

**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

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

June 30, 2024

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

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**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

June 30, 2024

Mortgagor's Certification

I hereby certify that I have examined the accompanying financial statements and supplementary data of Cooper Square Senior Housing L.P. and, to the best of my knowledge and belief, the same are complete and accurate.

General Partner

Matthew LoCurto
Chief Financing Officer

Date

Telephone Number: (212) 273-5257

**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

June 30, 2024

Managing Agent's Certification

I hereby certify that I have examined the accompanying financial statements and supplementary data of Cooper Square Senior Housing L.P. 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
Director of Housing

Date

Regina Loveridge
Property Manager

Managing Agent Taxpayer
Identification Number:
13-3078576

Independent Auditor's Report

To the General Partner
Cooper Square Senior Housing L.P.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cooper Square Senior Housing L.P., which comprise the balance sheet as of June 30, 2024, and the related statements of operations, partners' equity (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 Cooper Square Senior Housing L.P. as of June 30, 2024, and the results of its operations 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 Cooper Square Senior Housing L.P. 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 Cooper Square Senior Housing L.P.'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 Cooper Square Senior Housing L.P.'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 Cooper Square Senior Housing L.P.'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 are presented for purposes of additional analysis and are 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 are fairly stated in all material respects in relation to the financial statements as a whole.

Other Matters

The Schedule of the Status of Prior Audit Findings, Questioned Costs and Recommendations has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated September 25, 2024, on our consideration of Cooper Square Senior Housing L.P.'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 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 considering Cooper Square Senior Housing L.P.'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 Cooper Square Senior Housing L.P.'s internal control over financial reporting and compliance.

CohnReznick LLP

New York, New York
September 25, 2024

Taxpayer Identification Number:
22-1478099

Lead Auditor: Michael J. Bisson, CPA

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Balance Sheet
June 30, 2024

Assets

Current assets	
Cash - operations	\$ 4,400,957
Cash - entity	127,727
Tenant accounts receivable	150,062
Allowance for doubtful accounts	(78,436)
Accounts receivable - HUD	85,271
Accounts and notes receivable - operations	498
Miscellaneous current assets	9,905
Prepaid expenses	238,789
	<hr/>
Total current assets	4,934,773
	<hr/>
Deposits held in trust - funded	
Tenant deposits	50,428
	<hr/>
Restricted deposits and funded reserves	
Escrow deposits	612,657
Reserve for replacements	1,420,839
Residual receipts reserve	46,551
	<hr/>
Total restricted deposits and funded reserves	2,080,047
	<hr/>
Rental property	
Land	75,500
Buildings	9,183,540
Building equipment - portable	144,655
Furniture for project/tenant use	15,555
Office furniture and equipment	11,885
Maintenance equipment	24,191
Miscellaneous fixed assets	14,756
	<hr/>
	9,470,082
Less accumulated depreciation	(2,426,708)
	<hr/>
Total rental property	7,043,374
	<hr/>
Total assets	\$ 14,108,622
	<hr/> <hr/>

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Balance Sheet
June 30, 2024

Liabilities and Partners' Equity (Deficit)

Current liabilities	
Accounts payable - operations	\$ 386,239
Accrued wages payable	19,789
Accrued payroll taxes payable	133,372
Accrued management fee payable	14,283
Accrued interest payable - first mortgage	158,140
Accrued property taxes payable	2,130,314
Mortgage payable - first mortgage (short-term)	821,791
Miscellaneous current liabilities	39,571
Prepaid revenue	6,384
	<hr/>
Total current liabilities	3,709,883
	<hr/>
Deposits liability	
Tenant deposits held in trust (contra)	39,573
	<hr/>
Long-term liabilities	
Mortgage payable - first mortgage, net of current and unamortized debt issuance costs	45,140,412
	<hr/>
Total long-term liabilities	45,140,412
	<hr/>
Total liabilities	48,889,868
	<hr/>
Contingency	-
	<hr/>
Partners' equity (deficit)	(34,781,246)
	<hr/>
Total liabilities and partners' equity (deficit)	\$ 14,108,622
	<hr/> <hr/>

See Notes to Financial Statements.

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Statement of Operations
Year Ended June 30, 2024

Revenue	
Rental	\$ 6,913,194
Vacancies	(95,605)
	<hr/>
Net rental revenue	6,817,589
Financial	9,230
Other	99,094
	<hr/>
Total revenue	<hr/> <u>6,925,913</u>
Expenses	
Administrative	701,628
Utilities	494,464
Operating and maintenance	365,053
Taxes and insurance	1,060,021
Financial (including interest of \$1,930,464)	2,056,238
Nursing home/assisted living/board and care/other elderly care expenses	93,781
	<hr/>
Total cost of operations before depreciation	<hr/> <u>4,771,185</u>
Income (loss) before depreciation	2,154,728
Depreciation	542,578
	<hr/>
Net income	<hr/> <u><u>\$ 1,612,150</u></u>

See Notes to Financial Statements.

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Statement of Partners' Equity (Deficit)
Year Ended June 30, 2024

	<u>Limited partner</u>	<u>General partner</u>	<u>Total</u>
Partners' equity (deficit) June 30, 2023	\$ (36,035,085)	\$ 706	\$ (36,034,379)
Distributions	(536,788)	-	(536,788)
Contributions	177,771	-	177,771
Net income	<u>1,611,989</u>	<u>161</u>	<u>1,612,150</u>
Partners' equity (deficit) June 30, 2024	<u>\$ (34,782,113)</u>	<u>\$ 867</u>	<u>\$ (34,781,246)</u>
Partners' percentage of income	<u>99.99%</u>	<u>0.01%</u>	<u>100.00%</u>

See Notes to Financial Statements.

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Statement of Cash Flows
Year Ended June 30, 2024

Cash flows from operating activities	
Rental receipts	\$ 6,626,763
Interest receipts	9,230
Other operating receipts	99,094
	<u>6,735,087</u>
Total receipts	<u>6,735,087</u>
Administrative expenses paid	(119,410)
Management fees paid	(171,844)
Utilities paid	(494,464)
Salaries and wages paid	(244,511)
Operating and maintenance paid	(126,177)
Real estate taxes paid	(284,333)
Property insurance paid	(234,716)
Miscellaneous taxes and insurance paid	(4,567)
Net tenant security deposits received (paid)	2,204
Other operating expenses paid	(185,953)
Interest paid on first mortgage	(1,912,455)
Mortgage insurance premium paid	(115,804)
Miscellaneous financial expenses paid	(8,473)
	<u>(3,900,503)</u>
Total disbursements	<u>(3,900,503)</u>
Net cash provided by operating activities	<u>2,834,584</u>
Cash flows from investing activities	
Net deposits to mortgage escrows	(277,603)
Net deposits to reserve for replacements	(54,233)
Net deposits to residual receipts reserve	(297)
Net purchases of fixed assets	(299,108)
	<u>(631,241)</u>
Net cash used in investing activities	<u>(631,241)</u>
Cash flows from financing activities	
Mortgage principal payments - first mortgage	(789,071)
Distributions to partners	(536,788)
Contributions by partners	177,771
	<u>(1,148,088)</u>
Net cash used in financing activities	<u>(1,148,088)</u>
Net increase in cash and restricted cash	1,055,255
Cash and restricted cash, beginning	<u>3,523,857</u>
Cash and restricted cash, end	<u><u>\$ 4,579,112</u></u>

Cooper Square Senior Housing, L.P.
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Statement of Cash Flows
Year Ended June 30, 2024

Reconciliation of net income (loss) to net cash provided by operating activities	
Net income	<u>\$ 1,612,150</u>
Adjustments to reconcile net income (loss) to net cash provided by operating activities	
Depreciation	542,578
Amortization of debt issuance costs	20,676
Bad debts	177,478
Changes in asset and liability accounts	
(Increase) decrease in assets	
Tenant accounts receivable	(128,756)
Accounts receivable - other	(40,593)
Prepaid expenses	3,630
Increase (decrease) in liabilities	
Accounts payable	235,646
Accrued liabilities	408,513
Accrued interest payable	(2,667)
Tenant security deposits held in trust	2,204
Prepaid revenue	495
Other adjustments (include detail)	
Miscellaneous current liabilities - due to affiliates	<u>3,230</u>
Total adjustments	<u>1,222,434</u>
Net cash provided by operating activities	<u><u>\$ 2,834,584</u></u>

See Notes to Financial Statements.

Cooper Square Senior Housing, L.P.
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Notes to Financial Statements
June 30, 2024

Note 1 - Organization

Cooper Square Senior Housing L.P. (the "Partnership") was formed as a limited partnership under the laws of the State of New York on March 6, 2017 for the purpose of acquiring, rehabilitating, developing, owning, maintaining, and operating a rental housing project under Section 223(f) of the National Housing Act as regulated by the U.S. Department of Housing and Urban Development ("HUD"). The Project consists of 151 units located in New York, New York, and is currently operating under the name Cooper Square Senior Housing (the "Project"). On February 14, 2019 the Partnership acquired the Project from an affiliate of the Partners (the "Seller").

The Partnership has entered into a regulatory agreement with HUD governing the operations of the Project.

The Partnership consists of two partners, Cooper Green Residence GP LLC, a New York limited liability company (the "General Partner"); and Cooper Green Residence LLC, a New York limited liability company (the "Limited Partner"), (collectively, the "Partners"). The General Partner and Limited Partner own .01% and 99.99%, respectively. Collectively, the Partners are wholly controlled by the JASA Corporation. JASA Corporation also wholly controls the Jewish Association Serving the Aging ("JASA"), and JASA Housing Management Services for the Aged, Inc. ("JHM").

The Partnership will continue to operate for an infinite time period, unless dissolved by law or in accordance with the provisions of the Amended and Restated Partnership Agreement.

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

Note 2 - Summary of significant accounting policies

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 bad debts

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, 2024, the balance of the allowance for doubtful accounts was \$78,436.

Cooper Square Senior Housing, L.P.
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Notes to Financial Statements
June 30, 2024

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 service lives by use of the straight-line method for financial reporting purposes. For income tax purposes, accelerated lives and methods are used. Depreciation of rental property is computed primarily using the following useful lives:

	<u>Estimated useful lives</u>
Acquired building and improvements	1 - 20 years
Building rehabilitation and improvements	40 years
Furniture, fixtures and equipment	1 - 10 years

Impairment of long-lived assets

The Partnership 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 for the year ended June 30, 2024.

Rental income

Rents are recognized for apartment rentals as they accrue. Advance receipts of rental income are deferred and classified as liabilities until earned. All leases between the Partnership and tenants of the property are operating leases.

Advertising costs

Advertising costs are expensed as incurred. No such costs were incurred during the year ended June 30, 2024.

Income taxes

The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. The Partnership is required to file and does file tax returns with the Internal Revenue Service (the "IRS") and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. Income tax returns filed by the Partnership 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 2021 remain open.

Note 3 - Restricted deposits and funded reserves

Mortgage escrows

The first mortgage lender requires the Partnership to establish and maintain escrows for real estate taxes, property insurance and mortgage insurance premium. As of June 30, 2024, the balance of the escrows totaled \$612,657 and is included in escrow deposits.

Cooper Square Senior Housing, L.P.
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Notes to Financial Statements
June 30, 2024

Replacement reserve

The first mortgage lender requires the Partnership to establish and maintain a replacement reserve fund. The Partnership was required to make an initial deposit of \$750,000. Commencing April 1, 2019, the Partnership is required to make monthly deposits in the of \$3,775. During the year ended June 30, 2023, the Partnership made all required deposits. As of June 30, 2024, the balance of the replacement reserve was \$1,420,839.

Residual reserve receipts

Upon acquisition of the Project, the Partnership acquired a residual receipts reserve. During the year ended June 30, 2021, HUD approved the release of all funds from this reserve and there is no requirement to maintain the reserve, however as of June 30, 2024, the balance of the residual reserve was \$46,551.

Note 4 - Mortgage payable

First mortgage

The Partnership entered into a mortgage agreement with ORIX Real Estate Capital LLC (the "Lender") in the original amount of \$50,365,900. The note bears interest at 4.07% per annum and requires monthly installments of principal and interest in the amount of \$225,127 until maturity on March 1, 2054. The principal balance of the loan at June 30, 2024 was \$46,559,006. During the year ended June 30, 2024, \$1,930,464 of interest expense was incurred, inclusive of \$20,676 of amortization of debt issuance costs. As of June 30, 2024, the balance of accrued interest was \$158,140.

Under agreements with the mortgage lender and Federal Housing Administration, the Partnership is required to make monthly escrow deposits for taxes, insurance, mortgage insurance premium, and replacement of Project assets, and is subject to restrictions as to operating policies, rental charges, operating expenditures and distributions to partners.

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

Debt issuance costs, net of accumulated amortization, totaled \$596,803 as of June 30, 2024 and are related to the first mortgage. Debt issuance costs are being amortized using an imputed interest rate of 4.18%.

As a provision of the loan closing, \$254,397 was reserved for elderly program services. During the year ended June 30, 2024, no amounts incurred for these services were funded from these proceeds. As of June 30, 2024, \$127,727 of the reserved proceeds from the loan closing remain and is included in cash - entity on the accompanying balance sheet.

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Notes to Financial Statements
June 30, 2024

Future maturities at June 30, 2024, are as follows:

June 30, 2025	\$	821,791
2026		855,869
2027		891,360
2028		928,323
2029		966,819
Thereafter		<u>42,094,844</u>
		46,559,006
Less unamortized debt issuance costs		(596,803)
Less current		<u>(821,791)</u>
	\$	<u><u>45,140,412</u></u>

Note 5 - Related party transactions

JASA

The Partnership 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, 2024 was \$234,716. Workers' compensation and health insurance and other employee benefits for the year ended June 30, 2024 were \$61,034, which is included in taxes and insurance on the accompanying statement of financial position. As of June 30, 2024, there was \$39,571 due to JASA which is included in miscellaneous current liabilities on the balance sheet.

The Partnership 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, 2024, the Partnership 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, 2024, the Partnership reimbursed JASA \$9,870 for pension costs.

JHM

The property is managed by an affiliate of the Partnership, JHM, pursuant to a management agreement approved by HUD. The current management agreement provides for a fee of 2.39% of monthly income collected. Management fees incurred for the year ended June 30, 2024 were \$161,772. As of June 30, 2024, \$14,283 remained payable.

The property pays a HUD-approved monthly fee to JHM for accounting and bookkeeping services. Fees incurred during the year ended June 30, 2024 were \$37,896, and are included in bookkeeping fees/accounting services on the statement of operations.

Cooper Square Senior Housing, L.P.
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Notes to Financial Statements
June 30, 2024

Note 6 - Statement of cash flows

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

Cash	\$ 4,528,684
Tenant deposits	<u>50,428</u>
Total cash and restricted cash shown in the statement of cash flows	<u>\$ 4,579,112</u>

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 - Grant revenue

The Partnership was awarded a service coordinator grant from HUD to use toward payment of the service coordinator's salary, benefits, and other administrative costs. The Partnership reimburses JASA with the grant. The Partnership received and recognized grant revenue of \$91,963 for the year ended June 30, 2024. Grant expense for the year ended June 30, 2024 was \$93,781 and is included in nursing homes/assisted living/boarding and care/other elderly care expenses in the statement of operations.

Note 8 - Housing Assistance Payment contract agreement

The Partnership has entered into a Housing Assistance Payment contract with HUD providing for payments for the apartment units leased to qualified tenants pursuant to Section 8 of the U.S. Housing Act of 1937. The contract, dated February 14, 2019, is a 20-year, Section 8 contract and expires on February 28, 2039. The contract covers 150 units; however, payments are subject to appropriations by HUD. The amount of subsidy recognized under the contract for the year ended June 30, 2024 was \$6,179,858.

Note 9 - Concentration of credit risk

The Partnership maintains its cash balances in several accounts in one bank. At times, these balances may exceed the federal insurance limits; however, the Partnership 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 balances as of June 30, 2024.

Note 10 - Current vulnerability due to certain concentrations

The Partnership's principal asset is a 151-unit apartment project. The Partnership's operations are concentrated in the multifamily real estate market. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership 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.

Cooper Square Senior Housing, L.P.
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Notes to Financial Statements
June 30, 2024

Note 11 - Real estate taxes

The property has been granted a partial exemption from real estate taxes under section 577 of the Private Housing Finance Law by resolution of the City Council of New York. The exemption shall continue for as long as the housing assistance payment contract remains in effect. Under the terms of the exemption, the property is subject to annual shelter rent payments, which are assessed based on a percentage of contract rents.

Note 12 - Contingency

Pursuant to the Partnership's contractual relationships with certain governmental funding sources, outside governmental agencies have the right to examine the books and records of the Partnership with regard to transactions relating to these contracts. The accompanying financial statements contain no provision for possible disallowances resulting from such reviews. Although such possible disallowances could be substantial, in the opinion of management, actual disallowances resulting from such reviews, if any, would be immaterial.

Note 13 - Subsequent events

Events that occur after the balance sheet 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 balance sheet date are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the balance sheet date, require disclosure in the accompanying notes. Management evaluated the activity of the Partnership through September 25, 2024 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Supplementary Information
Supporting Data Required by HUD

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information

Balance Sheet Data
June 30, 2024

<u>Account No.</u>	<u>Assets</u>		
Current assets			
1120	Cash - operations		\$ 4,400,957
1125	Cash - entity		127,727
1130	Tenant accounts receivable	\$ 150,062	
1131	Allowance for doubtful accounts	<u>(78,436)</u>	
1130N	Net tenants accounts receivable		71,626
1135	Accounts receivable - HUD		85,271
1140	Accounts and notes receivable - operations		498
1190	Miscellaneous current assets		9,905
1200	Prepaid expenses		<u>238,789</u>
1100T	Total current assets		4,934,773
Deposits held in trust - funded			
1191	Tenant deposits		50,428
Restricted deposits and funded reserves			
1310	Escrow deposits	612,657	
1320	Reserve for replacements	1,420,839	
1340	Residual receipts reserve	<u>46,551</u>	
1300T	Total deposits		2,080,047
Rental property			
1410	Land	75,500	
1420	Buildings	9,183,540	
1440	Building equipment - portable	144,655	
1450	Furniture for project/tenant use	15,555	
1465	Office furniture and equipment	11,885	
1470	Maintenance equipment	24,191	
1490	Miscellaneous fixed assets	<u>14,756</u>	
1400T	Total fixed assets	9,470,082	
1495	Less accumulated depreciation	<u>(2,426,708)</u>	
1400N	Net fixed assets		<u>7,043,374</u>
1000T	Total assets		<u><u>\$ 14,108,622</u></u>

**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

Supplementary Information

**Balance Sheet Data
June 30, 2024**

Liabilities and Partners' Equity (Deficit)

<u>Account No.</u>			
<u>Current liabilities</u>			
2110	Accounts payable - operations		\$ 386,239
2120	Accrued wages payable		19,789
2121	Accrued payroll taxes payable		133,372
2123	Accrued management fee payable		14,283
2131	Accrued interest payable - first mortgage		158,140
2150	Accrued property taxes payable		2,130,314
2170	Mortgage payable - first mortgage (short-term)		821,791
2190	Miscellaneous current liabilities		39,571
2210	Prepaid revenue		<u>6,384</u>
2122T	Total current liabilities		3,709,883
<u>Deposits liability</u>			
2191	Tenant deposits held in trust (contra)		39,573
<u>Long-term liabilities</u>			
2320	Mortgage payable - first mortgage	<u>\$ 45,140,412</u>	
2300T	Total long-term liabilities		<u>45,140,412</u>
2000T	Total liabilities		48,889,868
3130	Partners' equity (deficit)		<u>(34,781,246)</u>
2033T	Total liabilities and partners' equity (deficit)		<u><u>\$ 14,108,622</u></u>

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information

Statement of Operations Data
Year Ended June 30, 2024

<u>Account No.</u>			
Rental revenue			
5120	Rent revenue - gross potential	\$ 733,336	
5121	Tenant assistance payments	<u>6,179,858</u>	
5100T	Total rental revenue		\$ 6,913,194
Vacancies			
5220	Apartments	<u>(95,605)</u>	
5200T	Total vacancies		<u>(95,605)</u>
5152N	Net rental revenue		6,817,589
Financial revenue			
5430	Revenue from investments - residual receipts	297	
5440	Revenue from investments - replacement reserve	<u>8,933</u>	
5400T	Total financial revenue		9,230
Other revenue			
5910	Laundry and vending	6,047	
5920	Tenant charges	1,084	
5990	Miscellaneous revenue	<u>91,963</u>	
5900T	Total other revenue		<u>99,094</u>
5000T	Total revenue		<u>6,925,913</u>

**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

Supplementary Information

**Statement of Operations Data
Year Ended June 30, 2024**

<u>Account No.</u>			
Administrative expenses			
6204	Management consultants	850	
6310	Office salaries	97,921	
6311	Office expenses	51,276	
6320	Management fee	161,772	
6330	Manager or superintendent salaries	123,075	
6331	Administrative rent free unit	21,972	
6340	Legal expense - project	4,758	
6350	Auditing expense	12,350	
6351	Bookkeeping fees/accounting services	47,234	
6370	Bad debts	177,478	
6390	Miscellaneous administrative expenses	<u>2,942</u>	
6263T	Total administrative expenses		701,628
Utilities expense			
6450	Electricity	68,170	
6451	Water	129,769	
6452	Gas	87,509	
6453	Sewer	<u>209,016</u>	
6400T	Total utilities expense		494,464
Operating and maintenance expenses			
6515	Supplies	17,612	
6520	Contracts	322,409	
6546	Heating/cooling repairs and maintenance	9,222	
6590	Miscellaneous operating and maintenance expenses	<u>15,810</u>	
6500T	Total operating and maintenance expenses		365,053

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information

Statement of Operations Data
Year Ended June 30, 2024

<u>Account No.</u>			
Taxes and insurance			
6710	Real estate taxes	730,467	
6711	Payroll taxes	15,922	
6720	Property and liability insurance	234,716	
6722	Workmen's compensation	3,164	
6723	Health insurance and other employee benefits	71,185	
6790	Miscellaneous taxes, licenses, permits and insurance	<u>4,567</u>	
6700T	Total taxes and insurance		1,060,021
Financial expenses			
6820	Interest on first mortgage payable	1,930,464	
6850	Mortgage insurance premium/service charge	117,301	
6890	Miscellaneous financial expenses	<u>8,473</u>	
6800T	Total financial expenses		<u>2,056,238</u>
6900	Nursing home/Assisted living/Board and care/Other elderly care expenses		<u>93,781</u>
6000T	Total cost of operations before depreciation		<u>4,771,185</u>
5060T	Income (loss) before depreciation		<u>2,154,728</u>
Depreciation			
6600	Depreciation expense	<u>542,578</u>	
	Total depreciation		<u>542,578</u>
5060N	Operating income (loss)		<u>1,612,150</u>
	Total expenses		<u>5,313,763</u>
3250	Net income (loss)		<u>\$ 1,612,150</u>

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information

Statement of Operations Data
Year Ended June 30, 2024

<u>Account No.</u>	
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.
	<u>\$ 789,071</u>
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.
	<u>\$ 45,300</u>
S1000-030	Replacement reserve, or residual receipts and releases which are included as expense items on the statement of operations.
	<u>\$ -</u>
S1000-040	Project improvement reserve releases under the flexible subsidy program which are included as expense items on the statement of operations.
	<u>\$ -</u>
S3100-120	Mortgage payable note detail (Section 236 only) Interest reduction payments from subsidy.
	<u>\$ -</u>

**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

Supplementary Information

**Statement of Partners' Equity (Deficit) Data
Year Ended June 30, 2024**

<u>Account No.</u>		<u>Limited partner</u>	<u>General partner</u>	<u>Total</u>
S1100-010	Partners' equity (deficit) June 30, 2023	\$ (36,035,085)	\$ 706	\$ (36,034,379)
S1200-420	Distributions	(536,788)	-	(536,788)
S1200-430	Contributions	177,771	-	177,771
3250	Net income (loss)	<u>1,611,989</u>	<u>161</u>	<u>1,612,150</u>
3130	Partners' equity (deficit) June 30, 2024	<u>\$ (34,782,113)</u>	<u>\$ 867</u>	<u>\$ (34,781,246)</u>
	Partners' percentage of income (losses)	<u>99.99%</u>	<u>0.01%</u>	<u>100.00%</u>

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information

Statement of Cash Flows Data
Year Ended June 30, 2024

<u>Account No.</u>		
	Cash flows from operating activities	
S1200-010	Rental receipts	\$ 6,626,763
S1200-020	Interest receipts	9,230
S1200-030	Other operating receipts	99,094
		<hr/>
S1200-040	Total receipts	6,735,087
		<hr/>
S1200-050	Administrative expenses paid	(119,410)
S1200-070	Management fees paid	(171,844)
S1200-090	Utilities paid	(494,464)
S1200-100	Salaries and wages paid	(244,511)
S1200-110	Operating and maintenance paid	(126,177)
S1200-120	Real estate taxes paid	(284,333)
S1200-140	Property insurance paid	(234,716)
S1200-150	Miscellaneous taxes and insurance paid	(4,567)
S1200-160	Net tenant security deposits received (paid)	(1,444)
S1200-170	Other operating expenses paid	(185,953)
S1200-180	Interest paid on first mortgage	(1,912,455)
S1200-210	Mortgage insurance premium paid	(115,804)
S1200-220	Miscellaneous financial expenses paid	(8,473)
		<hr/>
S1200-230	Total disbursements	(3,904,151)
		<hr/>
S1200-240	Net cash provided by operating activities	2,830,936
		<hr/>
	Cash flows from investing activities	
S1200-245	Net deposits to mortgage escrows	(277,603)
S1200-250	Net deposits to reserve for replacements	(54,233)
S1200-260	Net deposits to residual receipts reserves	(297)
S1200-330	Net purchases of fixed assets	(299,108)
		<hr/>
S1200-350	Net cash used in investing activities	(631,241)
		<hr/>

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information

Statement of Cash Flows Data
Year Ended June 30, 2024

<u>Account No.</u>		
	Cash flows from financing activities	
S1200-360	Mortgage principal payments - first mortgage	(789,071)
S1200-420	Distributions to partners	(536,788)
S1200-430	Contributions by partners	<u>177,771</u>
S1200-460	Net cash used in financing activities	<u>(1,148,088)</u>
S1200-470	Net increase in cash	1,051,607
S1200-480	Cash, beginning	<u>3,477,077</u>
S1200T	Cash, end	<u><u>\$ 4,528,684</u></u>

**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

Supplementary Information

**Statement of Cash Flows Data
Year Ended June 30, 2024**

<u>Account No.</u>		
	Reconciliation of net income (loss) to net cash provided by operating activities	
3250	Net income (loss)	\$ 1,612,150
	Adjustments to reconcile net income (loss) to net cash provided by operating activities	
6600	Depreciation	542,578
S1200-486	Amortization of debt issuance costs	20,676
	Changes in asset and liability accounts	
	(Increase) decrease in assets	
S1200-490	Tenant accounts receivable	(128,756)
S1200-500	Accounts receivable - other	(40,593)
S1200-520	Prepaid expenses	3,630
S1200-530	Tenant security deposits funded	(3,648)
	Increase (decrease) in liabilities	
S1200-540	Accounts payable	235,646
S1200-560	Accrued liabilities	408,513
S1200-570	Accrued interest payable	(2,667)
S1200-580	Tenant security deposits held in trust	2,204
S1200-590	Prepaid revenue	495
S1200-600	Other adjustments (include detail)	
S1200-601	Bad debts	\$ 177,478
S1200-601	Deferred revenue	3,230
		180,708
	Total adjustments	1,218,786
S1200-610	Net cash provided by operating activities	\$ 2,830,936
S1200-620	Comments	

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information
Year Ended June 30, 2024

Reserve for Replacements

<u>Account No.</u>		
1320P	Balance at June 30, 2023	\$ 1,366,606
1320DT	Total monthly deposits	45,300
1320INT	Interest income	<u>8,933</u>
1320	Balance at June 30, 2024	<u><u>\$ 1,420,839</u></u>

Residual Receipts Reserve

<u>Account No.</u>		
1340P	Balance at June 30, 2023	\$ 46,254
1340INT	Interest income	<u>297</u>
1340	Balance at June 30, 2024	<u><u>\$ 46,551</u></u>

**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

**Supplementary Information
Year Ended June 30, 2024**

Computation of Surplus Cash, Distributions and Residual Receipts

<u>Account No.</u>	<u>Part A - Compute Surplus Cash</u>		
S1300-010	Cash (Accounts 1120, 1170 and 1191)	\$	4,451,385
1135	Accounts receivable - HUD		<u>85,271</u>
S1300-040	Total cash		<u>4,536,656</u>
S1300-050	Accrued mortgage interest payable		158,140
S1300-060	Delinquent mortgage principal payments		-
S1300-070	Delinquent deposits to reserve for replacements		-
S1300-075	Accounts payable (due within 30 days)		386,239
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)		2,311,583
2210	Prepaid revenue (Account 2210)		6,384
2191	Tenant security deposits liability (Account 2191)		39,573
S1300-110	Other current obligations (describe in detail)		
S1300-120	Mortgage principal	\$	67,215
S1300-120	Replacement reserve deposit		3,775
S1300-120	Tax and insurance escrow deposit		53,515
S1300-120	MIP escrow deposit		<u>9,817</u>
			<u>134,322</u>
S1300-140	Less total current obligations		<u>3,036,241</u>
S1300-150	Surplus cash	\$	<u><u>1,500,415</u></u>
S1300-200	Amount available for distribution during next fiscal period	\$	<u><u>1,500,415</u></u>

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information
Year Ended June 30, 2024

Changes in Fixed Asset Accounts

	Assets			Balance 6/30/24
	Balance 6/30/23	Additions	Deletions	
Land	\$ 75,500	\$ -	\$ -	\$ 75,500
Buildings	8,916,892	266,648	-	9,183,540
Building equipment - portable	122,057	22,598	-	144,655
Furniture for project/tenant use	15,555	-	-	15,555
Office furniture and equipment	11,885	-	-	11,885
Maintenance equipment	24,191	-	-	24,191
Miscellaneous fixed assets	14,756	-	-	14,756
	\$ 9,180,836	\$ 289,246	\$ -	\$ 9,470,082
Accumulated depreciation	\$ 1,884,130	\$ 542,578	\$ -	\$ 2,426,708
Total net book value				\$ 7,043,374

Fixed Asset Detail

Additions to Buildings Account

Item and quantity	Amount
Rehabilitation to multiple units	\$ 266,648

Additions to Building Equipment - Portable Account

Item and quantity	Amount
Kitchen appliances	\$ 22,598

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information
Year Ended June 30, 2024

Detail of Accounts - Balance Sheet

Miscellaneous Current Assets (Account No. 1190)

Utility deposits	<u>\$ 9,905</u>
	<u><u>\$ 9,905</u></u>

Miscellaneous Current Liabilities (Account No. 2190)

Due to JASA	<u>\$ 39,571</u>
	<u><u>\$ 39,571</u></u>

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information
Year Ended June 30, 2024

Detail of Accounts - Statement of Operations

Miscellaneous Other Revenue (Account No. 5990)

HUD service coordinator revenue	<u>\$ 91,963</u>
	<u>\$ 91,963</u>

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

6990 Other service expenses	<u>\$ 93,781</u>
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Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

Supplementary Information
Year Ended June 30, 2024

Other Information

Related party transactions detail:

<u>Account No.</u>	<u>Entity name</u>	<u>Amount paid</u>
S3100-210	JASA - service coordinator	\$ 93,781
S3100-210	JHM - management fee	171,844
S3100-210	JHM - bookkeeping/accounting	47,234
		<u>\$ 312,859</u>

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 General Partner
Cooper Square Senior Housing L.P.

We have audited, in accordance with 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 Cooper Square Senior Housing L.P., which comprise the balance sheet as of June 30, 2024, and the related statements of operations, partners' equity (deficit), and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated September 25, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cooper Square Senior Housing L.P.'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 Cooper Square Senior Housing L.P.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Cooper Square Senior Housing L.P.'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 may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cooper Square Senior Housing L.P.'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.

CohnReznick LLP

New York, New York
September 25, 2024

Independent Auditor's Report on Compliance for Each Major HUD
Program and Report on Internal Control over Compliance Required by the
Consolidated Audit Guide for Audits of HUD Programs

To the General Partner
Cooper Square Senior Housing L.P.

Report on Compliance for Each Major HUD Program

Opinion on Each Major HUD Program

We have audited Cooper Square Senior Housing L.P.'s compliance with the compliance requirements described in the *Consolidated Audit Guide for Audits of HUD Programs* (the "Guide") that could have a direct and material effect on each of Cooper Square Senior Housing L.P.'s major U.S. Department of Housing and Urban Development ("HUD") programs for the year ended June 30, 2024. Cooper Square Senior Housing L.P.'s major HUD programs and the related direct and material compliance requirements are as follows:

Name of Major HUD Program	Direct and Material Compliance Requirements
Section 8 Housing Assistance Payment Contract	Fair Housing and Nondiscrimination; Reserve for Replacements; Distributions to Owners; Equity Skimming; Cash Receipts; Cash Disbursements; Tenant Leasing and Eligibility; Extremely Low-Income Families; Security Deposits; Management Functions; Unauthorized Ownership Changes; Unauthorized Project Loans.
Section 223(f) Refinancing with Substantial Rehabilitation	Fair Housing and Nondiscrimination, Mortgage Loan Status, Reserve for Replacements, Distributions to Owners, Equity Skimming, Cash Receipts, Cash Disbursements, Tenant Application, Eligibility, and Recertification, Tenant Security Deposits, Management Functions, Unauthorized Changes of Ownership/Acquisition of Liabilities and Unauthorized Loans of Project Funds.

In our opinion, Cooper Square Senior Housing L.P.'s 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 HUD programs for the year ended June 30, 2024.

Basis for Opinion

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 Guide. Our responsibilities under those standards and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cooper Square Senior Housing L.P. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our audit. We believe that our audit provides a reasonable basis for our qualified opinion on compliance for each major HUD program. However, our audit does not provide a legal determination of Cooper Square Senior Housing L.P.'s compliance.

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, regulations, rules, and provisions of contracts or and grant agreements applicable to its HUD 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 express an opinion on Cooper Square Senior Housing L.P.'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 Guide 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 Cooper Square Senior Housing L.P.'s compliance with the requirements of each Major HUD program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, 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 Cooper Square Senior Housing L.P.'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 Cooper Square Senior Housing L.P.'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 Guide, but not for the purpose of expressing an opinion on the effectiveness of Cooper Square Senior Housing L.P.'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 HUD 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 HUD 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 HUD 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 and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of its 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 Guide. Accordingly, this report is not suitable for any other purpose.

CohnReznick LLP

New York, New York
September 25, 2024

**Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434**

**Schedule of Findings, Questioned Costs and Recommendations
June 30, 2024**

Our audit disclosed no findings that are required to be reported herein under the HUD Consolidated Audit Guide.

Cooper Square Senior Housing, L.P.
HUD Project No.: 012-11434

**Schedule of the Status of Prior Audit Findings,
Questioned Costs and Recommendations
June 30, 2024**

1. Audit Report, dated December 26, 2023, for the year ended June 30, 2023, issued by CohnReznick LLP. There are no open findings from the period audit report.

Finding No. 2023-1

In 2023, the accounting records required numerous material adjustments to be proposed and recorded in order for the financial statements to be fairly presented in accordance with generally accepted accounting principles in the United States of America.

Status

Cleared.

Finding No. 2023-2

In 2023, the Partnership distributed \$177,771 in excess of surplus cash available for distribution.

Status

During 2023, the excess distributions of \$177,771 were returned to the Partnership. The finding was closed by HUD management on December 21, 2023.

2. There were no reports issued by HUD OIG or other Federal agencies or contract administrators during the period covered by this audit.
3. There were no letters or reports issued by HUD management during the period covered by this audit.



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