Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Financial Statements
(With Supplementary Information)
and Independent Auditor's Report

June 30, 2025

CohnReznick

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

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Israel Senior Citizens HDFC
HUD Project No.: 012-11482

June 30, 2025

Mortgagor's Certification

I hereby certify that I have examined the accompanying financial statements and supplementary data of Israel Senior Citizens HDFC and, to the best of my knowledge and belief, the same are complete and accurate.

Officer

Matthew LoCurto, Chief Financial Officer Date

Telephone Number: (212) 273-5257

Property Address: 155 Beach 19th St.
Queens, New York 11691

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

June 30, 2025

Managing Agent's Certification

I hereby certify that I have examined the accompanying financial statements and supplementary data of Israel Senior Citizens HDFC and, to the best of my knowledge and belief, the same are complete and accurate.

Managing Agent

JASA Housing Management Services
for the Aged, Inc.

Donald Manning — Date
Director of Housing

Regina Loveridge
Property Manager

Managing Agent Taxpayer
Identification Number:
13-3078676

Independent Auditor's Report

To the Board of Trustees
Israel Senior Citizens HDFC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Israel Senior Citizens HDFC, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets (deficit) and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Israel Senior Citizens HDFC as of June 30, 2025, and the changes in its net assets and its 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") and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Israel Senior Citizens HDFC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The HUD-required financial data templates, as required by the Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the HUD-required financial data templates and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 16, 2026, on our consideration of Israel Senior Citizens HDFC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Israel Senior Citizens HDFC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Israel Senior Citizens HDFC's internal control over financial reporting and compliance.

New York, New York
January 16, 2026

Lead Auditor: Michael J. Bisson, CPA

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Statement of Financial Position
June 30, 2025

Assets

Current assets	
Cash - operations	$ 3,002,222
Cash - entity	46,131
Tenant accounts receivable	337,507
Allowance for doubtful accounts	(236,319)
Accounts receivable - HUD	94,739
Prepaid expenses	113,674
Total current assets	3,357,954
Deposits held in trust - funded	
Tenant deposits	135,663
Restricted deposits and funded reserves	
Escrow deposits	2,095,994
Reserve for replacements	3,928,599
Total restricted deposits and funded reserves	6,024,593
Rental property	
Land	1,160,280
Buildings	38,528,752
Building equipment - portable	624,665
Furniture for project/tenant use	55,129
Office furniture and equipment	52,960
	40,421,786
Less accumulated depreciation	(17,247,002)
Total rental property	23,174,784
Total assets	$ 32,692,994

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Statement of Financial Position
June 30, 2025

Liabilities and Net Assets (Deficit)

Current liabilities	
Accounts payable - operations	$ 315,545
Accounts payable - construction/development	361,244
Accrued wages payable	105,374
Accrued payroll taxes payable	14,889
Accrued management fee payable	85,853
Accrued interest payable - first mortgage	127,274
Mortgage payable - first mortgage, current maturities	1,566,472
Miscellaneous current liabilities	124,192
Prepaid revenue	31,960
Total current liabilities	2,732,803
Deposits liability	
Tenant deposits held in trust (contra)	133,644
Long-term liabilities	
Mortgage payable - first mortgage, net of current and unamortized debt issuance costs	65,965,310
Total long-term liabilities	65,965,310
Total liabilities	68,831,757
Contingency	-
Net assets (deficit)	
Net assets without donor restrictions	(36,184,894)
Net assets with donor restrictions	46,131
Total net assets (deficit)	(36,138,763)
Total liabilities and net assets (deficit)	$ 32,692,994

See Notes to Financial Statements.

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Statement of Activities and Changes in Net Assets (Deficit)
Year Ended June 30, 2025

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Revenue			
Rental	$ 12,606,753	$ -	$ 12,606,753
Vacancies	(707,881)	-	(707,881)
Net rental revenue	11,898,872	-	11,898,872
Nursing home/assisted living and other revenue	176,612	-	176,612
Financial	24,908	-	24,908
Other	65,557	-	65,557
Total revenue	12,165,949	-	12,165,949
Expenses			
Administrative	1,559,832	-	1,559,832
Utilities	1,223,439	-	1,223,439
Operating and maintenance	1,675,351	-	1,675,351
Taxes and insurance	1,643,578	-	1,643,578
Financial (including interest of Nursing home/assisted living and other elderly care	1,725,823 176,612	-	1,725,823 176,612
Total cost of operations before depreciation	8,004,635	-	8,004,635
Income (loss) before depreciation	4,161,314	-	4,161,314
Depreciation	1,327,285	-	1,327,285
Operating income (loss)	2,834,029	-	2,834,029
Mortgagor entity expenses	3,980,042	-	3,980,042
Change in net assets	(1,146,013)	-	(1,146,013)
Net assets, beginning	(35,038,881)	46,131	(34,992,750)
Net assets, end	$ (36,184,894)	$ 46,131	$ (36,138,763)

See Notes to Financial Statements.

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Statement of Cash Flows
Year Ended June 30, 2025

Cash flows from operating activities	
Rental receipts	$ 11,619,042
Interest receipts	24,908
Other operating receipts	242,169
Total receipts	11,886,119
Administrative expenses paid	(161,986)
Management fees paid	(618,394)
Utilities paid	(1,073,627)
Salaries and wages paid	(1,334,134)
Operating and maintenance paid	(968,144)
Property insurance paid	(889,903)
Net tenant security deposits received (paid)	(22,125)
Other operating expenses paid	(865,883)
Interest paid on first mortgage	(1,545,823)
Mortgage insurance premium paid	(171,428)
Miscellaneous financial expenses paid	(12,556)
Entity/construction expenses paid (include detail)	
Distribution expense	(3,980,042)
Total disbursements	(11,644,045)
Net cash provided by operating activities	242,074
Cash flows from investing activities	
Net deposits to mortgage escrows	(663,261)
Net deposits to reserve for replacements	(177,863)
Net withdrawals from other reserves	386,448
Net purchases of fixed assets	(932,876)
Net cash used in investing activities	(1,387,552)
Cash flows from financing activities	
Mortgage principal payments - first mortgage	(1,531,651)
Net cash used in financing activities	(1,531,651)
Net decrease in cash and restricted cash	(2,677,129)
Cash and restricted cash, beginning	5,861,145
Cash and restricted cash, end	$ 3,184,016
Significant noncash investing and financing activities	
Increase in rental property included in accounts payable - construction/development	$ 85,353

See Notes to Financial Statements.

Note 1 - Organization

Israel Senior Citizens HDFC (the "Company") was organized in 1964 as a nonstock, nonprofit Company for the purpose of developing and operating housing and auxiliary facilities for aged persons of low-income. Such projects are regulated by the U.S. Department of Housing and Urban Development ("HUD") as to rent charges and operating methods. The Project consists of 512 units located in Far Rockaway, Queens, New York and is currently operating under the name Israel Senior Citizens Housing (the "Project"). The Company receives a significant portion of its revenue from government subsidy payments.

The Company is wholly controlled by the JASA Corporation, its sole member. JASA Corporation also wholly controls the Jewish Association Serving the Aging ("JASA"), JASA Housing Management Services for the Aged, Inc. ("JHM") and other housing companies, in its capacity as their sole member. The Company is related to JASA, JHM and the other housing companies by virtue of this control.

Cash distributions are limited by agreements between the Company and HUD to the extent of surplus cash as defined by HUD.

Note 2 - Summary of significant accounting policies

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("GAAP").

The Company presents its financial statements in accordance with the accounting guidance for nonprofit entities. Under this guidance, the Company is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Furthermore, information is required to segregate program service expenses from management and general expenses.

The Company conforms to accounting guidance on revenue recognition for nonprofit entities. Under this guidance, contributions received, if any, are recorded as support without or with donor restrictions depending on the existence and/or nature of any donor restrictions.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounts receivable and allowance for doubtful accounts

Tenant receivables are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of tenant accounts receivable. It is reasonably possible that management's estimate of the allowance will change. As of June 30, 2025, the balance of the allowance for doubtful accounts was $236,319.

Rental property
Rental property is carried at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives by use of the straight-line method. It is the Company's policy to capitalize items of $5,000 or greater and items purchased with replacement reserves that have a useful life that is greater than one year. Depreciation of rental property is computed primarily using the following useful lives:

Property classification	Estimated useful lives
Buildings	40 years
Equipment	5-10 years
Furniture	10 years

Impairment of long-lived assets
The Company reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended June 30, 2025.

Deferred financing costs and amortization
Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the mortgage loan payable to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed interest rate on the related loan.

Income taxes
The Company has applied for and received a determination letter from the Internal Revenue Service ("IRS") to be treated as a tax-exempt entity pursuant to Section 501(c)(3) of the Internal Revenue Code and did not have any unrelated business income for the year ended June 30, 2025. Due to its tax-exempt status, the Company is not subject to income taxes. The Company is required to file and does file tax returns with the IRS and other taxing authorities. Management has analyzed the tax positions taken by the Company and has concluded that, as of June 30, 2025, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. Accordingly, these financial statements do not reflect a provision for income taxes and the Company has no other tax positions which must be considered for disclosure. Income tax returns filed by the Company are subject to examination by the IRS for a period of three years. While no income tax returns are currently being examined by the IRS, tax years since 2022 remain open.

Rental income
Rental income is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Company and the tenants of the property are operating leases.

Grant income
The Company was awarded a cost reimbursed grant from HUD (see Note 8). Revenue is recognized as costs are incurred.

Functional expenses
The costs of providing programs and other activities are summarized on a functional basis in Note 12. Accordingly, certain costs are allocated among program services and supporting services benefitted.

Note 3 - Liquidity and availability

The Company has $3,198,149 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of $3,002,222 and accounts receivable, net of allowances, of $195,927. Only amounts related to cash restricted construction for construction activity, restricted deposits and funded reserves anticipated to be used more than one year after the statement of financial position date have been excluded from the above amounts.

As regulated by HUD, financial assets of the Company are intended to be sufficient to meet its general expenditures, liabilities and other obligations as they become due. Project operations are designed to break-even and not result in either surplus cash or a deficit in surplus cash.

Note 4 - Mortgage payable

On November 24, 2020, the Company refinanced its original mortgage in the original amount of $74,500,000 under Section 207, pursuant to Section 223(f) of the National Housing Act. The mortgage note is collateralized by the mortgage on the rental property. The note bears interest at the rate of 2.25% per annum. Principal and interest are payable by the Company in monthly installments of $256,456 through maturity on December 1, 2055. As of June 30, 2025, the outstanding principal and accrued interest was $67,870,753 and $127,274, respectively.

For the year ended June 30, 2025, interest expense of $1554395, inclusive of $11,438 of amortization of debt issuance costs, was incurred and charged to operations.

Debt issuance costs, net of accumulated amortization, totaled $338,971, as of June 30, 2025 and are related to the mortgage. Debt issuance costs on the above note are being amortized using an imputed interest rate of 2.28%.

The Company entered into a regulatory agreement with the Secretary of HUD which prohibits, among other matters: (i) reimbursement of equity or capital contributions without prior written approval; (ii) the sale, assignment, disposal, or alteration of the real and personal property covered by the mortgage; and (iii) the Company's engaging in other business activities or incurring any liabilities not connected with the operation and rental of the building without prior written consent from HUD.

Under agreements with the mortgage lender and HUD, the Company is required to make monthly escrow deposits for taxes, insurance and replacement of project assets, and is subject to restrictions as to operating policies, rental charges, operating expenditures and distributions. The Company is also required by HUD to use the funds saved by a reduction in the debt service cost for programs and building improvements for the benefit of the tenants.

The liability of the Company under the mortgage note is limited to the underlying value of the real estate collateral plus other amounts deposited with the lender.

Aggregate annual maturities of the mortgage payable over each of the next five years and thereafter are as follows:

June 30, 2026	$	1,566,472
2027		1,602,083
2028		1,638,504
2029		1,675,753
2030		1,713,849
Thereafter		61,387,940
Total balance due		67,870,753
Less current		(1,566,472)
Less unamortized debt issuance costs		(338,971)
Net balance	$	65,965,310

Note 5 - Restricted deposits and funded reserves

Replacement reserve

The Company is required by HUD to fund a replacement reserve to be used for the replacement of property and equipment. The use of the funds requires prior approval from HUD. Monthly deposits in the amount of $12,800 are required. As of June 30, 2025, the balance in the replacement reserve was $3,928,599.

Escrow deposits

In accordance with the mortgage agreement, the Company is required to make monthly deposits to an insurance escrow and a mortgage insurance premium escrow. As of June 30, 2025, the balance in the escrows totaled $2,095,994.

Note 6 - Statement of cash flows

The following table provides a reconciliation of cash and restricted cash reported within the statement of financial position that sum to the total of the same such amounts in the statement of cash flows:

Cash	$	3,048,353
Tenant deposits		135,663
Total cash and restricted cash shown in the statement of cash flows	$	3,184,016

The amount included in restricted cash consists of security deposits held in trust for the future benefit of tenants upon moving out of the property as required by regulatory authority.

Note 7 - Related party transactions

JASA

The Company is a participant in a general insurance plan with JASA, which also includes health insurance and workers' compensation. Property and liability insurance expense for the year ended June 30, 2025 is $889903. Workers' compensation and health insurance and other employee benefits for the year ended June 30, 2025 is $31,190. Insurance is allocated to the various properties based on the unit counts. As of June 30, 2025, $124,192 remains payable to JASA and is included in miscellaneous current liabilities on the statement of financial position.

The Company is a participant in a multiemployer, defined benefit retirement plan sponsored by the UJA-Federation. The actuarial present value of the benefit obligation and fair value of plan assets are not available separately for each employer who participates in the plan. For the year ended June 30, 2025, the Company did not make any direct contributions into the plan on behalf of its employees; contributions to the plan were made by JASA. For the year ended June 30, 2025, the Company reimbursed JASA $48289 for pension costs.

The Company pays JASA, through a HUD grant, for the Service Coordinator Program, which provides social services for the tenants. The program expenses for the year ended June 30, 2025 were $176612.

JHM

The property is managed by an affiliate of the Company, JHM, pursuant to a management agreement approved by HUD. The management agreement provides for a fee of 5.25% of residential income collected monthly. Management fees incurred for the year ended June 30, 2025 are $618,473, of which $85,853 remains payable as of June 30, 2025.

The property pays a HUD-approved monthly fee to JHM for accounting and bookkeeping services. Fees earned for the year ended June 30, 2025 totaled $131,772 and are included in administrative expenses on the statement of activities and changes in net assets (deficit).

Note 8 - Grant revenue

The Company was awarded a service coordinator grant from HUD to use toward payment of the service coordinator's salary, benefits, and other administrative costs. The Company reimburses JASA with the grant. The Company received and recognized grant revenue of $176,612 for the year ended June 30, 2025. Grant expense for the year ended June 30, 2025 was $176612. As of June 30, 2025, $94,739 remains receivable and is included in accounts receivable - HUD on the accompanying statement of financial position.

Note 9 - Housing assistance payment contract agreement

HUD has contracted with the Company pursuant to Section 8 of the Housing Act of 1937 to make housing assistance payments to the Company on behalf of qualified tenants. The agreements expire November 30, 2040. For the year ended June 30, 2025, rental assistant payments of $9,653,931 were earned under the terms of the agreement and are included in rental revenue on the statement of activities and changes in net assets (deficit).

The Company also participates in housing choice voucher programs, through which individual tenant vouchers are accepted. Total revenue earned from these vouchers during the year ended June 30, 2025 was $9,307 and is included in rental revenue on the statement of activities and changes in net assets (deficit).

Note 10 - Concentration of credit risk

The Company maintains its cash balances in several accounts in one bank. The cash balances are insured by the Federal Deposit Insurance Company up to $250,000. At times, these balances may exceed the federal insurance limits; however, the Company has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances at June 30, 2025.

Note 11 - Current vulnerability due to certain concentrations

The Company's principal asset is a 512-unit apartment facility. The Company's operations are concentrated in the multifamily real estate market. In addition, the Company operates in a heavily regulated environment. The operations of the Company are subject to the administrative directives, rules and regulations of federal agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Note 12 - Expenses by nature and function

The table below presents expenses by both their nature and function during the year ended June 30, 2025:

	Total program services expense	Total supporting services expense (management and general)	Total
Administrative expenses	$ 773,600	$ 786,232	$ 1,559,832
Utilities expense	1,223,439	-	1,223,439
Operating and maintenance expenses	1,675,351	-	1,675,351
Taxes and insurance	1,643,578	-	1,643,578
Financial expenses	1,725,823	-	1,725,823
Nursing home/assisted living/board and care/other elderly care expenses	176,612	-	176,612
Depreciation	1,327,285	-	1,327,285
Corporate or mortgagor entity expenses, net	-	3,980,042	3,980,042
Total	$ 8,545,688	$ 4,766,274	$ 13,311,962

All expenses are directly attributable to a specific function.

Note 13 - Real estate tax exemption

The Company has executed documentation necessary to obtain a real estate tax exemption under Section 577 of the Private Housing Finance Law. As of June 30, 2025, the exemption was approved and expires on November 24, 2060, unless otherwise terminated in accordance with the agreement.

Note 14 - Mortgagor entity expenses

Mortgagor entity expenses included in the statement of activities and changes in net assets (deficit) do not represent operating expenses of the Project and, accordingly, cannot be paid and are not paid out of Project operations. Rather, they are entity expenses, which can only be paid out of surplus cash or mortgagor entity funds. Such expenses have been segregated from project operations in the statement of activities and changes in net assets (deficit) for that reason. Unpaid mortgagor entity expenses included in the statement of activities and changes in net assets (deficit) represent accruals only and are recorded only where required under accounting principles generally accepted in the United States of America. These accruals result only in increased liabilities in the statement of financial position. The liability that results from any accrual is also subject to surplus cash restrictions and is payable only to the extent of surplus cash or mortgagor entity funds. The statement of cash flows reflects those mortgagor entity expenses actually paid during the period.

Below is a summary of mortgagor entity expenses incurred and paid:

Description	Beginning liability	Expensed amount	Paid amount	Ending liability
Distribution expense paid to JASA	$ -	$ 3,980,042	$ (3,980,042)	$ -
	$ -	$ 3,980,042	$ (3,980,042)	$ -

Note 15 - Subsequent events

Events that occur after the statement of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of the Company through January 16, 2026 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Supplementary Information

Supporting Data Required by HUD

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Supplementary Information

Statement of Financial Position Data
June 30, 2025

Assets

Account No.			
Current assets			
1120	Cash - operations		$ 3,002,222
1125	Cash - entity		46,131
1130	Tenant accounts receivable	$ 337,507	
1131	Allowance for doubtful accounts	(236,319)	
1130N	Net tenants accounts receivable		101,188
1135	Accounts receivable - HUD		94,739
1200	Prepaid expenses		113,674
1100T	Total current assets		3,357,954
Deposits held in trust - funded			
1191	Tenant deposits		135,663
Restricted deposits and funded reserves			
1310	Escrow deposits	2,095,994	
1320	Reserve for replacements	3,928,599	
1300T	Total deposits		6,024,593
Rental property			
1410	Land	1,160,280	
1420	Buildings	38,528,752	
1440	Building equipment - portable	624,665	
1450	Furniture for project/tenant use	55,129	
1465	Office furniture and equipment	52,960	
1400T	Total fixed assets	40,421,786	
1495	Less accumulated depreciation	(17,247,002)	
1400N	Net fixed assets		23,174,784
1000T	Total assets		$ 32,692,994

Israel Senior Citizens HDFC
HUD Project No.: 012-11482
Supplementary Information

Statement of Financial Position Data
June 30, 2025

Liabilities and Net Assets (Deficit)

Account No.			
Current liabilities			
2110	Accounts payable - operations		$ 315,545
2111	Accounts payable - construction/development		361,244
2120	Accrued wages payable		105,374
2121	Accrued payroll taxes payable		14,889
2123	Accrued management fee payable		85,853
2131	Accrued interest payable - first mortgage		127,274
2170	Mortgage payable - first mortgage (short-term)		1,566,472
2190	Miscellaneous current liabilities		124,192
2210	Prepaid revenue		31,960
2122T	Total current liabilities		2,732,803
Deposits liability			
2191	Tenant deposits held in trust (contra)		133,644
Long-term liabilities			
2320	Mortgage payable - first mortgage	$ 65,965,310	
2300T	Total long-term liabilities		65,965,310
2000T	Total liabilities		68,831,757
3131	Net assets without donor restrictions	(36,184,894)	
3133	Net assets with donor restrictions	46,131	
3130	Total net assets (deficit)		(36,138,763)
2033T	Total liabilities and net assets (deficit)		$ 32,692,994

Israel Senior Citizens HDFC
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Supplementary Information

Statement of Activities Data
Year Ended June 30, 2025

Account No.			
Rental revenue			
5120	Rent revenue - gross potential	$ 2,936,177	
5121	Tenant assistance payments	9,663,238	
5170	Garage and parking spaces	7,338	
5100T	Total rental revenue		$ 12,606,753
Vacancies			
5220	Apartments	(707,881)	
5200T	Total vacancies		(707,881)
5152N	Net rental revenue		11,898,872
5300	Nursing home/Assisted living/Board and care/Other elderly care/Coop and other revenue		176,612
Financial revenue			
5440	Revenue from investments - replacement reserve	24,263	
5490	Revenue from investments - miscellaneous	645	
5400T	Total financial revenue		24,908
Other revenue			
5910	Laundry and vending	23,800	
5920	Tenant charges	41,757	
5900T	Total other revenue		65,557
5000T	Total revenue		12,165,949

Israel Senior Citizens HDFC
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Supplementary Information

Statement of Activities Data
Year Ended June 30, 2025

Account No.			
Administrative expenses			
6203	Conventions and meetings	8,652	
6310	Office salaries	275,471	
6311	Office expenses	72,142	
6320	Management fee	618,473	
6330	Manager or superintendent salaries	78,511	
6331	Administrative rent free unit	21,972	
6340	Legal expense - project	14,954	
6350	Auditing expense	12,350	
6351	Bookkeeping fees/accounting services	155,409	
6370	Bad debts	271,448	
6390	Miscellaneous administrative expenses	30,450	
6263T	Total administrative expenses		1,559,832
Utilities expense			
6450	Electricity	325,665	
6451	Water	223,700	
6452	Gas	318,495	
6453	Sewer	355,579	
6400T	Total utilities expense		1,223,439
Operating and maintenance expenses			
6510	Payroll	876,232	
6515	Supplies	71,720	
6520	Contracts	568,498	
6530	Security payroll/contract	109,616	
6546	Heating/cooling repairs and maintenance	40,295	
6570	Vehicle and maintenance equipment operation and repairs	231	
6590	Miscellaneous operating and maintenance expenses	8,759	
6500T	Total operating and maintenance expenses		1,675,351

Israel Senior Citizens HDFC
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Supplementary Information

Statement of Activities Data
Year Ended June 30, 2025

Account No.			
Taxes and insurance			
6711	Payroll taxes	102,273	
6720	Property and liability insurance	889,903	
6722	Workmen's compensation	18,420	
6723	Health insurance and other employee benefits	632,982	
6700T	Total taxes and insurance		1,643,578
Financial expenses			
6820	Interest on first mortgage payable	1,554,395	
6850	Mortgage insurance premium/service charge	171,428	
6800T	Total financial expenses		1,725,823
6900	Nursing home/Assisted living/Board and care/Other elderly care expenses		176,612
6000T	Total cost of operations before depreciation		8,004,635
5060T	Income (loss) before depreciation		4,161,314
Depreciation			
6600	Depreciation expense	1,327,285	
	Total depreciation		1,327,285
5060N	Operating income (loss)		2,834,029
Corporate or mortgagor entity revenue and expenses			
7190	Other expenses	3,980,042	
7100T	Net entity expenses		3,980,042
	Total expenses		13,311,962
3250	Change in net assets		$ (1,146,013)

Israel Senior Citizens HDFC
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Supplementary Information

Statement of Activities Data
Year Ended June 30, 2025

Account No.		
S1000-010	Total first mortgage (or bond) principal payments required during the audit year (12 monthly payments). Applies to all direct loans and HUD-held and fully-insured first mortgages.	$ 1,531,651
S1000-020	Total of 12 monthly deposits in the audit year made to the replacement reserve account, as required by the regulatory agreement, even if payments may be temporarily suspended or reduced.	$ 153,600
S1000-030	Replacement reserve, or residual receipts and releases which are included as expense items on the statement of activities.	$ -
S1000-040	Project improvement reserve releases under the flexible subsidy program which are included as expense items on the statement of activities.	$ -

Israel Senior Citizens HDFC
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Supplementary Information

Statement of Changes in Net Assets (Deficit) Data
Year Ended June 30, 2025

Account No.		Net assets without donor restrictions	Net assets with donor restrictions	Total
S1100-050	Net assets (deficit)			
S1100-060/080	June 30, 2024	$ (35,038,881)	$ 46,131	$ (34,992,750)
3247/3249	Change in net assets	(1,146,013)	-	(1,146,013)
3130	Net assets (deficit)			
3131/3133	June 30, 2025	$ (36,184,894)	$ 46,131	$ (36,138,763)

Israel Senior Citizens HDFC
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Supplementary Information

Statement of Cash Flows Data
Year Ended June 30, 2025

Account No.			
	Cash flows from operating activities		
S1200-010	Rental receipts		$ 11,619,042
S1200-020	Interest receipts		24,908
S1200-030	Other operating receipts		242,169
S1200-040	Total receipts		11,886,119
S1200-050	Administrative expenses paid		(161,986)
S1200-070	Management fees paid		(618,394)
S1200-090	Utilities paid		(1,073,627)
S1200-100	Salaries and wages paid		(1,334,134)
S1200-110	Operating and maintenance paid		(968,144)
S1200-140	Property insurance paid		(889,903)
S1200-160	Net tenant security deposits received (paid)		14,057
S1200-170	Other operating expenses paid		(865,883)
S1200-180	Interest paid on first mortgage		(1,545,823)
S1200-210	Mortgage insurance premium paid		(171,428)
S1200-220	Miscellaneous financial expenses paid		(12,556)
S1200-225	Entity/construction expenses paid (include detail)		
S1200-226	Distribution expense	$ (3,980,042)	
			(3,980,042)
S1200-230	Total disbursements		(11,607,863)
S1200-240	Net cash provided by operating activities		278,256
	Cash flows from investing activities		
S1200-245	Net deposits to mortgage escrows		(663,261)
S1200-250	Net deposits to reserve for replacements		(177,863)
S1200-255	Net withdrawals from other reserves		
S1200-256	Net withdrawals from repair reserve	386,448	
			386,448
S1200-330	Net purchases of fixed assets		(932,876)
S1200-350	Net cash used in investing activities		(1,387,552)
	Cash flows from financing activities		
S1200-360	Mortgage principal payments - first mortgage		(1,531,651)
S1200-460	Net cash used in financing activities		(1,531,651)
S1200-470	Net decrease in cash		(2,640,947)
S1200-480	Cash, beginning		5,689,300
S1200T	Cash, end		$ 3,048,353
Comments			
	Increase in rental property included in accounts payable - construction/development		$ 85,353

Israel Senior Citizens HDFC
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Supplementary Information
Year Ended June 30, 2025

Reserve for Replacements

Account No.		
1320P	Balance at June 30, 2024	$ 3,750,736
1320DT	Total monthly deposits	153,600
1320INT	Interest income	24,263
1320	Balance at June 30, 2025	$ 3,928,599

Israel Senior Citizens HDFC
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Supplementary Information
Year Ended June 30, 2025

Computation of Surplus Cash, Distributions and Residual Receipts

Account No.	Part A - Compute Surplus Cash			
S1300-010	Cash (Accounts 1120, 1170 and 1191)			$ 3,137,885
1135	Accounts receivable - HUD			94,739
S1300-040	Total cash			3,232,624
S1300-050	Accrued mortgage interest payable			127,274
S1300-060	Delinquent mortgage principal payments			-
S1300-070	Delinquent deposits to reserve for replacements			-
S1300-075	Accounts payable (due within 30 days)			315,545
S1300-080	Loans and notes payable (due within 30 days)			-
S1300-090	Deficient tax, insurance or MIP escrow deposits			-
S1300-100	Accrued expenses (not escrowed)			691,552
2210	Prepaid revenue (Account 2210)			31,960
2191	Tenant security deposits liability (Account 2191)			133,644
S1300-110	Other current obligations (describe in detail)			
S1300-120	Mortgage principal	$ 129,199		
S1300-120	Replacement reserve deposit	12,800		
S1300-120	Tax and insurance escrow deposit	64,619		
S1300-120	MIP escrow deposit	14,445		
				221,063
S1300-140	Less total current obligations			1,521,038
S1300-150	Surplus cash (deficiency)			$ 1,711,586
S1300-200	Amount available for distribution during next fiscal period			$ 1,711,586

Israel Senior Citizens HDFC
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Supplementary Information
Year Ended June 30, 2025

Changes in Fixed Asset Accounts

	Assets			
	Balance 6/30/24	Additions	Deductions	Balance 6/30/25
Land	$ 1,160,280	$ -	$ -	$ 1,160,280
Buildings	37,610,012	918,740	-	38,528,752
Building equipment - portable	536,258	88,407	-	624,665
Furniture for project/tenant use	45,015	10,114	-	55,129
Office furniture and equipment	51,992	968	-	52,960
	$ 39,403,557	$ 1,018,229	$ -	$ 40,421,786
Accumulated depreciation	$ 15,919,717	$ 1,327,285	$ -	$ 17,247,002
Total net book value				$ 23,174,784

Israel Senior Citizens HDFC
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Supplementary Information
Year Ended June 30, 2025

Fixed Asset Detail

Additions to Buildings Account

Item and quantity	Amount
Unit renovations	$ 918,740

Additions to Building Equipment - Portable Account

Item and quantity	Amount
Kitchen appliances	$ 88,407

Additions to Furniture for Project/Tenant Use Account

Item and quantity	Amount
Landscape	$ 10,114

Additions to Office Furniture and Equipment Account

Item and quantity	Amount
Computer	$ 968

Israel Senior Citizens HDFC
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Supplementary Information
Year Ended June 30, 2025

Detail of Accounts - Statement of Financial Position

Miscellaneous Current Liabilities (Account No. 2190)

Due to JASA	$ 124,192

Israel Senior Citizens HDFC
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Supplementary Information
Year Ended June 30, 2025

Detail of Accounts - Statement of Activities

Other Entity Expenses (Account No. 7190)

Distribution expense	$	3,980,042

Nursing Home/Assisted Living/Board and Care/Other Elderly Care/Coop and Other Revenue (Account No. 5300)

5390	Other service revenue	$	176,612

Nursing Home/Assisted Living/Board and Care/Other Elderly Care Expenses (Account No. 6900)

6990	Other service expenses	$	176,612

Israel Senior Citizens HDFC
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Supplementary Information
Year Ended June 30, 2025

Other Information

Related party transactions detail:

Account No.	Entity name	Amount paid
S3100-210	JASA - distribution expense	$ 3,980,042
S3100-210	JHM (management fees)	618,473
S3100-210	JHM (bookkeeping/accounting)	131,772
S3100-210	JASA (service coordinator)	176,612
		$ 4,906,899

Israel Senior Citizens HDFC
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Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/ (Pass-through Grantor)/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development			
Mortgage Insurance For the Purchase or Refinancing of Existing Multifamily Housing Projects: Sections 207/223(f)	14.155	N/A	$ 69,402,404
Multifamily Housing Service Coordinators	14.191	N/A	176,612
Section 8 Project Based Cluster, Lower Income Housing Assistance Program - Section 8 Moderate Rehabiliation	14.856	N/A	9,653,931
Total U.S Department of Housing and Urban Development			79,232,947
Total expenditures of federal awards			$ 79,232,947

See Notes to Schedule of Expenditures of Federal Awards.

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Notes to Schedule of Expenditures of Federal Awards
June 30, 2025

Note 1 - Basis of presentation

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of Israel Senior Citizens HDFC, HUD Project No.: 012-11482, under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of Israel Senior Citizens HDFC, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Israel Senior Citizens HDFC. For the year ended June 30, 2025, no awards were passed through to subrecipients.

Note 2 - Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect cost rate

Israel Senior Citizens HDFC has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 - U.S. Department of Housing and Urban Development loan program

Israel Senior Citizens HDFC has received a U.S. Department of Housing and Urban Development insurance loan under Section 207 of the National Housing Act. The loan balance outstanding at the beginning of the year is included in the federal expenditures presented in the Schedule. Israel Senior Citizens HDFC received no additional loans during the year. The balance of the loan outstanding at June 30, 2025 consists of:

Assistance Listing Number	Program Name	Outstanding Balance June 30, 2025
14.155	Mortgage Insurance For the Purchase or Refinancing of Existing Multifamily Housing Projects: Sections 207/223(f)	$ 67,870,753

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Trustees
Israel Senior Citizens HDFC

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Israel Senior Citizens HDFC, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 16, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Israel Senior Citizens HDFC's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Israel Senior Citizens HDFC's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Israel Senior Citizens HDFC's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Israel Senior Citizens HDFC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

New York, New York
January 16, 2026

Independent Auditor's Report on Compliance for Each Major Federal Program
and Report on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Trustees
Israel Senior Citizens HDFC

Report on Compliance for Each Major Federal Program

Opinion on Each Major HUD Program

We have audited Israel Senior Citizens HDFC's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Israel Senior Citizens HDFC's major federal programs for the year ended June 30, 2025. Israel Senior Citizens HDFC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Israel Senior Citizens HDFC complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Israel Senior Citizens HDFC 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Israel Senior Citizens HDFC's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Israel Senior Citizens HDFC's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and to express an opinion on Israel Senior Citizens HDFC's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Israel Senior Citizens HDFC's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Israel Senior Citizens HDFC's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Israel Senior Citizens HDFC's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Israel Senior Citizens HDFC's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CohnReznick LLP

New York, New York
January 16, 2026

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Schedule of Findings and Questioned Costs
June 30, 2025

A. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ____ Yes x No
- Significant deficiency(ies) identified? ____ Yes X None reported

Noncompliance material to financial statements noted? ____ Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ____ Yes X No
- Significant deficiency(ies) identified? ____ Yes x None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? ____ Yes x No

Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
14.155	Mortgage Insurance For the Purchase or Refinancing of Existing Multifamily Housing Program: Sections 207/223(f)
14.856	Section 8 Project- Based Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee ____ Yes X No

Israel Senior Citizens HDFC
HUD Project No.: 012-11482

Schedule of Findings and Questioned Costs
June 30, 2025

B. Financial Statement Findings

None reported.

C. Federal Award Findings and Questioned Costs

None reported.

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