limited partner's interest	-	-	-	-	-	-	-	-	-	-	-	-	-
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,935,030	2,122,773	103,404	(456,872)	(19,134)	(106,795)	187	(1,921)	(27,660)	813,239	(44,003)	2,368	842,617
Net Assets (Deficit) Without Donor Restrictions - beginning of year	6,411,735	12,891,414	3,966,425	(2,707,931)	(2,169,413)	(186,312)	3,199	(3,599)	(71,171)	5,005,184	(534,992)	(288,391)	2,916,254
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS- END OF YEAI	8,346,765	15,014,187	4,069,829	(3,164,803)	(2,188,547)	(293,107)	3,386	(5,520)	(98,831)	5,818,423	(578,995)	(286,023)	3,758,871
Contributions	324,212	1,484,118	135,717	-	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	(1,133,951)	(1,230,730)	(223,176)	-	-	-	-	-	-	-	-	-	-
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	(809,739)	253,388	(87,459)	-	-	-	-	-	-	-	-	-	-
Net Assets With Donor Restrictions - beginning of year	886,244	3,694,629	297,649	-	-	-	-	-	-	-	-	-	-
NET ASSETS WITH DONOR RESTRICTIONS - END OF YEAR	76,505	3,948,017	210,190	-	-	-	-	-	-	-	-	-	-
TOTAL NET ASSETS (DEFICIT) - END OF YEAR	$ 8,423,270	$ 18,962,204	$ 4,280,019	$ (3,164,803)	$ (2,188,547)	$ (293,107)	$ 3,386	$ (5,520)	$ (98,831)	$ 5,818,423	$ (578,995)	$ (286,023)	$ 3,758,871

ASIAN AMERICANS FOR EQUALITY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

	Year Ended December 31, 2021												
	Asian American Housing Development Fund Company, Inc. and its Affiliates	Chinatown Preservation Housing Development Fund Company, Inc.	East Chinatown Housing Development Fund Company, Inc.	Rivington Housing Development Fund Company, Inc.	Madison Street Housing Development Fund Company, Inc.	El Caribe Housing Development Fund Company, Inc.	AAFE Fair Housing Center, Inc.	East Village Homes Housing Development Fund, Inc.	Downtown Manhattan Community Development Corporation	Bremond King Davis Housing Development Fund Company, Inc.	Consolidating Eliminations	Consolidated Total 2021	Consolidated Total 2020
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:													
PUBLIC SUPPORT, REVENUE AND OTHER:													
Contributions and grants	$ 23,588	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,567,120	$ 1,242,474
Grants from government agencies	-	-	-	-	-	-	-	-	-	-	-	6,168,500	4,023,038
Real estate sales (net of cost of real estate sales of $4,309,084 in 2021 and $226,026 in 2020)	-	-	-	-	-	-	-	-	-	-	-	1,216,676	886,262
Interest on loans and investments	86,456	4,223	12,980	1,310	-	12,414	-	-	40,685	4,450	(758,366)	557,305	4,246,576
Management, consulting, and marketing fees	-	-	-	-	-	-	-	-	-	-	(1,025,041)	1,798,739	1,225,624
Rent (net of vacancy loss of $366,767 in 2021 and $366,230 in 2020)	2,696,289	1,965,883	531,912	217,969	218,736	564,476	-	-	494,091	852,667	(412,148)	9,865,735	9,795,649
Program service, incentives and fees	-	-	-	-	-	-	-	-	125,000	-	(1,363,200)	170,130	306,366
Special event income	-	-	-	-	-	-	-	-	-	-	-	622,662	190,494
Loan fees	-	-	-	-	-	-	-	-	-	-	-	29,358	18,814
Other income	117,148	107,336	30,803	-	954	41,175	-	-	31,540	44,709	-	1,848,215	1,810,580
Net assets released from restrictions	-	-	-	-	-	-	-	-	91,223	-	-	2,679,080	341,456
TOTAL PUBLIC SUPPORT, REVENUE AND OTHER	2,923,481	2,077,442	575,695	219,279	219,690	618,065	-	-	782,539	901,826	(3,558,755)	26,523,520	24,087,333
EXPENSES:													
Program services:													
Community outreach and education	-	-	-	-	-	-	-	-	-	-	(3,853)	548,846	729,012
Housing, immigration and social services	-	-	-	-	-	-	-	-	-	-	(203,102)	2,207,576	2,283,701
Planning and development	-	-	-	-	-	-	-	-	156,540	-	(88,160)	2,187,002	1,792,369
Homeownership development	-	-	-	-	-	-	-	-	-	-	(156,581)	661,248	534,374
Homeownership loans	-	-	-	-	-	-	-	-	-	-	(11,317)	161,858	160,337
Homeownership counseling	-	-	-	-	-	-	-	-	91,223	-	(17,436)	412,757	325,802
Small business technical assistance and education	-	-	-	-	-	-	-	-	-	-	(78,361)	1,202,480	912,669
Small business loans	-	-	-	-	-	-	-	-	-	-	(90,860)	1,246,273	1,951,921
Affordable housing program services	2,697,123	2,287,164	481,040	185,889	287,645	600,433	-	-	590,334	1,455,587	(1,527,330)	9,626,239	9,726,896
Total Program Services	2,697,123	2,287,164	481,040	185,889	287,645	600,433	-	-	838,097	1,455,587	(2,177,000)	18,254,279	18,417,081
Supporting services:													
Management and general	457,627	156,030	54,926	49,598	25,008	59,834	368	-	35,216	146,648	(1,323,472)	4,472,873	5,305,457
Fundraising	-	-	-	-	-	-	-	-	-	-	(58,283)	133,351	70,392
TOTAL EXPENSES	3,154,750	2,443,194	535,966	235,487	312,653	660,267	368	-	873,313	1,602,235	(3,558,755)	22,860,503	23,792,930
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS BEFORE CHANGE IN AND TRANSFER OF INTEREST	(231,269)	(365,752)	39,729	(16,208)	(92,963)	(42,202)	(368)	-	(90,774)	(700,409)	-	3,663,017	294,403
Change in limited partner's interest	(66,609)	-	-	-	-	-	-	-	-	-	-	(66,609)	(86,656)
Transfer of limited partner's interest	-	-	-	-	-	-	-	-	-	-	-	-	90,932
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(297,878)	(365,752)	39,729	(16,208)	(92,963)	(42,202)	(368)	-	(90,774)	(700,409)	-	3,596,408	298,679
Net Assets (Deficit) Without Donor Restrictions - beginning of year	5,595,214	(1,994,249)	475,234	10,014	(226,258)	836,071	(9,851)	-	(198,898)	85,744	(237,211)	29,568,212	29,269,533
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS- END OF YEAI	5,297,336	(2,360,001)	514,963	(6,194)	(319,221)	793,869	(10,219)	-	(289,672)	(614,665)	(237,211)	33,164,620	29,568,212
Contributions	-	-	-	-	-	-	-	-	91,223	-	-	2,035,270	3,691,373
Net assets released from restrictions	-	-	-	-	-	-	-	-	(91,223)	-	-	(2,679,080)	(341,456)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	-	-	-	-	-	-	-	-	-	-	-	(643,810)	3,349,917
Net Assets With Donor Restrictions - beginning of year	-	-	-	-	-	-	-	-	-	-	-	4,878,522	1,528,605
NET ASSETS WITH DONOR RESTRICTIONS - END OF YEAR	-	-	-	-	-	-	-	-	-	-	-	4,234,712	4,878,522
TOTAL NET ASSETS (DEFICIT) - END OF YEAR	$ 5,297,336	$ (2,360,001)	$ 514,963	$ (6,194)	$ (319,221)	$ 793,869	$ (10,219)	$ -	$ (289,672)	$ (614,665)	$ (237,211)	$ 37,399,332	$ 34,446,734