



AND AFFILIATES

**CONSOLIDATING FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

JUST-A-START CORPORATION AND AFFILIATES

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December 31, 2020 and 2019

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Independent Auditor's Report

To the Board of Directors of
Just-A-Start Corporation and Affiliates:

Report on the Consolidating Financial Statements

We have audited the accompanying consolidating financial statements of Just-A-Start Corporation (a Massachusetts corporation, not for profit) (JAS) and Affiliates (collectively, the Agency), which comprise the consolidating statements of financial position as of December 31, 2020 and 2019, and the related consolidating statements of activities, changes in net assets, cash flows and functional expenses for the years then ended, and the related notes to the consolidating financial statements.

Management's Responsibility for the Consolidating Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidating financial statements based on our audits. We did not audit the financial statements of the Rental Properties of the Agency, with the exception of JAS Properties (see page 19), Next Step Housing Corporation, Close Building Associates Limited Partnership, and 52 New Street Land LLC, which we audited as of and for the years ended December 31, 2020 and 2019. The remainder of the financial statements of the Rental Properties were audited by other auditors, whose reports have been furnished to us. Our opinion, insofar as it relates to the amounts included for the Rental Properties, is based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidating financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidating financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidating financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidating financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidating financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audits and reports of the other auditors, the consolidating financial statements referred to on page one present fairly, in all material respects, the consolidating financial position of Just-A-Start Corporation and Affiliates as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years the ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidating financial statements as a whole. The supplementary information shown on pages 49 through 53 is presented for purposes of additional analysis and is not a required part of the consolidating 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 consolidating financial statements. The information related to JAS Properties, Next Step Housing Corporation, Close Building Associates Limited Partnership, and 52 New Street Land LLC as of and for the years ended December 31, 2020 and 2019, have been subjected to auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidating financial statements or to the consolidating financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information related to this entity is fairly stated in all material respects to the consolidating financial statements as a whole. In our opinion, the supplementary information which insofar as it relates to the Rental Properties of the Agency, aside from JAS Properties, Next Step Housing Corporation, Close Building Associates Limited Partnership, and 52 New Street Land LLC as of and for the years ended December 31, 2020 and 2019, is based on the reports of other auditors, is fairly stated in all material respects to the consolidating financial statements as a whole.

AAFCPA, Inc.

Boston, Massachusetts
June 9, 2021

JUST-A-START CORPORATION AND AFFILIATES

 Consolidating Statements of Financial Position
 December 31, 2020 and 2019

Assets	2020				2019			
	Just-A-Start	Rental	Eliminations	Total	Just-A-Start	Rental	Eliminations	Total
	Operating	Properties (Exhibit A)			Operating	Properties (Exhibit A)		
Current Assets:								
Cash and cash equivalents	\$ 6,716,889	\$ 5,220,855	\$ -	\$ 11,937,744	\$ 8,354,623	\$ 3,359,555	\$ -	\$ 11,714,178
Rent receivable	-	351,045	-	351,045	-	198,140	-	198,140
Escrows	-	1,434,567	-	1,434,567	-	334,940	-	334,940
Accounts and grants receivable	1,207,155	-	-	1,207,155	1,230,381	-	-	1,230,381
Current portion of notes receivable	264,050	-	-	264,050	218,800	-	-	218,800
Current portion of due from affiliates	3,101,909	-	(3,101,909)	-	2,861,790	-	(2,861,790)	-
Prepaid expenses and other	158,763	148,989	-	307,752	131,119	164,475	-	295,594
Current portion of projects under development	1,974,303	-	-	1,974,303	2,053,534	-	-	2,053,534
Total current assets	<u>13,423,069</u>	<u>7,155,456</u>	<u>(3,101,909)</u>	<u>17,476,616</u>	<u>14,850,247</u>	<u>4,057,110</u>	<u>(2,861,790)</u>	<u>16,045,567</u>
Other Assets:								
Restricted deposits	2,997,087	6,951,643	-	9,948,730	3,639,660	5,676,491	-	9,316,151
Investments in marketable securities	4,744,055	-	-	4,744,055	4,371,517	-	-	4,371,517
Due from affiliates, net of current portion	1,388,381	2,030,223	(3,418,604)	-	800,964	2,367,986	(3,168,950)	-
Investment in affiliates	-	-	-	-	48,754	-	(48,754)	-
Notes receivable, net of current portion	3,207,161	-	-	3,207,161	3,085,624	-	-	3,085,624
Projects under development, net of current portion	6,448,999	21,802,459	-	28,251,458	1,137,318	8,280,389	-	9,417,707
Capitalized costs, net	-	704,011	-	704,011	-	676,775	-	676,775
Total other assets	<u>18,785,683</u>	<u>31,488,336</u>	<u>(3,418,604)</u>	<u>46,855,415</u>	<u>13,083,837</u>	<u>17,001,641</u>	<u>(3,217,704)</u>	<u>26,867,774</u>
Property and Equipment, net	734,030	116,569,807	(4,662,563)	112,641,274	836,929	112,609,485	(4,782,116)	108,664,298
Total assets	<u>\$ 32,942,782</u>	<u>\$ 155,213,599</u>	<u>\$ (11,183,076)</u>	<u>\$ 176,973,305</u>	<u>\$ 28,771,013</u>	<u>\$ 133,668,236</u>	<u>\$ (10,861,610)</u>	<u>\$ 151,577,639</u>
Liabilities, Net Assets and Non-Controlling Interests								
Current Liabilities:								
Current portion of long-term debt	\$ 1,890,851	\$ 585,265	\$ -	\$ 2,476,116	\$ 1,892,898	\$ 533,225	\$ -	\$ 2,426,123
Current portion of accounts payable, accrued expenses and other	661,640	4,181,485	-	4,843,125	2,712,518	4,013,888	-	6,726,406
Current portion of due to affiliates	-	3,101,909	(3,101,909)	-	-	2,861,790	(2,861,790)	-
Total current liabilities	<u>2,552,491</u>	<u>7,868,659</u>	<u>(3,101,909)</u>	<u>7,319,241</u>	<u>4,605,416</u>	<u>7,408,903</u>	<u>(2,861,790)</u>	<u>9,152,529</u>
Long-term Liabilities:								
Accounts payable, accrued expenses and other, net of current portion	206,249	-	-	206,249	185,608	-	-	185,608
Long-term debt, net	3,579,646	62,864,697	-	66,444,343	726,794	70,221,679	-	70,948,473
Lines of credit	2,504,500	-	-	2,504,500	-	-	-	-
Contractual advances	3,577,187	-	-	3,577,187	3,549,424	-	-	3,549,424
Due to affiliates, net of current portion	2,030,223	922,681	(2,952,904)	-	2,367,953	901,556	(3,269,509)	-
Contingent debt and deferred interest	-	54,435,897	(14,323,611)	40,112,286	-	45,387,295	(10,526,436)	34,860,859
Total long-term liabilities	<u>11,897,805</u>	<u>118,223,275</u>	<u>(17,276,515)</u>	<u>112,844,565</u>	<u>6,829,779</u>	<u>116,510,530</u>	<u>(13,795,945)</u>	<u>109,544,364</u>
Total liabilities	<u>14,450,296</u>	<u>126,091,934</u>	<u>(20,378,424)</u>	<u>120,163,806</u>	<u>11,435,195</u>	<u>123,919,433</u>	<u>(16,657,735)</u>	<u>118,696,893</u>
Net Assets and Non-Controlling Interests:								
Without donor restrictions:								
Operating	15,237,248	7,424,964	-	22,662,212	14,280,565	5,755,339	-	20,035,904
Loan capital	308,027	-	-	308,027	384,306	-	-	384,306
Real estate development	2,038,910	-	-	2,038,910	1,723,980	-	-	1,723,980
Property and equipment	198,781	21,696,701	(26,497,894)	(4,602,412)	322,321	3,993,464	(9,752,163)	(5,436,378)
Total without donor restrictions	<u>17,782,966</u>	<u>29,121,665</u>	<u>(26,497,894)</u>	<u>20,406,737</u>	<u>16,711,172</u>	<u>9,748,803</u>	<u>(9,752,163)</u>	<u>16,707,812</u>
With donor restrictions	709,520	-	-	709,520	624,646	-	-	624,646
Total Just-A-Start and Affiliates' net assets	<u>18,492,486</u>	<u>29,121,665</u>	<u>(26,497,894)</u>	<u>21,116,257</u>	<u>17,335,818</u>	<u>9,748,803</u>	<u>(9,752,163)</u>	<u>17,332,458</u>
Non-controlling interests	-	-	35,693,242	35,693,242	-	-	15,548,288	15,548,288
Total net assets and non-controlling interests	<u>18,492,486</u>	<u>29,121,665</u>	<u>9,195,348</u>	<u>56,809,499</u>	<u>17,335,818</u>	<u>9,748,803</u>	<u>5,796,125</u>	<u>32,880,746</u>
Total liabilities, net assets and non-controlling interests	<u>\$ 32,942,782</u>	<u>\$ 155,213,599</u>	<u>\$ (11,183,076)</u>	<u>\$ 176,973,305</u>	<u>\$ 28,771,013</u>	<u>\$ 133,668,236</u>	<u>\$ (10,861,610)</u>	<u>\$ 151,577,639</u>

The accompanying notes are an integral part of these consolidating statements.

JUST-A-START CORPORATION AND AFFILIATES

 Consolidating Statements of Activities
 For the Years Ended December 31, 2020 and 2019

	2020				2019			
	Just-A-Start	Rental Properties (Exhibit B)	Eliminations	Total	Just-A-Start	Rental Properties (Exhibit B)	Eliminations	Total
	Operating				Operating			
Net Assets Without Donor Restrictions:								
Operating revenues:								
Rental income	\$ 5,147	\$ 12,312,893	\$ -	\$ 12,318,040	\$ -	\$ 11,323,302	\$ -	\$ 11,323,302
Government contracts	2,556,824	-	-	2,556,824	2,589,111	-	-	2,589,111
Grants and contributions	711,965	-	-	711,965	559,853	-	-	559,853
Developer and other service fees	1,631,966	-	(1,182,352)	449,614	4,593,104	-	(4,076,122)	516,982
Interest income and other	87,955	176,860	-	264,815	294,373	283,599	-	577,972
Net assets released from purpose restriction	145,867	-	-	145,867	890,518	-	-	890,518
Total operating revenues	<u>5,139,724</u>	<u>12,489,753</u>	<u>(1,182,352)</u>	<u>16,447,125</u>	<u>8,926,959</u>	<u>11,606,901</u>	<u>(4,076,122)</u>	<u>16,457,738</u>
Operating expenses:								
Education and training	2,025,373	-	-	2,025,373	2,020,555	-	-	2,020,555
Housing resources	1,519,234	-	-	1,519,234	1,321,368	-	-	1,321,368
Real estate development	803,599	-	-	803,599	997,996	-	-	997,996
Rental housing	-	9,762,169	(616,093)	9,146,076	-	8,824,173	(572,351)	8,251,822
General and administrative	1,119,743	-	-	1,119,743	1,025,854	-	-	1,025,854
Fundraising	268,340	-	-	268,340	231,828	-	-	231,828
Total operating expenses before interest - amortization and depreciation and amortization	<u>5,736,289</u>	<u>9,762,169</u>	<u>(616,093)</u>	<u>14,882,365</u>	<u>5,597,601</u>	<u>8,824,173</u>	<u>(572,351)</u>	<u>13,849,423</u>
Interest - amortization	-	438,049	-	438,049	-	177,363	-	177,363
Depreciation and amortization	102,899	4,064,886	(119,553)	4,048,232	134,274	3,546,729	-	3,681,003
Total operating expenses	<u>5,839,188</u>	<u>14,265,104</u>	<u>(735,646)</u>	<u>19,368,646</u>	<u>5,731,875</u>	<u>12,548,265</u>	<u>(572,351)</u>	<u>17,707,789</u>
Changes in net assets without donor restrictions from operations	<u>(699,464)</u>	<u>(1,775,351)</u>	<u>(446,706)</u>	<u>(2,921,521)</u>	<u>3,195,084</u>	<u>(941,364)</u>	<u>(3,503,771)</u>	<u>(1,250,051)</u>
Other income (expense):								
Provision for affiliate financing	(918,600)	-	3,287,903	2,369,303	(2,603,303)	-	460,000	(2,143,303)
Gain on sale of tax credits	1,469,760	-	-	1,469,760	-	-	-	-
Investment gain	353,292	-	-	353,292	536,658	-	-	536,658
Forgiveness of debt	-	224,999	-	224,999	-	1,117,209	(1,117,209)	-
Gain on involuntary conversion	-	-	-	-	2,143,303	-	-	2,143,303
Recovery of notes and affiliate receivables	-	-	-	-	169,660	-	(169,660)	-
Loss on investment in affiliates	(48,754)	-	48,754	-	-	-	-	-
Loss on sale of property	-	-	-	-	(135,825)	-	-	(135,825)
Deferred interest	-	(1,089,375)	509,272	(580,103)	-	(909,037)	489,726	(419,311)
Total other income (expense)	<u>855,698</u>	<u>(864,376)</u>	<u>3,845,929</u>	<u>3,837,251</u>	<u>110,493</u>	<u>208,172</u>	<u>(337,143)</u>	<u>(18,478)</u>
Changes in net assets without donor restrictions	<u>156,234</u>	<u>(2,639,727)</u>	<u>3,399,223</u>	<u>915,730</u>	<u>3,305,577</u>	<u>(733,192)</u>	<u>(3,840,914)</u>	<u>(1,268,529)</u>
Net Assets With Donor Restrictions:								
Grants and contributions	230,741	-	-	230,741	162,299	-	-	162,299
Net assets released from purpose restrictions	(145,867)	-	-	(145,867)	(890,518)	-	-	(890,518)
Changes in net assets with donor restrictions	<u>84,874</u>	<u>-</u>	<u>-</u>	<u>84,874</u>	<u>(728,219)</u>	<u>-</u>	<u>-</u>	<u>(728,219)</u>
Changes in net assets	241,108	(2,639,727)	3,399,223	1,000,604	2,577,358	(733,192)	(3,840,914)	(1,996,748)
Changes in Net Assets Attributable to Non-Controlling Interests								
	-	2,783,195	-	2,783,195	-	2,007,041	-	2,007,041
Changes in net assets attributable to Just-A-Start Corporation	<u>\$ 241,108</u>	<u>\$ 143,468</u>	<u>\$ 3,399,223</u>	<u>\$ 3,783,799</u>	<u>\$ 2,577,358</u>	<u>\$ 1,273,849</u>	<u>\$ (3,840,914)</u>	<u>\$ 10,293</u>

The accompanying notes are an integral part of these consolidating statements.

JUST-A-START CORPORATION AND AFFILIATES

Consolidating Statements of Changes in Net Assets
For the Years Ended December 31, 2020 and 2019

	Just-A-Start and Consolidated Entities' Net Assets				Non-Controlling Interest	Total
	Operating	Rental Properties (Exhibit C)	Eliminations	Total		
Net Assets, December 31, 2018	\$ 13,277,905	\$ 11,528,947	\$ (6,357,481)	\$ 18,449,371	\$ 15,994,519	\$ 34,443,890
Capital contributions	-	1,643,707	(1,643,707)	-	1,643,707	1,643,707
Changes in net assets	2,577,358	(733,192)	(1,833,873)	10,293	(2,007,041)	(1,996,748)
Net asset transfer	115,459	(115,459)	-	-	-	-
Syndication of Squirrelwood LLC	411,434	(1,538,640)	-	(1,127,206)	-	(1,127,206)
Syndication costs	-	(50,643)	50,643	-	(50,643)	(50,643)
Distributions	953,662	(985,917)	32,255	-	(32,254)	(32,254)
Net Assets, December 31, 2019	17,335,818	9,748,803	(9,752,163)	17,332,458	15,548,288	32,880,746
Capital contributions	-	22,940,829	(22,940,829)	-	22,940,829	22,940,829
Changes in net assets	241,108	(2,639,727)	6,182,418	3,783,799	(2,783,195)	1,000,604
Distributions	915,560	(928,240)	12,680	-	(12,680)	(12,680)
Net Assets, December 31, 2020	<u>\$ 18,492,486</u>	<u>\$ 29,121,665</u>	<u>\$ (26,497,894)</u>	<u>\$ 21,116,257</u>	<u>\$ 35,693,242</u>	<u>\$ 56,809,499</u>

The accompanying notes are an integral part of these consolidating statements.

JUST-A-START CORPORATION AND AFFILIATES

Consolidating Statements of Cash Flows
For the Years Ended December 31, 2020 and 2019

	2020				2019			
	Just-A-Start				Just-A-Start			
	Operating	Rental Properties	Eliminations	Total	Operating	Rental Properties	Eliminations	Total
Cash Flows from Operating Activities:								
Changes in net assets	\$ 241,108	\$ (2,639,727)	\$ 3,399,223	\$ 1,000,604	\$ 2,577,358	\$ (733,192)	\$ (3,840,914)	\$ (1,996,748)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:								
Interest - amortization	-	438,049	-	438,049	-	177,363	-	177,363
Depreciation and amortization	102,899	4,064,886	(119,553)	4,048,232	134,274	3,546,729	-	3,681,003
Bad debts	12,062	166,234	-	178,296	19,375	3,148	-	22,523
Gain on involuntary conversion	-	-	-	-	(2,143,303)	-	-	(2,143,303)
Recovery of notes and affiliate receivables	-	-	-	-	(169,660)	-	169,660	-
Loss on sale of property	-	-	-	-	135,825	-	-	135,825
Forgiveness of debt	-	(224,999)	-	(224,999)	-	(1,117,209)	1,117,209	-
Deferred interest	-	1,089,375	(509,272)	580,103	-	915,032	(489,726)	425,306
Net realized and unrealized gain on investments	(314,730)	-	-	(314,730)	(481,665)	-	-	(481,665)
Gain on sale of tax credits	(1,469,760)	-	-	(1,469,760)	-	-	-	-
Loss on investments in affiliates	48,754	-	(48,754)	-	-	-	-	-
Provision for affiliate financing	918,600	-	(3,287,903)	(2,369,303)	2,603,303	-	(460,000)	2,143,303
Changes in operating assets and liabilities:								
Rent receivable	-	(319,139)	-	(319,139)	-	432,550	-	432,550
Accounts and grants receivable	11,164	-	-	11,164	142,678	-	-	142,678
Due from affiliates	(930,883)	337,763	593,120	-	129,906	2,360,630	(2,490,536)	-
Prepaid expenses and other	(27,644)	15,486	-	(12,158)	(30,459)	(30,884)	-	(61,343)
Accounts payable, accrued expenses and other	339,066	54,625	-	393,691	38,583	(1,580,386)	-	(1,541,803)
Due to affiliates	(337,730)	261,244	76,486	-	(2,360,662)	1,928,292	432,370	-
Net cash provided by (used in) operating activities	(1,407,094)	3,243,797	103,347	1,940,050	(1,933,610)	5,902,073	(3,032,774)	935,689
Cash Flows from Investing Activities:								
Purchase of property and equipment	-	(7,897,124)	-	(7,897,124)	(163,020)	(16,974,268)	3,513,587	(13,623,701)
Proceeds from sale of property	-	-	-	-	275,000	-	-	275,000
Proceeds from sale of investments	1,260,227	-	-	1,260,227	849,359	-	-	849,359
Proceeds from gain on involuntary conversion	-	-	-	-	2,143,303	-	-	2,143,303
Due from affiliates	(815,253)	-	815,253	-	(2,529,163)	-	2,529,163	-
Investment in affiliate	-	-	-	-	101	-	(101)	-
Cash recovery of notes and developer fees receivable - affiliate	-	-	-	-	169,660	-	(169,660)	-
Purchase of projects under development	(1,337,425)	(3,761,172)	-	(5,098,597)	(364,702)	(8,166,534)	-	(8,531,236)
Purchase of investments	(1,318,035)	-	-	(1,318,035)	(901,880)	-	-	(901,880)
Net change in notes receivable	(166,787)	-	-	(166,787)	141,742	-	-	141,742
Transaction costs for syndication of Squirrelwood	-	-	-	-	-	(122,381)	-	(122,381)
Net cash provided by (used in) investing activities	(2,377,273)	(11,658,296)	815,253	(13,220,316)	2,149,563	(25,263,183)	3,343,826	(19,769,794)
Cash Flows from Financing Activities:								
Proceeds from long-term debt and contingent debt	850,805	14,239,618	(3,287,903)	11,802,520	1,162,822	42,571,173	(311,053)	43,422,942
Proceeds from sale of tax credits	1,469,760	-	-	1,469,760	-	-	-	-
Proceeds from lines of credit	609,475	-	-	609,475	-	-	-	-
Debt issuance costs	-	-	-	-	-	(255,536)	-	(255,536)
Due from affiliates	(2,369,303)	-	2,369,303	-	-	-	-	-
Increase in contractual advance	27,763	-	-	27,763	19,223	-	-	19,223
Principal payments of long-term debt and contingent debt	-	(21,273,539)	-	(21,273,539)	(520,000)	(18,142,154)	-	(18,662,154)
Capitalized costs	-	(42,348)	-	(42,348)	-	(605,292)	-	(605,292)
Syndication costs	-	-	-	-	-	(50,643)	-	(50,643)
Capital contributions	-	20,655,087	-	20,655,087	-	-	-	-
Cash transfer	-	-	-	-	115,459	(115,459)	-	-
Distributions - Squirrelwood	-	-	-	-	411,434	(1,416,259)	-	(1,004,825)
Distributions	915,560	(928,240)	-	(12,680)	953,662	(985,917)	1	(32,254)
Net cash provided by financing activities	1,504,060	12,650,578	(918,600)	13,236,038	2,142,600	20,999,913	(311,052)	22,831,461
Net Change in Cash, Cash Equivalents and Restricted Cash	(2,280,307)	4,236,079	-	1,955,772	2,358,553	1,638,803	-	3,997,356
Cash, Cash Equivalents and Restricted Cash:								
Beginning of year	11,994,283	9,370,986	-	21,365,269	9,635,730	7,732,183	-	17,367,913
End of year	\$ 9,713,976	\$ 13,607,065	\$ -	\$ 23,321,041	\$ 11,994,283	\$ 9,370,986	\$ -	\$ 21,365,269
Supplemental Disclosure of Cash Flow Information:								
Cash paid for interest	\$ 484	\$ 2,670,156	\$ (27,120)	\$ 2,643,520	\$ 59,547	\$ 2,321,786	\$ -	\$ 2,381,333
Supplemental Disclosure of Non-Cash Investing and Financing Transactions:								
Long-term debt converted to equity	\$ -	\$ 2,285,742	\$ -	\$ 2,285,742	\$ -	\$ -	\$ -	\$ -
Projects under development financed with long-term debt and lines of credit	\$ 3,895,025	\$ -	\$ -	\$ 3,895,025	\$ -	\$ -	\$ -	\$ -
Accounts payable, accrued expenses and other converted to equity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,634,707	\$ -	\$ 1,634,707
Projects under development placed in service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,127,740	\$ -	\$ 13,127,740
Property and equipment financed with accounts payable, accrued expenses and other	\$ -	\$ 943,625	\$ -	\$ 943,625	\$ -	\$ 830,653	\$ -	\$ 830,653

The accompanying notes are an integral part of these consolidating statements.

JUST-A-START CORPORATION AND AFFILIATES

 Consolidating Statement of Functional Expenses
 For the Year Ended December 31, 2020

	Just-A-Start					Total	Rental Properties (Exhibit B)	Eliminations	Total
	Program Services			Supporting Services					
	Education and Training	Housing Resources	Real Estate Development	General and Administrative	Fundraising				
Personnel and Related:									
Salaries	\$ 1,176,201	\$ 649,557	\$ 452,312	\$ 489,005	\$ 175,830	\$ 2,942,905	\$ -	\$ -	\$ 2,942,905
Contract labor	93,830	83,858	38,935	731	-	217,354	1,487,231	-	1,704,585
Employee benefits	180,437	77,796	62,550	90,788	22,344	433,915	-	-	433,915
Payroll taxes	103,555	61,414	44,803	33,803	16,291	259,866	-	-	259,866
Total personnel and related	1,554,023	872,625	598,600	614,327	214,465	3,854,040	1,487,231	-	5,341,271
Occupancy:									
Interest	-	484	-	-	-	484	2,670,156	(27,120)	2,643,520
Utilities	12,304	2,642	2,923	3,124	-	20,993	1,209,132	-	1,230,125
Contracted services	-	-	-	-	-	-	1,662,614	(483,060)	1,179,554
Real estate taxes	-	-	-	-	-	-	454,246	-	454,246
Insurance	13,618	-	505	25,250	-	39,373	412,064	-	451,437
Repairs and maintenance	780	-	-	9,737	-	10,517	435,245	-	445,762
Rents	104,574	3,159	41,159	22,248	50	171,190	26,027	-	197,217
Total occupancy	131,276	6,285	44,587	60,359	50	242,557	6,869,484	(510,180)	6,601,861
Other Expenses:									
Professional fees	70,369	15,071	92,603	308,388	35,440	521,871	235,789	-	757,660
Program and client expenses	94,902	565,709	-	766	41	661,418	-	-	661,418
Management fees	-	-	-	-	-	-	686,554	(105,913)	580,641
Office and other	85,338	23,079	18,365	75,063	11,733	213,578	163,276	-	376,854
Telephone and communications	49,995	23,317	14,410	30,424	5,634	123,780	64,842	-	188,622
Bad debts	-	-	12,062	-	-	12,062	166,234	-	178,296
Miscellaneous	10,092	13,148	22,972	28,945	977	76,134	88,759	-	164,893
Vehicle	29,378	-	-	1,471	-	30,849	-	-	30,849
Total other expenses	340,074	640,324	160,412	445,057	53,825	1,639,692	1,405,454	(105,913)	2,939,233
Total expenses before interest - amortization and depreciation and amortization	2,025,373	1,519,234	803,599	1,119,743	268,340	5,736,289	9,762,169	(616,093)	14,882,365
Interest - Amortization	-	-	-	-	-	-	438,049	-	438,049
Depreciation and Amortization	60,460	-	-	42,439	-	102,899	4,064,886	(119,553)	4,048,232
Total expenses	\$ 2,085,833	\$ 1,519,234	\$ 803,599	\$ 1,162,182	\$ 268,340	\$ 5,839,188	\$ 14,265,104	\$ (735,646)	\$ 19,368,646

The accompanying notes are an integral part of these consolidating statements.

JUST-A-START CORPORATION AND AFFILIATES

 Consolidating Statement of Functional Expenses
 For the Year Ended December 31, 2019

	Just-A-Start					Total	Rental Properties (Exhibit B)	Eliminations	Total
	Program Services			Supporting Services					
	Education and Training	Housing Resources	Real Estate Development	General and Administrative	Fundraising				
Personnel and Related:									
Salaries	\$ 1,142,115	\$ 565,506	\$ 578,816	\$ 430,591	\$ 155,450	\$ 2,872,478	\$ -	\$ -	\$ 2,872,478
Contract labor	113,497	60,744	27,536	733	-	202,510	1,455,278	-	1,657,788
Employee benefits	191,296	95,072	77,683	36,173	19,895	420,119	-	-	420,119
Payroll taxes	108,551	53,697	52,704	48,210	14,450	277,612	-	-	277,612
Total personnel and related	<u>1,555,459</u>	<u>775,019</u>	<u>736,739</u>	<u>515,707</u>	<u>189,795</u>	<u>3,772,719</u>	<u>1,455,278</u>	<u>-</u>	<u>5,227,997</u>
Occupancy:									
Interest	-	-	59,547	-	-	59,547	2,327,781	-	2,387,328
Utilities	17,304	2,646	6,698	3,667	-	30,315	1,169,584	-	1,199,899
Contracted services	-	-	-	-	-	-	1,594,723	(458,183)	1,136,540
Real estate taxes	-	-	31	-	-	31	305,097	-	305,128
Insurance	13,795	-	889	24,600	-	39,284	345,287	-	384,571
Repairs and maintenance	1,857	-	-	2,821	-	4,678	382,197	-	386,875
Rents	94,585	6,900	45,908	8,921	50	156,364	11,286	-	167,650
Total occupancy	<u>127,541</u>	<u>9,546</u>	<u>113,073</u>	<u>40,009</u>	<u>50</u>	<u>290,219</u>	<u>6,135,955</u>	<u>(458,183)</u>	<u>5,967,991</u>
Other Expenses:									
Professional fees	32,543	8,522	82,801	266,259	11,432	401,557	228,019	-	629,576
Program and client expenses	77,938	443,240	180	303	-	521,661	-	-	521,661
Management fees	-	-	-	-	-	-	661,003	(114,168)	546,835
Office and other	97,859	14,512	27,124	76,895	23,105	239,495	164,460	-	403,955
Telephone and communications	51,492	20,283	13,881	48,613	1,049	135,318	70,350	-	205,668
Bad debts	-	19,375	-	-	-	19,375	3,148	-	22,523
Miscellaneous	19,120	19,371	24,198	78,068	6,397	147,154	105,960	-	253,114
Vehicle	31,526	-	-	-	-	31,526	-	-	31,526
Grant expense	27,077	11,500	-	-	-	38,577	-	-	38,577
Total other expenses	<u>337,555</u>	<u>536,803</u>	<u>148,184</u>	<u>470,138</u>	<u>41,983</u>	<u>1,534,663</u>	<u>1,232,940</u>	<u>(114,168)</u>	<u>2,653,435</u>
Total expenses before interest - amortization and depreciation and amortization	2,020,555	1,321,368	997,996	1,025,854	231,828	5,597,601	8,824,173	(572,351)	13,849,423
Interest - Amortization	-	-	-	-	-	-	177,363	-	177,363
Depreciation and Amortization	69,792	-	-	64,482	-	134,274	3,546,729	-	3,681,003
Total expenses	<u>\$ 2,090,347</u>	<u>\$ 1,321,368</u>	<u>\$ 997,996</u>	<u>\$ 1,090,336</u>	<u>\$ 231,828</u>	<u>\$ 5,731,875</u>	<u>\$ 12,548,265</u>	<u>\$ (572,351)</u>	<u>\$ 17,707,789</u>

The accompanying notes are an integral part of these consolidating statements.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

1. OPERATIONS AND NONPROFIT STATUS

Operations

Founded in 1968, Just-A-Start Corporation (JAS) is a Massachusetts nonprofit community development corporation dedicated to building the housing security and economic stability of low- to moderate-income people in Cambridge, Massachusetts (Cambridge) and nearby communities. Through innovative, comprehensive, and integrated programs, JAS provides and preserves affordable housing, offers education and workforce training for youth and adults, and builds community engagement. JAS's vision is a better future for all of its constituents - a secure home, a sustaining career, and engagement in the community.

JAS's goals are for all of its constituents to have access to:

A Secure Home: Increase housing stability for low- to moderate-income individuals and families. JAS is committed to expanding housing opportunities as a developer and owner of quality affordable housing. JAS also seeks to help local families stabilize and sustain affordable housing and enhance housing safety and quality for long-term housing security.

A Sustainable Career: Build economic resiliency and mobility for low- to moderate-income individuals and families. JAS helps people develop knowledge and marketable skills to take advantage of opportunities for a better future and attain economic stability.

An Engaged Community: Expand leadership opportunities and community engagement for low- to moderate-income individuals and families. JAS empowers people to use their voices and capabilities to strengthen their communities.

JAS is governed by a sixteen member volunteer Board of Directors. The vast majority of Board members are residents of communities served by JAS, including residents of JAS housing, beneficiaries of JAS housing programs, and graduates of JAS education and training programs. JAS's operations are managed by an Executive Director with extensive experience in nonprofit leadership, community development and organizing, affordable housing development, and workforce development. JAS employs approximately forty-five staff members working in Cambridge. JAS's skilled staff includes teachers, case managers, attorneys, trained mediators, real estate development experts, housing project managers, construction managers, social workers, nonprofit management professionals, fundraisers, and financial management professionals. Approximately thirty volunteers serve JAS each year, primarily in its YouthBuild program and VITA tax site. JAS is supported by funding from a variety of public and private sources, grants, contracts, and fees.

JAS operates the following programs:

Rental Housing

Affordable Rental Housing

JAS develops, maintains, and owns 621 units of affordable rental housing for low- to moderate-income tenants in Cambridge and Somerville. JAS has four projects in the pre-development stage expected to add another 178 units to the portfolio.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

1. OPERATIONS AND NONPROFIT STATUS (Continued)

Operations (Continued)

Real Estate Development

Asset Management

While the portfolio is managed by third-party property management companies, JAS has established an asset management department. This department is responsible for overseeing the property management companies to insure the physical and financial health of the portfolio and corporate facilities.

Homeownership Development

JAS develops homes, usually condominiums, for sale to first-time homebuyers. These units are generally affordable to families earning 60% to 80% of the area's median income. All of these units are sold under an Affordable Housing Agreement with the City of Cambridge (the City), allowing the City to repurchase the units at the time of a future sale at a restricted resale price. JAS has approximately fifteen homeownership units in the pre-development phase.

Condo Resale Program

There are more than 500 homeownership units in the City currently subject to Affordable Housing restrictions, including many developed by JAS. JAS manages the preservation, rehab, and resale when an owner decides to sell their unit. New buyers are selected from the Homeownership Resale Pool, which is administered by the City's Housing Division.

Education and Training

JAS YouthBuild

Following the national YouthBuild model, this comprehensive youth development program for out-of-school youth provides education leading to a high school credential, career exploration and employment, and life skills training in a safe, supportive environment. Students in the program spend half their time in educational programs, including counseling and leadership development activities and half of their time learning construction and customer service skills working on professionally-supervised housing renovation projects and retail enterprises.

Summer Youth Program

In partnership with the Cambridge's Mayor's Summer Youth Employment Program, JAS provides high school youth and recent graduates with awareness of and preparation for future sustainable career pathways. Through community service and leadership workshops, youth spend six weeks learning about career and educational options while earning an hourly wage.

Biomedical Careers Program

This tuition-free, nine-month training prepares low- to moderate-income adults for entry-level jobs in the biotechnology, life sciences, and medical research industries. Training includes chemistry, biology, medical terminology, digital literacy, and laboratory skills. Students receive job readiness training and follow up services until they are placed in relevant employment.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

1. OPERATIONS AND NONPROFIT STATUS (Continued)

Operations (Continued)

Education and Training (Continued)

IT Careers Program

This program trains adults for careers in information technology (IT) in Help Desk User Support roles. Through the nine-month training, students can obtain stackable industry-recognized credentials as well as a Bunker Hill Community College certificate worth 16 college credits. Support services include interview and job-search coaching, financial literacy, and connection to community resources.

Housing Resources

Home Improvement Program

Assists income-qualified Cambridge homeowners and small landlords to undertake and finance essential home improvement projects, including correction of code violations, de-leading, energy efficiency, and modifications for accessibility.

Housing Stabilization and Mediation Services

To avoid evictions, prevent homelessness, and stabilize housing, JAS provides at-risk individuals in Cambridge and surrounding communities with mediation, emergency rental assistance, legal education, and Rapid Re-Housing services. JAS also offers advisory services on finances, management, conflict resolution, and compliance to affordable condo associations in Cambridge.

Resident Services

Two Resident Service Coordinators provide approximately 1,200 residents of JAS's affordable rental properties with the services and connections to help them thrive in their housing.

Financial Opportunity Program

Offers financial education to residents, students, and community members through workshops, one-on-one financial coaching, and free tax preparation.

Families Moving Forward

This 2020 program works intensively with 25 families over three years and pairs them with a Mobility Mentor to empower them to meet their goals related to financial and housing stability and improved health and wellness.

Nonprofit Status

JAS is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). JAS is also exempt from state income taxes. Contributions are deductible by donors within the requirements of the IRC.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES

JAS prepares its consolidating financial statements in accordance with generally accepted accounting standards (U.S. GAAP) and principles established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

Principles of Consolidation

The accompanying consolidating financial statements include the accounts of JAS, its wholly-owned and majority-owned subsidiaries, and certain controlled limited partnerships (LPs), limited liability corporations (LLCs), and nonprofit organizations (NPOs) that own and operate real estate developments sponsored by JAS (see Note 3). All significant intercompany balances and transactions have been eliminated in the accompanying consolidating financial statements. The related organizations are collectively referred to as the Affiliates in the accompanying consolidating financial statements and notes.

Estimates

The preparation of consolidating financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the consolidating financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents and Restricted Cash

For the purpose of the consolidating statements of cash flows, management considers all cash and unrestricted, highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents, except those amounts that are included in JAS's investments in marketable securities (see Note 6).

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidating statements of financial position that sum to the totals of cash, cash equivalents and restricted cash shown in the consolidating statements of cash flows:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 11,937,744	\$ 11,714,178
Restricted deposits	9,948,730	9,316,151
Escrows	<u>1,434,567</u>	<u>334,940</u>
Totals	<u>\$ 23,321,041</u>	<u>\$ 21,365,269</u>

Allowance for Doubtful Accounts

The allowance for doubtful accounts is recorded based on management's analysis of specific accounts and their estimate of amounts that may be uncollectible, if any (see Notes 3 and 5).

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in Marketable Securities

Investments in marketable securities are recorded in the consolidating financial statements at fair value using Level 1 and 2 inputs (see page 16 and Note 6). Investment income consists of interest, dividends and realized and unrealized gains and losses on investments, net of investment fees. Realized gains and losses on investment transactions are recorded based on the average cost method. Unrealized gains and losses are recognized based on market value changes during the period. Interest income is recorded as earned and dividend income is recorded on the ex-dividend date.

Projects Under Development

All real estate and project-related costs incurred during construction that are deemed recoverable are capitalized for developments currently owned by JAS or its Affiliates. These include construction, soft costs, interest, and other project-related costs and are reflected in projects under development (see Note 7) in the accompanying consolidating statements of financial position. Project-related costs paid for by JAS or its Affiliates for developments owned by other entities are included within due from affiliates (see Note 3) in the accompanying consolidating statements of financial position.

Property and Equipment and Depreciation

Purchased property and equipment are recorded at cost. Donated property and equipment are recorded at fair value at the time of donation. Renewals and betterments are capitalized, while repairs and maintenance are expensed as they are incurred (see Note 8).

Depreciation is calculated using the straight-line method over the following estimated useful lives:

Land improvement	15 years
Buildings and improvements	10 - 40 years
Equipment and furniture	3 - 10 years
Vehicles	3 - 5 years

JAS and Affiliates account for the carrying value of their long-lived assets in accordance with standards pertaining to *Accounting for the Impairment or Disposal of Long-Lived Assets* under U.S. GAAP. The carrying value is evaluated annually for impairment and no impairment loss was recognized during 2020 and 2019.

Capitalized Costs and Amortization

Capitalized costs consist of deferred tax credit and leasing fees which have been capitalized and are amortized on the straight-line basis over the term of the tax credit compliance period or lease term, as applicable.

Debt Issuance Costs

Debt issuance costs are amortized over the period the related obligation is outstanding and amortization is computed using an imputed interest rate on the related loan. Unamortized debt issuance costs are reported as a reduction of the corresponding obligation (see Notes 11 and 22).

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Asset Classifications

Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of the following activities:

Operating net assets represent amounts that have no restrictions and are available as working capital for general operations. This category of net assets also includes net resources from real estate developments expected to be realized in the near term.

Loan Capital net assets represent amounts available for JAS's lending programs.

Real Estate Development net assets represent that portion of assets invested in real estate development projects, net of related debt, which are expected to be realized in greater than one year.

Property and Equipment net assets represent that portion of resources, net of related liabilities, invested into long-term productive property and equipment.

Net Assets With Donor Restrictions

JAS receives grants and contributions which are designated by donors for specific purposes. These contributions are recorded as net assets with donor restrictions until they are expended for their designated purposes. Capital restricted net assets include restricted grant funds that have been invested into the projects under development which are in process (see Note 7). To achieve an appropriate matching of revenues with related costs and expenses, it is JAS's policy to release these net assets from donor restriction, not when initially spent on project costs, but upon placement in service or final sale or disposition of the particular project.

Included in net assets with donor restrictions is restricted loan capital, which consists of capital resources available as revolving lending capital for JAS's City of Cambridge lending program. Interest earned on donor restricted loan capital increases the available capital balance while write-offs of uncollectible loan receivable balances reduce the available loan capital balance.

Net assets with donor restrictions consist of the following at December 31:

	<u>2020</u>	<u>2019</u>
Loan capital	\$ 448,355	\$ 416,401
Other purpose restricted	212,665	159,745
Capital	<u>48,500</u>	<u>48,500</u>
	<u>\$ 709,520</u>	<u>\$ 624,646</u>

Non-Controlling Interest

Non-controlling interest represents the equity interests in the syndicated rental properties (see Note 3) which are owned by unrelated investors.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidating Statements of Activities

Transactions deemed by management to be ongoing, major, or central to the provision of affordable housing and program-related services are reported as operating revenues and operating expenses in the accompanying consolidating statements of activities. Other revenues (expenses) include capital and investment activity.

Revenue Recognition

Revenue from private grants, contributions and government contract agreements are generally considered non-exchange transactions (contributions). In accordance with ASC Subtopic 958-605, *Revenue Recognition*, JAS must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance-related barrier or another measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that JAS should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met. Future funding from government contract agreements is dependent on fiscal funding clauses and annual appropriations from granting agencies and organizations.

Grants and contributions without donor restrictions are recorded as revenue when received or unconditionally pledged. Grants and contributions with donor restrictions are transferred to net assets without donor restrictions as costs are incurred or time restrictions or program restrictions have lapsed. Donor restricted grants received and satisfied in the same period are included in net assets without donor restrictions.

JAS generally measures revenue for qualifying exchange transactions based on the amount of consideration JAS expects to be entitled for the transfer of goods or services to a customer, then recognizes this revenue when or as JAS satisfies its performance obligations under a contract, except in transactions where U.S. GAAP provides other applicable guidance. JAS evaluates its revenue contracts with customers (i.e. developer fee and service fee contracts) based on the five-step model under Topic 606: (1) Identify the contract with the customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to separate performance obligations; and (5) Recognize revenue when (or as) each performance obligation is satisfied.

Developer fees are earned by JAS in its role as sponsor and developer of its affiliates' (see Note 3) projects. Developer fees are generally earned under written developer agreements executed with the Affiliates that detail the rights and responsibilities of both parties under each project development agreement. The agreements define the scope of activities to be provided by JAS and generally include supervising and coordinating project projections, overseeing the construction and/or rehabilitation, obtaining the necessary permitting, and overseeing and coordinating any reporting requirements of the project. These activities under the agreement are considered a single performance obligation as the services provided are not considered to be distinct within the context of the agreement. JAS determined the services within the agreement are highly interdependent with each other and comprise an integrated series of activities associated with the completion of a single real estate development project. Developer agreements define the fixed compensation which JAS is expected to be entitled and a schedule of payments to be made from project development sources and, in some cases, from net cash flow from project operations.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

The performance obligations under developer agreements are satisfied over time as JAS's performance creates or enhances a real estate asset that the affiliate controls. Accordingly, JAS recognizes revenue from developer agreements over time, as the services are rendered, based on an input method of developer time and effort incurred relative to total expected developer time and effort to complete the contract. Due to the contingent nature of certain developer fees which may be payable from net cash flow from project operations, some are not recognized until received or when collection is assured. See Note 3 for required disclosures related to these developer agreements.

Service fees are recognized by JAS for services provided to their affiliates (see Note 3), which include: partnership management, asset management, and resident services. Services are generally provided on an annual basis incident to separate agreements that renew annually at the election of the parties or under aspects of the operating agreements that govern the operations of the affiliate. These agreements specify the compensation for each annual period. Each service is considered a single performance obligation as each service is distinct. The performance obligations under these agreements are satisfied evenly over the year as the affiliate receives the benefits provided as JAS performs. Service fees are generally recognized in one calendar year. Compensation is generally fixed under the relevant agreement, but may contain variable components in the case of certain partnership management services. Certain fees are only earned and/or payable subject to the availability of net cash flow from the affiliate's operations and are only recognized as revenue when collection is assured.

Rental income is recorded pro-rata over the life of the related leases and is shown net of vacancies and concessions. Interest income is recognized when earned. All other revenue is recognized when earned.

Donated Services

During 2020 and 2019, JAS received \$480 and \$300, respectively, of donated services for its programs. These donations are reflected in the accompanying consolidating financial statements based upon the estimated value assigned by management and are included in grants and contributions and program and client expenses for the years ended December 31, 2020 and 2019.

Expense Allocation

Expenses related directly to a program or function are distributed to that program or function, while other expenses are allocated based upon management's estimate of the percentage attributable to each program or function.

The consolidating statements of functional expenses contain certain categories of expenses that are attributable to program and supporting functions and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, employee benefits, payroll taxes, occupancy, and other costs, which are allocated based on an estimate of time and level of effort spent on JAS's programs and supporting functions.

Advertising Costs

JAS and Affiliates expense advertising costs as they are incurred.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements

JAS and Affiliates follow the accounting and disclosure standards pertaining to ASC Topic, *Fair Value Measurements*, for qualifying assets and liabilities. Fair value is defined as the price that JAS and Affiliates would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

JAS and Affiliates use a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of JAS and Affiliates. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instrument, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the financial instrument developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available.

The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.
- Level 2 - Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 - Inputs that are unobservable and which require significant judgment or estimation.

An asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

Investments in Marketable Securities

Investments in marketable securities are recorded in the consolidating financial statements at fair value. If an investment is directly held by JAS and an active market with quoted prices exists, the market price of an identical security is used to report fair value (Level 1 inputs). Values of bonds and government securities are determined using other observable inputs such as prevailing interest rates, the market demand for such securities, and the dates of maturity and purchase (Level 2 inputs).

Subsequent Events

Subsequent events have been evaluated through June 9, 2021, which is the date the consolidating financial statements were available to be issued. See Note 11 for an event that met the criteria for disclosure in the consolidating financial statements.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

As described in Note 1, JAS is exempt from income taxes under Section 501(c)(3) of the IRC. Certain affiliates of JAS are also exempt from income taxes under Sections 501(c)(3) and 501(c)(4) of the IRC (see Note 3). JAS has for-profit corporate affiliates (see Note 3) that are subject to income taxation at the Federal and state levels. The corporate affiliates had, for Federal income tax purposes, net operating loss carryforwards of approximately \$6,000 and \$5,000 available to offset future taxable income as of December 31, 2020 and 2019, respectively. The corporate affiliates had, for state income tax purposes, net operating loss carryforwards of approximately \$17,000 available to offset future taxable income as of December 31, 2020 and 2019. The value of the deferred tax assets associated with net operating loss carryforwards has been reserved due to the uncertainty of their future use. No income tax provision has been included in the consolidating financial statements for for-profit affiliates taxed as partnerships, as the income, loss and credits are reported by the partners on their respective income tax returns.

JAS and Affiliates account for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the consolidating financial statements regarding a tax position taken or expected to be taken in a tax return. JAS and Affiliates have determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the consolidating financial statements at December 31, 2020 and 2019. JAS and Affiliates believe that they have appropriate support for the positions taken on their information and tax returns. However, JAS and Affiliates are generally subject to audit by tax authorities for the most recent three years.

3. RELATED PARTY TRANSACTIONS

Consolidated Entities

JAS and Affiliates' consolidating financial statements include the following entities:

Operating:

JAS Affordable Housing LLC (JAS Affordable), a Massachusetts limited liability company, formed during February 2012 to acquire and develop affordable housing projects. JAS is the sole member of JAS Affordable, which has elected to be disregarded as a separate entity from JAS for tax purposes. Costs associated with predevelopment activity are recorded in JAS Affordable and are generally recovered once the property is sold to a new ownership entity controlled by JAS.

JAS Homeownership LLC (JAS Homeownership), a Massachusetts limited liability company, formed in April 2014 to acquire deed-restricted condominiums in Cambridge under an agreement with the City. JAS is the sole member of JAS Homeownership, which has elected to be disregarded as a separate entity from JAS for tax purposes. The units are purchased and rehabilitated with funds advanced by the City and resold to qualified buyers provided by the City. JAS earns a predetermined fee per property for this service (see pages 23 and 24 and Note 7).

Broadway Park Apartments LLC, a Massachusetts limited liability company, formed to acquire, hold, develop, manage, operate, invest in interests in real property, including projects located in Cambridge, in its capacity as a member or partner in any limited liability company or limited partnership organized. Next Step Housing Corporation is the sole member of Broadway Park Apartments LLC.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Consolidated Entities (Continued)

Operating: (Continued)

Just-A-Start Holdings LLC, a Massachusetts limited liability company, formed to acquire, hold, develop, manage, operate, invest in, and deal with interests in real property, including projects located in Cambridge, in its capacity as a member or partner in any limited liability company or limited partnership organized. JAS owns 100% of Just-A-Start Holdings LLC.

General Partner Entities

General Partner Entities - JAS has other combined wholly-owned and majority-owned subsidiaries that serve as the general partners and managing members of the LPs and LLCs, which operate various low-income and subsidized housing projects, which were developed by JAS.

The following wholly-owned and majority-owned general partners of JAS are included in the consolidating financial statements:

- **St. Patricks/JAS, Inc.**, general partner of St. Patricks Place Limited Partnership. This entity was dissolved in October 2019.
- **Putnam/JAS, Inc.**, general partner of Putnam Place Limited Partnership. This entity was dissolved in October 2019.
- **Churchill/JAS, Inc.**, general partner of Churchill Court Limited Partnership. This entity was dissolved in October 2019.
- **JASCDC, Inc.**, general partner of Close Building Associates Limited Partnership.
- **Squirrel/JAS, Inc.**, general partner of Squirrel Brand Limited Partnership.
- **Elm Place/JAS, Inc.**, general partner of Elm Place/JAS Limited Partnership.
- **Bishop Allen JAS, LLC**, managing member of Bishop Allen Apartments LLC.
- **Rindge Tower Apartments JAS, LLC**, managing member of Rindge Tower Apartments LLC.
- **JAS Consolidated MM LLC**, managing member of JAS Consolidated Properties LLC.
- **The Close Building MM LLC**, managing member of The Close Building LLC.
- **Squirrelwood JAS LLC**, managing member of Squirrelwood LLC.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Consolidated Entities (Continued)

Rental Properties:

JAS Properties consists of thirty units of affordable residential housing on Hovey Street and Scouting Way that JAS owns directly.

52 New Street Land LLC (52 New Street), a Massachusetts limited liability company, formed to acquire, hold, develop, manage, operate, invest in, and deal with interests in real property, including projects located in Cambridge, in its capacity as a member or partner in any limited liability company or limited partnership organized. JAS owns 100% of 52 New Street. During 2020, 52 New Street acquired property with an existing commercial tenant and continued to rent the property to the tenant over the course of the year (see Note 7).

Directly Owned Limited Partnerships

St. Patricks Place Limited Partnership (St. Patricks), a Massachusetts limited partnership. JAS controlled 100% of St. Patricks' equity interests by 50% ownership as the limited partner and 50% as the general partner, St. Patricks/JAS, Inc. This entity was dissolved in October 2019.

Putnam Place Limited Partnership (Putnam Place), a Massachusetts limited partnership. JAS controlled 100% of Putnam Place's equity interests by 99% ownership as the limited partner and 1% as the general partner, Putnam/JAS, Inc. This entity was dissolved in October 2019.

Churchill Court Limited Partnership (Churchill Court), a Massachusetts limited partnership. JAS controlled 100% of Churchill Court's equity interests by 99.99% ownership as the limited partner and 0.01% as the general partner, Churchill/JAS, Inc. This entity was dissolved in October 2019.

Squirrel Brand Limited Partnership (Squirrel Brand), a Massachusetts limited partnership, which operated twenty units of affordable residential apartments located in Cambridge. JAS controlled 100% of Squirrel Brand's equity interests by 99.99% ownership as the limited partner and 0.01% as the general partner, Squirrel/JAS, Inc. On May 16, 2019, the general partner transferred its interest in Squirrel Brand to the limited partner (JAS), which caused Squirrel Brand to cease to exist. Accordingly, all existing assets and liabilities were distributed to JAS. Concurrent with the transfer of interest and termination of Squirrel Brand, JAS sold the property, along with the Linwood Court property (see page 21), to Squirrelwood LLC (see Note 18).

Close Building Associates Limited Partnership (CBALP), a Massachusetts limited partnership, which operated sixty-one units of residential apartments located in Cambridge for low- and moderate-income families/individuals (the Close Building). JAS controls 100% of CBALP's equity interest by 91.52% ownership as limited partner and 8.48% as the general partner, JASDC, Inc. CBALP maintains a seventy-five-year ground lease with The Close Building LLC through June 2093. Beginning June 1, 2020, annual base rent is \$306,132 per year until January 1, 2035, at which time the base rent shall increase by 2% every five years. Payment is subject to surplus cash. The Close Building LLC will recognize the expense on a straight-line basis over the term of the lease.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Consolidated Entities (Continued)

Rental Properties: (Continued)

Syndicated Rental Properties

JAS owns less than 1% equity interest in each of the syndicated rental properties but controls each through its general partner entity.

Elm Place/JAS Limited Partnership (Elm Place), a Massachusetts limited partnership, which operates nineteen units of affordable residential apartments and one commercial unit located in Cambridge. The property is being operated pursuant to a MassDocs Affordable Housing Restriction Agreement with the Massachusetts Housing Partnership Fund Board (MHP), as agent on behalf of itself and on behalf of the Commonwealth of Massachusetts, acting by and through the Department of Housing and Community Development (DHCD) and Community Economic Development Assistance Corporation (CEDAC). The property is also being operated pursuant to an Affordable Housing Covenant with the City and the Cambridge Affordable Housing Trust (CAHT). In addition, the property has a MassDocs Tax Credit Regulatory Agreement and Declaration of Restrictive Covenants with DHCD.

Bishop Allen Apartments LLC (Bishop Allen), a Massachusetts limited liability company, which was formed during 2012 to purchase, own and rehabilitate thirty-two units of residential apartments located in Cambridge. The property was financed using 4% Low Income Housing Tax Credits and Tax Exempt Bond financing through MassDevelopment, as well as Massachusetts Historic Rehabilitation Tax Credits. The investor members have committed and paid a total of \$3,728,527 of capital contributions.

Bishop Allen Land LLC (Land LLC), a Massachusetts limited liability company, which was organized in May 2014 to acquire land. Land LLC acquired the land for the Bishop Allen project and subsequently entered into a ninety-year ground lease with Bishop Allen. Bishop Allen is the sole member of Land LLC.

Rindge Tower Apartments LLC (Rindge Tower), a Massachusetts limited liability company, which was formed during 2014 to purchase, own and rehabilitate 273 units of residential apartments located in Cambridge. The property was financed using 4% Low Income Housing Tax Credits, and financing through MassHousing, as well as through a seller note to JAS (see page 22). The investor member has committed and paid a total of \$10,979,481 of capital contributions.

JAS Consolidated Properties LLC (JAS Consolidated), a Massachusetts limited liability company, which was formed in 2017 to acquire, rehabilitate and operate 112 residential units and one commercial unit in twenty buildings across Cambridge. The investor member has committed a total of \$14,098,462 (including a downward adjuster of \$136,538) of capital contributions. As of December 31, 2020 and 2019, the investor member has contributed \$13,735,000 and \$2,135,250, respectively. The installments are due as specified in the operating agreement. JAS is the sponsor and developer of the project and will earn a developer fee and overhead.

The Close Building LLC (TCBLLC), a Massachusetts limited liability company, which was formed in 2017 to acquire, rehabilitate, own, and operate sixty-one units of residential apartments located in Cambridge. The investor member has committed a total of \$12,204,588 (including an upward adjuster of \$1,246,544) of capital contributions. As of December 31, 2020 and 2019, the investor member has contributed \$10,699,044 and \$1,643,707, respectively.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Consolidated Entities (Continued)

Rental Properties: (Continued)

The Close Building LLC (Continued) The installments are due as specified in the operating agreement. JAS is the sponsor and developer on the project and will earn a developer fee and overhead. The property is being financed using 4% Low Income Housing Tax Credits and Tax-Exempt Bond financing. Under the ground lease agreement with CBALP (see page 19), ground lease expense was \$341,608 for 2020 and 2019. As of December 31, 2020 and 2019, \$852,882 and \$511,274, respectively, remains unpaid and is included in notes and interest receivable from affiliates in the accompanying consolidating statements of financial position (see page 22).

Squirrelwood LLC (Squirrelwood), a Massachusetts limited liability company, which was formed in 2017 to acquire, rehabilitate, manage, and operate residential real estate located in Cambridge. On May 15, 2019, the investor member was admitted and has committed a total of \$15,238,278 of capital contributions, due in four installments as specified in the operating agreement. The investor member made the first contribution installment of \$2,285,742 during the year ended December 31, 2020, through the conversion of a loan due from Squirrelwood (see Note 22). On May 16, 2019, Squirrelwood purchased property previously owned by Squirrel Brand and the Linwood Court property from JAS to rehabilitate into eighty-eight residential units in twelve buildings, of which seventy-eight of the units must be rented to low-income tenants (see Note 18). Squirrelwood entered into a ninety-nine-year ground lease with JAS commencing on May 16, 2019 through May 2118. Annual base rent will be \$90,000 per year, to be paid from net cash flows. All unpaid rent shall accrue and bear interest at a rate of 2.74%, compounded annually. Squirrelwood is responsible for all costs associated with the operations, maintenance and repair of the leased property. Ground lease expense under this agreement was \$94,013 and \$56,466 for 2020 and 2019, respectively. As of December 31, 2020 and 2019, \$150,479 and \$56,466, respectively, remains unpaid and is included in notes and interest receivable from affiliates in the accompanying consolidating statements of financial position (see page 22).

Non-Profit Rental Properties

Wellington-Harrington Development Corporation (Wellington-Harrington), a Massachusetts not-for-profit corporation (under Section 501(c)(4) of the IRC), which operates forty-five units of rental housing named Linwood Court and is located in Cambridge. Wellington-Harrington and JAS were commonly controlled through common directors and management. On March 13, 2019, Wellington-Harrington merged with JAS. On May 16, 2019, JAS sold the Linwood Court property to Squirrelwood (see Note 18).

Next Step Housing Corporation (Next Step), a Massachusetts not-for-profit corporation, which operates three units of transitional housing and three units of affordable housing located in Somerville, Massachusetts. Residents are subject to income limitations as prescribed by the lenders. Next Step and JAS are commonly controlled through common directors and management.

Transactions among consolidating entities include:

Rights of First Refusal

JAS has been granted a continuing right of first refusal with certain syndicated rental properties to purchase the respective properties in the event that a syndicated rental property proposes to sell, transfer, or assign the property. JAS would be required to continue to maintain the properties as low-income housing under these agreements.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Consolidated Entities (Continued)

Notes and Interest Receivable from Affiliates

Project development notes and accrued interest receivable from Affiliates are generally subordinate to mortgages held by banks or government entities on the Affiliates' properties. JAS's ability to realize these assets is dependent on the ability of each affiliate to generate sufficient cash flow from operations or from the sale or refinancing by the respective partnership. Due to the long-term nature of expected realization, JAS has established valuation allowances against most of these balances, including accrued interest, to reflect these assets at expected realizable values.

The balance consisted of the following as of December 31, 2020:

<u>Borrower</u>	<u># of Notes</u>	<u>Interest Rate</u>	<u>Principal Balance</u>	<u>Accrued Interest</u>	<u>Final Maturity</u>
Rindge Tower*	1	3.75%	\$ 21,781,600	\$ 2,157,366	July 2058
TCBLLC*	1	7.66%	7,819,591	1,604,201	January 2070
JAS Consolidated	1	4.00%	7,371,919	758,203	December 2067
JAS Consolidated*	1	4.00%	4,685,343	602,599	December 2067
Squirrelwood*	1	5.00%	2,661,988	221,157	June 2059
Squirrelwood	2	2.74%	2,174,994	98,174	June 2059
Bishop Allen	2	3.14%	1,223,000	196,252	June 2054
TCBLLC	2	7.66%	2,269,325	231,744	January 2070
Squirrelwood**	1	2.74%	150,479	-	**
			<u>50,138,239</u>	<u>5,869,696</u>	
Less - amounts characterized as equity			(37,099,001)	(4,585,323)	
Less - valuation allowances			<u>(13,039,238)</u>	<u>(1,284,373)</u>	
			<u>\$ -</u>	<u>\$ -</u>	

The balance consisted of the following as of December 31, 2019:

<u>Borrower</u>	<u># of Notes</u>	<u>Interest Rate</u>	<u>Principal Balance</u>	<u>Accrued Interest</u>	<u>Final Maturity</u>
Rindge Tower*	1	3.75%	\$ 21,781,600	\$ 2,169,925	July 2058
TCBLLC*	1	7.66%	7,819,591	928,544	January 2070
JAS Consolidated	1	4.00%	5,228,616	445,506	December 2067
JAS Consolidated*	1	4.00%	4,685,343	399,216	December 2067
Squirrelwood*	1	5.00%	2,661,988	83,506	June 2059
Squirrelwood	2	2.74%	2,174,994	37,389	June 2059
Bishop Allen	2	3.14%	1,223,000	157,683	June 2054
TCBLLC	1	7.66%	1,124,725	134,523	January 2070
Squirrelwood**	1	2.74%	56,466	-	**
			<u>46,756,323</u>	<u>4,356,292</u>	
Less - amounts characterized as equity			(37,004,988)	(3,581,191)	
Less - valuation allowances			<u>(9,751,335)</u>	<u>(775,101)</u>	
			<u>\$ -</u>	<u>\$ -</u>	

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Consolidated Entities (Continued)

Notes and Interest Receivable from Affiliates (Continued)

- * Because these instruments were created among JAS's Affiliates in controlled transfers, principal and accrued interest on the seller notes for Rindge Tower, JAS Consolidated, TCBLLC and Squirrelwood have been characterized as equity in the accompanying supplementary consolidating statements of financial position.
- ** During 2019, Squirrelwood entered into a ground lease with JAS (see page 21). Ground lease expense and the related obligation have been characterized as equity in the accompanying 2019 consolidating statement of financial position.

During 2019, the net balance of notes and interest receivable from affiliates of \$460,000 was deemed uncollectable and is included in provision for affiliate financing in the accompanying 2019 consolidating statement of activities.

During 2019, JAS received additional insurance proceeds related to a fire at a property in a prior year totaling \$2,143,303 which were transferred to JAS Consolidated and increased the sponsor loan upon completion of amending the loan agreement in 2020. These additional proceeds will be used to fund cost overages of \$113,080 pertaining to the rehabilitation of the property, to pay developer fee of \$129,172, and to pay down the DHCD and the City notes on JAS Consolidated totaling \$492,358 and \$1,401,327, respectively (see Note 23). The proceeds are shown as gain on involuntary conversion in the accompanying 2019 consolidating statement of activities. As these proceeds were paid to JAS Consolidated in 2020 and are not expected to be repaid to JAS in the near term, the proceeds are included in provision for affiliate financing in the accompanying 2019 consolidating statement of activities and is included in the current portion of accounts payable, accrued expenses and other in the accompanying consolidating statement of financial position as of December 31, 2019.

For the years ended December 31, 2020 and 2019, interest earned by JAS on the affiliate notes (see page 22), excluding the notes characterized as equity, totaled \$509,273 and \$489,726, respectively, all of which was reserved. As of December 31, 2020 and 2019, all of the notes receivable and accrued interest between JAS and its Affiliates have been eliminated in the accompanying consolidating financial statements.

Developer and Other Service Fees

JAS receives certain resident service fees, management fees and other program service fees from its rental projects. Fees earned during the years ended December 31, 2020 and 2019, totaled \$590,373 and \$600,944, respectively. The resident services are recorded when earned and management fees are recognized when paid based on prior year cash flow for annual services provided by JAS. These fees are included in contracted services and management fees, respectively, in the accompanying consolidating statements of functional expenses.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Consolidated Entities (Continued)

Developer and Other Service Fees (Continued)

JAS, in its role as sponsor and developer, earns developer fees from each project undergoing rehabilitation. JAS earned developer fees totaling \$1,041,593 and \$3,992,160 during the years ended December 31, 2020 and 2019, respectively, from the projects noted below, which are included in developer and other service fees in the accompanying consolidated statements of activities.

<u>Project</u>	<u>Total Contract</u>	<u>Recognized Prior to 2019</u>	<u>Recognized During 2019</u>	<u>Recognized During 2020</u>	<u>Remaining Contract Balance</u>
JAS Consolidated	\$ 3,190,831	\$ 1,295,283	\$ 1,895,548	\$ -	\$ -
Squirrelwood	3,061,975	-	1,013,602	983,593	1,064,780
TCBLLC	2,345,025	1,407,015	938,010	-	-
JAS Properties	89,000	-	89,000	-	-
Condo Repurchase Program (see Note 7)	Various	Various	56,000	58,000	-
			<u>\$ 3,992,160</u>	<u>\$ 1,041,593</u>	<u>\$ 1,064,780</u>
			<u>2020</u>	<u>2019</u>	
Developer fees			\$ 1,041,593	\$ 3,992,160	
Management, resident service and other fees			590,373	600,944	
			1,631,966	4,593,104	
Less - eliminations			<u>(1,182,352)</u>	<u>(4,076,122)</u>	
			<u>\$ 449,614</u>	<u>\$ 516,982</u>	

Developer fees and other receivables were as follows as of December 31, 2020:

<u>Due From</u>	<u>Developer Fees</u>	<u>Other</u>	<u>Total</u>
TCBLLC	\$ 1,033,025	\$ 1,704,079	\$ 2,737,104
JAS	-	2,030,223	2,030,223
JAS Consolidated**	950,950	-	950,950
Squirrelwood	756,143	18,758	774,901
Bishop Allen*	111,731	13,756	125,487
Elm Place	-	20,634	20,634
52 New Street	-	5,143	5,143
JAS Properties	-	3,750	3,750
	<u>2,851,849</u>	<u>3,796,343</u>	<u>6,648,192</u>
Less - valuation allowance	<u>127,679</u>	<u>-</u>	<u>127,679</u>
	<u>2,724,170</u>	<u>3,796,343</u>	<u>6,520,513</u>
Less - current portion	<u>1,335,789</u>	<u>1,766,170</u>	<u>3,101,909</u>
	<u>\$ 1,388,381</u>	<u>\$ 2,030,223</u>	<u>\$ 3,418,604</u>

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Consolidated Entities (Continued)

Developer and Other Service Fees (Continued)

Developer fees and other receivables were as follows as of December 31, 2019:

<u>Due From</u>	<u>Developer Fees</u>	<u>Other</u>	<u>Total</u>
TCBLLC	\$ 1,407,337	\$ 62,287	\$ 1,469,624
JAS	-	2,367,953	2,367,953
Squirrelwood	198,238	16,203	214,441
JAS Consolidated	1,854,955	-	1,854,955
Bishop Allen*	164,782	13,355	178,137
Elm Place	-	38,689	38,689
JAS Properties	-	7,500	7,500
	<u>3,625,312</u>	<u>2,505,987</u>	<u>6,131,299</u>
Less - valuation allowance	<u>100,559</u>	<u>-</u>	<u>100,559</u>
	<u>3,524,753</u>	<u>2,505,987</u>	<u>6,030,740</u>
Less - current portion	<u>2,723,756</u>	<u>138,034</u>	<u>2,861,790</u>
	<u>\$ 800,997</u>	<u>\$ 2,367,953</u>	<u>\$ 3,168,950</u>

* In 2016, interest began accruing at 3.14% on the developer fee payable. The developer fee includes \$5,174 and \$5,995 of accrued interest as of December 31, 2020 and 2019, respectively.

** In 2020, interest began accruing at 4% on the developer fee payable. The developer fee includes \$15,950 of accrued interest as of December 31, 2020.

As of December 31, 2020 and 2019, the developer fees and other receivables included in due to and from related parties between JAS and Affiliates have been eliminated from the accompanying consolidating financial statements.

Investment in Affiliates

Investments in LPs and LLCs are accounted for using the cost method, but are generally eliminated in consolidation. Investments in LPs and LLCs consist of amounts invested by JAS into various LPs and LLCs through JAS's general partner subsidiaries (see page 18) as support for development projects carried on by those LPs and LLCs. During 2020, JAS reserved for the full balance of investment in affiliates as the recoverability is uncertain.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

3. RELATED PARTY TRANSACTIONS (Continued)

Non-Controlling Interest

The following is a summary of the activity related to the non-controlling interests (see Note 2) of syndicated rental properties for the years ended December 31:

	2020					Balance December 31, 2020
	Balance December 31, 2019	Investor Share of Net Income (Loss)	Syndication Costs	Capital Contributions	Distri- butions	
Elm Place	\$ 809,725	\$ (135,954)	\$ -	\$ -	\$ (7,375)	\$ 666,396
Bishop Allen	2,065,035	(328,493)	-	-	-	1,736,542
TCBLLC	1,538,749	(314,768)	-	9,055,337	-	10,279,318
Rindge Tower	11,024,194	(214,451)	-	-	-	10,809,743
JAS Consolidated	289,012	(1,534,133)	-	11,599,750	(5,305)	10,349,324
Squirrelwood	(178,427)	(255,396)	-	2,285,742	-	1,851,919
	<u>\$ 15,548,288</u>	<u>\$ (2,783,195)</u>	<u>\$ -</u>	<u>\$ 22,940,829</u>	<u>\$ (12,680)</u>	<u>\$ 35,693,242</u>

	2019					Balance December 31, 2019
	Balance December 31, 2018	Investor Share of Net Income (Loss)	Syndication Costs	Capital Contributions	Distri- butions	
Elm Place	\$ 991,165	\$ (155,169)	\$ -	\$ -	\$ (26,271)	\$ 809,725
Bishop Allen	2,407,419	(342,384)	-	-	-	2,065,035
TCBLLC	(97,417)	(4,460)	(3,081)	1,643,707	-	1,538,749
Rindge Tower	11,017,269	6,925	-	-	-	11,024,194
JAS Consolidated	1,676,083	(1,381,088)	-	-	(5,983)	289,012
Squirrelwood	-	(130,865)	(47,562)	-	-	(178,427)
	<u>\$ 15,994,519</u>	<u>\$ (2,007,041)</u>	<u>\$ (50,643)</u>	<u>\$ 1,643,707</u>	<u>\$ (32,254)</u>	<u>\$ 15,548,288</u>

4. RESTRICTED DEPOSITS AND ESCROWS

Restricted deposits consist of the following as of December 31:

	2020		
	Operating	Rental Properties	Total
Escrows:			
Real estate and insurance escrows	\$ -	\$ 350,512	\$ 350,512
Other escrow	-	1,084,055	1,084,055
Total escrows	<u>\$ -</u>	<u>\$ 1,434,567</u>	<u>\$ 1,434,567</u>
Restricted deposits:			
Construction escrow	\$ 2,030,223	\$ -	\$ 2,030,223
Operating reserves	-	3,698,223	3,698,223
Replacement reserves	-	3,062,609	3,062,609
Home Improvement Program funds (see Note 5)	862,358	-	862,358
Other restricted deposits	104,506	190,811	295,317
Total restricted deposits	<u>\$ 2,997,087</u>	<u>\$ 6,951,643</u>	<u>\$ 9,948,730</u>

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

4. RESTRICTED DEPOSITS AND ESCROWS (Continued)

	<u>2019</u>		
	<u>Operating</u>	<u>Rental Properties</u>	<u>Total</u>
Real estate and insurance escrows	\$ -	\$ 334,940	\$ 334,940
Restricted deposits:			
Construction escrow	\$ 2,367,953	\$ -	\$ 2,367,953
Operating reserves	-	3,209,409	3,209,409
Replacement reserves	-	2,380,112	2,380,112
Home Improvement Program funds (see Note 5)	1,045,707	-	1,045,707
Equity escrow	226,000	-	226,000
Other restricted deposits	-	86,970	86,970
Total restricted deposits	<u>\$ 3,639,660</u>	<u>\$ 5,676,491</u>	<u>\$ 9,316,151</u>

Under the provisions of mortgage and partnership agreements (see Note 11), JAS and Affiliates are required to maintain operating reserves to fund potential future operating deficits and maintain replacement reserves to fund future capital improvements. Real estate and insurance escrows are maintained by the properties to ensure timely payment of all real estate taxes and insurance premiums.

The other escrow consists of construction proceeds held by MassHousing on behalf of TCBLLC. This escrow was released to TCBLLC in January 2021.

The construction escrow consists of insurance proceeds received by JAS to be transferred to JAS Consolidated (see Note 3).

Other restricted deposits consist of an interest reserve account held by JAS pursuant to the loan agreement for the 24 Webster Property (see Note 7) and a debt service reserve held by JAS Consolidated.

Pursuant to the seller reserve loan note agreement, JAS was to advance \$226,000 of rehabilitation loan proceeds to TCBLLC. As of December 31, 2019, JAS held this cash, which was transferred to TCBLLC upon financing during 2020.

5. NOTES RECEIVABLE

Home Improvement Program

JAS, in collaboration with the City, operates the Home Improvement Program (HIP) where JAS provides low-interest (servicing notes) and deferred payment home improvement loans to income-eligible homeowners to make necessary repairs to their homes.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

5. NOTES RECEIVABLE (Continued)

Home Improvement Program (Continued)

JAS had the following notes receivable outstanding under HIP as of December 31:

Type	Interest Rates	# of Notes	2020	# of Notes	2019
			Principal Balance		Principal Balance
City of Cambridge:					
Servicing notes	0% - 4.5%	66	\$ 1,826,287	69	\$ 1,974,989
Deferred payment	0%	68	<u>1,337,280</u>	59	<u>968,284</u>
			3,163,567		2,943,273
Other servicing notes	0% - 5%	19	250,543	22	307,282
Interest receivable			38,926		35,694
Other			<u>18,175</u>		<u>18,175</u>
Total notes receivable			3,471,211		3,304,424
Less - current portion			<u>264,050</u>		<u>218,800</u>
			<u>\$ 3,207,161</u>		<u>\$ 3,085,624</u>

Servicing notes require monthly payments of principal and interest ranging from \$13 to \$653 and are typically required to be repaid over a term of thirty years. Deferred payment loans do not require monthly payments and are due in full upon the sale or transfer of the homeowners' property. These notes are secured by the homeowners' properties. Some notes are cross-collateralized with the contractual advances provided by the City (see below).

Estimated maturities of notes receivable over the next five years are as follows:

2021	\$ 264,050
2022	\$ 101,833
2023	\$ 105,937
2024	\$ 114,161
2025	\$ 97,881

Allowance for Loan Losses

JAS considers an allowance for potential loan losses of the loan portfolio. The allowance is based on JAS's assessment of the collectability of individual notes receivable. There were no allowances for loan losses recorded at December 31, 2020 or 2019, since there are no significant anticipated losses based on management's assessment of underlying collateral.

Contractual Advances

As of December 31, 2020 and 2019, contractual advances consist of \$3,577,187 and \$3,549,424, respectively, which represent the aggregate amount of home improvement loan pool funds advanced by and subject to recall by the City. Advances from the City are not formal loans, however, JAS and the City mutually agree that this funding represents a liability. Proceeds from these advances are used to fund homeowner loans under HIP. There are no formal repayment terms and payments are not typically made in the event a homeowner loan is paid in full.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

6. INVESTMENTS IN MARKETABLE SECURITIES

The following is a summary of the fair value of JAS's investments in marketable securities as of December 31, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 910,913	\$ -	\$ -	\$ 910,913
Fixed income - government	830,018	-	-	830,018
Fixed income - corporate bonds	-	673,930	-	673,930
Mortgage-backed securities	-	67,963	-	67,963
Equities:				
Information technology	580,334	-	-	580,334
Health care	338,448	-	-	338,448
Other	335,243	-	-	335,243
Financials	254,817	-	-	254,817
Industrials	241,349	-	-	241,349
Consumer discretionary	227,031	-	-	227,031
Mutual funds	150,875	-	-	150,875
Consumer staples	<u>133,134</u>	<u>-</u>	<u>-</u>	<u>133,134</u>
Total investments in marketable securities	<u>\$ 4,002,152</u>	<u>\$ 741,893</u>	<u>\$ -</u>	<u>\$ 4,744,055</u>

The following is a summary of the fair value of JAS's investments in marketable securities as of December 31, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 412,647	\$ -	\$ -	\$ 412,647
Fixed income - government	1,193,181	-	-	1,193,181
Fixed income - corporate bonds	-	573,247	-	573,247
Mortgage-backed securities	-	102,495	-	102,495
Equities:				
Information technology	502,328	-	-	502,328
Health care	262,358	-	-	262,358
Other	270,863	-	-	270,863
Financials	262,044	-	-	262,044
Industrials	260,218	-	-	260,218
Consumer discretionary	231,788	-	-	231,788
Mutual funds	189,843	-	-	189,843
Consumer staples	<u>110,505</u>	<u>-</u>	<u>-</u>	<u>110,505</u>
Total investments in marketable securities	<u>\$ 3,695,775</u>	<u>\$ 675,742</u>	<u>\$ -</u>	<u>\$ 4,371,517</u>

Investments are not insured and are subject to on-going market fluctuations. Investments in marketable securities include funds held by JAS for long-term purposes and generally are not used for operations. Accordingly, these investments in marketable securities have been classified as non-current assets in the accompanying consolidating statements of financial position regardless of maturity or liquidity.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

7. PROJECTS UNDER DEVELOPMENT

Following is a summary of amounts included in projects under development as presented in the accompanying consolidating statements of financial position. These include development costs for condos that JAS acquires and develops for sale to individual homeowners and other development costs related to rehabilitation of rental projects (see below). Costs considered to be recoverable are capitalized. Recoverable costs expected to be realized within one year from the consolidating statements of financial position date are classified as current. Other recoverable costs are classified as non-current. Non-recoverable costs are expensed as incurred. At December 31, 2020 and 2019, projects under development consist of the following:

	<u>2020</u>	<u>2019</u>
Current:		
Condo Repurchase Program	\$ <u>1,974,303</u>	\$ <u>2,053,534</u>
Long-term:		
Squirrelwood	11,880,114	8,280,389
52 New Street	9,922,345	279,000
24 Webster	3,966,886	-
Condo Repurchase Program	1,293,970	489,056
Other Projects	<u>1,188,143</u>	<u>369,262</u>
Total long-term	<u>28,251,458</u>	<u>9,417,707</u>
Total projects under development	<u>\$ 30,225,761</u>	<u>\$ 11,471,241</u>

Management of JAS has capitalized the costs below related to various projects, some of which have uncertain financing, because they believe the costs are recoverable from the future development and/or sale of the project. There is a risk that if financing for specific projects is not obtained, sales proceeds are insufficient, or projects become unfeasible, that JAS will need to write-down the value of the affected assets in future consolidating financial statements.

The following projects were under development during the years ended December 31, 2020 and 2019:

Condo Repurchase Program

JAS Homeownership, in collaboration with the City, buy and sell deed-restricted condominium units located throughout Cambridge. These condominiums are deed-restricted to be purchased by low- to moderate-income residents. JAS Homeownership purchase condominium units, rehabilitate the units as deemed necessary, and sell the units to qualified residents. The City determines the sale price and reimburses JAS Homeownership for rehabilitation costs incurred. As of December 31, 2020 and 2019, JAS Homeownership held seventeen and fifteen units totaling \$3,268,273 and \$2,542,590, respectively. These units are secured by debt held by the City (see Note 11).

In connection with the Condo Repurchase Program, JAS is entitled to receive a developer fee ranging between \$6,000 and \$10,000 for each condominium unit that is purchased and sold. For the years ended December 31, 2020 and 2019, JAS recognized developer fees under the Condo Repurchase Program totaling \$58,000 and \$56,000, respectively (see Note 3).

Fifth Street Property

During 2017, JAS received a donation of a house from an unaffiliated third-party (see Note 2). JAS entered into a loan agreement with the City (see Note 11) to rehabilitate the house. During 2019, the project was completed and sold to a qualified homebuyer for \$275,000. The loss on sale of property was \$135,825, after forgiveness of debt of \$300,000 in connection with sale.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

7. PROJECTS UNDER DEVELOPMENT (Continued)

Squirrelwood

During 2018, JAS incurred predevelopment costs in connection with combining two existing JAS projects for the rehabilitation of sixty-five units and construction of twenty-three new units of affordable housing. Construction began in 2019 and, at December 31, 2020 and 2019, development costs of \$11,880,114 and \$8,280,389, respectively, have been incurred and capitalized.

52 New Street

On January 2, 2020, 52 New Street Land LLC purchased a site containing an existing building located at 52 New Street, Cambridge for \$9,300,000. The development plan is to demolish the existing building and construct an affordable housing rental development on the site. The acquisition was financed with a loan from the CAHT (see Note 22). Construction is anticipated to commence in 2022. At December 31, 2020 and 2019, development costs of \$9,922,345 and \$279,000, respectively, have been incurred and capitalized.

24 Webster Avenue

On December 15, 2020, 24 Webster Land LLC purchased a site containing an existing building located at 24 Webster Avenue, Somerville for \$3,900,000. The development plan is to demolish the existing building and construct an affordable housing rental development on the site. The acquisition was financed with a line of credit to JAS from Cambridge Savings Bank (see Note 13) and an (unrelated) sellers note (see Note 11). The existing building is leased to unrelated third parties under month-to-month lease agreements. All tenants will vacate the building at the end of 2021. Construction is anticipated to commence in 2021. At December 31, 2020, development costs of \$3,966,886 have been incurred and capitalized.

8. PROPERTY AND EQUIPMENT

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

	2020			
	<u>Operating</u>	<u>Rental Properties</u>	<u>Eliminations</u>	<u>Total</u>
Land	\$ 105,443	\$ 11,193,109	\$ -	\$ 11,298,552
Land improvements	-	2,568,631	-	2,568,631
Buildings and improvements	1,936,435	140,964,246	(4,782,116)	138,118,565
Equipment and furniture	245,788	3,971,860	-	4,217,648
Vehicles	<u>27,250</u>	<u>-</u>	<u>-</u>	<u>27,250</u>
	2,314,916	158,697,846	(4,782,116)	156,230,646
Less - accumulated depreciation	<u>1,580,886</u>	<u>42,128,039</u>	<u>(119,553)</u>	<u>43,589,372</u>
	<u>\$ 734,030</u>	<u>\$ 116,569,807</u>	<u>\$ (4,662,563)</u>	<u>\$ 112,641,274</u>

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

8. PROPERTY AND EQUIPMENT (Continued)

	2019			
	<u>Operating</u>	<u>Rental Properties</u>	<u>Eliminations</u>	<u>Total</u>
Land	\$ 105,443	\$ 11,759,546	\$ -	\$ 11,864,989
Land improvements	-	1,592,941	-	1,592,941
Buildings and improvements	1,936,435	133,841,126	(4,782,116)	130,995,445
Equipment and furniture	271,116	3,494,137	-	3,765,253
Vehicles	<u>27,250</u>	<u>-</u>	<u>-</u>	<u>27,250</u>
	2,340,244	150,687,750	(4,782,116)	148,245,878
Less - accumulated depreciation	<u>1,503,315</u>	<u>38,078,265</u>	<u>-</u>	<u>39,581,580</u>
	<u>\$ 836,929</u>	<u>\$ 112,609,485</u>	<u>\$ (4,782,116)</u>	<u>\$ 108,664,298</u>

Depreciation expense for the years ended December 31, 2020 and 2019, totaled \$4,033,121 and \$3,666,579, respectively.

9. CAPITALIZED COSTS AND AMORTIZATION

Capitalized costs consist of costs related to tax credit fees related to certain rental properties as well as debt issuance costs related to debt which has not been drawn as of December 31:

	<u>2020</u>	<u>2019</u>
Debt issuance costs	\$ 542,981	\$ 542,981
Tax credit fees	<u>207,894</u>	<u>183,838</u>
	750,875	726,819
Less - accumulated amortization	<u>46,864</u>	<u>50,044</u>
Total capitalized costs, net	<u>\$ 704,011</u>	<u>\$ 676,775</u>

Amortization expense for the years ended December 31, 2020 and 2019, was \$15,111 and \$14,424, respectively. Annual amortization expense for the next five years is expected to be \$10,766.

10. MANAGEMENT AGREEMENTS

JAS has agreements with an independent management company to carry on the day-to-day operations of the rental properties. This management company receives management fees ranging from 3.15% to 6% of total residential collections, as defined in the agreements. The agreements can be terminated by either party with ninety days written notice. JAS incurred management fees totaling \$580,641 and \$546,835 for the years ended December 31, 2020 and 2019, respectively, which are reflected as management fees in the accompanying consolidating statements of functional expenses.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

11. LONG-TERM DEBT

Long-term debt consists of the following at December 31:

Operating	<u>2020</u>	<u>2019</u>
<i>Condo Repurchase Program</i>		
Non-interest bearing notes payable to the City. No payments are required until the sale of the mortgaged property (see Note 5) or until maturity. These notes mature at various dates through December 2022 and are secured by mortgages on the properties.	\$ 3,027,380	\$ 2,290,692
<i>Linwood Court</i>		
4% note payable to CAHT for \$329,000. JAS assumed this note in connection with the Wellington-Harrington merger. Outstanding accrued interest at the time of the merger was \$316,739. Interest and principal are due and payable annually in an amount equal to 50% of rent received under the ground lease with Squirrelwood (see Note 3). During 2019, a payment of \$143,781 was made on accrued interest. Accrued interest at December 31, 2020 and 2019, totaled \$206,249 and \$185,608, respectively, which is included in accounts payable, accrued expenses and other, net of current portion in the accompanying consolidating statements of financial position. This note is secured by a shared fourth mortgage priority on the property and matures in May 2069.	329,000	329,000
<i>24 Webster Ave</i>		
2% note payable to the seller of the property for \$2,000,000 in connection with the acquisition of the property, which matured on February 26, 2021. The note was secured by a second mortgage on the property. In February 2021, the note was repaid using proceeds from the Cambridge Savings Bank line of credit, and accordingly, is presented as long-term in the accompanying 2020 consolidating statement of financial position.	2,000,000	-

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

11. LONG-TERM DEBT (Continued)

Operating (Continued)

2020

2019

Paycheck Protection Program

During 2020, JAS applied for and was awarded a forgivable loan of \$114,117 from the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief and Economic Security Act (CARES Act) through a bank. The funds were used to pay certain payroll costs, including benefits as well as rent and utilities during the covered period as defined in the CARES Act. A portion of these funds may be forgiven, as defined in the agreement, at the end of the covered period and the remainder of the funds will be due over a two-year period with interest at 1%. Any repayment will be deferred until the Small Business Administration notifies the lender of the amount of the loan that will be forgiven, provided that JAS submits the application for forgiveness within ten months after the completion of the covered period. The balance of the note which is not forgiven, plus interest, will be due in equal monthly payments through the maturity date as defined by the bank. There are no covenants with which to comply and the note is not secured by any collateral as of December 31, 2020. There was no accrued interest on the note as of December 31, 2020, as it would be immaterial to the overall consolidating financial statements. Subsequent to year end JAS submitted the application for forgiveness, but has not been legally released from the obligation as of the report date. However, JAS anticipates the note payable will be forgiven in full and, therefore, the balance has been classified as long-term in the accompanying consolidating statement of financial position as of December 31, 2020.

114,117

-

Total Operating

5,470,497

2,619,692

Total Rental Properties (see Note 22)

63,449,962

70,754,904

Total JAS and Affiliates

68,920,459

73,374,596

Less - current portion

2,476,116

2,426,123

\$ 66,444,343

\$ 70,948,473

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

11. LONG-TERM DEBT (Continued)

Aggregate maturities of long-term debt over the next five years are as follows:

	<u>Operating</u>	<u>Rental</u>	<u>Total</u>
2021	\$ 1,890,851	\$ 585,265	\$ 2,476,116
2022	\$ 1,136,529	\$ 683,976	\$ 1,820,505
2023	\$ -	\$ 10,282,145	\$ 10,282,145
2024	\$ -	\$ 743,144	\$ 743,144
2025	\$ 2,000,000	\$ 773,850	\$ 2,773,850

Certain notes have certain financial and non-financial covenants with which JAS and Affiliates must comply. As of December 31, 2020 and 2019, JAS and Affiliates were in compliance with applicable debt covenants.

Debt issuance costs related to the various notes payable totaling \$2,250,131 are shown net of accumulated imputed interest of \$1,143,178 and \$616,894 as of December 31, 2020 and 2019, respectively (see Note 22). During 2020 and 2019, interest - amortization of debt issuance costs of \$88,235 and \$57,157, respectively, were capitalized and are included in projects under development. Net debt issuance costs are reported in the consolidating statements of financial position as a direct reduction of the face amount of the related long-term debt (see Note 2). Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed rate on the related loan.

12. CONTINGENT DEBT AND DEFERRED INTEREST

JAS and Affiliates have received contingent loans from various organizations to help in the development of its housing and other projects. These loans generally are not required to be repaid unless the project fails to maintain its status as low-income housing or JAS and Affiliates fail to comply with other conditions. It is the intention of the Board of Directors and the management of JAS and Affiliates to maintain these properties as low-income housing and to meet other conditions.

Certain contingent loans state that interest shall accrue from the date of disbursement through maturity, at which point the entire principal balance and accrued interest shall be forgiven provided the underlying property is maintained as affordable housing. For contingent notes where the accrued interest will be forgiven at maturity, no deferred interest has been recorded as management intends to maintain the properties as affordable housing. As of December 31, 2020 and 2019, unrecorded deferred interest on forgivable contingent loans totaled approximately \$4,114,000 and \$3,928,000, respectively.

Contingent debt and deferred interest consist of the following at December 31:

	<u>2020</u>	<u>2019</u>
Total Rental Properties (see Note 23)	\$ 54,435,897	\$ 45,387,295
Total contingent debt and deferred interest before eliminations	\$ 54,435,897	\$ 45,387,295
Less - eliminations	<u>14,323,611</u>	<u>10,526,436</u>
Total JAS and Affiliates	<u>\$ 40,112,286</u>	<u>\$ 34,860,859</u>

These notes have certain financial and non-financial covenants with which JAS and Affiliates must comply. JAS and Affiliates were in compliance with these covenants as of December 31, 2020 and 2019.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

13. LINES OF CREDIT

During 2019, JAS entered into a revolving line of credit agreement with Capital One, National Association, which allows for borrowing up to \$500,000. Interest on this note is at 1% and is due in quarterly payments, beginning on April 1, 2020. All unpaid interest and outstanding principal are due on January 1, 2023. The line of credit is unsecured. As of December 31, 2020, there was an outstanding balance of \$500,000 under this agreement. There was no outstanding balance as of December 31, 2019.

During 2020, JAS entered into a revolving line of credit agreement with Cambridge Savings Bank, which allows for borrowings up to \$5,000,000. Interest on this note is at 3.23% and is due in monthly payments, beginning on January 15, 2021. All unpaid interest and outstanding principal are due on December 15, 2025. The line of credit is secured by a first mortgage on the 24 Webster Ave property. As of December 31, 2020, there was an outstanding balance of \$2,004,500 under this agreement.

14. COMMITMENTS AND CONTINGENCIES

General Partner and Sponsor Obligations

As discussed in Note 3, JAS has acted as sponsor and developer for various low-income and affordable housing developments. Most of these developments have received various forms of funding through JAS from Federal, state, and local sources. The terms of these funding agreements generally require that the projects maintain affordable housing and low-income eligibility status, as defined. If such status is not maintained, JAS may be obligated to remedy any defaults in the requirements and may be liable to repay certain amounts to the funders.

JAS, as the sponsor of various projects, has, in some cases, agreed to advance funds to the partnerships as a guarantor of the general partners' obligation to fund operating deficits, Housing Assistance Payment contract shortfalls, development cost overruns, payments for reduced tax benefits to limited partner investors, and other circumstances affecting the partnerships, as defined in the partnership agreements. As of the date of this report, JAS is not obligated for any specific amount.

Lease Commitments

JAS leases commercial space under a lease agreement that expires in February 2022. Monthly base rent under this lease was \$4,049 and \$3,862 for 2020 and 2019, respectively.

JAS also leases program space under a lease agreement that was set to expire in April 2020, and exercised an option to extend the term of the lease for an additional three-year period in 2020. Monthly base rent under this lease was \$8,177 and \$6,651 for 2020 and 2019, respectively. This lease runs through April 2023, with monthly payments ranging from \$8,177 to \$8,751. JAS is responsible for its proportionate share of condominium fees and real estate taxes.

Future minimum lease payments under the lease agreements described above are as follows:

2021	\$ 149,724
2022	\$ 111,760
2023	\$ 35,004

Elm Place leases office space to an unrelated commercial tenant under a noncancelable lease that is set to expire on August 31, 2023. 52 New Street leases space to an unrelated commercial tenant under a noncancelable lease for \$15,000 per month through December 2021.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

14. COMMITMENTS AND CONTINGENCIES (Continued)

Lease Commitments (Continued)

Future minimum rental income under the lease agreements described on page 36 are as follows:

2021	\$ 204,576
2022	\$ 25,304
2023	\$ 17,200

Coronavirus

In March 2020, the COVID-19 coronavirus (COVID-19) pandemic emerged in the United States triggering widespread government mandated and voluntary business closures, which in turn have led to substantial interruptions in financial markets, employment and the economy as a whole. Though the potential financial effects cannot be reasonably estimated at this time, these circumstances may have adverse effects on JAS and Affiliates, their operations, timing of closings for projects currently in development, and future consolidating financial statements.

Management of JAS and Affiliates is monitoring these events and their borrowers closely to assess the financial impact of the situation and determine appropriate courses of action. As of the date of this report, JAS and Affiliates are unable to accurately predict how COVID-19 will affect the results of their operations because the disease's severity and the duration of the outbreak are uncertain.

15. CONCENTRATION OF CREDIT RISK

JAS and Affiliates maintain their cash balances in various banks in Massachusetts. The Federal Deposit Insurance Corporation (FDIC) insures balances at each bank up to certain amounts. Cash balances at certain banks are also insured in excess of FDIC limits under the Depositors Insurance Fund. At certain times during the year, cash balances exceeded the insured amounts. JAS and Affiliates have not experienced any losses in such accounts. JAS and Affiliates believe they are not exposed to any significant credit risk on cash.

16. RETIREMENT PLAN

JAS maintains a 401K retirement plan. New employees are subject to a six-month waiting period. JAS will contribute 3% of the employee's salary regardless of whether the employee contributes to the plan. JAS's contributions totaled \$80,635 and \$75,354 for the years ended December 31, 2020 and 2019, respectively, which are included in employee benefits in the accompanying consolidating statements of functional expenses.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

17. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

Financial assets available for general operating use, that is, without donor or other restrictions limiting their use (see Note 2), within one year of the consolidating statements of financial position date, comprise the following at December 31:

	<u>2020</u>	
	<u>Operating</u>	<u>Rental Properties</u>
Cash and cash equivalents	\$ 6,716,889	\$ 5,220,855
Escrows	-	1,434,567
Current portion of due from affiliates - developer fees	1,335,789	-
Accounts and grants receivable	1,207,155	-
Rent receivable	-	351,045
	<u>9,259,833</u>	<u>7,006,467</u>
Total financial assets	9,259,833	7,006,467
Less - security deposits	-	360,057
Less - net assets with donor restrictions	<u>709,520</u>	<u>-</u>
	<u>\$ 8,550,313</u>	<u>\$ 6,646,410</u>
Financial assets available to meet cash needs for general expenditures within one year		
	<u>\$ 8,550,313</u>	<u>\$ 6,646,410</u>
	<u>2019</u>	
	<u>Operating</u>	<u>Rental Properties</u>
Cash and cash equivalents	\$ 8,354,623	\$ 3,359,555
Escrows	-	334,940
Current portion of due from affiliates - developer fees	2,723,756	-
Accounts and grants receivable	1,230,381	-
Rent receivable	-	198,140
	<u>12,308,760</u>	<u>3,892,635</u>
Total financial assets	12,308,760	3,892,635
Less - security deposits	-	345,845
Less - net assets with donor restrictions	<u>624,646</u>	<u>-</u>
	<u>\$ 11,684,114</u>	<u>\$ 3,546,790</u>
Financial assets available to meet cash needs for general expenditures within one year		
	<u>\$ 11,684,114</u>	<u>\$ 3,546,790</u>

JAS has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 90 days of normal operating expenses, including real estate development activities and lending commitments. The goal also applies to the normal operating expenses and capital expenditures of JAS's Rental Properties. At December 31, 2020 and 2019, JAS also has available \$4,744,055 and \$4,371,517, respectively, of investments in marketable securities which could be used for any unanticipated liquidity needs.

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
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18. SYNDICATION OF SQUIRRELWOOD

In May 2019, Squirrelwood entered into an agreement to purchase property and certain assets from JAS for \$8,547,019. The land is leased from JAS under a long-term ground lease (see Note 3). In conjunction with the sale agreement, JAS assigned and Squirrelwood assumed all of its rights, title, interest in, and all contracts related to the use and operations of the property. In conjunction with the sale agreement, Squirrelwood assumed the outstanding principal balance plus accrued and unpaid interest thereon of certain existing loans as follows:

* <u>Lender</u>	<u>Amount</u>
JAS	\$ 2,174,994
DHCD	1,179,193
The City	1,121,795
MassHousing	<u>232,525</u>
Total assumed debt	<u>\$ 4,708,507</u>

A summary of the acquisition is as follows:

Purchase Price

Cash paid	\$ 1,176,524
Assumed debt *	4,708,507
Seller note (see below and Note 3)	<u>2,661,988</u>
Contractual purchase price	<u>\$ 8,547,019</u>
Contractual purchase price	\$ 8,547,019
Transaction costs (see below table)	<u>122,381</u>
	8,669,400
Adjustment to reduce purchase price to carryover basis	<u>(6,151,287)</u>
Carryover basis	<u>\$ 2,518,113</u>

Carryover Basis of Assets Acquired

Building and improvements	\$ 7,315,818
Equipment and furniture	<u>657,485</u>
	7,973,303
Less - accumulated depreciation	<u>(5,455,190)</u>
Total carryover basis	<u>\$ 2,518,113</u>

The syndication of Squirrelwood is reported in the accompanying consolidating statements of changes in net assets for 2019 as follows:

	<u>JAS</u>				<u>Total</u>
	<u>Operating</u>	<u>SBLP</u>	<u>WHDC</u>	<u>SQW</u>	
Excess of purchase price over carrying amount and related transaction costs	\$ 6,028,906	\$ -	\$ -	\$ (6,151,287)	\$ (122,381)
Seller note	(2,661,988)	-	-	2,661,988	-
Interest on City notes	(1,004,825)	-	-	-	(1,004,825)
Transfers	<u>(1,950,659)</u>	<u>2,369,327</u>	<u>(418,668)</u>	-	-
	<u>\$ 411,434</u>	<u>\$ 2,369,327</u>	<u>\$ (418,668)</u>	<u>\$ (3,489,299)</u>	<u>\$ (1,127,206)</u>

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Notes to Consolidating Financial Statements
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19. RECLASSIFICATIONS

Certain amounts in the December 31, 2019 consolidating financial statements have been reclassified to conform to the December 31, 2020 consolidating presentation.

20. CONDITIONAL AWARDS

During 2019, JAS was awarded a number of conditional grants totaling \$440,000 from different funders that are contingent upon certain factors as specified in the grant agreements, including achieving agreed upon performance benchmarks and incurring certain costs. Accordingly, the revenue recognized from these grants is recorded when it is earned. JAS received \$100,000 and \$150,000 of these grants during 2020 and 2019, respectively. Conditional grants totaled \$190,000 and \$290,000 as of December 31, 2020 and 2019, respectively. Since the remaining balances of these grants are conditional, they are not reflected in the accompanying consolidating financial statements.

As of December 31, 2020, JAS has \$1,796,009 of conditional contributions that are expected to be received in a future period relating to government contract agreements. Since the remaining balances of these contributions are conditional, they are not reflected in the accompanying consolidating financial statements.

Future payments to be received are expected as follows at December 31, 2020:

2021	\$ 1,601,009
2022	\$ 140,000
2023	\$ 55,000

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

22. LONG-TERM DEBT - RENTAL PROPERTIES

<u>Lender</u>	<u>Interest</u>	<u>Security</u>	<u>Payment Terms</u>	<u>Outstanding Principal</u>	
				<u>2020</u>	<u>2019</u>
JAS Properties					
Scouting Way					
CSB	4.83%	First mortgage on the property and an assignment of rents and leases.	Due in monthly principal and interest installments of \$8,684, through maturity in March 2034.	\$ 1,444,189	\$ 1,476,590
Squirrelwood LLC					
MassHousing	3.83%	First mortgage on the property and an assignment of rents and leases.	Allows for borrowings up to \$13,600,000, which will require monthly interest-only installements through maturity, one year from closing, when all outstanding principal and accrued interest are payable. This note is currently anticipated for permant loan closing in November 2021.	-	-
MassHousing	4.29%	Second mortgage on the property and an assignment of rents and leases. This note will be insured by HUD.	Allows for borrowings up to \$8,200,000, which will be due in monthly principal and interest installments of \$35,765, through maturity, 40 years from closing. This note is currently anticipated for permant loan closing in November 2021.	-	-
Santander Bank, N.A.	Variable (1.95% and 3.54% at December 31, 2020 and 2019, respectively)	First mortgage on the property and an assignment of rents and leases. The note is guaranteed by JAS.	Construction loan which allows for borrowings up to \$22,000,000. Payment of interest only is due through maturity scheduled on November 16, 2021, at which time all unpaid principal and accrued interest are due in full.	7,820,053	2,719,755
BF Santander 2017, Limited Partnership	0.00%	Third mortgage on the property and an assignment of rents and leases. This note is guaranteed by JAS.	Investor loan with outstanding principal that was due in full at maturity. During 2020, the investor loan was converted to equity as the first capital contribution installment, accordingly, no amounts are due under this note agreement.	-	2,285,742
				<u>7,820,053</u>	<u>5,005,497</u>

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

22. LONG-TERM DEBT - RENTAL PROPERTIES (Continued)

<u>Lender</u>	<u>Interest</u>	<u>Security</u>	<u>Payment Terms</u>	<u>Outstanding Principal</u>	
				<u>2020</u>	<u>2019</u>
Elm Place/JAS Limited Partnership					
CSB	5.82%	First mortgage on the property and an assignment of rents and leases.	Due in monthly principal and interest installments of \$5,761 through maturity in December 2027. A balloon payment of \$680,561 is due at maturity.	846,047	864,518
CEDAC	0%	Shared second mortgage on the property and an assignment of rents and leases.	Payments of principal are due annually to the extent that gross cash receipts exceed 105% of gross cash expenditures, as defined in the agreement. Outstanding principal is due in June 2041 and may be extended for additional ten year periods at the discretion of CEDAC.	525,000	525,000
				<u>1,371,047</u>	<u>1,389,518</u>
Bishop Allen Apartments LLC					
Boston Private Bank and Trust Company	3.76%	First mortgage on the property and an assignment of rents and leases.	Due in monthly principal and interest installments of \$21,791 through maturity on June 30, 2034. A balloon payment of approximately \$2,452,500 is due at maturity.	4,209,761	4,308,298
The Close Building LLC					
MassHousing	4.69%	First mortgage on the property and an assignment of rents and leases. This note is insured by HUD.	Interest-only payments were due monthly through March 1, 2020. Monthly installments of principal and interest of \$44,867 are due through maturity on March 1, 2060.	9,239,623	8,179,443
MassHousing	3.24%	Shared second mortgage on the property and an assignment of rents and leases.	Bridge note payable with interest-only payments due monthly through maturity, at which time the unpaid principal and accrued interest were due. This note matured and was repaid in 2020.	-	6,500,000
MassHousing	4.52%	Shared second mortgage on the property and an assignment of rents and leases.	Bridge note payable with interest-only payments due monthly through maturity, at which time the unpaid principal and accrued interest were due. This note matured and was repaid in 2020.	-	1,800,000
				<u>9,239,623</u>	<u>16,479,443</u>

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Notes to Consolidating Financial Statements
December 31, 2020 and 2019

22. LONG-TERM DEBT - RENTAL PROPERTIES (Continued)

Lender	Interest	Security	Payment Terms	Outstanding Principal	
				2020	2019
Next Step Housing Corporation					
Winter Hill Bank	4.75%	First mortgage on the property and an assignment of rents and leases.	Due in monthly principal and interest installments of \$2,165, through maturity on September 1, 2035.	275,116	287,700
Somerville Affordable Housing Trust	2.50%	Second mortgage on the property and an assignment of rents and leases.	The loan is being repaid over a twenty-year term in annual installments of \$6,415. The loan matures on October 1, 2025.	21,485	34,315
				<u>296,601</u>	<u>322,015</u>
Rindge Tower Apartments LLC					
MassHousing	4.25%	First mortgage on the property and an assignment of rents and leases. This note is insured by HUD.	Monthly principal and interest payments of \$91,494 are due through maturity on July 1, 2058.	<u>20,588,931</u>	<u>20,806,780</u>
JAS Consolidated Properties LLC					
MassHousing	2.89%	Shared first mortgage on the property, a conditional assignment of tax credits, and a conditional pledge of capital contributions.	Bridge loan with interest-only payments due monthly through the maturity date on December 1, 2020, at which time all outstanding principal and accrued interest were payable. During 2020, this loan was repaid with proceeds from capital contributions.	-	12,500,000
MassHousing	4.67%	Shared first mortgage on the property, a conditional assignment of tax credits, and a conditional pledge of capital contributions. This note is insured by HUD.	Commencing on February 1, 2020, monthly installments of principal and interest of \$46,515 are due through maturity on January 1, 2060.	<u>10,019,133</u>	<u>10,100,000</u>
				<u>10,019,133</u>	<u>22,600,000</u>
52 New Street Land LLC					
CAHT	3.00%	First mortgage on the property.	Acquisition loan maturing on the earlier of January 7, 2023, or the closing date of construction financing, at which time all outstanding principal and accrued interest are due and payable.	<u>9,567,577</u>	-
Total long-term debt - Rental Properties				64,556,915	72,388,141
Less - debt issuance costs				<u>(1,106,953)</u>	<u>(1,633,237)</u>
Total long-term debt - Rental Properties, net (see Note 11)				<u>\$ 63,449,962</u>	<u>\$ 70,754,904</u>

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

23. CONTINGENT DEBT AND DEFERRED INTEREST - RENTAL PROPERTIES

Lender	Interest Rate	Security	Payment Terms	2020		2019	
				Outstanding Principal	Deferred Interest	Outstanding Principal	Deferred Interest
JAS Properties							
Hovey Street							
CAHT	8%, simple	Shared second mortgage on the property and an assignment of rents and leases.	No payments are due provided the property is maintained as affordable housing. The note matures in February 2050, at which time the outstanding principal balance and accrued interest shall be forgiven.	\$ 1,129,200	\$ -	\$ 1,129,200	\$ -
The City	0.00%	Third mortgage on the property and an assignment of rents and leases.	No payments are due provided the property is maintained as affordable housing. The note matures in February 2050, at which time the outstanding principal balance shall be forgiven.	250,000	-	250,000	-
MHP	0.00%	Shared second mortgage on the property and an assignment of rents and leases.	All outstanding principal is due at maturity in February 2030.	250,000	-	250,000	-
				<u>1,629,200</u>	<u>-</u>	<u>1,629,200</u>	<u>-</u>
Scouting Way							
The City	8%, simple	Shared second mortgage on the property and an assignment of rents and leases.	No payments are due provided the property is maintained as affordable housing. The note matures in March 2054, at which time the outstanding principal balance and accrued interest shall be forgiven.	650,000	-	650,000	-
MHP	0.00%	Shared second mortgage on the property and an assignment of rents and leases.	All outstanding principal is due in April 2054. The maturity date may be extended for an additional fifty years with the approval from MHP. During March 2019, a payment of \$5,000 was made from the proceeds from the CSB refinance (see Note 22).	545,000	-	545,000	-
CAHT	8%, simple	Shared second mortgage on the property and an assignment of rents and leases.	No payments are due provided the property is maintained as affordable housing. The note matures in May 2055, at which time the outstanding principal balance and accrued interest shall be forgiven.	540,000	-	540,000	-
DHCD	0.00%	Shared second mortgage on the property and an assignment of rents and leases.	All outstanding principal is due at maturity in March 2034.	400,000	-	400,000	-
				<u>2,135,000</u>	<u>-</u>	<u>2,135,000</u>	<u>-</u>
Total JAS Properties				<u>3,764,200</u>	<u>-</u>	<u>3,764,200</u>	<u>-</u>

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

23. CONTINGENT DEBT AND DEFERRED INTEREST - RENTAL PROPERTIES (Continued)

Lender	Interest Rate	Security	Payment Terms	2020		2019	
				Outstanding Principal	Deferred Interest	Outstanding Principal	Deferred Interest
Squirrelwood LLC							
JAS	2.74%	Shared fourth mortgage on the property and an assignment of rents and leases.	Two notes payable to JAS. Outstanding principal and accrued interest are due at maturity in June 2059.	2,174,994	98,174	2,174,994	37,389
CAHT	2.74%	Shared second mortgage on the property and an assignment of rents and leases.	The note provides for annual payments based on net flow. Outstanding principal and accrued interest are payable upon maturity on May 31, 2069.	4,115,456	102,965	2,024,381	9,756
MHP	0%	Shared second mortgage on the property and an assignment of rents and leases.	Allows for borrowings up to \$4,782,500. Outstanding principal is due at maturity in November 2062.	4,304,250	-	1,604,088	-
The City	2.74%	Shared second mortgage on the property and an assignment of rents and leases.	The note provides for annual payments based on net cash flow. Outstanding principal and accrued interest are due at maturity in May 2069.	1,121,795	50,635	1,121,795	19,284
DHCD	2.74%	Shared second mortgage on the property and an assignment of rents and leases.	Outstanding principal and accrued interest are due at maturity in May 2062.	440,000	792,396	440,000	758,996
MassHousing	0%	Shared second mortgage on the property and an assignment of rents and leases.	The note provides for annual payments based on net cash flow. Outstanding principal is due at maturity in May 2054.	120,677	-	120,677	-
MassHousing	0%	Shared second mortgage on the property and an assignment of rents and leases.	The note provides for annual payments based on net cash flow. Outstanding principal is due at maturity in June 2054.	111,848	-	111,848	-
MassHousing	0%	Third mortgage on the property and an assignment of rents and leases.	Allows for borrowings up to \$1,000,000. The note provides for annual payments based on net cash flow. The note will have a term of forty years, at which time all unpaid principal is due.	-	-	-	-
MHP	0%	Shared second mortgage on the property and an assignment of rents and leases.	Allows for borrowings up to \$550,000. The note provides for annual payments based on net cash flow. Outstanding principal is due at maturity in November 2070.	-	-	-	-
CEDAC	0%	Shared second mortgage on the property and an assignment of rents and leases.	Allows for borrowing up to \$494,676. The note provides for annual payments based on net cash flow. Outstanding principal is due at maturity in November 2050.	-	-	-	-

JUST-A-START CORPORATION AND AFFILIATES

 Notes to Consolidating Financial Statements
 December 31, 2020 and 2019

23. CONTINGENT DEBT AND DEFERRED INTEREST - RENTAL PROPERTIES (Continued)

Lender	Interest Rate	Security	Payment Terms	2020		2019	
				Outstanding Principal	Deferred Interest	Outstanding Principal	Deferred Interest
Squirrelwood LLC (Continued)							
CRA	2.74%	Shared second mortgage on the property and an assignment of rents and leases.	Allows for borrowings up to \$300,000. Outstanding principal and interest are due at maturity in January 2062.	-	-	-	-
JAS	5.00%	Shared fourth mortgage on the property and an assignment of rents and leases.	Allows for borrowings up to \$637,000. The note provides for annual payments based on net cash flow. Outstanding principal is due at maturity in January 2069.	-	-	-	-
JAS	2.74%	Shared fourth mortgage on the property and an assignment of rents and leases.	Allows for borrowings up to \$140,000. The note provides for annual payments based on net cash flow. Outstanding principal is due at maturity in June 2059.	-	-	-	-
				<u>12,389,020</u>	<u>1,044,170</u>	<u>7,597,783</u>	<u>825,425</u>
Elm Place/JAS Limited Partnership							
CAHT	2.25%	Shared second mortgage on the property and an assignment of rents and leases.	All outstanding principal and accrued interest are due at maturity in July 2061.	994,872	469,426	994,872	441,701
DHCD	0%	Shared second mortgage on the property and an assignment of rents and leases.	Outstanding principal is due at maturity in June 2041. The maturity date may be extended for an additional thirty-one years with the approval of DHCD.	905,828	-	905,828	-
CAHT	2.25%	Shared second mortgage on the property and an assignment of rents and leases.	All outstanding principal and accrued interest are due at maturity in July 2061.	757,572	203,957	757,572	182,799
DHCD	0%	Shared second mortgage on the property and an assignment of rents and leases.	Outstanding principal is due at maturity in June 2061. The maturity date may be extended for an additional fifty-one years with the approval of DHCD.	393,019	-	393,019	-
				<u>3,051,291</u>	<u>673,383</u>	<u>3,051,291</u>	<u>624,500</u>
Bishop Allen Apartments LLC							
CAHT	2.61%	Shared second mortgage on the property and an assignment of rents and leases.	Outstanding principal and accrued interest are due at maturity in June 2065.	4,244,501	787,115	4,244,501	657,333
JAS	3.14%, simple	Shared third mortgage on the property and an assignment of rents and leases.	Due in annual installments of principal and interest of \$80,605 subject to available cash flow, as defined in the agreement. Outstanding principal and accrued interest are due at maturity in June 2054.	1,083,000	171,429	1,083,000	137,329

JUST-A-START CORPORATION AND AFFILIATES

 Notes to Consolidating Financial Statements
 December 31, 2020 and 2019

23. CONTINGENT DEBT AND DEFERRED INTEREST - RENTAL PROPERTIES (Continued)

Lender	Interest Rate	Security	Payment Terms	2020		2019	
				Outstanding Principal	Deferred Interest	Outstanding Principal	Deferred Interest
Bishop Allen Apartments LLC (Continued)							
DHCD	0%	Shared second mortgage on the property and an assignment of rents and leases.	Outstanding principal is due at maturity in March 2055. The maturity date may be extended for an additional forty years with the approval of DHCD.	1,000,000	-	1,000,000	-
DHCD	0%	Shared second mortgage on the property and an assignment of rents and leases.	Outstanding principal is due at maturity in March 2045. The maturity date may be extended for an additional thirty years with the approval of DHCD.	1,000,000	-	1,000,000	-
The City	3.14%	Shared second mortgage on the property and an assignment of rents and leases.	Outstanding principal and accrued interest are due at maturity in June 2065.	535,000	115,291	535,000	95,174
CAHT	3.14%	Shared second mortgage on the property and an assignment of rents and leases.	Outstanding principal and accrued interest are due at maturity in June 2065.	265,866	60,102	265,866	50,152
JAS	3.14%, simple	Shared third mortgage on the property and an assignment of rents and leases.	Due in annual installments of principal and interest of \$11,486 subject to available cash flow, as defined in the agreement. Outstanding principal and accrued interest are due at maturity in June 2054.	140,000	24,823	140,000	20,354
				<u>8,268,367</u>	<u>1,158,760</u>	<u>8,268,367</u>	<u>960,342</u>
The Close Building LLC							
JAS	7.66%	Fourth mortgage on the property.	Outstanding principal and accrued interest are due at maturity on January 29, 2070.	2,043,325	231,744	1,124,725	134,523
JAS	7.66%	Shared third mortgage on the property.	Annual payments are due from net cash flow. Outstanding principal and accrued interest are due at maturity in January 2070.	226,000	-	-	-
				<u>2,269,325</u>	<u>231,744</u>	<u>1,124,725</u>	<u>134,523</u>
Next Step Housing Corporation							
CEDAC	0.00%	Third mortgage on the property and an assignment of rents and leases.	Annual payments are required to the extent that gross cash receipts exceed 105% of gross cash expenditures. In any event, the unpaid principal is due in full on May 12, 2034.	562,873	-	562,873	-
Federal Home Loan Bank/Winter Hill Bank	0.00%	Fourth mortgage on the property and an assignment of rents and leases.	No payments are due provided six rental units are maintained as affordable housing. This note matured in May 2020, at which time the outstanding principal balance was forgiven.	-	-	224,999	-
				<u>562,873</u>	<u>-</u>	<u>787,872</u>	<u>-</u>

JUST-A-START CORPORATION AND AFFILIATES

Notes to Consolidating Financial Statements
December 31, 2020 and 2019

23. CONTINGENT DEBT AND DEFERRED INTEREST - RENTAL PROPERTIES (Continued)

Lender	Interest Rate	Security	Payment Terms	2020		2019	
				Outstanding Principal	Deferred Interest	Outstanding Principal	Deferred Interest
Rindge Tower Apartments LLC							
MassHousing	2.61%	Second mortgage on the property and an assignment of rents and leases.	Outstanding principal and accrued interest are due at maturity on July 1, 2058.	1,505,971	101,068	1,505,971	60,191
JAS Consolidated Properties LLC							
DHCD	2.60%	Shared second mortgage on the property and an assignment of rents and leases.	Five notes payable to DHCD. All outstanding principal and accrued interest are due at maturity in December 2059.	1,749,774	148,251	1,749,774	100,153
The City	2.50%	Shared second mortgage on the property and an assignment of rents and leases.	Three notes payable to the City. All outstanding principal and accrued interest are due at maturity in November 2067.	8,139,338	663,751	8,139,338	449,041
JAS	4.00%	Fourth mortgage on the property and an assignment of rents and leases.	Annual payments of principal and interest are due from and to the extent of available cash. Outstanding principal and accrued interest are due at maturity in December 2067.	7,371,919	758,203	5,228,616	445,506
Cambridge Redevelopment Authority	2.60%	Seventh mortgage on the property and an assignment of rents and leases.	All outstanding principal and accrued interest are due at maturity in December 2059.	540,000	44,489	540,000	29,677
				<u>17,801,031</u>	<u>1,614,694</u>	<u>15,657,728</u>	<u>1,024,377</u>
Total contingent debt and accrued interest - Rental Properties (see Note 12)				<u>\$ 49,612,078</u>	<u>\$ 4,823,819</u>	<u>\$ 41,757,937</u>	<u>\$ 3,629,358</u>

Supplementary Consolidating Statement of Financial Position - Rental Properties

December 31, 2020

(With Summarized Comparative Totals as of December 31, 2019)

Assets	2020									2019	
	Squirrelwood LLC	Elm Place LP	Bishop Allen Apartments LLC	Close Building Associates/ The Close Building LLC	Next Step Housing Corporation	Ridge Tower Apartments LLC	JAS Consolidated LLC	JAS Properties	52 New Street Land LLC	Total	Total
Current Assets:											
Cash and cash equivalents	\$ 936,499	\$ 180,833	\$ 208,082	\$ 1,420,468	\$ 15,943	\$ 1,330,701	\$ 766,510	\$ 297,789	\$ 64,030	\$ 5,220,855	\$ 3,359,555
Rent receivable	75,526	16,607	61,292	32,134	3,619	42,974	109,579	9,314	-	351,045	198,140
Escrows	-	-	-	1,155,643	-	165,439	106,199	7,286	-	1,434,567	334,940
Prepaid expenses and other	18,977	4,423	10,331	14,368	1,848	50,603	41,741	6,698	-	148,989	164,475
Total current assets	<u>1,031,002</u>	<u>201,863</u>	<u>279,705</u>	<u>2,622,613</u>	<u>21,410</u>	<u>1,589,717</u>	<u>1,024,029</u>	<u>321,087</u>	<u>64,030</u>	<u>7,155,456</u>	<u>4,057,110</u>
Other Assets:											
Restricted deposits	-	311,644	569,152	249,595	52,101	3,157,561	1,799,716	811,874	-	6,951,643	5,676,491
Due from affiliates	-	-	-	-	-	-	2,030,223	-	-	2,030,223	2,367,986
Projects under development	11,880,114	-	-	-	-	-	-	-	9,922,345	21,802,459	8,280,389
Capitalized costs, net	547,031	5,902	12,789	39,525	-	48,271	50,493	-	-	704,011	676,775
Total other assets	<u>12,427,145</u>	<u>317,546</u>	<u>581,941</u>	<u>289,120</u>	<u>52,101</u>	<u>3,205,832</u>	<u>3,880,432</u>	<u>811,874</u>	<u>9,922,345</u>	<u>31,488,336</u>	<u>17,001,641</u>
Property and Equipment, net	<u>8,763,780</u>	<u>5,333,710</u>	<u>14,014,443</u>	<u>17,491,001</u>	<u>957,341</u>	<u>38,890,100</u>	<u>28,105,912</u>	<u>3,013,520</u>	<u>-</u>	<u>116,569,807</u>	<u>112,609,485</u>
Total assets	<u>\$ 22,221,927</u>	<u>\$ 5,853,119</u>	<u>\$ 14,876,089</u>	<u>\$ 20,402,734</u>	<u>\$ 1,030,852</u>	<u>\$ 43,685,649</u>	<u>\$ 33,010,373</u>	<u>\$ 4,146,481</u>	<u>\$ 9,986,375</u>	<u>\$ 155,213,599</u>	<u>\$ 133,668,236</u>
Liabilities and Net Assets											
Current Liabilities:											
Current portion of long-term debt	\$ 6,450	\$ 19,725	\$ 102,473	\$ 83,872	\$ 18,973	\$ 227,290	\$ 92,249	\$ 34,233	\$ -	\$ 585,265	\$ 533,225
Accounts payable, accrued expenses and other	2,470,153	54,067	108,363	158,494	25,343	548,603	358,624	72,066	385,772	4,181,485	4,013,888
Current portion of due to affiliates	181,522	20,634	13,756	2,377,104	-	-	500,000	3,750	5,143	3,101,909	2,861,790
Total current liabilities	<u>2,658,125</u>	<u>94,426</u>	<u>224,592</u>	<u>2,619,470</u>	<u>44,316</u>	<u>775,893</u>	<u>950,873</u>	<u>110,049</u>	<u>390,915</u>	<u>7,868,659</u>	<u>7,408,903</u>
Long-term Liabilities:											
Long-term debt, net	7,768,027	1,327,663	4,017,101	8,929,071	277,628	19,900,208	9,667,466	1,409,956	9,567,577	62,864,697	70,221,679
Due to affiliates, net of current portion	-	-	111,731	360,000	-	-	450,950	-	-	922,681	901,556
Contingent debt and deferred interest	13,433,190	3,724,674	9,427,127	2,501,069	562,873	1,607,039	19,415,725	3,764,200	-	54,435,897	45,387,295
Total long-term liabilities	<u>21,201,217</u>	<u>5,052,337</u>	<u>13,555,959</u>	<u>11,790,140</u>	<u>840,501</u>	<u>21,507,247</u>	<u>29,534,141</u>	<u>5,174,156</u>	<u>9,567,577</u>	<u>118,223,275</u>	<u>116,510,530</u>
Total liabilities	<u>23,859,342</u>	<u>5,146,763</u>	<u>13,780,551</u>	<u>14,409,610</u>	<u>884,817</u>	<u>22,283,140</u>	<u>30,485,014</u>	<u>5,284,205</u>	<u>9,958,492</u>	<u>126,091,934</u>	<u>123,919,433</u>
Net Assets:											
Without donor restrictions:											
Operating	(46,259)	308,798	472,317	1,581,508	(3,933)	3,103,195	1,114,610	835,841	58,887	7,424,964	5,755,339
Property and equipment	(1,591,156)	397,558	623,221	4,411,616	149,968	18,299,314	1,410,749	(1,973,565)	(31,004)	21,696,701	3,993,464
Total net assets without donor restrictions	<u>(1,637,415)</u>	<u>706,356</u>	<u>1,095,538</u>	<u>5,993,124</u>	<u>146,035</u>	<u>21,402,509</u>	<u>2,525,359</u>	<u>(1,137,724)</u>	<u>27,883</u>	<u>29,121,665</u>	<u>9,748,803</u>
Total liabilities and net assets	<u>\$ 22,221,927</u>	<u>\$ 5,853,119</u>	<u>\$ 14,876,089</u>	<u>\$ 20,402,734</u>	<u>\$ 1,030,852</u>	<u>\$ 43,685,649</u>	<u>\$ 33,010,373</u>	<u>\$ 4,146,481</u>	<u>\$ 9,986,375</u>	<u>\$ 155,213,599</u>	<u>\$ 133,668,236</u>

Supplementary Consolidating Statement of Financial Position - Rental Properties
December 31, 2019

Assets	Squirrelwood LLC	Elm Place LP	Bishop Allen Apartments LLC	Close Building Associates/ The Close Building LLC	Next Step Housing Corporation	Rindge Tower Apartments LLC	JAS Consolidated LLC	JAS Properties	Total
Current Assets:									
Cash and cash equivalents	\$ 176,868	\$ 160,261	\$ 248,577	\$ 544,848	\$ 36,484	\$ 1,295,696	\$ 471,342	\$ 425,479	\$ 3,359,555
Rent receivable	28,235	14,024	14,505	14,189	394	30,517	88,248	8,028	198,140
Escrows	-	-	-	48,810	-	286,130	-	-	334,940
Prepaid expenses and other	17,683	4,546	9,539	15,352	1,584	50,540	59,068	6,163	164,475
Total current assets	222,786	178,831	272,621	623,199	38,462	1,662,883	618,658	439,670	4,057,110
Other Assets:									
Restricted deposits	-	282,991	547,021	3,270	29,602	2,942,271	1,270,271	601,065	5,676,491
Due from affiliates	-	-	-	-	-	-	2,367,953	33	2,367,986
Projects under development	8,280,389	-	-	-	-	-	-	-	8,280,389
Capitalized costs, net	547,031	8,498	14,210	-	-	52,659	54,377	-	676,775
Total other assets	8,827,420	291,489	561,231	3,270	29,602	2,994,930	3,692,601	601,098	17,001,641
Property and Equipment, net	2,342,934	5,517,468	14,307,936	17,001,578	991,541	40,195,613	29,015,084	3,237,331	112,609,485
Total assets	\$ 11,393,140	\$ 5,987,788	\$ 15,141,788	\$ 17,628,047	\$ 1,059,605	\$ 44,853,426	\$ 33,326,343	\$ 4,278,099	\$ 133,668,236
Liabilities and Net Assets									
Current Liabilities:									
Current portion of long-term debt	\$ -	\$ 18,460	\$ 98,201	\$ 67,218	\$ 18,225	\$ 217,849	\$ 80,867	\$ 32,405	\$ 533,225
Accounts payable, accrued expenses and other	1,572,687	61,408	98,864	1,452,724	16,941	421,682	319,450	70,132	4,013,888
Current portion of due to affiliates	214,441	38,689	71,581	1,109,624	-	-	1,419,955	7,500	2,861,790
Total current liabilities	1,787,128	118,557	268,646	2,629,566	35,166	639,531	1,820,272	110,037	7,408,903
Long-term Liabilities:									
Long-term debt, net	4,850,541	1,343,740	4,113,813	16,126,651	303,790	20,115,193	21,923,766	1,444,185	70,221,679
Due to affiliates, net of current portion	-	-	106,556	360,000	-	-	435,000	-	901,556
Contingent debt and deferred interest	8,423,208	3,675,791	9,228,709	1,259,248	787,872	1,566,162	16,682,105	3,764,200	45,387,295
Total long-term liabilities	13,273,749	5,019,531	13,449,078	17,745,899	1,091,662	21,681,355	39,040,871	5,208,385	116,510,530
Total liabilities	15,060,877	5,138,088	13,717,724	20,375,465	1,126,828	22,320,886	40,861,143	5,318,422	123,919,433
Net Assets:									
Without donor restrictions:									
Operating	(19,379)	242,279	474,654	402,172	21,521	3,295,672	385,779	952,641	5,755,339
Property and equipment	(3,648,358)	607,421	949,410	(3,149,590)	(88,744)	19,236,868	(7,920,579)	(1,992,964)	3,993,464
Total net assets without donor restrictions	(3,667,737)	849,700	1,424,064	(2,747,418)	(67,223)	22,532,540	(7,534,800)	(1,040,323)	9,748,803
Total liabilities and net assets	\$ 11,393,140	\$ 5,987,788	\$ 15,141,788	\$ 17,628,047	\$ 1,059,605	\$ 44,853,426	\$ 33,326,343	\$ 4,278,099	\$ 133,668,236

Supplementary Consolidating Statement of Activities - Rental Properties

For the Year Ended December 31, 2020

(With Summarized Comparative Totals for the Year Ended December 31, 2019)

	2020									2019	
	Squirrelwood LLC	Elm Place LP	Bishop Allen Apartments LLC	Close Building Associates/ The Close Building LLC	Next Step Housing Corporation	Rindge Tower Apartments LLC	JAS Consolidated LLC	JAS Properties	52 New Street Land LLC	Total	Total
Operating Revenues:											
Rental income	\$ 1,130,556	\$ 414,821	\$ 792,908	\$ 1,934,353	\$ 118,104	\$ 4,570,309	\$ 2,615,959	\$ 562,758	\$ 173,125	\$ 12,312,893	\$ 11,323,302
Interest income and other	37,894	14,684	3,173	1,802	449	102,570	13,260	3,028	-	176,860	283,599
Total operating revenues	1,168,450	429,505	796,081	1,936,155	118,553	4,672,879	2,629,219	565,786	173,125	12,489,753	11,606,901
Operating Expenses:											
Personnel and related:											
Contract labor	167,888	52,143	82,978	173,311	15,673	613,175	306,971	75,092	-	1,487,231	1,455,278
Occupancy:											
Interest	70,230	50,590	168,128	722,791	13,381	956,888	616,359	71,789	-	2,670,156	2,327,781
Utilities	129,781	25,095	76,607	118,273	9,840	584,637	208,645	56,254	-	1,209,132	1,169,584
Contracted services	214,678	61,285	90,176	201,880	22,461	527,460	456,351	88,323	-	1,662,614	1,594,723
Real estate taxes	63,379	22,049	31,073	35,028	5,237	137,083	112,757	25,697	21,943	454,246	305,097
Insurance	43,397	10,791	25,572	40,758	5,062	159,333	97,771	19,609	9,771	412,064	345,287
Repairs and maintenance	75,831	23,501	26,783	68,771	4,499	142,337	69,311	21,222	2,990	435,245	382,197
Rents	-	-	-	17,361	-	8,666	-	-	-	26,027	11,286
Total occupancy	597,296	193,311	418,339	1,204,862	60,480	2,516,404	1,561,194	282,894	34,704	6,869,484	6,135,955
Other expenses:											
Professional fees	39,738	14,025	20,145	61,173	7,057	39,264	42,069	12,318	-	235,789	228,019
Management fees	44,838	45,523	48,328	92,256	6,318	260,778	142,433	43,080	3,000	686,554	661,003
Office and other	20,919	5,938	8,861	24,892	1,672	53,922	39,843	7,229	-	163,276	164,460
Telephone and communication	8,383	5,715	2,990	7,723	459	15,448	21,516	2,608	-	64,842	70,350
Bad debts	9,603	-	-	10,504	-	3,632	27,482	7,513	107,500	166,234	3,148
Miscellaneous	18,286	984	8,414	17,793	1,288	21,645	11,669	8,642	38	88,759	105,960
Total other expenses	141,767	72,185	88,738	214,341	16,794	394,689	285,012	81,390	110,538	1,405,454	1,232,940
Total operating expenses before interest - amortization and depreciation and amortization	906,951	317,639	590,055	1,592,514	92,947	3,524,268	2,153,177	439,376	145,242	9,762,169	8,824,173
Interest - amortization	21,145	3,659	6,097	58,894	-	12,305	335,949	-	-	438,049	177,363
Depreciation and amortization	382,115	195,292	330,037	502,321	37,347	1,309,901	1,084,062	223,811	-	4,064,886	3,546,729
Total operating expenses	1,310,211	516,590	926,189	2,153,729	130,294	4,846,474	3,573,188	663,187	145,242	14,265,104	12,548,265
Changes in net assets without donor restrictions from operations	(141,761)	(87,085)	(130,108)	(217,574)	(11,741)	(173,595)	(943,969)	(97,401)	27,883	(1,775,351)	(941,364)
Forgiveness of Debt	-	-	-	-	224,999	-	-	-	-	224,999	1,117,209
Deferred Interest	(113,659)	(48,883)	(198,418)	(97,221)	-	(40,877)	(590,317)	-	-	(1,089,375)	(909,037)
Changes in net assets without donor restrictions	\$ (255,420)	\$ (135,968)	\$ (328,526)	\$ (314,795)	\$ 213,258	\$ (214,472)	\$ (1,534,286)	\$ (97,401)	\$ 27,883	\$ (2,639,727)	\$ (733,192)

Supplementary Consolidating Statement of Activities - Rental Properties
For the Year Ended December 31, 2019

	Squirrel Brand LP	Squirrelwood LLC	Elm Place LP	Bishop Allen Apartments LLC	Close Building Associates/ The Close Building LLC	Wellington- Harrington Development Corporation	Next Step Housing Corporation	Rindge Tower Apartments LLC	JAS Consolidated LLC	JAS Properties	Total
Operating Revenues:											
Rental income	\$ 150,125	\$ 672,094	\$ 391,339	\$ 781,546	\$ 1,466,052	\$ 337,993	\$ 106,381	\$ 4,582,715	\$ 2,252,006	\$ 583,051	\$ 11,323,302
Interest income and other	12,379	964	16,348	2,509	43,088	5,112	153	130,007	62,428	10,611	283,599
Total operating revenues	162,504	673,058	407,687	784,055	1,509,140	343,105	106,534	4,712,722	2,314,434	593,662	11,606,901
Operating Expenses:											
Personnel and related:											
Contract labor	23,404	88,242	51,848	93,116	178,283	52,031	16,249	573,425	303,484	75,196	1,455,278
Occupancy:											
Interest	31,572	132,399	50,510	172,163	156,492	516	13,977	967,011	736,620	66,521	2,327,781
Utilities	12,340	96,635	21,613	69,953	138,095	45,165	8,811	529,838	197,450	49,684	1,169,584
Contracted services	28,133	125,792	59,756	91,101	193,451	41,653	23,414	484,886	461,358	85,179	1,594,723
Real estate taxes	5,738	39,462	21,601	29,865	34,766	14,522	5,237	128,936	-	24,970	305,097
Insurance	3,441	23,204	9,674	22,676	36,541	9,354	4,636	137,302	80,879	17,580	345,287
Repairs and maintenance	10,419	30,377	24,062	24,162	54,740	11,293	7,169	127,443	60,716	31,816	382,197
Rents	-	-	-	-	7,800	-	-	3,486	-	-	11,286
Total occupancy	91,643	447,869	187,216	409,920	621,885	122,503	63,244	2,378,902	1,537,023	275,750	6,135,955
Other expenses:											
Professional fees	4,892	20,603	16,073	20,345	45,386	9,645	5,864	46,268	33,574	25,369	228,019
Management fees	16,561	26,884	43,026	47,390	74,465	17,050	5,825	261,095	123,929	44,778	661,003
Office and other	3,214	10,555	7,080	9,638	22,953	5,735	2,100	46,081	49,510	7,594	164,460
Telephone and communication	1,994	5,411	6,060	2,400	5,545	1,485	493	16,788	25,855	4,319	70,350
Bad debts	-	-	-	-	-	-	-	3,148	-	-	3,148
Miscellaneous	541	16,094	3,387	2,216	3,984	53,101	304	20,916	2,246	3,171	105,960
Total other expenses	27,202	79,547	75,626	81,989	152,333	87,016	14,586	394,296	235,114	85,231	1,232,940
Total operating expenses before interest - amortization and depreciation and amortization	142,249	615,658	314,690	585,025	952,501	261,550	94,079	3,346,623	2,075,621	436,177	8,824,173
Interest - amortization	1,047	6,649	3,641	6,097	62,100	-	-	12,305	85,524	-	177,363
Depreciation and amortization	82,665	181,627	196,733	341,453	106,276	24,799	37,347	1,306,492	1,045,526	223,811	3,546,729
Total operating expenses	225,961	803,934	515,064	932,575	1,120,877	286,349	131,426	4,665,420	3,206,671	659,988	12,548,265
Changes in net assets without donor restrictions from operations	(63,457)	(130,876)	(107,377)	(148,520)	388,263	56,756	(24,892)	47,302	(892,237)	(66,326)	(941,364)
Forgiveness of Debt	1,117,209	-	-	-	-	-	-	-	-	-	1,117,209
Deferred Interest	(129,193)	-	(47,808)	(193,898)	-	(8,773)	-	(40,376)	(488,989)	-	(909,037)
Changes in net assets without donor restrictions	\$ 924,559	\$ (130,876)	\$ (155,185)	\$ (342,418)	\$ 388,263	\$ 47,983	\$ (24,892)	\$ 6,926	\$ (1,381,226)	\$ (66,326)	\$ (733,192)

Supplementary Consolidating Statements of Changes in Net Assets - Rental Properties
For the Years Ended December 31, 2020 and 2019

	Squirrel Brand LP	Squirrelwood LLC	Elm Place LP	Bishop Allen Apartments LLC	Close Building Associates/ The Close Building LLC	Wellington- Harrington Development Corporation	Next Step Housing Corporation	Rindge Tower Apartments LLC	JAS Consolidated LLC	JAS Properties	52 New Street Land LLC	Total
Net Assets, December 31, 2018	\$ (3,293,886)	\$ -	\$ 1,031,157	\$ 1,766,482	\$ (4,579,899)	\$ 370,685	\$ (42,331)	\$ 23,479,276	\$ (6,147,591)	\$ (1,054,946)	\$ -	\$ 11,528,947
Capital contributions	-	-	-	-	1,643,707	-	-	-	-	-	-	1,643,707
Changes in net assets	924,559	(130,876)	(155,185)	(342,418)	388,263	47,983	(24,892)	6,926	(1,381,226)	(66,326)	-	(733,192)
Net asset transfer	-	-	-	-	(196,408)	-	-	-	-	80,949	-	(115,459)
Syndication of Squirrelwood LLC	2,369,327	(3,489,299)	-	-	-	(418,668)	-	-	-	-	-	(1,538,640)
Syndication costs	-	(47,562)	-	-	(3,081)	-	-	-	-	-	-	(50,643)
Distributions	-	-	(26,272)	-	-	-	-	(953,662)	(5,983)	-	-	(985,917)
Net Assets, December 31, 2019	-	(3,667,737)	849,700	1,424,064	(2,747,418)	-	(67,223)	22,532,540	(7,534,800)	(1,040,323)	-	9,748,803
Capital contributions	-	2,285,742	-	-	9,055,337	-	-	-	11,599,750	-	-	22,940,829
Changes in net assets	-	(255,420)	(135,968)	(328,526)	(314,795)	-	213,258	(214,472)	(1,534,286)	(97,401)	27,883	(2,639,727)
Distributions	-	-	(7,376)	-	-	-	-	(915,559)	(5,305)	-	-	(928,240)
Net Assets, December 31, 2020	\$ -	\$ (1,637,415)	\$ 706,356	\$ 1,095,538	\$ 5,993,124	\$ -	\$ 146,035	\$ 21,402,509	\$ 2,525,359	\$ (1,137,724)	\$ 27,883	\$ 29,121,665