Glen Oaks Village Owners, Inc.

FINANCIAL STATEMENTS
For the Years Ended December 31, 2022 and 2021

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For the Years Ended December 31, 2022 and 2021

INDEPENDENT AUDITORS' REPORT

Board of Directors
Glen Oaks Village Owners, Inc.
Glen Oaks, New York 11004

Opinion
We have audited the accompanying financial statements of Glen Oaks Village Owners, Inc., which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income, changes in shareholders' equity, and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Glen Oaks Village Owners, Inc., as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Glen Oaks Village Owners, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Glen Oaks Village Owners, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if

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there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Omission of Required Supplementary Information about Future Major Repairs and Replacements
Management has omitted the supplementary information on future major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by the missing information.

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

Laufer LLP

Laufer LLP
May 31, 2023

Glen Oaks Village Owners, Inc.
Balance Sheets
December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets		
Cash		
Cash - Operating and Payroll Accounts	$ 770,563	$ 1,109,478
Cash in Name of Agent - Tenant Security - Restricted	254,570	250,531
Total Cash	1,025,133	1,360,009
Investments - Reserve Fund	17,346,765	23,586,886
Tenant - Shareholders Receivable	502,725	283,358
Mortgage Notes Receivable - Short-Term (Includes $15,998 and $9,664, Respectively, from Related Parties)	20,846	24,443
Rent Receivables	235,779	181,889
Sundry Receivables	82,241	82,617
Prepaid Expenses	2,557,710	2,289,652
Fuel and Supply Inventories	1,189,778	1,087,307
Total Current Assets	22,960,977	28,896,161
Property and Equipment		
Land	17,761,880	17,761,880
Buildings	87,202,136	87,202,136
Building Improvements	41,149,452	39,584,823
Furniture, Fixtures and Equipment	759,907	572,809
Transportation Equipment	1,221,647	846,526
	148,095,022	145,968,174
Less: Accumulated Depreciation	(111,773,954)	(109,714,099)
Property and Equipment, Net	36,321,068	36,254,075
Non-Current Assets		
Notes Receivable - Homestead Program - Long-Term	126,500	161,500
Mortgage Notes Receivable - Long-Term (Includes $202,656 and $378,217, Respectively, from Related Parties)	390,113	413,504
Total Non-Current Assets	516,613	575,004
Total Assets	$ 59,798,658	$ 65,725,240

Glen Oaks Village Owners, Inc.
Balance Sheets
December 31, 2022 and 2021

	2022	2021
Liabilities and Shareholders' Equity		
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Expenses	$ 1,817,815	$ 2,062,327
Mortgage Interest Payable	65,751	59,761
Mortgage Payable - Current Portion	2,696,351	2,686,878
Deferred Revenue	265,464	218,153
Real Estate Tax Abatements and Exemptions Payable	266,003	266,003
Security Deposits Payable	293,518	285,368
Total Current Liabilities	5,404,902	5,578,490
Long-Term Liabilities		
Mortgage Payable Long-Term, Net of Unamortized Loan Origination Costs of $19,273 and $26,501, Respectively	6,414,277	9,109,391
Total Long-Term Liabilities	6,414,277	9,109,391
Total Liabilities	11,819,179	14,687,881
Shareholders' Equity		
Capital Stock - $1 Par Value; 400,000 Shares Authorized, 387,479 Issued and Oustanding of which 3,807 and 3,647 Shares were held as Treasury Stock at December 31, 2022 and 2021, Respectively	387,479	387,479
Capital in Excess of Par Value	118,143,181	115,162,813
Treasury Stock - At Cost	(3,758,718)	(3,607,379)
Accumulated Deficit	(66,792,463)	(60,905,554)
Total Shareholders' Equity	47,979,479	51,037,359
Total Liabilities and Shareholders' Equity	$ 59,798,658	$ 65,725,240

Glen Oaks Village Owners, Inc.
Statements of Income
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues	$ 28,382,811	$ 26,869,053
Net Investment Income		
Net Unrealized (Loss) Gain on Investments	(4,753,954)	1,588,846
Net Realized Gain on Investments	-	840,696
Investment Income	784,139	1,241,662
Total Net Investment (Loss) Income	(3,969,815)	3,671,204
Total Income	24,412,996	30,540,257
Expenses	(28,226,224)	(27,058,055)
(Loss) Income Before Gain on Forgiveness of Payroll Protection Program Loan Payable, Depreciation and Taxes	(3,813,228)	3,482,202
Gain on Forgiveness of Payroll Protection Program Loan Payable	-	1,020,000
Depreciation	(2,059,854)	(2,054,467)
Operating (Loss) Income	(5,873,082)	2,447,735
Provision for Taxes	(13,827)	(64,205)
Net (Loss) Income	$ (5,886,909)	$ 2,383,530

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

Glen Oaks Village Owners, Inc.
Statements of Changes in Shareholders' Equity
For the Years Ended December 31, 2022 and 2021

	Total	Capital Stock	Capital in Excess of Par Value	Treasury Stock	Accumulated Deficit
December 31, 2019	$ 43,130,973	$ 387,479	$ 110,314,155	$ (1,887,825)	$ (65,682,836)
Transactions with Owners					
Purchased Units	(1,442,491)	-	-	(1,442,491)	-
Sale of Treasury Stock	2,723,081	-	2,406,670	316,411	-
Total Transactions with Owners	1,280,590	-	2,406,670	(1,126,080)	-
Net Income	2,393,752	-	-	-	2,393,752
December 31, 2020	46,805,315	387,479	112,720,825	(3,013,905)	(63,289,084)
Transactions with Owners					
Purchased Units	(1,060,000)	-	-	(1,060,000)	-
Sale of Treasury Stock	2,908,514	-	2,441,988	466,526	-
Total Transactions with Owners	1,848,514	-	2,441,988	(593,474)	-
Net Income	2,383,530	-	-	-	2,383,530
December 31, 2021	51,037,359	387,479	115,162,813	(3,607,379)	(60,905,554)
Transactions with Owners					
Purchased Units	(151,339)	-	-	(151,339)	-
Sale of Treasury Stock	2,980,368	-	2,980,368	-	-
Total Transactions with Owners	2,829,029	-	2,980,368	(151,339)	-
Net Loss	(5,886,909)	-	-	-	(5,886,909)
December 31, 2022	$ 47,979,479	$ 387,479	$ 118,143,181	$ (3,758,718)	$ (66,792,463)

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

Glen Oaks Village Owners, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows From Operating Activities		
Net (Loss) Income	$ (5,886,909)	$ 2,383,530
Adjustments to Reconcile Net (Loss) Income to Net Cash Provided by Operating Activities:		
Depreciation	2,059,855	2,054,468
Interest Expense - Amortization of Loan Origination Costs	7,228	7,228
Net Unrealized Losses (Gains) on Investments	4,753,954	(1,588,846)
Net Realized Gains on Investments	-	(840,696)
Interest Earned on Investments - Net	(783,916)	(1,241,662)
Gain on Forgiveness of Payroll Protection Program Loan Payable	-	(1,020,000)
(Increase) Decrease in Operating Assets:		
Tenant - Shareholders Receivable - Net	(253,804)	(58,222)
Rent Receivables	(53,890)	(73,172)
Prepaid Expenses	(268,058)	(104,924)
Fuel and Supply Inventories	(68,034)	(99,018)
Sundry Receivables	376	(82)
Other Asset	-	38,750
Increase (Decrease) in Operating Liabilities:		
Accounts Payable and Accrued Expenses	(244,512)	769,397
Mortgage Interest Payable	5,990	(12,798)
Deferred Revenue	47,311	(46,965)
Real Estate Tax Abatements and Exemptions Payable	-	(41,686)
Security Deposits Payable	8,150	3,295
Net Cash (Used In) Provided By Operating Activities	(676,259)	128,597
Cash Flows From Investing Activities		
Purchase of Property and Equipment	(2,126,848)	(1,092,605)
Investments - Reserve Fund	829,583	-
Investments - Reserve Fund Withdrawals	2,500,000	700,000
Investments - Reserve Fund Additions	(1,059,500)	(661,250)
Receipts from Notes Receivable - Homestead Program	35,000	2,500
Receipts from Mortgage Notes Receivable	26,988	258,045
Net Cash Provided By (Used In) Investing Activities	205,223	(793,310)
Cash Flows From Financing Activities		
Proceeds from Paycheck Protection Program Loan Payable	-	1,020,000
Repayment of Mortgage Payable	(2,692,869)	(2,532,006)
Proceeds from Sale of Treasury Stock	2,980,368	2,441,988
Purchase of Treasury Stock	(151,339)	(593,474)
Net Cash Provided By Financing Activities	136,160	336,508
Net (Decrease) In Cash	(334,876)	(328,205)

Glen Oaks Village Owners, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash - Beginning of Year	$ 1,360,009	$ 1,688,214
Cash - End of Year	$ 1,025,133	$ 1,360,009
Supplemental Disclosures of Cash Flow Information		
Cash Paid For Interest	$ 574,232	$ 785,887
Cash Paid For Income Taxes	$ 13,827	$ 81,484
Supplemental Disclosures of Investment Account Activity		
Purchase of Investments	$ 1,059,500	$ 661,250
Proceeds from Sale of Investments	$ -	$ 1,919,572
Cost of Investments Sold	$ -	$ 1,078,876

1. Nature of Organization

Glen Oaks Village Owners, Inc., a New York State corporation, (the "Company") and SB Investors, Ltd., a Florida limited partnership, as Sponsor, entered into a Contract of Sale (the "Contract"), dated February 25, 1980, to sell, transfer, and convey fee and leasehold title to the land and buildings known as Glen Oaks Village, located in the Glen Oaks area of Queens County in the City and State of New York (the "Property").

Pursuant to the terms, covenants and conditions of the Contract and the Offering Plan (the "Plan") to convert the Property to Cooperative Ownership, dated October 24, 1980, as amended, the Company acquired (i) fee title to 134 separate buildings, (ii) all of Sponsor's right, title and interest in the leasehold estate covering the buildings and the entire parcel of land on which the buildings are located, and (iii) fee title to the land.

The Property was conveyed to the Company on April 14, 1981. The facility contains 2,904 apartment units in two non-contiguous areas on approximately 110 acres of land. The Company is responsible for the operations and maintenance of the common facilities of the 2,904 apartment units, buildings and property.

2. Summary of Significant Accounting Policies

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Cash in Name of Agent – Tenant Security – Restricted cash represents cash collected from certain shareholders held in the shareholder's names at a financial institution.

Investments – Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses on investments in equity securities, including mutual funds holding debt securities, and realized gains and losses on investments in debt securities held directly are reported as other income for the years ended December 31, 2022 and 2021; whereas unrealized gains and losses on investments in debt securities held directly, if any, would be reported as other comprehensive income (loss). For purposes of the statements of cash flows, short-term, highly liquid investments available for current use with initial maturities of three months or less would be considered cash equivalents.

Maintenance Assessments – Tenant-shareholders are subject to monthly assessments to provide funds for the Company's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Company's performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to replacement fund assessments are satisfied when these funds are expended for their designated purpose. Tenant-shareholder receivables at the balance sheet date are stated net of an allowance for uncollectible accounts. The allowance is determined by management review of receivables. An allowance of $64,437 and $30,000 has been determined necessary for uncollectible accounts at December 31, 2022 and 2021, respectively. The Company's policy is to retain legal counsel and place liens on the stock of tenant-shareholders whose assessments are 30 days or more delinquent. Any excess assessments at year-end are retained by the Company for use in the succeeding year.

The Company treats uncollectible assessments as credit losses. Methods, inputs and assumptions used to evaluate when assessments are considered uncollectible include consideration of past experience and susceptibility to factors outside the Company's control. The balances of tenant-shareholders receivable as of December 31, 2022 and 2021 are $502,725 and $283,358, respectively.

Contract Liabilities (prepaid maintenance assessments) – The Company recognizes revenue from members as the related performance obligations are satisfied. A contract liability (prepaid maintenance assessment) is recorded when the Company has the right to receive payment in advance of the satisfaction of performance obligations related to maintenance assessments. The balances of contract liabilities (prepaid maintenance assessments) as of December 31, 2022 and 2021 were $265,464 and $200,003, respectively and are included in deferred revenue on the accompanying balance sheet.

Notes Receivable – Notes receivable are stated at unpaid principal balances and are recognized on the dates that they are originated. Interest is recognized over the term of a note and is calculated using the effective-interest method. Management considers a note impaired when based on current information or factors (such as payment history), it is probable that the principal and interest payments will not be collected according to the loan agreement. Management does not consider any loan to be impaired at December 31, 2022 and 2021. The Company believes that the carrying amounts of notes receivable at December 31, 2022 and 2021 approximate fair values.

Inventory – Inventories are valued at the lower of cost or market. Cost is determined by the first-in, first-out method.

Property and Equipment – Property and equipment are capitalized at cost. Major expenditures for property and equipment and those that substantially increase useful lives are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. Depreciation is provided at rates based on the following useful lives:

Class	Life in Years
Buildings	35
Building Improvements	15 – 35
Equipment	5
Furniture and Fixtures	5 – 15
Transportation Equipment	5

Depreciation is recorded using the straight-line method.

During the year ended December 31, 2022 the Company wrote-off no fully depreciated assets.

Income Taxes – The Internal Revenue Service has taken the position that real estate cooperatives are subject to Section 277 of the Internal Revenue Code (the "Code").

Section 277 of the Code provides that a membership organization that is operated to provide services to members is permitted to deduct expenses attributable to the furnishing of services to the members only to the extent of the income derived during such year from its members. Section 277 permits a membership organization to reduce income from non-membership sources only by expenses incurred in generating this income. Accordingly, income from non-membership sources such as interest, commercial rental, professional apartment rental, in excess of expenses properly attributable thereto, may be subject to federal tax.

Deferred taxes represent the tax effects of differences between the financial reporting and tax bases of the Company's assets and liabilities at the enacted tax rates in effect for the years in which the differences are expected to reverse. The Company evaluates the recoverability of deferred tax assets and establishes a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized. Income tax expense consists of the tax payable for the period and the change during the period in deferred tax assets and liabilities, net of any valuation allowance.

The Company's federal and state income tax returns are subject to examination by taxing authorities for three years after the returns are filed. The Company's federal and state income tax returns for the years subsequent to 2018 remain open to examination.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at year-end and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Purchase of Apartments

In February 1994, the Company was assigned all of the rights of the unsold shares held by GOV Corp. GOV Corp. had previously acquired 64,063 shares allocated to various sponsor owned apartments as a result of a foreclosure of an American Savings Bank's security interest in the shares and proprietary leases. GOV Corp.'s shares represented approximately 16.5% of the total shares of the Company and were allocated to 435 units of which 414 were occupied/rent regulated units and 21 were unoccupied units. In addition, in February 1994, GOV Corp. assigned to the Company any and all of its rights with respect to these unsold shares, including any claims to any surplus upon the transfer or sale of the shares.

As of December 31, 2022, a total of 133 units were occupied/rent regulated units and none were vacant.

As of December 31, 2021, a total of 135 units were occupied/rent regulated units and 1 was vacant.

The Company took title to the shares of Coronet Realty Company ("Coronet"), effective February 1993. Coronet had defaulted by failing to pay maintenance and other charges in the sum of $61,312. The secured party with respect to these shares was Ensign Savings Bank under the Receivership of the Resolution Trust Corporation. The original stock and leases respecting such shares were returned to the Company by the Resolution Trust Corporation in 1993. The former Coronet shares represent approximately 4.8% of the total shares in the Company. These shares totaled 134 units of which 119 were occupied/rent regulated units and 15 were unoccupied units.

As of December 31, 2022, a total of 34 units were still occupied/rent regulated units and none were vacant.

As of December 31, 2021, a total of 36 units were still occupied/rent regulated units and 1 was vacant.

4. Concentration of Credit Risk

Regional Concentration – The Company's business activity is to operate as a cooperative housing corporation as described in Note 1, Nature of Organization. As such, the Company's primary source of revenue is from its tenant-shareholders. Under the provisions of the FASB, ASC 825, the Company is exposed to a regional concentration of credit risk if a significant portion of its tenant-shareholders do not pay their monthly maintenance charges. If a tenant-shareholder defaults in its obligation to the Company, the Company has substantial rights. Among these rights, the Company may terminate the lease of the lessee; take possession of the apartment and at its option, sell or sublet so as to recover any deficiency for unpaid rent or other charges.

Banking Concentration – At December 31, 2022 and 2021 the Company had $979,763 and $1,023,356, respectively, in excess of the Federal Deposit Insurance Corporation ("FDIC") insured limit, in its banking institutions. A potential risk of loss exists for amounts held in excess of FDIC insurable limits. The Company believes it mitigates its risks by holding its bank accounts at major financial institutions.

5. Investments in Marketable Securities (Investments - Reserve Fund)

The Investments - Reserve Fund consists of investments in various mutual funds and money market accounts. Dividends and other distributions are reinvested.

Investment classifications are as follows as of December 31,

2022

	Fair Value	Cost	Accumulated Unrealized Gains, Net
Equities	$ 1,318,222	$ 926,432	$ 391,790
Mutual Funds – Equities	7,467,472	5,770,160	1,697,312
Mutual Funds – Money Market	1,657,130	1,657,130	-
Mutual Funds – Fixed Income	159,898	176,979	(17,081)
Mutual Funds – Mixed Allocation	6,744,043	6,031,931	712,112
Total	$ 17,346,765	$ 14,562,632	$ 2,784,133

2021

	Fair Value	Cost	Accumulated Unrealized Gains, Net
Equities	$ 2,298,519	$ 926,432	$ 1,372,087
Mutual Funds – Equities	9,069,229	5,499,700	3,569,529
Mutual Funds – Money Market	3,616,776	3,616,776	-
Mutual Funds – Fixed Income	461,458	428,317	33,141
Mutual Funds – Mixed Allocation	8,140,905	5,226,058	2,914,847
Total	$ 23,586,887	$ 15,697,283	$ 7,889,604

Investment income consists of the following for the years ending December 31,

	2022	2021
Interest, Dividends and Capital Gains	$ 783,916	$ 1,241,662

6. Investments

Fair Value:

FASB ASC 820, Fair Value Measurement, establishes a framework for measuring fair value that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are summarized as follows:

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

Level 2 – Inputs to the valuation methodology include:

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

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

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Although the degree of judgment exercised in determining fair value is greatest for investments categorized in Level 3, the inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with those investments.

The following tables summarize the valuation of the Company's investments using the U.S. GAAP fair value hierarchy as described above as of December 31,

2022	Level 1	Level 2	Level 3	Total
Equities	$ 1,318,222	$ -	$ -	$ 1,318,222
Mutual Funds – Equities	7,467,472	-	-	7,467,472
Mutual Funds – Money Market	1,657,130	-	-	1,657,130
Mutual Funds – Fixed Income	159,898	-	-	159,898
Mutual Funds – Mixed Allocation	6,744,043	-	-	6,744,043
Total	$ 17,346,765	$ -	$ -	$ 17,346,765

2021	Level 1	Level 2	Level 3	Total
Equities	$ 2,298,519	$ -	$ -	$ 2,298,519
Mutual Funds – Equities	9,069,229	-	-	9,069,229
Mutual Funds – Money Market	3,616,776	-	-	3,616,776
Mutual Funds – Fixed Income	461,458	-	-	461,458
Mutual Funds – Mixed Allocation	8,140,905	-	-	8,140,905
Total	$ 23,586,887	$ -	$ -	$ 23,586,887

National Cooperative Bank Stock:

The Company held Class B1 Stock of its mortgage holder, the National Cooperative Bank, N.A. ("NCB"). Class B1 Stock was purchased to satisfy the minimum 1% stock purchase at the time of the mortgage loan. As of December 31, 2000, all of the Company's B1 Stock has been repurchased by new NCB borrowers. These funds were returned to the Company.

The Company holds Class B2 Stock of its mortgagee, NCB. This stock is acquired through patronage refunds. The stock is currently non-transferrable and non-redeemable. The Bank Act does not allow a dividend to be paid on this stock.

If a borrower accumulates over 12.5% of its loan amount in Class B Stock, the member owners may receive Class C Stock. Class C Stock can be held only by eligible borrowers of NCB. Class C Stock is non-redeemable by NCB but is transferrable among eligible borrowers of NCB. Class C Stock may be purchased directly from NCB or is received as part of NCB's patronage refund distribution. NCB may pay a cash dividend on its Class C Stock. As of December 31, 2022, the Company holds Class C Stock of NCB.

Under the NCB's Capitalization and Patronage Refund Policy, the total amount of patronage is based, in part, on the amount of fees and interest paid by each member in relation to the member's loan. Member's refunds are a combination of cash and stock; stock being a permanent capital investment in NCB. NCB's patronage refund is distributed in the form of cash and Class B2 and/or Class C Stock. The cash portion of the refund is a function of the total stock owned by that member and ranges from 35 to 55 percent of the total amount received by the member.

All Class B Stock may be used by the Company to offset any future purchase requirements.

Patronage stock dividends and cash refunds have been received as follows:

	Stock Patronage	Cash Patronage
2022	$ 221,682	$ 62,526
2021	$ 163,531	$ 70,085

7. Notes Receivable – Homestead Program – Long-Term

The Company sold some of their rent-regulated apartments to the occupants of the apartments in previous years. The Company received notes from the buyers as a Homestead Program. These notes require no interest or principal payments during their life; the principal is due upon sale or transfer of the apartment. The Company will allow one transfer to a family member during the term of the note. The Company also has notes receivable from the Homestead Improvement Program. The combined balances of these notes total $126,500 and $161,500 as of December 31, 2022 and 2021, respectively. The Company has a note receivable from a key member of management (see Note 16).

8. Mortgage Notes Receivable

The Company issues mortgage notes to tenant shareholders in connection with the sales of units owned by the Company. These notes are collateralized by mortgages on the units. The original balance of the notes range from $24,990 to $245,000 and carry a 30 year term. The notes are interest bearing with rates ranging from 2.9% to 5.0% per annum and the monthly payments range between $104 and $1,315. The balances of these notes are $410,959 and $437,947 as of December 31, 2022 and 2021, respectively. The Company has notes receivable from current board members (see Note 16).

9. Mortgage Payable

On August 1, 1995, the Company refinanced its existing mortgage and loan payable. The new mortgage is with NCB and was taken in two loans as follows:

Principal amount - $36,682,393 at an interest rate of 6% per annum, maturing on August 1, 2020.
Principal amount - $14,050,000 at an interest rate of 6.879% per annum, maturing on August 1, 2020.

These mortgages were refinanced with NCB on August 1, 2005. Proceeds from the new mortgage were used to satisfy both outstanding mortgage loans. The following are the pertinent terms of the new loan:

Principal Amount:	$39,000,000
Monthly Payment:	$276,491 consisting of principal and interest
Interest Rate:	5.875% per annum
Effective Interest Rate:	6.036% per annum
Term:	20 years
Maturity Date:	September 1, 2025

The mortgage is secured by all real property of the Company. The Company may prepay the mortgage but is subject to prepayment penalty restrictions as defined in the mortgage agreement.

Scheduled principal payments for the next three years through maturity are as follows:

For the year ending December 31,		
2023	$	2,851,223
2024		3,024,632
2025 - Maturity		3,260,037
Total Mortgage Principal Payments		9,135,892
Less: Unamortized Loan Origination Costs		19,273
Total	$	9,116,619

Interest expense was $638,243 and $780,317 for the years ended December 31, 2022 and 2021, respectively, which includes the amortization of loan origination costs of $7,228 for each of the years.

10. Treasury Stock

The Company has acquired apartments from time to time on the open market for administrative use, to sell or sublet.

Purchases of treasury stock are accounted for using the cost method. Any gain on the sale of treasury stock is accounted for as an increase to capital in excess of par value. Any loss on sale of treasury stock is accounted for as a reduction in capital in excess of par value.

During the year ending December 31, 2020, the Company paid a deposit in the amount of $38,750, which was included in other current assets on the balance sheet, towards the purchase of five units from the estate of one tenant-shareholder. The purchase was completed in April 2021 and the deposit was applied to the purchase price of $775,000.

During the years ended December 31, 2022 and 2021, the Company acquired 160 and 803 net shares of treasury stock, respectively, which were allocated to 1 and 6 apartments, respectively. As of December 31, 2022 and 2021, the Company held 3,807 and 3,647 shares of treasury stock, respectively.

11. Future Major Repairs and Replacements

The Company has not conducted a study to determine the remaining useful lives of the components of common property and estimates of the costs of major repairs and replacements that may be required in the future. The Company, however, directs its maintenance department to provide it with periodic reports of needed repairs and replacements. Repairs and replacements are then funded on an annual basis in a comprehensive on-going building repair program. When funds are needed, the Company may borrow, utilize funds from the reserve account, increase maintenance, levy a special assessment, or delay the repairs or replacement until funds become available or any combination of these.

12. Employee Benefit Plans

Defined Contribution Plan – The Company sponsors a 401(k) defined contribution plan (the "Plan") for the benefit of all eligible employees. The Company contributes 3% of participants' compensation to the Plan. For the years ended December 31, 2022 and 2021, the total expense was $26,339 and $48,636, respectively.

Multi-Employer Plan – For union employees, the Company contributes to multi-employer pension plans jointly administered by industry and union representatives. The risk of participating in U.S. multi-employer pension plans is different from single-employer pension plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits of employment to other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the Company stops participating in some of its multi-employer pension plans, it may be required to pay those plans an amount based on the underfunded status of the entire plan.

The Company's participation in these plans for the years ended December 31, 2022 and 2021 is outlined in the following table. All information in the table is as of December 31 of the relevant year unless otherwise noted. The Plan Protection Act ("PPA") zone status column ranks the funded status of multi-employer pension plans depending upon a plan's current and projected funding. The zone status is based on information that the Company received from the plan. Among other factors, a plan is in the Red Zone (Critical) if it has a current funded percentage less than 65%. A plan is in the Yellow Zone (Endangered) or Orange Zone (Seriously Endangered) if it has a current funded percentage of less than 80% or projects a credit balance deficit within seven years. A plan is in the Green Zone (Healthy) if it has a current funded percentage greater than 80% and does not have a projected credit balance deficit within seven years. The Funding Improvement Plan ("FIP")/Rehabilitation Plan ("RP") status column indicates plans for which a FIP or RP is either pending or in place.

The following table contains information about the Company's multi-employer pension plans for the years ended December 31, 2022 and 2021:

Plan Name	Employer Identification Number – Plan Number	PPA Zone Status (plan year-end)		FIP/RP Status Pending/ Implemented	Company Contributions (as of December 31)		Expiration Date of Collective Bargain Agreement	Company Contributions > 5%	
		June 2022	June 2021		2022	2021		2022	2021
Building Service 32BJ Pension	13-1879376	Yellow as of July1, 2022	Red as of July1, 2021	Yes	$278,977	$327,844	April 20, 2022	No	No

The Company currently has no intention of withdrawing from the multi-employer pension plan.

The union agreement expired on April 20, 2022. In April 2022, a tentative agreement was reached, which expires in 2026. The new agreement has yet to be approved by a vote of Local32BJ members.

13. Special Assessments

The Company collected special assessments in the amounts of $1,487,760 and $700,596 for School Tax Relief (STAR) credits for the years ended December 31, 2022 and 2021, respectively.

14. Income Taxes

Income taxes for the years ending December 31, 2022 and 2021 consist of the following:

	2022	2021
Current	$ 13,827	$ 64,202
Deferred	-	-
	$ 13,827	$ 64,202

Deferred income tax assets and liabilities as of December 31, 2022 and 2021 consist of the following:

	2022	2021
Deferred Tax Asset:		
Net Operating Loss Carryforwards	$ 19,317,000	$ 18,910,000
Deferred Tax Liabilities:		
Property and Equipment	(2,951,000)	(3,085,000)
Unrealized Holding Gains	1,426,000	(477,000)
Net Deferred Tax Asset	17,792,000	15,348,000
Less: Valuation Allowance	(17,792,000)	(15,348,000)
Net	$ -	$ -

At December 31, 2022, the Company has estimated federal, state and local net operating loss carryforwards for income tax purposes of approximately $50,291,000, $61,562,000 and $53,714,000, respectively. If not utilized the federal, state and local net operating loss carryforwards will begin to expire in the tax year ending December 31, 2022 and will be fully expired in tax year ending December 31, 2037. The Company does not anticipate significant taxable income in future periods; therefore, it is more likely than not that the deferred tax assets will not be realized. As a result, the Company recorded a full valuation allowance against its deferred tax assets.

15. Litigation

From time-to-time individuals have filed claims in connection with damages sustained on the Company's property. The claims are handled by the attorney of the Company's insurance provider. Management of the Company believes any losses on outstanding claims will be covered by insurance.

16. Related Party Transactions

In 2010, the Company issued a mortgage note receivable to a current board member in the amount of $245,000 at an annual interest rate of 5% with a 30-year term. Monthly payments of principal and interest in the amount of $1,315 began in September 2010. Interest earned on this note was $9,266 and $9,736 for the years ended December 31, 2022 and 2021, respectively. The balance due to the Company at December 31, 2022 is $184,338, of which $4,526 is due within one year and the balance of $179,812 is a noncurrent receivable. The note receivable is due in August 2040.

In September 2020, the Company issued a mortgage note receivable to a current board member in the amount of $200,700 at an annual interest rate of 5% with a 30-year term. Monthly payments of principal and interest in the amount of $1,077 began in October 2020. Interest earned on this note was $2,015 and $8,164 for the years ended December 31, 2022 and 2021, respectively. The balance due to the Company at December 31, 2022 is $34,315, of which $11,472 is due within one year and the balance of $22,843 is a noncurrent receivable. The note receivable is due in September 2050.

A key member of management has a loan with the Company from the Homestead Program in the amount of $35,000. The note receivable was issued in May 1995. This note does not require interest or principal payments during its life. The principal becomes due upon the sale or transfer of the apartment. As of December 31, 2022, the unit was sold and the note receivable was subsequently paid.

17. Contingency

Management has evaluated the events and risks associated with the COVID-19 pandemic and the vaccines, and the aggregated effects they may have on the Company's ability to continue as a going concern. Having considered the financial position of the Company, and events in the aggregate, management does not have substantial doubt about the Company's ability to continue as a going concern for one year from the date the financial statements were available for issuance due to its cash position, positive equity and ability to maintain stable revenues. Management cannot provide specific estimates of the financial impact on the Company at this time.

18. Paycheck Protection Program Loan Payable

On February 19, 2021, the Company entered into a U.S. Small Business Administration ("SBA") Guaranteed Loan (the "Loan Agreement") with NCB in the amount of $1,020,000 with an interest rate of 1.00% per annum, pursuant to which it was granted a loan (the "Loan") under the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted by the United States Congress on March 27, 2020. The Loan was to mature five years from the date of the Loan Agreement. The Company may prepay this Loan, in whole or in part, at any time, without premium or penalty. The Company may be entitled to the forgiveness of some or all of the Loan, pursuant to the PPP. To apply for loan forgiveness, the Company must comply with the related provisions of the Cares Act.

In November 2021, the Company applied for forgiveness on the Loan and received notice from the SBA on January 31, 2022 that the PPP loan and the related accrued interest of $9,803 was forgiven in full.

19. Employee Retention Credits

Under the CARES Act, which was enacted by the United States Congress on March 27, 2020, the Employee Retention Tax Credit was first introduced, which was designed to encourage employers to keep employees on their payroll throughout the COVID-19 pandemic. The Company qualified for the credit during all four quarters of 2022 and received a total credit of $11,114 as a direct reduction to salaries and wages paid. The Company received all credits available to them as of December 31, 2022.

20. Subsequent Events

Date of Management's Review – The Company has evaluated events and transactions for recognition or disclosure through May 31, 2023, the date the financial statements were available for issuance. No events have occurred that would require adjustments to, or disclosure in, the financial statements.

Glen Oaks Village Owners, Inc.
Supplementary Schedules of Revenues
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues		
Maintenance - Shareholders	$ 22,121,347	$ 21,324,872
Special Assessments	1,487,760	700,596
Apartment Rental Income	2,739,130	2,803,122
Capital Improvement Fund Contributions	99,750	92,000
Garages and Parking Permit Fees	631,575	652,739
Maintenance Services Income	248,614	196,900
Laundry Income	160,412	153,181
Sales, Sublet Rental and Management Fees	637,970	662,931
Cable Income	83,735	86,867
Late Fees and House Rule Violations	74,136	66,985
Interest from Company Issued Mortgages	48,751	34,567
Insurance Proceeds	-	3,687
NCB Patronage Refund	62,526	70,085
Newsletter Advertising	-	7,500
Community Room Rental	2,045	3,925
Dog Park Membership Fees	4,400	3,775
Other Revenue	(19,340)	5,321
Total Revenues	$ 28,382,811	$ 26,869,053

Glen Oaks Village Owners, Inc.
Supplementary Schedules of Expenses
For the Years Ended December 31, 2022 and 2021

Expenses	2022	2021
Administrative and Management		
Office Salaries	$ 1,338,638	$ 1,464,947
Community Events and Contributions	23,883	26,581
Telephone	76,702	52,085
Legal, Audit and Other Professional Fees	185,273	335,398
Information Technology Services	161,540	152,878
Government Permits, Violations and Fines	21,393	20,351
Postage	59,087	13,765
Office	268,220	356,827
Bad Debt Expense	34,437	-
Miscellaneous	1,311	1,695
Total Administrative and Management	2,170,484	2,424,527
Operating Expenses		
NYC Water and Sewer	2,012,091	2,074,401
Electric and Cooking Gas	968,647	814,109
Heating Costs	2,936,816	2,091,107
Exterminating Services	153,002	125,504
Protection Services	529,814	583,532
Sanitation Services - Bulk Pick-Up	203,054	182,156
Total Operating Expenses	6,803,424	5,870,809
Maintenance Services		
Salaries	3,395,896	3,489,199
Repairs and Maintenance	2,451,654	2,556,461
Landscaping and Grounds Maintenance	317,013	399,972
Vehicle Fleet Expense	182,378	202,148
Uniforms and Janitorial Supplies	45,701	104,657
Total Maintenance Services	6,392,642	6,752,437
Taxes, Insurance and Employee Benefits		
NYC Real Estate Taxes	8,772,500	7,674,994
Payroll Taxes	464,213	476,646
Insurance	1,486,083	1,410,722
Non-Union Employee Benefits - Pension, Disability, Health Insurance and Training	254,232	354,794
Union Employee Benefits - Health Insurance and Pension	1,244,403	1,312,809
Total Taxes, Insurance and Employee Benefits	12,221,431	11,229,965
Financial		
Interest on Mortgage Payable (includes amortization of loan origination costs)	638,243	780,317
Total Financial	638,243	780,317
Total Expenses	$ 28,226,224	$ 27,058,055