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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013Open to Public
Inspection**A** For the 2013 calendar year, or tax year beginning **OCT 1, 2013** and ending **SEP 30, 2014****B** Check if applicable

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

400 EAST AVENUE

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

ROCHESTER, NY 14607**F** Name and address of principal officer **Kevin Ryck**
same as C above**D** Employer identification number**16-1183242****E** Telephone number**(585) 546-7180****G** Gross receipts \$ **19,280,295.****H(a)** Is this a group return **Stmt 1**for subordinates? ☒ Yes ☐ No**H(b)** Are all subordinates included? ☐ Yes ☒ No

If "No," attach a list (see instructions)

H(c) Group exemption number **9113****I** Tax-exempt status ☒ 501(c)(3) ☐ 501(c)() (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: **www.PathStone.org****K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation: **1979** **M** State of legal domicile: **NY****Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities	See Schedule O	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	5
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	3
	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	0
	6	Total number of volunteers (estimate if necessary)	6	11
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 8,866.	Current Year 91,830.
	9	Program service revenue (Part VIII, line 2g)	11,335,563.	17,859,524.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	63,520.	985,542.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	205,809.	321,798.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	11,613,758.	19,258,694.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	4,132,176.	4,829,672.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
Expenses	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25)	21,738.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	6,035,912.	8,166,308.
	18	Total expenses - add lines 13-17 (must equal Part IX, column (A), line 25)	10,168,088.	12,995,980.
	19	Revenue less expenses - subtract line 18 from line 12	1,445,670.	6,262,714.
	Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year 65,184,395.
21		Total liabilities (Part X, line 26)	21,866,580.	27,692,091.
22		Net assets or fund balances - subtract line 21 from line 20	43,317,815.	45,342,172.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	<i>Kevin Ryck</i>	Date	8/15/15
	Kevin Ryck, Vice President of Finance Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Stephanie Annunziata	<i>Stephanie Annunziata</i>	07/16/15	P00195472
	Firm's name	Firm's EIN	27-1895149	
	Firm's address	260 Plymouth Avenue South Rochester, NY 14608		
	Phone no.	585-232-2956		

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

SCANNED AUG 31 2015

3 6/7

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

☒ X

1 Briefly describe the organization's mission:

PathStone Housing Action Corporation creates and provides opportunities for farmworkers and other disenfranchised people to confront and overcome barriers that prevent them from gaining access to economic, educational, social and political resources.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses \$ 6,200,265. including grants of \$ 4,716,771.) (Revenue \$ 6,323,292.)

Senior Program - PathStone Opportunities for Seniors Inc., receives funding as a delegate agency of the National Council on Aging to operate the USDOL Senior Community Services Employment Program. The program provides job training and job placement services to over 700 citizens over the age of 55 in rural areas of New York, New Jersey, Pennsylvania, and Virginia. The goal of the program is to enroll, provide job training to program participants and to place them in unsubsidized employment. 85% of the program expenditures are paid as direct wages and fringe benefits to the program participants who work 20 hours per week at Community Service, non-profit, and government worksites. (Continued on Schedule O)

4b (Code _____) (Expenses \$ 5,020,171. including grants of \$ 112,901.) (Revenue \$ 10,366,130.)

Housing Services - Development of high quality, affordable housing for rent and for sale to meet the critical needs of low- and moderate-income families, seniors, and disabled citizens. The organization acts as a full-service developer with expertise in the planning, financing, closing, construction, and management of complex real estate projects. PathStone's Real Estate Development team includes a staff of 14 people located throughout six states and Puerto Rico, with expertise in the planning, community approval process, and financing of small and large multi-unit affordable housing developments utilizing a variety of sources. Since 1982, over 3,500 units have been developed in partnership with both urban and rural communities. (Continued on Schedule O)

4c (Code _____) (Expenses \$ 777,392. including grants of \$ _____) (Revenue \$ 1,515,299.)

Economic Development Services: PathStone Enterprise Center's mission is to enhance the economic self-sufficiency and quality of life of individuals and communities through entrepreneurial training, technical assistance and access to financing for new and expanding businesses throughout Upstate New York and Puerto Rico. The Enterprise Center carries out its mission by making loans to small and micro businesses, and by accompanying those loans with a strong program of pre-loan and post-loan technical assistance and training programs designed to support our clients' growth. The Enterprise Center's loans range in size from \$1,000 to \$500,000, although most loans are in the \$20,000 to \$50,000 range. (Continued on Schedule O)

4d Other program services (Describe in Schedule O.)

(Expenses \$ _____ Including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses 11,997,828.

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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	X	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>		

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
28a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
28b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	X	
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
35b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note. All Form 990 filers are required to complete Schedule O.

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a 10		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a 0		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O.	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12.	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders.	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b		
c Enter the amount of reserves on hand.	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b		

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	5	
b Enter the number of voting members included in line 1a, above, who are independent	3	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	X
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	X
b Other officers or key employees of the organization	15b	X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NY, IN**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply
☐ Own website ☒ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **The Organization - (585)546-7180**
400 EAST AVENUE, ROCHESTER, NY 14607

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

X

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee"
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

[illegible]

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

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Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total								0.	567,817.	31,425.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								0.	567,817.	31,425.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 0

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	5	X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
Rice Homes, In C/O the Organization, Rochester, NY 14607	Home construction and renovation	166,725.
Affordable Great Locations, In C/O the Organization, Rochester, NY 14607	Home construction and renovation	140,334.
Cutting Edge Renovations, In C/O the Organization, Rochester, NY 14607	Home construction and renovation	109,143.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 3

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Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	91,830.				
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f			91,830.			
Program Service Revenue			Business Code				
	2 a Senior Program		624100	6,323,172.	6,323,172.		
	b Housing Services		531390	4,959,422.	4,959,422.		
	c Rental Income		531110	2,087,499.	2,087,499.		
	d Developer Fees		531390	1,933,330.	1,933,330.		
	e Economic Development		624100	1,393,978.	1,393,978.		
	f All other program service revenue		531310	1,162,123.	1,162,123.		
	g Total. Add lines 2a-2f			17,859,524.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			962,143.			962,143.
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
		(i) Real	(ii) Personal				
	6 a Gross rents						
	b Less rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			45,000.				
	b Less cost or other basis and sales expenses		21,601.				
	c Gain or (loss)		23,399.				
	d Net gain or (loss)			23,399.	23,399.		
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a					
	b Less direct expenses	b					
	c Net income or (loss) from fundraising events						
	9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code				
11 a Other Income		531390	308,941.	308,941.			
b Forgiveness of Debt		900099	12,857.	12,857.			
c							
d All other revenue							
e Total. Add lines 11a-11d			321,798.				
12 Total revenue. See instructions.			19,258,694.	18,204,721.	0.	962,143.	

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

☒ X

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	4,829,672.	4,829,672.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management	1,058,138.	1,058,138.		
b Legal	21,797.		21,797.	
c Accounting	54,647.		54,647.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	3,108,189.	3,085,589.	9,106.	13,494.
12 Advertising and promotion				
13 Office expenses	240,028.	205,795.	31,097.	3,136.
14 Information technology				
15 Royalties				
16 Occupancy	390,920.	389,820.		1,100.
17 Travel	148,454.	148,454.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	48,338.	44,330.		4,008.
20 Interest	574,663.	574,663.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,187,226.	1,187,226.		
23 Insurance	33,053.	33,053.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>Allocated Indirect Expense</u>	787,505.		787,505.	
b <u>Bad Debt</u>	100,728.	28,466.	72,262.	
c _____				
d _____				
e All other expenses _____	412,622.	412,622.		
25 Total functional expenses. Add lines 1 through 24e	12,995,980.	11,997,828.	976,414.	21,738.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

**PATHSTONE HOUSING ACTION CORPORATION
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Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	2,521,603.	1	4,854,585.
	2 Savings and temporary cash investments	6,758,675.	2	4,679,234.
	3 Pledges and grants receivable, net	405,905.	3	773,563.
	4 Accounts receivable, net	42,971.	4	104,058.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net	4,580,211.	7	5,257,017.
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	48,922.	9	92,836.
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 31,327,589.		
	b Less: accumulated depreciation	10b 11,663,099.	10c	19,664,490.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11	1,545,243.	13	1,402,663.
	14 Intangible assets	69,624.	14	77,218.
	15 Other assets. See Part IV, line 11	34,090,256.	15	36,128,599.
16 Total assets. Add lines 1 through 15 (must equal line 34)	65,184,395.	16	73,034,263.	
Liabilities	17 Accounts payable and accrued expenses	1,107,815.	17	3,832,842.
	18 Grants payable		18	
	19 Deferred revenue	920,945.	19	690,117.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	55,736.	21	81,098.
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	16,922,723.	23	20,226,624.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	2,859,361.	25	2,861,410.
	26 Total liabilities. Add lines 17 through 25	21,866,580.	26	27,692,091.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	43,317,815.	27	45,257,018.
	28 Temporarily restricted net assets		28	85,154.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	43,317,815.	33	45,342,172.
	34 Total liabilities and net assets/fund balances	65,184,395.	34	73,034,263.

Form **990** (2013)

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Form 990 (2013)

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	19,258,694.
2	Total expenses (must equal Part IX, column (A), line 25)	2	12,995,980.
3	Revenue less expenses Subtract line 2 from line 1	3	6,262,714.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	43,317,815.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-4,238,357.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	45,342,172.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	X	

Form 990 (2013)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public
Inspection

Name of the organization **PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Employer identification number
16-1183242

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☒ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Non-functionally integrated
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**.
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
Total									

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2013

PATHSTONE HOUSING ACTION CORPORATION

Schedule A (Form 990 or 990-EZ) 2013 AND AFFILIATES

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Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
b 33 1/3% support test - 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
17a 10% -facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
b 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ► <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2013

PATHSTONE HOUSING ACTION CORPORATION

Schedule A (Form 990 or 990-EZ) 2013 AND AFFILIATES

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Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	129,000.	1,000.	27,000.	8,866.	106,144.	272,010.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	14163778.	15885412.	10772679.	11335563.	17842082.	69999514.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	14292778.	15886412.	10799679.	11344429.	17948226.	70271524.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0.
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year	718,417.	3077148.	594,321.	1753680.	1366174.	7509740.
c Add lines 7a and 7b	718,417.	3077148.	594,321.	1753680.	1366174.	7509740.
8 Public support. (Subtract line 7c from line 6.)						62761784.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6	14292778.	15886412.	10799679.	11344429.	17948226.	70271524.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	759,642.	351,093.	61,073.	63,520.	35,148.	1270476.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	759,642.	351,093.	61,073.	63,520.	35,148.	1270476.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	886,317.	331,110.	334,911.	205,809.	321,798.	2079945.
13 Total support. (Add lines 9, 10c, 11, and 12.)	15938737.	16568615.	11195663.	11613758.	18305172.	73621945.

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	85.25 %
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	80.12 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	1.73 %
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	1.87 %

19a 33 1/3% support tests - 2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☒b 33 1/3% support tests - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☐20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

PATHSTONE HOUSING ACTION CORPORATION

Schedule A (Form 990 or 990-EZ) 2013 **AND AFFILIATES**

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Part IV **Supplemental Information.** Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, and Part III, line 12

Also complete this part for any additional information (See instructions)

Schedule A, Part III, Line 12, Explanation for Other Income:

Other Program Fees

Forgiveness of Debt

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013Open to Public
InspectionName of the organization **PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**Employer identification number
16-1183242**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Schedule D (Form 990) 2013

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Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition d ☐ Loan or exchange programs
b ☐ Scholarly research e ☐ Other _____
c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☒ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☒ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
1c	
1d	
1e	
1f	

- c Beginning balance
d Additions during the year
e Distributions during the year
f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21? ☒ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☒

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	1,878,190.	1,765,597.	1,957,087.	1,617,503.	1,427,816.
b Contributions	8,000.	2,923.	250.	55,600.	29,015.
c Net investment earnings, gains, and losses	343,218.	228,768.	-76,204.	363,984.	245,672.
d Grants or scholarships					
e Other expenditures for facilities and programs	85,000.	85,000.	115,536.	80,000.	85,000.
f Administrative expenses					
g End of year balance	2,144,408.	1,912,288.	1,765,597.	1,957,087.	1,617,503.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ☒ 9.74 %
b Permanent endowment ☒ 71.74 %
c Temporarily restricted endowment ☒ 18.52 %

The percentages in lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
(ii) related organizations

	Yes	No
3a(i)		X
3a(ii)	X	
3b	X	

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		601,431.		601,431.
b Buildings		26,386,681.	11,279,962.	15,106,719.
c Leasehold improvements				
d Equipment		446,357.	383,137.	63,220.
e Other		3,893,120.		3,893,120.

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) 19,664,490.

Schedule D (Form 990) 2013

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Schedule D (Form 990) 2013

16-1183242 Page **3**

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c See Form 990, Part X, line 13

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) Deposits Held in Trust	288,217.
(2) Other Assets	40,996.
(3) Receivable From Related Party	32,418,554.
(4) Cash - Loan Funds	3,380,832.
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	36,128,599.

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Due to Related Parties	2,861,410.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	2,861,410.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☒

Schedule D (Form 990) 2013

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Schedule D (Form 990) 2013

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Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a

1	Total revenue, gains, and other support per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a

1	Total expenses and losses per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25.			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part IV, line 2b:

The escrow represents security deposits held for the
Organization's tenants.

Part V, line 4:

A percentage of the Fund's market value as determined by the
board of directors of a related organization of PathStone Housing Action
Corporation each year shall be distributed for the use by the related
organization in support of its programs for women.

Part X, Line 2:

Accounting standards require entities to disclose in their

PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES

Schedule D (Form 990) 2013

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Part XIII Supplemental Information (continued)

financial statements the nature of any uncertainties in their tax position. Tax years including 2011 and later are subject to examination by tax authorities. Areas that IRS and state tax authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. The Organization does not believe that it has any uncertain tax positions with respect to these or other matters, and has not recorded any unrecognized tax benefits or liability for penalties or interest.

The Organization is not aware of any circumstances or events that make it reasonably possible that tax benefits may increase or decrease within 12 months of the date of these financial statements.

Part V, line 2:

During the 2013 tax year, the Organization reclassified \$34,098 of endowment funds to account for endowment pledges receivable. This adjustment is reflected in the current year beginning balance.

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States
Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

▶ **Attach to Form 990.**

► Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Part I	General Information on Grants and Assistance
---------------	---

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II	Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

[illegible]

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2013)

PATHSTONE HOUSING ACTION CORPORATION

16-1183242

Page 2

Schedule I (Form 990) (2013)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
Senior Community Services Employment Program	1200	4,716,771.	0.		
Rehabilitation Costs	17	0.	112,901.	FMV	Assistance with repairs, upgrades, and other rehabilitation costs

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information

Part I, Line 2:

Program eligibility is determined and entered into the MIS system. Enrollment into a specific program is required and eligibility testing identifies what programs the individual or family is eligible for. A development plan is completed for every client, and training is provided based upon the identified needs. All services provided to individuals and families are recorded in the family's MIS records. Case management reviews are conducted with senior staff and ongoing assessment of supportive services and additional training plans are developed for the clients.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Employer identification number

16-1183242

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization.

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

X

X

X

X

X

X

X

X

X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2013

16-1183242

AND AFFILIATES

Part II	Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.
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For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

[illegible]

PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES

Schedule J (Form 990) 2013

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Page 3

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

Part I, Line 3:

PathStone Housing Action Corporation does not have an

Executive Director, however, the wages and benefits of all top management

employees of the parent corporation are determined by the personnel

committee of the parent company, PathStone Corporation, as part of its

ongoing wage comparative studies and benefit budgeting process. The process

includes independent review, comparability data, and deliberation by a

compensation committee.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public
Inspection

Name of the organization

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Employer identification number
16-1183242

Form 990, Part I, Line 1, Description of Organization Mission:

To develop high-quality affordable housing for low and moderate income families; to professionally manage the housing; to assist and encourage residents participation to ensure that developments offer a satisfying living environment; and to create communities that are assets to residents, the larger community, and the organization.

Form 990, Part III, Line 1, Description of Organization Mission:

The organization provides housing development; housing services; services to seniors and emergency and supportive services.

Form 990, Part III, Line 4a, Program Service Accomplishments:

Services provided include skills and interest assessments, individual career counseling, career exploration and planning, resume and interview assistance, customized training in occupational skills and certifications, and supportive services.

Form 990, Part III, Line 4b, Program Service Accomplishments:

In addition, the program staff are experienced in long-term, resident-driven community planning efforts to identify asset-based approaches to obtain consensus on development and community revitalization approaches. The developments are managed with extensive expertise in professional standards for selecting good tenants and high standards for managing the physical assets.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2013)

332211
09-04-13

Name of the organization **PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Employer identification number
16-1183242

Form 990, Part III, Line 4c, Program Service Accomplishments:

As of year end, The Enterprise Center had over \$4.2M in outstanding business loans to 80 borrowers. The Enterprise Center is designated as a CDFI and Community Development Entity (CDE) under the New Markets Tax Credit program. It also provides microenterprise and technical assistance programs to encourage small business creation and growth in rural and urban areas.

Form 990, Part VI, Section A, line 1:

Some board members are also employees of the Parent company, PathStone Corporation, and are therefore not considered independent.

Form 990, Part VI, Section B, line 11:

A draft copy of the return is distributed to the members of the board for comments before filing.

Form 990, Part VI, Section B, Line 12c:

During the new board member orientation, the policy is fully explained by the President and attorney. The board member understands that it is important to follow the policy at all times during his or her term on the board. It is made clear that if any conflict arises, that the policy is in effect and should be followed. This is also re-emphasized annually when the policy is signed on a yearly basis.

In addition to the Conflict of Interest Policy, the organization's parent Company, PathStone Corporation, has a questionnaire that all employees must fill out annually to determine whether they have a real or potential

Name of the organization **PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Employer identification number
16-1183242

conflict of interest. If any potential conflicts are learned about through this or any other method, they are reviewed by the Executive Staff member for that division, and ultimately by the President/CEO of PathStone Corporation. The CEO of PathStone Corporation has the ultimate responsibility for determining whether or not a conflict exists and he or she, in conjunction with the Senior Vice President for Human Resources of PathStone and the Executive Staff member for that employee's division, will determine the course of action necessary.

PathStone Corporation, the parent company, also has an Asset Management Committee which must review any purchases or contracts that are more than \$5,000. Any potential conflicts are taken into consideration before approving these purchases and contracts.

Form 990, Part VI, Section B, Line 15:

Form 990, Part VI, Section B, Line 15: Pathstone Housing Action Corporation and Affiliates do not have any direct compensation expense since all employees are officially employed by the parent company, PathStone Corporation. The wages and benefits of all top management employees are determined by the personnel committee of the Parent company, PathStone Corporation, as part of its ongoing wage comparative studies and benefit budgeting process. The process includes independent review, comparability data, and deliberation by a compensation committee.

Form 990, Part VI, Section C, Line 19:

Pathstone Housing Action Corporation and Affiliates makes its governing documents (Bylaws and Certificate of Incorporation) available to the public upon written request.

Name of the organization **PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Employer identification number
16-1183242

The parent company, PathStone Corporation has the following policy in place: PathStone bylaws, policies and other governing documents are available on the PathStone Electronic Library, which may be accessed by employees. The company may grant access to the Electronic Library to non-employees as well, when there is a need for others to access information, for example auditors and funders.

PathStone prints an annual report which is made public each year. Copies are mailed to stakeholders and it is readily available to the public.

Form 990, Part VII:

Some members of the Board of Directors are full time employees (40 or more hours per week) of the parent company, PathStone Corporation and are compensated as such.

Form 990, Part IX, Line 11g, Other Fees:

Contracted Management Services:

Program service expenses	2,658,425.
Management and general expenses	0.
Fundraising expenses	0.
Total expenses	2,658,425.

General Contractors:

Program service expenses	332,695.
Management and general expenses	0.
Fundraising expenses	0.

Name of the organization **PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**Employer identification number
16-1183242

Total expenses	332,695.
----------------	----------

Consulting:

Program service expenses	84,981.
--------------------------	---------

Management and general expenses	6,608.
---------------------------------	--------

Fundraising expenses	0.
----------------------	----

Total expenses	91,589.
----------------	---------

Other Professional Fees:

Program service expenses	9,488.
--------------------------	--------

Management and general expenses	2,498.
---------------------------------	--------

Fundraising expenses	13,494.
----------------------	---------

Total expenses	25,480.
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Total Other Fees on Form 990, Part IX, line 11g, Col A	3,108,189.
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Form 990, Part XI, line 9, Changes in Net Assets:

Transfers to Affiliates	-843,960.
-------------------------	-----------

New Subsidiaries/Affiliates	-3,394,497.
-----------------------------	-------------

Capital Contributions	100.
-----------------------	------

Total to Form 990, Part XI, Line 9	-4,238,357.
------------------------------------	-------------

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization **PATHSTONE HOUSING ACTION CORPORATION**

AND AFFILIATES

Employer identification number
16-1183242

OMB No. 1545-0047
2013
Open to Public Inspection

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
Lehigh Managing Member LLC, - 27-0212774 400 East Avenue Rochester, NY 14607	Affordable Housing	New York	-70.	564,302.	PathStone Housing Action Corporation
Jamestown Managing Member, LLC - 27-2288510 400 East Avenue Rochester, NY 14607	Affordable Housing	New York	1.	4,441.	PathStone Housing Action Corporation
Sisason Reserve MM LLC - 36-4717781 400 East Avenue Rochester, NY 14607	Affordable Housing	New York	0.	0.	PathStone Housing Action Corporation
Sisason Reserve MM II LLC - 46-3135735 400 East Avenue Rochester, NY 14607	Affordable Housing	New York	0.	0.	PathStone Housing Action Corporation

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
PathStone Corporation Inc. - 16-0984913 400 East Avenue Rochester, NY 14607	Education, Training, Childhood Education, etc	New York	501(c)(3)	Line 9	N/A		X
PathStone Development Corporation - 16-1265765, 7 Prince Street, Rochester, NY 14607	Affordable Housing	New York	501(c)(3)	Line 11a, I	PathStone Corporation		X
Soujourner House at PathStone, Inc. - 16-1170113, 30 Millbank Street, Rochester, NY 14619	Provide temporary housing for women and children	New York	501(c)(3)	Line 7	PathStone Corporation		X
PathStone Alliance for Better Housing - 23-2754537, 648 Buena Vista Drive, Kennett Square, PA 19348	Affordable Housing	Pennsylvania	501(c)(3)	Line 7	PathStone Corporation		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

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(f)	Direct controlling entity
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Part II

[illegible]

PATHSTONE HOUSING ACTION CORPORATION

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
							Yes	No			
Ada Ridge Partners II, LLC - 26-2373989, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A				X	N/A	X	
Ada Ridge Partners, L.P. - 16-1592991, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Housing Action Corporation	Related	-8.	116,154.		X	N/A	X	.01%
Albion Senior Living, LLC - 26-0345950, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A				X	N/A	X	
Alliance Homes II, LLC - 56-2397229, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A				X	N/A	X	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
Alliance Homes II, Corp. - 56-2397228 400 East Avenue Rochester, NY 14607	General Partner in L.P. Transactions	NY	PathStone Development Corporation of	C CORP	0.	0.	100%		X
Salem Senior Housing Corp. - 38-3711377 400 East Avenue Rochester, NY 14607	General Partner in L.P. Transactions	NY	PathStone Development Corporation of	C CORP	0.	0.	100%		X
RHAC Development Corporation - 16-1262619 400 East Avenue Rochester, NY 14607	General Partner in L.P. Transactions	NY	PathStone Housing Action Corp	C CORP	4,823.	73,441.	100%		X
Stanton Meadows Corporation - 16-1556454 400 East Avenue Rochester, NY 14607	General Partner in L.P. Transactions	NY	PathStone Housing Action Corp	C CORP	0.	13,395.	100%		X
PHEDCO Investments Inc. - 25-1663084 400 East Avenue Rochester, NY 14607	General Partner in L.P. Transactions	NY	PathStone Housing Corporation of	C CORP	1.	108,993.	100%		X

PATHSTONE HOUSING ACTION CORPORATION AND AFFILIATES

Schedule R (Form 990)

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Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
Alturas de Castaner, L.P. - 20-3947099, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A				X	N/A		X	
Andrews Terrace, LLC - 20-3199493, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A			X		N/A		X	
Beechwood Apartments, LLC - 27-3685642, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A			X		N/A		X	
Bradmar Village, LLC - 27-2288636, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A			X		N/A		X	
Brower Road, LLC - 03-0485949 400 East Avenue Rochester, NY 14607	Affordable Housing	NY	Rural Housing Opportunities Corporation	Related	-10.	192,325.	X		N/A	X		.01%
Canal View Senior Housing, LLC - 20-4440054, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A			X		N/A		X	
Clarkson-Seldon Square Partners, L.P. - 22-3607775, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Housing Action Corporation	Related	-105,302.	563,858.	X		N/A	X		.01%
Gettysburg Scattered Sites Associates - 25-1645782, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A			X		N/A		X	
Heritage Meadows Partners, L.P. - 16-1537986, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Housing Action Corporation	Related	-59,947.	0.	X		N/A	X		.01%

PATHSTONE HOUSING ACTION CORPORATION AND AFFILIATES

Schedule R (Form 990)

16-1183242

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportion- ate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
Highland Meadows Partners, LLC - 13-4220309, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A								
Lander Street Partners II, L.P. - 06-1473326, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Housing Action Corporation	Related	-164,958.	612,221.	X		N/A		X	.01%
Lander Street Partners III, LLC - 56-2523429, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	Newburgh Community Improvement Corporation	Related	-63,616.	1,429,708.	X		N/A		X	.01%
Lander Street Partners, L.P., - 06-1445495, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Housing Action Corporation	Related	-149,851.	-17,311.	X		N/A		X	.05%
New Home Alliance, L.P. - 06-1527135, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Development Corporation of Ohio	Related	-182.	636,835.	X		N/A		X	.08%
Olde Theatre Apartments, L.P., - 34-1844633, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Development Corporation of Ohio	Related	-159,175.	2,217,020.	X		N/A		X	.75%
Salem Senior Housing, LLC - 38-3711378, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A			X		N/A		X	
Sandy Creek Associates, L.P., - 16-1351950, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Housing Action Corporation	Related	-6,996.	245,658.	X		N/A		X	1.00%
Seldon Square II, LLC - 35-2182907, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	Rural Housing Opportunities Corporation	Related	-14.	342,442.	X		N/A		X	.01%

**PATHSTONE HOUSING ACTION CORPORATION
AND AFFILIATES**

Schedule R (Form 990)

16-1183242

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
							Yes	No			
Siscon Reserve, LLC - 35-2430293, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A							
Siscon Reserve II LLC - 38-3911384, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A							
Stonewood Village, LLC - 26-4557007, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A							
Thompson Building Associates, L.P. - 16-1421270, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	PathStone Housing Action Corporation	Related	-296,219.	477,207.	X		N/A	X	.01%
Cedar Creek Housing, LLC - 90-0347268, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A							
Castle Street Associates, L.P. - 16-1311570, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A							
Clifton Commons Associates, L.P. - 16-1386724, 400 East Avenue, Rochester, NY 14607	Affordable Housing	NY	N/A	N/A							
Crosman LLC - 10-0007244 400 East Avenue Rochester, NY 14607	Affordable Housing	NY	N/A	N/A							
Crossman, L.P. - 10-0007242 400 East Avenue Rochester, NY 14607	Affordable Housing	NY	N/A	N/A							

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

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Part IV

Continuation of Identification of Related Organizations Taxable as a Corporation or Trust

[illegible]

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		<input checked="" type="checkbox"/>
b Gift, grant, or capital contribution to related organization(s)	<input checked="" type="checkbox"/>	
c Gift, grant, or capital contribution from related organization(s)	<input checked="" type="checkbox"/>	
d Loans or loan guarantees to or for related organization(s)	<input checked="" type="checkbox"/>	
e Loans or loan guarantees by related organization(s)	<input checked="" type="checkbox"/>	
f Dividends from related organization(s)		<input checked="" type="checkbox"/>
g Sale of assets to related organization(s)		<input checked="" type="checkbox"/>
h Purchase of assets from related organization(s)		<input checked="" type="checkbox"/>
i Exchange of assets with related organization(s)		<input checked="" type="checkbox"/>
j Lease of facilities, equipment, or other assets to related organization(s)		<input checked="" type="checkbox"/>
k Lease of facilities, equipment, or other assets from related organization(s)	<input checked="" type="checkbox"/>	
l Performance of services or membership or fundraising solicitations for related organization(s)		<input checked="" type="checkbox"/>
m Performance of services or membership or fundraising solicitations by related organization(s)		<input checked="" type="checkbox"/>
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	<input checked="" type="checkbox"/>	
o Sharing of paid employees with related organization(s)	<input checked="" type="checkbox"/>	
p Reimbursement paid to related organization(s) for expenses	<input checked="" type="checkbox"/>	
q Reimbursement paid by related organization(s) for expenses	<input checked="" type="checkbox"/>	
r Other transfer of cash or property to related organization(s)	<input checked="" type="checkbox"/>	
s Other transfer of cash or property from related organization(s)	<input checked="" type="checkbox"/>	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds			
(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Part III, Identification of Related Organizations Taxable as Partnership:Name of Related Organization:Lander Street Partners III, LLCDirect Controlling Entity: Newburgh Community Improvement CorporationName of Related Organization:New Home Alliance, L.P.Direct Controlling Entity: PathStone Development Corporation of OhioName of Related Organization:Olde Theatre Apartments, L.P.Direct Controlling Entity: PathStone Development Corporation of OhioName of Related Organization:Stanton Meadows Townhomes, L.P.Direct Controlling Entity: Stanton Meadows Housing Development Fund
CorporationPart IV, Identification of Related Organizations Taxable as Corp or Trust:Name of Related Organization:Alliance Homes II, Corp.Direct Controlling Entity: PathStone Development Corporation of OhioName of Related Organization:Salem Senior Housing Corp.Direct Controlling Entity: PathStone Development Corporation of Ohio

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Name of Related Organization:

PHEDCO Investments Inc.

Direct Controlling Entity: PathStone Housing Corporation of PA

Form 990 Line H(b) - List of Affiliated Statement 1
 Organizations Included in Group Return

Name of Organization	Organization's Address	Employer ID
Ada-Ridge Housing Development Fund	400 East Avenue - Rochester, NY 14607	16-1592994
Albion Senior Living Housing Develo	400 East Avenue - Rochester, NY 14607	26-0346052
Andrews Terrace Housing Development	400 East Avenue - Rochester, NY 14607	20-5567064
Beechwood Housing Development Fund	400 East Avenue - Rochester, NY 14607	27-4025242
Bradmar Housing Development Fund Co	400 East Avenue - Rochester, NY 14607	27-2702709
Brower Road Housing Dev Fund Corp	400 East Avenue - Rochester, NY 14607	27-0039310
Canal View Housing Developmnt Corp	400 East Avenue - Rochester, NY 14607	20-4439870
Community Dev Corp of Puerto Rico	400 East Avenue - Rochester, NY 14607	13-4215024
Henrietta Housing Development Fund	400 East Avenue - Rochester, NY 14607	27-0263165
Heritage Meadows Development Fund C	400 East Avenue - Rochester, NY 14607	16-1501984
Highland Meadows Housing Dev Corp	400 East Avenue - Rochester, NY 14607	05-0575745
HOPN Housing Development Fund Corp	400 East Avenue - Rochester, NY 14607	20-3946971
Lyons-Montezuma Apartments Inc	400 East Avenue - Rochester, NY 14607	34-1980621
Monroe Special Housing Inc	400 East Avenue - Rochester, NY 14607	16-1388682
PathStone Community Improvement of Newburgh Inc	400 East Avenue - Rochester, NY 14607	16-1598837
Parque Platino Inc	400 East Avenue - Rochester, NY 14607	02-0533102

PATHSTONE HOUSING ACTION CORPORATION AND

16-1183242

Towpath Housing Development Fund	400 East Avenue - Rochester, NY 14607	45-3779513
PathStone Development Corp of Ohio	400 East Avenue - Rochester, NY 14607	16-1442543
PathStone Enterprise Center Inc	400 East Avenue - Rochester, NY 14607	16-1534956
PathStone Farmworker Housing Co PA	400 East Avenue - Rochester, NY 14607	25-1695904
PathStone Farmworker Housing Corp	400 East Avenue - Rochester, NY 14607	22-3144622
PathStone Housing Action Corp of NJ	400 East Avenue - Rochester, NY 14607	22-3144721
PathStone Housing Corp of Indiana	400 East Avenue - Rochester, NY 14607	06-1456487
PathStone Housing Corp of PA	400 East Avenue - Rochester, NY 14607	25-1653975
PathStone Management Corp	400 East Avenue - Rochester, NY 14607	20-4803721
PathStone Opportunities for Seniors	400 East Avenue - Rochester, NY 14607	20-5566908
PathStone Opportunities Inc	400 East Avenue - Rochester, NY 14607	20-2258385
Rural Housing Opportunities Corporation	400 East Avenue - Rochester, NY 14607	16-1419364
Seldon Sq II Housing Dvpt Fund Corp	400 East Avenue - Rochester, NY 14607	03-0485956
Sisson Reserve Housing Development	400 East Avenue - Rochester, NY 14607	45-4718273
Stanton Meadows Housing Dvpt Fund	400 East Avenue - Rochester, NY 14607	16-1560060
West Broadway Villas Housing Develo	400 East Avenue - Rochester, NY 14607	46-1192120
Valle Dorado Inc.	400 East Avenue - Rochester, NY 14607	66-0788645
Long Pond Housing Development Fund Corp	400 East Avenue - Rochester, NY 14607	47-1383517

PATHSTONE HOUSING ACTION CORPORATION AND

16-1183242

Pathstone Foundation	400 East Avenue - Rochester, NY 14607	46-4871866
Pinnacle Housing Development Fund Corp	400 East Avenue - Rochester, NY 14607	46-0839248
Stone Quarry Housing Development Fund Corp	400 East Avenue - Rochester, NY 14607	47-1373029
Sisson Reserve II Housing Developme	400 East Avenue - Rochester, NY 14607	46-3524661
Old West End Place Corporation	400 East Avenue - Rochester, NY 14607	46-4105929
Salem Housing Corp.	400 East Avenue - Rochester, NY 14607	30-0308905

PATHSTONE CORPORATION AND AFFILIATES

FINANCIAL STATEMENTS

SEPTEMBER 30, 2014



Heveron & Company

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Certified Public Accountants

Certified Women Owned Business

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*260 Plymouth Ave. South
Rochester, New York 14608-2239
(585) 232-2956 Fax: (585) 423-0599
www.heveroncpa.com*

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
PathStone Corporation and Affiliates

We have audited the accompanying combined financial statements of PathStone Corporation and Affiliates (a nonprofit organization), which comprise the combined balance sheets as of September 30, 2014 and the related combined statements of activities, cash flows and functional revenues and expenses for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of certain affiliates including the Housing Council at PathStone, Bradmar Village, LLC, Stonewood Apartments, LLC, Pinnacle Apartments, LLC, Alturas de Castaner, L.P., San German, LLC and Parque Platino, Inc., which statements reflect combined total assets of \$93,331,674, as of September 30, 2014 and combined total support and revenues of \$8,253,973, for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included in those affiliates, is based solely on the report 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 audit and the report of other auditors, the combined financial statements referred to above present fairly, in all material respects, the financial position of PathStone Corporation and Affiliates as of September 30, 2014 and the results of its operations and changes in net assets, cash flows and functional revenues and expenses for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2015 on our consideration of PathStone Corporation and Affiliates' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PathStone Corporation and Affiliates's internal control over financial reporting and compliance.

Report on Supplementary Information

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying combining and consolidating balance sheets and statements of activities 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 other 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, that information is fairly stated in all material respects in relation to the financial statements as a whole.

Heveron & Company

Heveron & Company
Certified Public Accountants

Rochester, New York
March 30, 2015

PATHSTONE CORPORATION AND AFFILIATES
COMBINED BALANCE SHEETS

September 30, 2014

(With Combining and Consolidating Information)

	PathStone Corporation and Affiliates	PathStone Corporation Limited Partnerships	PathStone Development Corp. and Affiliates	PathStone Development Corp. Limited Partnerships	Eliminations	Total
ASSETS						
<u>Current Assets</u>						
Cash and Cash Equivalents	\$ 12,740,942	\$ 1,831,759	\$ 1,122,484	\$ 2,625,854	\$ -	\$ 18,321,039
Receivables from Related Parties - Current	199,085	-	1,087,785	-	(1,286,870)	-
Other Receivables - Current	<u>5,288,233</u>	<u>400,211</u>	<u>46,663</u>	<u>162,131</u>	<u>-</u>	<u>5,897,238</u>
Total Current Assets	<u>18,228,260</u>	<u>2,231,970</u>	<u>2,256,932</u>	<u>2,787,985</u>	<u>(1,286,870)</u>	<u>24,218,277</u>
<u>Other Assets</u>						
Cash - Loan Funds	3,380,832	-	-	-	-	3,380,832
Receivables - Long-Term	5,457,534	367,272	3,116	-	-	5,827,922
Receivable from (Payable to) Related Parties	52,268,467	3,993	6,450,321	(429,877)	(58,292,904)	-
Land, Buildings and Equipment, Net	25,098,714	175,807,197	11,174,398	70,019,589	(32,166,952)	249,932,946
Investment - Endowments	2,144,408	-	-	-	-	2,144,408
Investment in Subsidiaries	3,252,387	-	-	-	(3,252,387)	-
Investment in Partnerships	1,402,663	-	1,522,446	-	(2,925,109)	-
Restricted Deposits and Funded Reserves	553,934	7,166,349	1,582,821	4,188,371	-	13,491,475
Other Assets, Net	<u>920,367</u>	<u>4,693,108</u>	<u>159,764</u>	<u>1,414,951</u>	<u>-</u>	<u>7,188,190</u>
Total Other Assets	<u>94,479,306</u>	<u>188,037,919</u>	<u>20,892,866</u>	<u>75,193,034</u>	<u>(96,637,352)</u>	<u>281,965,773</u>
TOTAL ASSETS	<u>\$ 112,707,566</u>	<u>\$ 190,269,889</u>	<u>\$ 23,149,798</u>	<u>\$ 77,981,019</u>	<u>\$ (97,924,222)</u>	<u>\$ 306,184,050</u>

	PathStone Corporation and Affiliates	PathStone Corporation Limited Partnerships	PathStone Development Corp. and Affiliates	PathStone Development Corp. Limited Partnerships	Eliminations	Total
LIABILITIES AND NET ASSETS						
<u>Liabilities</u>						
<u>Current Liabilities</u>						
Accounts Payable and						
Accrued Expenses - Current	\$ 6,329,137	\$ 4,807,615	\$ 1,541,077	\$ 1,334,611	\$ (456,229)	\$ 13,556,211
Deferred Revenue	1,791,550	61,957	12,082	68,205	-	1,933,794
Notes Payable - Current Portion	6,900,900	2,572,443	553,344	5,375,178	(830,641)	14,571,224
Total Current Liabilities	15,021,587	7,442,015	2,106,503	6,777,994	(1,286,870)	30,061,229
<u>Long-Term Liabilities</u>						
Accounts Payable - Long-Term	2,553,993	10,741,963	-	5,750,237	(9,840,325)	9,205,868
Notes Payable - Long-Term Portion	25,973,443	108,410,789	15,345,153	40,251,968	(48,452,579)	141,528,774
Total Long-Term Liabilities	28,527,436	119,152,752	15,345,153	46,002,205	(58,292,904)	150,734,642
Total Liabilities	43,549,023	126,594,767	17,451,656	52,780,199	(59,579,774)	180,795,871
<u>Outside Interest In</u>						
<u>Limited Partnerships</u>	-	63,671,875	-	25,199,333	-	88,871,208
<u>Net Assets/Capital</u>						
Unrestricted	56,154,899	3,247	5,698,142	1,487	(38,344,448)	23,513,327
Temporarily Restricted	592,091	-	-	-	-	592,091
Permanently Restricted	12,411,553	-	-	-	-	12,411,553
Total Net Assets/Capital	69,158,543	3,247	5,698,142	1,487	(38,344,448)	36,516,971
TOTAL LIABILITIES						
AND NET ASSETS/						
CAPITAL	\$ 112,707,566	\$ 190,269,889	\$ 23,149,798	\$ 77,981,019	\$ (97,924,222)	\$ 306,184,050

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE CORPORATION AND AFFILIATES
COMBINED STATEMENTS OF ACTIVITIES
For the Year Ended September 30, 2014
(With Combining and Consolidating Information)

	PathStone Corporation and Affiliates	PathStone Corporation Limited Partnerships	PathStone Development Corp. and Affiliates	PathStone Development Limited Partnerships	Eliminations	Total
<u>Support, Revenue, Gains and (Losses)</u>						
Program-Related Revenue	\$ 49,375,452	\$ 12,887,626	\$ 1,535,143	\$ 5,844,052	\$ (3,654,851)	\$ 65,987,422
Gain/(Loss) on Sale/Disposition of Properties	-	-	(27,346)	-	-	(27,346)
Contributions	912,797	-	-	-	-	912,797
In-Kind Contributions	1,171,763	-	-	-	-	1,171,763
Other Support and Revenue	2,346,561	1,935,346	234,900	798,142	-	5,314,949
Total Support, Revenue, Gains and (Losses)	53,806,573	14,822,972	1,742,697	6,642,194	(3,654,851)	73,359,585
<u>Expenses</u>						
Program Services	39,201,529	12,768,360	1,688,817	4,957,781	(1,314,063)	57,302,424
Management and General	5,964,633	2,103,521	423,366	1,057,757	(294,804)	9,254,473
Fundraising	342,148	-	-	-	-	342,148
Total Expenses	45,508,310	14,871,881	2,112,183	6,015,538	(1,608,867)	66,899,045
Change in Net Assets Before Depreciation and Amortization	8,298,263	(48,909)	(369,486)	626,656	(2,045,984)	6,460,540
Depreciation and Amortization	1,487,376	6,313,439	554,578	2,586,589	-	10,941,982
Change in Net Assets	6,810,887	(6,362,348)	(924,064)	(1,959,933)	(2,045,984)	(4,481,442)
Net Assets/Capital- Beginning of Year	64,876,908	53,674,011	6,542,412	26,250,817	(36,440,464)	114,903,684
Capital Contributions	100	12,968,960	79,794	909,936	-	13,958,790
Transfers	(2,529,352)	3,394,499	-	-	142,000	1,007,147
Net Assets/Capital- End of Year	\$ 69,158,543	\$ 63,675,122	\$ 5,698,142	\$ 25,200,820	\$ (38,344,448)	\$ 125,388,179

See Independent Auditors' Report and Notes to Financial Statements

PATHSTONE CORPORATION AND AFFILIATES
COMBINED STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2014

Net Cash From Operating Activities

Change in Net Assets	\$ (4,481,442)
Noncash Expenses, Revenues, Losses and Gains:	
Depreciation and Amortization	10,941,982
Loss on Sale/Disposal of Land, Buildings and Equipment	27,346
Predevelopment Write-Offs	24,855
Realized and Unrealized Gain on Investments	(273,046)
Net Transfer of Fixed Assets (from)/to New Subsidiaries/Affiliates	42,201
Net Asset Transfers from Related Parties	1,149,729
Forgiveness of Debt	(40,760)
(Increase)/Decrease In:	
Receivables	(1,201,555)
Other Assets	1,052,550
(Decrease)/Increase In:	
Accounts Payable and Accrued Expenses	1,434,903
Deferred Revenue	(223,396)
Net Cash Flow Provided by Operations	<u>8,453,367</u>

Cash Flows From Investing Activities

Purchase of Land, Buildings and Equipment	(26,563,444)
Purchase of Investments	(78,172)
Sale of Investments	85,000
Decrease in Loan Funds	1,316,221
Decrease in Restricted Deposits and Funded Reserves	3,029,347
Capital Contributions	<u>13,958,790</u>
Net Cash Flow Used by Investing Activities	<u>(8,252,258)</u>

Cash Flows From Financing Activities

Payments on Debt	(21,015,477)
Proceeds From Borrowings	<u>21,459,994</u>
Net Cash Flow Provided by Financing Activities	<u>444,517</u>

Net Increase In Cash and Cash Equivalents 645,626

Cash and Cash Equivalents - Beginning of Year 17,675,413

Cash and Cash Equivalents - End of Year \$ 18,321,039

Supplemental Disclosures of Cash Flow Information

Cash Paid during the Year for:	
Interest	<u>\$ 4,313,728</u>

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE CORPORATION AND AFFILIATES
COMBINED BALANCE SHEETS
(Excluding Limited Partnerships)
September 30, 2014
(With Combining and Consolidating Information)

	PathStone Corporation	PathStone Enterprise Center, Inc.	PathStone Housing Action Corporation and Subsidiaries	Sojourner House at PathStone, Inc. and Affiliates	PathStone Development Corp. and Affiliates	Other Affiliates	Eliminations	Total
ASSETS								
<u>Current Assets</u>								
Cash and Cash Equivalents	\$ 2,691,196	\$ 1,892,462	\$ 6,348,837	\$ 301,253	\$ 1,122,484	\$ 1,507,194	\$ -	\$ 13,863,426
Receivables from (Payables to)	-	(88,527)	402,024	(175,240)	1,087,785	60,828	(1,286,870)	-
Related Parties - Current	3,788,959	40,319	190,615	255,335	46,663	1,013,005	-	5,334,896
Other Receivables - Current								
Total Current Assets	6,480,155	1,844,254	6,941,476	381,348	2,256,932	2,581,027	(1,286,870)	19,198,322
<u>Other Assets</u>								
Cash - Loan Funds	-	3,380,832	-	-	-	-	-	3,380,832
Receivables - Long-Term	168,998	5,236,612	11,961	-	3,116	39,963	-	5,460,650
Receivable from (Payable to)								
Related Parties	14,630,489	41,351	26,912,413	-	6,450,321	10,684,214	(8,948,543)	49,770,245
Land, Buildings and								
Equipment, Net	3,845,733	-	7,406,687	606,023	11,174,398	13,240,271	-	36,273,112
Investments - Endowment	-	-	-	2,144,408	-	-	-	2,144,408
Investment in Subsidiaries	3,252,387	-	-	-	-	-	(3,252,387)	-
Investment in Partnerships	-	-	852,212	-	1,522,446	550,451	-	2,925,109
Restricted Deposits and								
Funded Reserves	-	-	288,975	-	1,582,821	264,959	-	2,136,755
Other Assets, Net	401,642	7,292	130,352	11,908	159,764	369,173	-	1,080,131
Total Other Assets	22,299,249	8,666,087	35,602,600	2,762,339	20,892,866	25,149,031	(12,200,930)	103,171,242
TOTAL ASSETS	\$ 28,779,404	\$ 10,510,341	\$ 42,544,076	\$ 3,143,687	\$ 23,149,798	\$ 27,730,058	\$ (13,487,800)	\$ 122,369,564

	PathStone Corporation	PathStone Enterprise Center, Inc.	PathStone Housing Action Corporation and Subsidiaries	Sojourner House at PathStone, Inc. and Affiliates	PathStone Development Corp. and Affiliates	Other Affiliates	Eliminations	Total
LIABILITIES AND NET ASSETS								
Liabilities								
Current Liabilities								
Accounts Payable and								
Accrued Expenses	\$ 2,384,792	\$ 16,827	\$ 431,970	\$ 100,330	\$ 1,541,077	\$ 3,395,218	\$ -	\$ 7,870,214
Deferred Revenue	1,101,433	439,150	10,324	-	12,082	240,643	-	1,803,632
Notes Payable -								
Current Portion	1,058,771	1,369,089	2,519,778	-	553,344	1,953,262	(4,417,541)	3,036,703
Total Current Liabilities	4,544,996	1,825,066	2,962,072	100,330	2,106,503	5,589,123	(4,417,541)	12,710,549
Long-Term Liabilities								
Accounts Payable - Long-Term	2,247,135	3,120	146,560	-	-	157,178	-	2,553,993
Notes Payable -								
Long-Term Portion	2,158,485	5,180,278	7,619,038	-	15,345,153	11,015,642	(5,817,872)	35,500,724
Total Long-Term Liabilities	4,405,620	5,183,398	7,765,598	-	15,345,153	11,172,820	(5,817,872)	38,054,717
Total Liabilities	8,950,616	7,008,464	10,727,670	100,330	17,451,656	16,761,943	(10,235,413)	50,765,266
Net Assets/Capital								
Unrestricted	8,984,816	3,501,877	31,816,406	968,839	5,698,142	10,882,961	(3,252,387)	58,600,654
Temporarily Restricted	-	-	-	506,937	-	85,154	-	592,091
Permanently Restricted	10,843,972	-	-	1,567,581	-	-	-	12,411,553
Total Net Assets/Capital	19,828,788	3,501,877	31,816,406	3,043,357	5,698,142	10,968,115	(3,252,387)	71,604,298
TOTAL LIABILITIES AND NET ASSETS/ CAPITAL								
	\$ 28,779,404	\$ 10,510,341	\$ 42,544,076	\$ 3,143,687	\$ 23,149,798	\$ 27,730,058	\$ (13,487,800)	\$ 122,369,564

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE CORPORATION AND AFFILIATES
COMBINED STATEMENTS OF ACTIVITIES
(Excluding Limited Partnerships)
For the Year Ended September 30, 2014
(With Combining and Consolidating Information)

	PathStone Corporation	PathStone Enterprise Center, Inc.	PathStone Action Corporation and Subsidiaries	Sojourner House at PathStone, Inc. and Affiliates	PathStone Development Corp. and Affiliates	Other Affiliates	Eliminations	Total
UNRESTRICTED NET ASSETS:								
Support, Revenue, Gains and (Losses)								
Program-Related Revenue	\$ 28,326,446	\$ 1,170,673	\$ 2,585,606	\$ 1,011,560	\$ 1,535,143	\$ 16,281,167	\$ (622,767)	\$ 50,287,828
Gain/(Loss) on Sales/Dispositions	-	-	-	-	(27,346)	-	-	(27,346)
Contributions	210,100	-	-	262,237	-	93,732	-	566,069
In-Kind Contributions	225,993	-	-	-	-	945,770	-	1,171,763
Other Support and Revenue	625,180	345,526	470,567	182,812	234,900	722,476	-	2,581,461
Net Asset Transfers	-	-	-	85,000	-	-	-	85,000
Net Assets Released from Restriction	-	-	-	52,055	-	-	-	52,055
Total Unrestricted Support, Revenue, Gains & (Losses)	\$ 29,387,719	\$ 1,516,199	\$ 3,056,173	\$ 1,593,664	\$ 1,742,697	\$ 18,043,145	\$ (622,767)	\$ 54,716,830
Expenses								
Program Services	24,171,878	777,392	2,013,798	1,152,415	2,243,395	12,573,422	(327,963)	42,604,337
Management and General	4,672,103	186,675	37,629	321,824	423,366	746,402	(294,804)	6,093,195
Fundraising	202,514	-	-	117,896	-	21,738	-	342,148
Total Expenses	\$ 29,046,495	\$ 964,067	\$ 2,051,427	\$ 1,592,135	\$ 2,666,761	\$ 13,341,562	\$ (622,767)	\$ 49,039,680
Change in Unrestricted Net Assets	\$ 341,224	\$ 552,132	\$ 1,004,746	\$ 1,529	\$ (924,064)	\$ 4,701,583	\$ -	\$ 5,677,150
TEMPORARILY RESTRICTED NET ASSETS:								
Contributions	-	-	-	64,050	-	-	-	64,050
Net Investment Income and Gains	-	-	-	279,678	-	-	-	279,678
Appropriations	-	-	-	(85,000)	-	-	-	(85,000)
Net Assets Released from Restriction	-	-	-	(52,055)	-	-	-	(52,055)
Change in Temporarily Restricted Net Assets	-	-	-	206,673	-	-	-	206,673
PERMANENTLY RESTRICTED NET ASSETS:								
Endowment Contributions	-	-	-	3,000	-	-	-	3,000
Net Asset Transfers	-	-	-	-	-	-	-	-
Change in Permanently Restricted Net Assets	-	-	-	3,000	-	-	-	3,000
Change in Net Assets	\$ 341,224	\$ 552,132	\$ 1,004,746	\$ 211,202	\$ (924,064)	\$ 4,701,583	\$ -	\$ 5,886,823
Net Assets/Capital								
- Beginning of Year	18,785,604	2,975,543	31,740,898	2,832,155	6,542,412	8,542,708	(3,394,387)	68,024,933
Capital Contributions	-	-	-	-	79,794	100	-	79,894
New Subsidiaries/Affiliates	-	-	-	-	-	(2,387,352)	-	(2,387,352)
Intercompany Transfers	701,960	(25,798)	(929,238)	-	-	111,076	142,000	-
Net Assets/Capital- End of Year	\$ 19,828,788	\$ 3,501,877	\$ 31,816,406	\$ 3,043,357	\$ 5,698,142	\$ 10,968,115	\$ (3,252,387)	\$ 71,604,298

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE CORPORATION AND AFFILIATES
COMBINED STATEMENTS OF FUNCTIONAL REVENUES AND EXPENSES
(Excluding Limited Partnerships)
For the Year Ended September 30, 2014
(With Combining and Consolidating Information)

	PathStone Corporation					
	Fundraising	Management and General			Program	
	Fundraising & Advocacy	Agency Management & General	Indirect Management & General	Fringe Benefit Pools	Child Development	Adult Training & Employment
Support and Revenue:						
Program-Related Revenue	\$ -	\$ 358,226	\$ -	\$ -	\$ 7,176,091	\$ 9,087,525
Gain/(Loss) on Sale/Disposition	-	-	-	-	-	-
Contributions	210,100	-	-	-	-	-
In-Kind Contributions	-	-	-	-	168,310	-
Other Income	96,815	193,058	-	-	426	-
Total Support, Revenue, Gains and (Losses)	306,915	551,284	-	-	7,344,827	9,087,525
Expenses						
Salaries and Wages	62,305	148,091	1,960,719	-	3,040,270	3,509,838
Fringe Benefits	-	-	6,993	8,146,897	7,000	9
Travel and Transportation	-	1,298	33,765	-	35,989	387,022
Occupancy	10,851	-	150,630	-	1,196,961	921,427
Supplies	2,366	3,657	71,405	-	286,913	160,863
Equipment	431	298	29,144	-	43,323	106,184
Telephone	1,303	1,225	36,061	-	46,958	179,014
Insurance	-	-	146,691	-	12,042	39,035
Meeting Costs	1,601	8,642	92,817	-	680	30,886
Professional Services	35,064	18,623	257,849	-	14,813	31,511
Postage and Printing	7,358	712	71,929	-	4,097	25,534
Staff Development	28,598	18,788	21,626	-	34,433	95,492
Trustee Fees	-	-	-	-	-	-
Homebuyer Subsidies	-	-	-	-	-	-
Training	-	-	-	-	287,455	714,443
Bad Debt Expense	-	-	-	-	-	-
Property Taxes	-	4,203	-	-	-	7,277
Interest Expense	-	10,680	-	-	-	-
Other	685	60,386	60	-	2,407	551
Depreciation and Amortization	-	178,168	6,773	-	-	-
Client Assistance Costs	4,861	46,380	-	-	186,931	160,345
Delegate Agencies	-	-	-	-	-	-
Property Management	-	202,781	-	-	-	7,363
Subtotal	155,423	703,932	2,886,462	8,146,897	5,200,272	6,376,794
Allocated Indirect Costs	17,118	41,047	(3,853,937)	-	810,999	971,632
Allocated Fringe Benefits	21,071	51,032	674,921	(5,743,476)	1,076,274	1,218,710
Allocated Leave Expenses	8,902	22,155	292,554	(2,403,421)	257,282	520,389
Total Expenses	202,514	818,166	-	-	7,344,827	9,087,525
Change in Net Assets	104,401	(266,882)	-	-	-	-
Transfers	(184,000)	139,238	-	-	-	-
Total Changes in Net Assets	\$ (79,599)	\$ (127,644)	\$ -	\$ -	\$ -	\$ -

See Independent Auditors' Report and Notes to Financial Statements.

					Total
Youth & Adult Education	Emergency & Supportive Services	Health & Safety	Housing Development	Housing Services	PathStone
\$ 1,168,023	\$ 426,853	\$ 1,311,552	\$ 2,371,672	\$ 6,426,504	\$ 28,326,446
-	-	-	-	-	-
-	57,683	-	-	-	210,100
9,167	120	5,530	184,683	135,381	625,180
1,177,190	484,656	1,317,082	2,556,355	6,561,885	29,387,719
453,333	178,405	436,586	944,192	2,370,551	13,104,290
-	-	10	-	241	8,161,150
36,225	14,308	42,410	81,199	135,261	767,477
44,490	64,656	62,489	98,324	407,333	2,957,161
118,876	1,739	22,823	25,253	78,156	772,051
3,983	3,229	10,811	3,943	54,493	255,839
12,669	8,212	11,948	21,423	71,754	390,567
2,656	-	-	14,002	30,268	244,694
1,898	6,257	2,814	7,445	6,642	159,682
5,666	15,654	25,856	124,541	176,682	706,259
1,556	3,463	1,327	4,297	54,470	174,743
9,611	4,373	12,322	120,949	36,915	383,107
-	-	-	-	-	-
-	-	-	-	-	-
95,188	1,914	1,403	36,885	41,522	1,178,810
-	-	-	-	-	-
-	-	134	-	1,495	13,109
-	-	-	-	-	10,680
1,405	19,216	-	-	17,223	101,933
-	-	-	-	7,528	192,469
32,725	24,997	353,527	131,642	856,698	1,798,106
-	-	-	-	35,549	35,549
-	1,500	-	8,000	55,476	275,120
820,281	347,923	984,460	1,622,095	4,438,257	31,682,796
125,291	49,311	120,519	261,056	657,009	(799,955)
164,437	61,114	148,744	323,979	817,871	(1,185,323)
67,181	26,308	63,359	139,715	354,553	(651,023)
1,177,190	484,656	1,317,082	2,346,845	6,267,690	29,046,495
-	-	-	209,510	294,195	341,224
-	-	-	645,924	100,798	701,960
\$ -	\$ -	\$ -	\$ 855,434	\$ 394,993	\$ 1,043,184

PATHSTONE CORPORATION AND AFFILIATES
COMBINED STATEMENTS OF FUNCTIONAL REVENUES AND EXPENSES

(Excluding Limited Partnerships)

For the Year Ended September 30, 2014

(With Combining and Consolidating Information)

(Continued from Page 11)

	Not-For-Profit Affiliates						
	PathStone Enterprise Center, Inc.	PathStone Housing Action Corp and Subsid.	Sojourner House at PathStone, Inc. and Affiliates	PathStone Development Corporation and Affiliates	PathStone Opportunities for Seniors	Other Affiliates	Total PathStone & Affiliates
Support and Revenue:							
Program-Related Revenue	\$ 1,170,673	\$ 2,585,606	\$ 1,011,560	\$ 1,535,143	\$ 6,323,172	\$ 9,957,995	\$ 50,910,595
Gain/(Loss) on Sale/Disposition	-	-	-	(27,346)	-	-	(27,346)
Contributions	-	-	329,287	-	-	93,732	633,119
In-Kind Contributions	-	-	-	-	880,292	65,478	1,171,763
Other Income	345,526	470,567	462,490	234,900	120	722,356	2,861,139
Total Support, Revenue, Gains and (Losses)	1,516,199	3,056,173	1,803,337	1,742,697	7,203,584	10,839,561	55,549,270
Expenses:							
Salaries and Wages	269,066	109,977	600,885	274,764	435,753	1,929,718	16,724,453
Fringe Benefits	-	-	(70,767)	-	533,512	1,089	8,624,984
Travel and Transportation	33,418	7,155	8,147	21,329	78,190	67,593	983,309
Occupancy	20,068	-	214,769	850,667	128,172	175,774	4,346,611
Supplies	9,332	624	3,658	43,533	27,792	101,733	958,723
Equipment	4,778	1,479	4,845	-	13,196	35,377	315,514
Telephone	6,277	5,515	15,794	13,572	42,926	53,985	528,636
Insurance	2,709	(19,462)	9,323	68,095	-	55,446	360,805
Meeting Costs	5,341	273	-	-	3,227	13,764	182,287
Professional Services	84,992	37,629	49,904	76,943	4,408	427,382	1,387,517
Postage and Printing	2,878	303	14,855	-	4,795	37,692	235,266
Staff Development	36,157	7,095	16,711	3,257	(4,454)	63,230	505,103
Trustee Fees	-	-	-	-	-	1,394	1,394
Homebuyer Subsidies	-	-	-	-	-	112,645	112,645
Training	-	-	-	-	906,201	6,348	2,091,359
Bad Debt Expense	72,262	14	14,060	171,666	-	29,461	287,463
Property Taxes	-	89,830	3,775	129,792	-	47,147	283,653
Interest Expense	200,920	135,676	1,498	91,827	-	254,938	695,539
Other	5,820	387,869	13,161	22,848	(15,779)	36,512	552,364
Depreciation and Amortization	2,500	811,095	66,025	554,578	-	415,287	2,041,954
Client Assistance Costs	-	-	227,089	-	4,716,771	459,905	7,201,871
Delegate Agencies	-	-	-	-	-	-	35,549
Property Management	-	434,630	639	173,746	-	645,495	1,529,630
Subtotal	756,518	2,009,702	1,194,371	2,496,617	6,874,710	4,971,915	49,986,629
Allocated Indirect Costs	74,577	-	121,130	49,177	120,044	626,358	191,331
Allocated Fringe Benefits	92,720	32,617	205,867	84,341	144,980	435,166	(189,632)
Allocated Leave Expenses	40,252	9,108	70,767	36,626	64,997	103,391	(325,882)
Total Expenses	964,067	2,051,427	1,592,135	2,666,761	7,204,731	6,136,830	49,662,446
Change in Net Assets	552,132	1,004,746	211,202	(924,064)	(1,147)	4,702,731	5,886,824
Transfers	(25,798)	(929,238)	-	-	-	111,076	(142,000)
Total Changes in Net Assets	\$ 526,334	\$ 75,508	\$ 211,202	\$ (924,064)	\$ (1,147)	\$ 4,813,807	\$ 5,744,824

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE CORPORATION AND AFFILIATES
COMBINED STATEMENTS OF CASH FLOWS
(Excluding Limited Partnerships)
For the Year Ended September 30, 2014

Net Cash From Operating Activities

Change in Net Assets	\$ 5,886,823
Noncash Expenses, Revenues, Losses and Gains:	
Depreciation and Amortization	2,041,954
Loss on Sale/Disposal of Land, Buildings and Equipment	27,346
Predevelopment Write-Offs	24,855
Realized and Unrealized Gain on Investments	(273,046)
Net Transfers of Fixed Assets from/to New Subsidiaries/Affiliates	(1,216,375)
Transfer of Net Assets from New Subsidiaries/Affiliates	(2,387,352)
Assumption of Related Party Debt	1,620,367
Forgiveness of Debt	(40,760)
(Increase)/Decrease In:	
Receivables	(11,405,479)
Other Assets	(169,962)
(Decrease)/Increase In:	
Accounts Payable and Accrued Expenses	3,161,508
Deferred Revenue	(235,528)
Net Cash Flow Used by Operations	<u>(2,965,649)</u>

Cash Flows From Investing Activities

Purchase of Land, Buildings and Equipment	(5,818,263)
Increase in Restricted Deposits and Funded Reserves	(273,139)
Decrease in Loan Funds	1,316,221
Sales of Investments - Endowment Fund	85,000
Purchases of Investments - Endowment Fund	(78,172)
Decrease in Investment in Partnerships	142,580
Net Cash Flow Used by Investing Activities	<u>(4,625,773)</u>

Cash Flows From Financing Activities

Capital Contributions from Limited Partner	79,894
Payments on Debt	(2,187,904)
Proceeds From Borrowings	9,910,326
Net Cash Flow Provided by Financing Activities	<u>7,802,316</u>

Net Increase In Cash and Cash Equivalents	210,894
Cash and Cash Equivalents - Beginning of Year	<u>13,652,532</u>
Cash and Cash Equivalents - End of Year	<u>\$ 13,863,426</u>

Supplemental Disclosures of Cash Flow Information

Cash Paid during the Year for:	
Interest	<u>\$ 614,345</u>

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

PathStone Corporation (PathStone) and Affiliates (the Organization) creates and provides opportunities for farmworkers and other disenfranchised people to confront and overcome barriers that systematically prevent them from gaining access to economic, educational, social and political resources.

The Organization provides adult training and employment programs; child development programs; health and safety programs; housing development; housing services; emergency and supportive services; youth and adult education; economic development programs; and advocacy and public policy initiatives.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

In accordance with accounting principles generally accepted in the United States of America, PathStone Corporation and Affiliates reports information regarding its financial position and activities according to the existence and nature of donor restrictions in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

PathStone Corporation and Affiliates also records contributions received as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and nature of any donor restrictions.

Accounting principles generally accepted in the United States of America allow the Organization to treat as unrestricted, any restricted revenue where the restrictions are met in the same year. The Organization has elected to follow that reporting method. As a result, all activities in which restrictions are met are recorded in the Unrestricted Net Asset class.

The following are descriptions of the Organization's net asset classifications:

Unrestricted Net Assets:

Includes undesignated resources that are available for the general support of the Organization's operations and designated funds committed to long-term use by board resolution. Board designated funds may include unrestricted bequests or planned gifts received by the Organization, surplus funds available at year-end (that are not needed for operating reserves), or funds resulting from the sale of an asset. Since donors did not restrict these amounts, the board can remove its self-imposed designation. These are detailed in Note 16.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Temporarily Restricted Net Assets: Temporarily restricted net assets include resources from contributions where use by the Organization is subject to donors' restrictions that expire with the passage of time or by actions of the Organization.

When donor restrictions from prior years expire, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Temporarily restricted net assets, all of which were associated with Sojourner, consisted of the following at September 30, 2014:

Unappropriated Endowment Earnings	\$ 397,084
Foreclosure Prevention (United Way)	85,154
Time Restrictions (pledges)	50,000
Dream Seeds	29,804
Other Programs	16,072
Supportive Housing	12,000
Summer Camp	<u>1,977</u>
Totals	<u>\$ 592,091</u>

Permanently Restricted Net Assets: Permanently restricted net assets include resources from contributions where donors have imposed restrictions which do not expire with the passage of time and are not removed by actions of the Organization.

Permanently restricted net assets also result from Neighborworks America Capital Grants (See Note 17).

Funding for low-income housing projects is recognized as revenue at the time of construction.

Contributions

Contributions are recorded at the time of receipt or when evidence of a non-conditional promise to give has been received. Promises subject to conditions are not recorded as income until those conditions have been met. Contributions that are expected to be received in future years are recorded at their present value. Contributions are recorded as unrestricted unless they are subject to donor restrictions or are required to be used or expected to be received in future years.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Expenses

The costs of providing the various program services have been summarized on a functional basis in the statement of functional revenue and expenses. Accordingly, certain costs have been allocated among the programs, management and general, and fundraising categories.

In-Kind Contributions

In-kind contributions include donated services, donated use of facilities, donated equipment and other donated items.

These contributed items are recorded as contributions at fair market value at the time of donation. Equipment is capitalized and depreciated over its useful life. Other donated specialized skills services, items and facilities are recorded as expenses when incurred. No amounts have been reflected in the accompanying statements for donated (volunteer) services that did not create or enhance the assets of the Organization nor require specialized skills.

Principles of Combination

The combined financial statements include the following:

- The financial statements of PathStone Corporation (PathStone), a not-for-profit corporation.
- The financial statements of the not-for-profit corporation, PathStone Enterprise Center, Inc. (PECI).
- The consolidated financial statements of PathStone Housing Action Corporation (PHAC), a not-for-profit corporation, and its wholly owned for-profit subsidiaries, RHAC Development Corporation, Stanton Meadows Corporation, Thompson Building Associates, L.P., Lehigh Managing Member, LLC., Sisson Reserve MM, LLC, Jamestown Managing Member, LLC. and Sisson Reserve II MM, LLC.
- The combined and consolidated financial statements of Sojourner House at PathStone, Inc., a not-for-profit corporation, and its affiliate Sojourner Development Corporation; and its wholly owned for-profit subsidiary, Monica Homes, LTD.
- The combined and consolidated financial statements of PathStone Development Corporation (PDC), a not-for-profit corporation, and its affiliates Housing Opportunities Housing Development Fund Corporation (including Marketview Housing Limited Partnership, Marketview Phase II, L.P., Niagara Place, L.P., Central Place, L.P., Westminster Place, L.P. and Woodward, L.P.), Alloway Housing Development Fund Corporation, Towpath Housing Development Fund Corporation, Pinnacle Housing Development Fund Corporation, Long Pond Housing Development Fund Corporation, Stone Quarry Housing Development Fund Corporation; and its wholly owned for-profit subsidiaries, Marketview Housing, Inc., Slater Neighborhood, Inc., PathStone Breckenridge, Inc., PDC Towpath Corporation, Pinnacle Managing Member, LLC and PathStone Stone Quarry Housing, Inc.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Principles of Combination (Continued)

- The consolidated financial statements of PathStone Housing Corporation of Pennsylvania (PHC of PA), a not-for-profit corporation, and its wholly owned for-profit subsidiary, PHEDCo Investments, Inc., the financial statements of the not-for-profit corporations PathStone Housing Action Corporation of New Jersey, Monroe Special Housing Corporation, PathStone Farmworker Housing Corporation, PathStone Farmworker Housing Corporation of PA (Jonathan Court), Rural Housing Opportunities Corporation (RHOC) (includes subsidiaries - RHOC Crossman, Inc., Rural Housing Opportunities Development Corp. (RHODC), West Broadway Villas, LLC, Sandy Creek Associates, L.P. and Heritage Meadows Partners, L.P.), Beechwood Managing Member, LLC (sole member is RHODC), Heritage Meadows Development Fund Corporation (Heritage), Highland Meadows Housing Development Fund Corp., PathStone Development Corporation of Ohio (PDC of OH) (PDC of OH includes two for-profit subsidiaries, Salem Senior Housing Corporation and Alliance Homes II Corporation that had no independent activities; and Olde Theatre Apartments, L.P.), PathStone Community Improvement of Newburgh, Inc., Parque Platino, Inc., PathStone Community Development Corporation of Puerto Rico, PathStone Opportunities, Inc., HOPN Housing Development Fund Corporation, PathStone Management Corporation, Andrews Terrace Housing Development Fund Corp., PathStone Opportunities for Seniors Corporation, PathStone Foundation, PathStone Alliance for Better Housing (PA) (and its two for-profit subsidiaries, PathStone Whitehall Acres, LLC and PathStone Alliance for Better Housing Development, LLC) and Olde West End Place Corporation.
- Limited partnership financial statements, including Ada Ridge Partners, L.P., Alliance Homes II, LLC, Andrews Terrace, LLC, Brower Road, LLC, Clarkson-Seldon Square Partners, L.P., Gettysburg Scattered Sites Associates L.P., Highland Meadows Partners, LLC, Lander Street Partners, L.P., Lander Street Partners II, L.P., Lander Partners III, LLC, New Home Alliance, L.P., Salem Senior Housing, LLC, Seldon Square II, LLC, Briarwood Place, L.P., Anthony Square, L.P., April Meadows, L.P., Ontario Place, L.P., Elmgrove Place, L.P., Creekside Clearing, L.P., Clayton Heights, L.P., Rexford Place, L.P., Susan B. Anthony, L.P., Canal Place, L.P., Elliott's Landing, L.P., Hale Court, L.P., MJ Estates, L.P., MJ Estates II, LLC, Ada Ridge Partners II, LLC, Albion Senior Living, LLC, Canal View Senior Housing, LLC, Alturas de Castaner, L.P., Monica Homes, LLC, Stonewood Village, LLC, Beechwood Apartments, LLC, Pinnacle Apartments, LLC, San German Managing Member, LLC, Bradmar Village, LLC, Sisson Reserve, LLC, Sisson Reserve II, LLC and Portal De San German, LLC..

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Principles of Combination (Continued)

The aforementioned entities are combined in these financial statements as they operate under common management and control. All significant inter-company transactions have been eliminated. The following affiliates did not have any financial activity or assets during the year and therefore are not included in these financial statements: PathStone Housing Corporation of Indiana, PathStone Housing Corporation of New Jersey, Stanton Meadows Housing Development Fund Corp., Ada Ridge Housing Development Fund Corp., Seldon Square II Housing Development Fund Corp., Brower Road Housing Development Corp., Canal View Housing Development Fund Corp., PathStone Opportunities of Ohio, Inc., Lyons Montezuma Apartments, Inc., Albion Senior Living Housing Development Fund Corp., Landers III Housing Development Fund Corp., Henrietta Housing Development Fund Corp., Beechwood Housing Development Fund Corp., Bradmar Housing Development Fund Corp., West Broadway Villas Housing Development Fund Corp., and Sisson Reserve Housing Development Fund Corp.

Use of Estimates in the Preparation of Financial Statements

Accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the amounts of revenues and expense. Actual results could vary from those estimates.

Land, Buildings and Equipment

Land, buildings, and equipment are recorded at cost when purchased or at their fair market value when donated. These items are depreciated on a straight-line basis over their estimated useful lives. The Organization capitalizes property and equipment with a cost of over \$5,000 and an estimated life of 3 years or more.

Revenue Recognition

Deferred revenue represents advances received from various funding sources for which qualifying expenses have not yet been incurred. Advances received from funding sources for construction projects are deferred until the project is completed since title to the properties transfers at that time.

Funding sources may, at their discretion, amend the grant and contract amounts. In addition, reimbursement for expenses or return of funds, or both, may be requested as a result of noncompliance by the Organization with the terms of the grants and contracts. The Organization records such amendments, reimbursements, and returns of funds as an adjustment to revenue in the year of the amendment.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loan Origination Costs

Loan origination costs are capitalized and amortized on a straight-line basis over the terms of the related loans.

Restricted Deposits and Funded Reserves

Restricted deposits and funded reserves are invested in cash and money market funds. They are stated at cost which approximates market value.

Reporting of Restricted Revenue

Program-related revenue consists primarily of federal and other governmental grant monies which are restricted in accordance with the terms of the grant contracts. Program service expenses are expenditures incurred relating to the specific programs.

Income Taxes

The not-for-profit corporations included in these financial statements have been ruled as tax-exempt under Internal Revenue Code Section 501(c)(3) by the Internal Revenue Service and it has also been determined that they are publicly supported. The for-profit C-Corporations included in these financial statements are subject to federal and state income taxes. No income tax expense or benefit has been included in these financial statements for the limited partnerships since taxable income and losses pass through to, and are reportable by, the partners.

Accounting standards require entities to disclose in their financial statements the nature of any uncertainties in their tax position. Tax years including 2011 and later are subject to examination by tax authorities. Areas that IRS and state tax authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. Areas with respect to pass-through entities' and other business income tax returns include, but may not be limited to, the deductibility of expenses, classification of income, status as a pass-through entity or C-corporation, Nexus with other states, and entity liability for owner income taxes. The Organization does not believe that it has any uncertain tax positions with respect to these or other matters, and has not recorded any unrecognized tax benefits or liability for penalties or interest.

The Organization is not aware of any circumstances or events that make it reasonably possible that tax benefits may increase or decrease within 12 months of the date of these financial statements.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents are made up of checking, savings and money market accounts held at various depository institutions, excluding those subject to reserve and other requirements. These accounts, at times, may exceed federally insured limits. The Organization has not experienced any losses in these accounts and does not believe it is exposed to any significant credit risk with respect to cash and cash equivalents.

Determining Fair Value of Financial Assets and Liabilities

As defined in the accounting standards, 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. This applies to all assets and liabilities that are being measured and reported on the fair value basis. Accounting standards require disclosures that establish a framework for measuring fair value and expand disclosure about fair value measurements. This statement enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1: Quoted market prices and active markets for identical assets or liabilities.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect. Amounts that management believes to be uncollectible, after collection efforts have been completed, are written off. In addition, management evaluates the need for an allowance to reduce receivables to amounts management expects will be collected. Management determined that no allowances were necessary at year-end for grant receivables, management fees receivable and other receivables. For information regarding financing loans see Note 3.

Notes 2 - 17 and the following schedules, exclude the limited partnerships whose footnote disclosures accompany their individual financial statements.

NOTE 2 - OTHER ASSETS

Other assets consist of the following:

- Loan origination costs, net of accumulated amortization at September 30, 2014,
- Purchase options,
- Prepaid expenses, and
- Security deposits.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 3 - RECEIVABLES

Current and long-term receivables consisted of the following at September 30, 2014:

Other Notes Receivable	\$ 5,486,936 *
Grants Receivable	4,921,867
Other Accounts Receivable	285,000 **
Rents Receivable	<u>101,743</u>
 Total	 <u>\$ 10,795,546</u>

* - Includes loan fund receivables, pilot loans, permanent loans to the L.P.s and intercompany loans.

** - Includes interest receivable from partnerships.

Loan Funds Receivable included in "Other Notes Receivable" are amounts receivable from borrowers who qualified for and received loans under various programs. The total receivables by funding source are as follows:

Other Loan Funds	\$ 4,429,568
Predevelopment	289,911
S. B. A. Micro Loan Program	356,248
USDA - IRP	<u>198,428</u>
 Total	 <u>\$ 5,274,155</u>

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 3 - RECEIVABLES (Continued)

The investment in financing receivables and allowance for credit losses for the year ended September 30, 2014 include the following:

	<u>Small Business</u>	<u>First Time Homeowner</u>	<u>Development Activities</u>	<u>Totals</u>
<u>Balances at September 30:</u>				
Current Loans	\$ 4,242,297	\$ 842,248	\$ 243,060	\$ 5,327,605
Allowance for				
Uncollectible Loans	48,211	4,024	1,215	53,450
Past Due Loans	35,193	580	-	35,773
<u>Aging of Past-Due Loans</u>				
15-30 days	9,444	328	-	9,772
31-60 days	8,758	84	-	8,842
61-90 days	2,896	84	-	2,980
Over 90 days	<u>14,095</u>	<u>84</u>	<u>-</u>	<u>14,179</u>
 Total	 <u>\$ 35,193</u>	 <u>\$ 580</u>	 <u>\$ -</u>	 <u>\$ 35,773</u>
<u>Allowance for Credit Losses</u>				
Beginning Balance	\$ 24,784	\$ 8,474	\$ (10,045)	\$ 23,213
Provisions	63,958	6,044	11,260	81,262
Charge-offs	<u>(40,531)</u>	<u>(10,494)</u>	<u>-</u>	<u>(51,025)</u>
Ending Balance	<u>48,211</u>	<u>4,024</u>	<u>1,215</u>	<u>53,450</u>
 Loan Loss Cash Reserves	 <u>\$ 735,064</u>	 <u>\$ 61,885</u>	 <u>\$ 18,447</u>	 <u>\$ 815,396</u>

The Organization's Board of Directors reviews its entire loan portfolio performance at quarterly meetings. The Organization specializes in lending to small business start-ups and first time homebuyers. Because the Organization specializes in lending to start-up businesses and first time homebuyers, it considers only those loans in excess of 90 days past due for write off. Past due loans of less than 90 days are intensively serviced by loan officers and loan servicing staff, to assist the borrower to become current in their loans. Without considering subsequent recoveries of collateral, the average loan failure rate over the last nine years has been approximately 1.3%. Currently, the percentage of past due loans over 90 days is 0.27% or \$14,179. The Organization uses .5% of the total outstanding loan balance as its standard annual allowance for uncollectable loans. The balance in the allowance for uncollectable loans at September 30, 2014 was \$53,450. As an additional protection against unanticipated loan losses, the Organization maintains actual segregated loan loss cash reserves at a target of 7.5% of its outstanding loan balances.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 3 - RECEIVABLES (Continued)

At September 30, 2014 the loan loss cash reserves totaled \$815,396 or 15.3% of the outstanding loans. These funds are utilized periodically to replace actual loan losses and replenish lending capital.

The Organization's loans to first time homebuyers are generally given as secured second mortgages in conjunction with another lender. The loans are secured by liens on the acquired real estate. The average loan size is approximately \$12,500. Small business loans are generally given for start-up or expansion purposes and personal guarantees and liens on other assets are typically required. The average size business loan is approximately \$75,000. Development loans are typically short-term secured loans to real estate development businesses for acquisition or bridge loans to permanent financing.

NOTE 4 - LAND, BUILDINGS, EQUIPMENT, DEPRECIATION AND AMORTIZATION

Land, buildings and equipment consisted of the following at September 30, 2014:

	<u>Amount</u>
Land	\$ 1,827,943
Buildings and Improvements	46,942,420
Equipment	1,509,568
Construction-in-Progress	6,952,951
Predevelopment Projects	1,906,495
Deposits and Purchase Options	<u>165,955</u>
	59,305,332
Less: Accumulated Depreciation and Amortization	<u>(23,032,220)</u>
Net Fixed Assets	<u>\$ 36,273,112</u>

Depreciation and amortization expense for the year ended September 30, 2014 amounted to \$2,041,954.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 5 - OPERATING LEASES

PathStone leases office space under several operating leases. Future rental payments for such operating leases for the next five years are expected to be as follows:

<u>Year</u>	<u>Amount</u>
2015	\$ 1,579,058
2016	1,438,329
2017	1,228,919
2018	388,825
2019	<u>336,322</u>
Total	<u>\$ 4,971,453</u>

Leases for PathStone's offices in New York and Pennsylvania require additional rental payments contingent upon increases in the landlords' operating costs.

Facilities rental expense amounted to \$2,040,295, net of eliminations for inter-company leases, for the year ended September 30, 2014.

NOTE 6 - COMMITMENTS

PHAC, RHAC Development Corporation, PHC of PA, PDC of OH and Stanton Meadows Corporation are general partners in various affordable housing rehabilitation partnerships. As general partners, these entities have guaranteed potential operating and development deficits and mortgage notes payable to various lending institutions. No liability has been recorded relative to these guarantees.

NOTE 7 - RETIREMENT PLAN

The Organization maintains a profit-sharing plan for all employees. Employees 21 years of age or older, with one year of service and 1,000 hours of work in any one year are eligible to participate in the plan. The plan also permits employee salary deferrals including Roth 401(k) deferrals, employee rollover contributions and employer profit sharing contributions. Employees are eligible for salary deferrals from their hire date. Profit-sharing contributions by the Organization for its employees are fully vested after 3 years of service and are at the discretion of the Organization's Board of Directors. Retirement plan expense was \$887,264 for the September 30, 2014 year.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 8 - CONTINGENCIES

Indirect Cost Rate

The Organization receives federal and certain other funding based on direct and indirect costs incurred. Indirect costs are based upon a federally-approved formula that is recalculated each year based on projected indirect costs and a projected direct salary and fringe benefit cost base. After each year end, the cognizant federal agency approves the indirect cost rate that was used, or a revised rate based on actual costs. The indirect cost rate is applied to all applicable programs based on direct labor and fringe benefit expenses.

Homeless Housing Assistance Program Grants

PathStone Housing Action Corporation receives grants for housing projects for the homeless, funded by the New York State Department of Social Services (NYSDSS), through the Homeless Housing Assistance Program (HHAP). All projects have been completed.

Under the terms of the contracts with NYSDSS, the projects shall be maintained by PHAC as homeless housing projects and PHAC is restricted from transferring title to, or otherwise assigning or disposing of, the projects before a minimum of ten years occupancy and operation as homeless housing projects without the prior written consent of the NYSDSS. In the event PHAC does not comply with the terms of the agreement, NYSDSS shall have all rights to terminate the agreement and to require repayment of any grants.

Capital Advances

Monroe Special Housing was awarded a capital advance from HUD in a prior year, to assist in the construction of residential rental property. The total amount of this advance was \$1,366,000. This advance does not require repayment as long as the housing remains available for at least 40 years to very low income elderly persons or persons with disabilities. This capital advance is also subject to other HUD regulations. No liability has been recorded related to this amount because the Organization expects to comply with requirements.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 8 - CONTINGENCIES (Continued)

Forgiveness of Debt

PathStone Development Corporation has numerous agreements with governmental entities to maintain revitalized property for the benefit of low-income individuals. PathStone Development Corporation has several debt agreements that contain provisions for the forgiveness of debt over specific terms, as long as PathStone Development Corporation complies with the provisions of the various agreements. It is PathStone Development Corporation's policy to recognize income over the term of forgiveness. PathStone Development Corporation is contingently liable for certain amounts recognized as income to date. If a lending agency determines that any of the agreements had not been complied with, PathStone Development Corporation could become liable for some or all of the amounts below as of September 30, 2014.

<u>Project</u>	
Canal Place, L.P.	\$ 513,337
Susan B. Anthony, L.P.	150,696
MJ Estates, L.P.	40,840
Elliott's Landing	<u>22,168</u>
	<u>\$ 727,041</u>

NOTE 9 - LINES OF CREDIT

Working Capital

PathStone has a \$500,000 line of credit from a bank for working capital requirements. Borrowings under this agreement bear an interest rate equal to the bank's floating rate. The note is secured by a security interest and a lien upon all moneys, deposit balances, securities or property PathStone has within the possession or control of the lender. There was a balance of \$325,000 at September 30, 2014.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 9 - LINES OF CREDIT (Continued)

PathStone Development Corporation has a line of credit with approval for borrowings up to \$250,000. Advances under this agreement are subject to interest of 0.25% over the current bank prime rate. A balance of zero must be maintained for 30 consecutive days each year. The line of credit is secured by assignment of savings and direct deposit accounts. Covenants include providing the bank within 120 days of the fiscal year end with consolidated annual financial statements, an annual budget and schedules of debt and debt service. There was no amount outstanding at September 30, 2014.

Sojourner has a line of credit with approval for borrowings up to \$100,000. Advances under this agreement bear an interest rate of prime plus 3/4%. A balance of zero must be maintained for 30 consecutive days each year. The line of credit is secured by all business assets. There was no amount outstanding at September 30, 2014.

NOTE 10 - SOURCES OF REVENUE

PathStone received revenue from a variety of sources for the year ended September 30, 2014. Details of accrued revenue are shown on pages 40-41. In accordance with the Pennsylvania DCED, cash basis revenues for the Pennsylvania state programs are shown on pages 42-44.

NOTE 11 - FUNDED EQUIPMENT PURCHASES AND NET ASSET ADJUSTMENT

Certain not-for-profit program revenue includes amounts designated for purchase of equipment. Consistent with contract terms, those equipment purchases have been treated as current period expenditures for grant reimbursement purposes. In accordance with accounting principles generally accepted in the United States of America, these items have been capitalized as fixed assets and depreciated over their useful life.

NOTE 12 - NOTES PAYABLE

Notes payable at September 30, 2014 are detailed on pages 34-39. These schedules include all notes and loans, including related party loans and notes eliminated on the combined balance sheet.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 13 - RELATED PARTIES

The Organization serves as general partner for, and holds minority interests in, several affordable housing limited partnerships. In addition, the Organization manages several of these properties and is responsible for compliance with funder requirements.

The Organization has financial responsibility for construction performance, and for operating deficits for certain of these projects. The Organization has been required to advance monies to cover operating deficits for some of the projects. These advances are treated as loans to, or investments in, the projects.

The investments in projects and amounts advanced to cover operating deficits are long-term illiquid investments carried at cost. These investments will generally be held for 15 years or more from the start of each project. After that time, the Organization may: 1) be required to continue to invest to operate these projects, or 2) refurbish, and/or refinance projects, which could require continued investment.

The assets and activities of these limited partnerships are included in the financial statements of the Organization on pages 3-5. The outside interests held by the unrelated parties are included in the financial statements on page 4. These entities are audited each year for compliance with loan covenants, tenant eligibility, other requirements of lenders and general governmental compliance.

Total receivables from related parties were \$49,770,245 at September 30, 2014.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 14 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 30, 2015, which is the date the statements were available for issuance.

NOTE 15 - DONATED SERVICES

The Organization receives donated services that, although substantial, do not meet the criteria for recording as revenue and expense under accounting principles generally accepted in the United States of America. During 2013-2014, approximately 37 active volunteers provided 4,716 hours of service.

NOTE 16 - DONOR-DESIGNATED ENDOWMENTS

The Organization's endowments include both donor restricted funds and funds designated by the board of directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence and nature of donor-imposed restrictions or board designations.

Interpretation of Relevant Law

The Organization has interpreted the New York Prudent Management of Institutional Funds Act (NYPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets, the original value of gifts donated to the permanent endowment, the original value of subsequent gifts to the permanent endowment, and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, (7) where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Organization, and (8) the Organization's investment policies.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 16 - DONOR-DESIGNATED ENDOWMENTS (Continued)

Funds with Deficiencies

From time to time the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported in unrestricted net assets. There were no such deficiencies at September 30, 2014.

Investment Return Objectives, Risk Parameters and Strategies

The Organization has adopted investment policies for endowment assets that attempt to provide an optimum stream of funding for programs supported by these investments while seeking to maintain the historical value of those assets. These policies are applied to donor-restricted amounts. In developing investment and spending policies, the Organization considered the permanent nature of these funds, the possible effects of inflation and deflation, and the expected total return from income and appreciation.

The policy approved by the Board of Trustees of Sojourner House at PathStone, Inc. permits investments in the more common asset classes, including, but not limited to: common stocks, government and corporate bonds, preferred stocks, convertible securities, and money market funds. Securities may be owned directly or through mutual funds, and various market indices may be acquired. There are constraints on the size of individual holdings to insure appropriate diversification. While the policy allows for the equity component of the portfolio to reach as high as 85% or the fixed income component as high as 80%, the targeted asset allocation for the overall fund is to hold 60% in equities and 40% in fixed income and alternative investments.

To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

Spending Policy

The Organization has a policy of appropriating for distribution each year, 5% of the endowment fund's average market value for the preceding 5 calendar years as determined on December 31st of each year. For this purpose, the permanently restricted and quasi-endowment fund balances are combined. In establishing this policy, the Organization considered the long-term expected real return of 6% for the portfolio, which would allow the Organization to meet its 5% annual spending goal and allow for the objective of maintaining historical value due to a higher expected nominal average return on the portfolio commensurate with inflation over time. This is consistent with the Organization's objectives to maintain the historical value of the endowment assets as well as to provide additional real growth through new gifts and investment return.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 16 - DONOR-DESIGNATED ENDOWMENTS (Continued)

Endowment net asset composition by type of fund as of September 30, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor Restricted				
Endowment Fund	\$ -	\$ 397,084	\$ 1,538,481	\$ 1,935,565
Board-Designated				
Endowment Fund	<u>208,843</u>	<u>-</u>	<u>-</u>	<u>208,843</u>
Total Endowment				
Net Assets	<u>\$ 208,843</u>	<u>\$ 397,084</u>	<u>\$ 1,538,481</u>	<u>\$ 2,144,408</u>

Endowment Net Asset Composition and Changes:

	<u>Unrestricted Quasi Endowment</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted Endowment</u>	<u>Total</u>
Endowment Net Assets				
- Beginning of Year	\$ 145,303	\$ 202,406	\$ 1,530,481	\$ 1,878,190
Investment income	12,991	57,181	-	70,172
Net Appreciation	50,549	222,497	-	273,046
Contributions	-	-	8,000	8,000
Amounts Appropriated for Expenditure	<u>-</u>	<u>(85,000)</u>	<u>-</u>	<u>(85,000)</u>
Endowment Net Assets				
- End of Year	208,843	397,084	1,538,481	2,144,408
Pldges Receivable for Endowment	<u>-</u>	<u>-</u>	<u>29,100</u>	<u>29,100</u>
	<u>\$ 208,843</u>	<u>\$ 397,084</u>	<u>\$ 1,567,581</u>	<u>\$ 2,173,508</u>

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 17 - NEIGHBORWORKS AMERICA CAPITAL AND EXPENDABLE FUNDS

PathStone Corporation receives funds provided by Neighborworks America for making loans and for acquisition of capital projects. A summary of assets, liabilities, net assets and operations for the September 30, 2014 fiscal year follows:

	<u>Capital Funds</u>	<u>Expendable Grants</u>	<u>Total</u>
ASSETS			
<u>Assets</u>			
Cash and Cash Equivalents	\$ 473,014	\$ 113,204	\$ 586,218
Loan Receivable	8,814,417	67,584	8,882,001
Investment in Subsidiary	1,204,951	-	1,204,951
Land, Building and Equipment, Net	<u>380,043</u>	<u>51</u>	<u>380,094</u>
Total Assets	<u>10,872,425</u>	<u>180,839</u>	<u>11,053,264</u>
LIABILITIES AND NET ASSETS			
<u>Liabilities</u>			
Accounts Payable and Accrued Expenses	2,000	4,964	6,964
Notes Payable	26,453	-	26,453
Deferred Revenue	<u>-</u>	<u>173,014</u>	<u>173,014</u>
Total Liabilities	28,453	177,978	206,431
<u>Net Assets</u>			
Unrestricted	-	2,861	2,861
Permanently Restricted - Capital Grants	<u>10,843,972</u>	<u>-</u>	<u>10,843,972</u>
Total Liabilities and Net Assets	<u>\$ 10,872,425</u>	<u>\$ 180,839</u>	<u>\$ 11,053,264</u>
<u>Net Asset Reconciliation - Capital Grants</u>			
Net Assets per Neighborworks America			\$ 9,399,263
Cumulative Net Income From Loan Fund Operations			<u>1,444,709</u>
Net Assets per PathStone			<u>\$ 10,843,972</u>

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 17 - NEIGHBORWORKS AMERICA CAPITAL AND EXPENDABLE FUNDS (Continued)

NeighborWorks America provided capital grants during the year for making affordable loans and investing in capital projects. This amount is permanently restricted, although proceeds on capital projects, or interest earned, over and above the corpus may be transferred to unrestricted net assets for furthering the Organization's mission. However, should the Organization become defunct, all remaining grant funds, interest earnings, capital project proceeds, and the loan and capital projects portfolios representing these funds will revert to NeighborWorks America.

	<u>Capital Funds</u>	<u>Expendable Grants</u>	<u>Total</u>
<u>Support and Revenue</u>			
Grant and Contract Revenue	\$ 500,000	\$ 290,031	\$ 790,031
Other Income	<u>120,264</u>	<u>77,069</u>	<u>197,333</u>
Total Support and Revenue	<u>620,264</u>	<u>367,100</u>	<u>987,364</u>
<u>Expenses</u>			
Salaries and Related Costs	-	236,532	236,532
Staff Travel	-	20,404	20,404
Occupancy	-	26,283	26,283
Supplies	-	7,313	7,313
Equipment	-	7,297	7,297
Telephone	-	7,563	7,563
Meeting Costs	-	1,346	1,346
Professional Services	-	10,383	10,383
Postage and Printing	-	6,367	6,367
Property Management	-	43,033	43,033
Other Expense	<u>-</u>	<u>579</u>	<u>579</u>
Total Expense	<u>-</u>	<u>367,100</u>	<u>367,100</u>
Excess of Support and Revenue			
Over Expenses	620,264	-	620,264
Net Assets - Beginning of Year	10,338,966	2,861	10,341,827
Prior Year Adjustments	<u>(115,258)</u>	<u>-</u>	<u>(115,258)</u>
Net Assets - End of Year	<u>\$ 10,843,972</u>	<u>\$ 2,861</u>	<u>\$ 10,846,833</u>

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS - SCHEDULE OF LONG-TERM DEBT
September 30, 2014

Payable To	Collateral	Date of Loan	Due Date	Interest Rate	Payment Terms	Original Loan	TO BE PAID		TO BE FORGIVEN	
							Current Portion	Long-Term Portion	Current Portion	Long-Term Portion
Pennsylvania Housing Finance Agency	Related Assets	04/24/94	08/31/19	7.35%	\$484/Month	\$	19,662	\$	16,020	\$
Pennsylvania Housing Finance Agency	Related Assets	04/24/94	08/31/19	0.00%	From Excess	313,483	-	-	300,514	-
First Niagara Bank	Related Assets	10/25/02	11/01/22	7.25%	\$443/Month	65,000	53,647	1,464	52,183	-
Marlin Luther King Jr. Fund	Adm. Refg.	05/14/04	extended	2.00%	On Maturity	12,000	12,000	-	-	12,000
Crossroads Apartment Associates, L.P.	None noted	04/19/07	04/19/23	3.00%	On Maturity	3,940,739	332,066	-	332,066	-
Ohio Housing Finance Agency	Related Assets	05/11/05	05/11/25	2.00%	On Maturity	450,000	450,000	-	450,000	-
Key Community Development	Related Assets	12/19/05	9/18/2008 *	Prime less 2.5%	Interest only until Maturity	as Debursed	9,104	-	9,104	-
Farmers Home Administration	Harvest Court Project	04/21/93	04/21/26	1.00%	\$599/Month	197,309	78,629	6,418	72,211	-
U.S. Department of Agriculture	Harvest Park Project	05/16/06	05/16/39	1.00%	\$609/Month	as Debursed	159,761	5,739	154,022	-
U.S. Department of Agriculture	Jonathan Court Project	05/06/05	05/06/38	1.00%	On Maturity	125,000	125,000	-	125,000	-
Federal Home Loan Bank	Jonathan Court Project	05/06/05	05/06/20	0.00%	On Maturity	65,000	65,000	-	65,000	-
Chase	Various Assets	Various	Various - LOC	Prime less 2.5%	Interest only until Maturity	as Debursed	325,000	-	325,000	-
Enterprise	None noted	Various	Based on project	0.00%	Only if project goes forward	22,000	-	-	19,144	-
Ohio Housing Finance Agency	Related Assets	09/06/06	12/31/07	2.00%	On Maturity	550,000	550,000	-	550,000	-
New York State Homesless Housing and Assistance Corp	Related Assets	05/02/13	05/02/39	0.00%	On Maturity	1,001,780	842,675	-	-	842,675
New York State Homesless Housing and Assistance Corp	Related Assets	10/20/97	08/30/27	1.00%	On Maturity	695,170	695,170	-	-	695,170
Enterprise	Related Assets	08/12/14	08/13/16	3.00%	On Maturity	316,750	316,717	-	316,717	-
Enterprise	Related Assets	08/12/14	08/13/16	3.00%	On Maturity	183,250	112,260	-	112,260	-
Bank of America	Unsecured	08/21/07	08/21/17	3.50%	Principal due in four annual payments from 2014-2017	5,000,000	3,750,000	1,250,000	2,500,000	-
United States of America	Security interest in portfolio of investments derived from the proceeds of this loan award	12/18/95	12/18/25	1.00%	Accrued Interest through 12/18/97, then \$61,690 per year until fully paid or upon maturity	1,500,000	632,903	55,295	577,608	-
Key Bank Revolving Loan Fund	Related Assets	06/26/00	06/30/20	6.00%	On Maturity	100,000	100,000	-	100,000	-
Empire State Development Corp	None noted	11/18/10	02/15/18	1.00%	Interest Only through 12/31/15, then 1/3 of principal until fully paid or upon maturity	as Debursed	-	-	1,000,000	-
U.S. Small Business Administration	First Lien on all accounts & notes receivable from loans made from this note	07/29/10	07/29/20	2.375%	Monthly	750,000	350,065	58,957	291,108	-
U.S. Dept of Agriculture	None noted	12/21/10	12/21/30	2.000%	Monthly, beginning 12/21/12 Quarterly payments of interest only commencing 4/1/14, 1/3 principal payments are due 1/1/20 and 1/1/21 Quarterly payments of interest only commencing 8/5/14	400,000	91,399	4,837	86,562	-
First Niagara Bank PRI	None noted	01/21/14	10/01/21	2.000%	Accrued Interest and principal due at maturity	500,000	500,000	-	500,000	-
Woodforest National Bank	None noted	05/20/14	05/05/20	2.750%	Accrued Interest	250,000	125,000	-	125,000	-
Federal Home Loan Bank	Related Assets	07/29/05	07/29/35	1.00%	Not Available	200,000	200,000	-	200,000	-
Federal Home Loan Bank	Related Assets	12/20/00	Various	1.00%	Accrued Interest	360,000	360,000	-	360,000	-
Federal Home Loan Bank	Related Assets	12/27/02	12/27/32	5.50%	Accrued Interest and principal due at maturity	250,000	250,000	-	250,000	-
Federal Home Loan Bank	Related Assets	02/27/03	02/27/33	1.00%	Accrued Interest and principal due at maturity	480,000	480,000	-	480,000	-
Federal Home Loan Bank	Related Assets	01/18/12	01/18/27	0.00%	On Maturity	470,000	470,000	-	470,000	-
Federal Home Loan Bank	Related Assets	03/25/02	unavailable	0.00%	On Maturity	200,000	200,000	-	200,000	-
Federal Home Loan Bank	Related Assets	11/02/13	unavailable	0.00%	On Maturity	500,000	158,975	-	158,975	-
Puerto Rico Dept. of Housing	Related Assets	09/23/04	09/23/44	0.00%	On Maturity	as Debursed	1,845,956	-	-	1,845,956
Puerto Rico Dept. of Housing	Related Assets	09/11/09	09/11/29	0.00%	On Maturity	as Debursed	242,462	-	242,462	-
Federal Home Loan Bank	Property	11/12/02	unavailable	0.00%	On Maturity	146,200	146,200	-	146,200	-

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(Continued)

Payable To	Collateral	Date of Loan	Due Date	Interest Rate	Payment Terms	Original Loan	09/30/14 Balance	TO BE REPAYED		TO BE FORGIVEN	
								Current Portion	Long-Term Portion	Current Portion	Long-Term Portion
Manufacturers and Traders Trust Company	42 East Avenue	08/05/02	08/05/17	0.00%	On Maturity	134,000	134,000	-	134,000	-	-
Housing Trust Fund Corporation	Related Assets	09/24/12	02/28/51	0.00%	On Maturity	200,000	200,000	-	-	-	200,000
Housing Trust Fund Corporation	Building and Improvements	06/28/95	11/18/26	1.00%	On Maturity	as Disbursed	1,080,161	-	1,080,161	-	-
Housing Trust Fund Corporation	Building and Improvements	08/29/94	03/01/26	1.00%	On Maturity	as Disbursed	1,300,000	-	1,300,000	-	-
Maple City Savings Bank	Albion Academy Apts	09/01/07	09/01/22	0.00%	On Maturity	204,000	204,000	-	204,000	-	-
Maple City Savings Bank	90 Montezuma Street	02/13/08	02/13/23	0.00%	On Maturity	300,000	300,000	-	300,000	-	-
Village of Albion	Related Assets	10/31/08	10/01/28	0.00%	On Maturity	241,789	241,789	-	-	-	229,700
M&T Bank	Ado-Ridge Phase II Property	06/17/08	06/17/23	0.00%	On Maturity	225,127	225,127	-	-	12,089	225,127
HSBC Bank	Related Assets	01/01/02	12/01/31	8.00%	\$1,174/Month	160,000	133,000	3,696	129,304	-	-
M&T Bank	None noted	05/20/09	04/01/39	5.72%	\$1,614/Month	275,000	253,311	4,753	248,558	-	-
County of Chester, Dept. of Community Development	Related Assets	12/19/05	12/18/25	1.00%	On Maturity	101,000	115,219	-	115,219	-	-
County of Chester, Dept. of Community Development	Related Assets	08/01/05	08/01/20	1.00%	On Maturity	76,000	76,000	-	76,000	-	-
County of Chester, Dept. of Community Development	Related Assets	12/02/03	12/02/18	1.00%	On Maturity	49,045	49,045	-	49,045	-	-
County of Chester, Dept. of Community Development	Related Assets	02/09/04	02/09/19	1.00%	On Maturity	49,715	49,715	-	49,715	-	-
County of Chester, Dept. of Community Development	Related Assets	08/01/03	08/01/18	1.00%	On Maturity	49,670	49,670	-	49,670	-	-
Fulton Bank	Related Assets	06/16/05	06/17/25	3.75%	\$410/Month	67,000	43,757	3,331	40,426	-	-
United States Department of Agriculture	Related Assets	04/13/99	04/13/39	5.00%	\$270/Month	55,900	45,910	966	44,944	-	-
The Peoples Bank of Oxford	Related Assets	12/15/02	05/18/18	4.75%	\$493/Month	72,000	41,495	4,035	37,460	-	-
National Penn Bank	Related Assets	04/18/08	05/18/18	4.75%	\$670/Month	100,000	81,080	4,286	76,794	-	-
The Peoples Bank of Oxford	Related Assets	05/08/03	05/08/18	4.75%	\$260/Month	37,500	22,518	2,092	20,426	-	-
The Peoples Bank of Oxford	Related Assets	12/18/02	05/18/18	4.75%	\$458/Month	66,800	38,499	3,743	34,756	-	-
National Penn Bank	Related Assets	06/04/14	08/04/19	4.75%	\$578.53/Month	46,395	46,395	2,303	44,092	-	-
Local Initiatives Support Corporation	Related Assets	09/27/13	upon closing	6.00%	Interest only until Closing	300,000	300,000	300,000	-	-	-
U.S. Dept. of Agriculture	None noted	03/27/14	04/27/44	3.125%	\$1,636/Month	496,129	493,347	4,284	489,063	-	-
Housing Trust Fund Corporation	Building and Improvements	03/27/14	03/27/64	0.00%	On Maturity	5,754,425	2,433,376	-	2,433,376	-	-
Pennsylvania Housing Finance Agency	Related Assets	09/18/13	when residents are able to purchase homes upon perm. financing	0.00%	On Maturity	25,000	25,000	-	-	25,000	-
Neighborworks Capital Corporation	Related Assets	12/20/13	upon perm. financing	4.50%	On Maturity	250,000	248,375	248,375	-	-	-
Maple City Savings Bank/Federal Home Loan Bank	Related Assets	12/22/11	12/22/26	0.00%	On Maturity	800,000	800,000	-	-	53,333	746,667
Grand Totals						\$ 24,400,098	\$ 2,722,193	\$ 16,790,188	\$ 102,422	\$ 4,785,295	\$ -

Maturities of Long-Term Debt for the years succeeding September 30, 2015 are:

Year Ending	Total
2016	\$ 2,003,416
2017	2,141,315
2018	482,232
2019	587,904
2020	370,589
Beyond	13,990,026
Totals	\$ 21,575,483

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS - SCHEDULE OF LONG-TERM DEBT
September 30, 2014
(Continued)

Payable To	Collateral	Date of Loan	Due Date	Interest Rate	Payment Terms	Original Loan	TO BE REPAID		TO BE FORGIVEN	
							Current Portion	Long-Term Portion	Current Portion	Long-Term Portion
Intercompany										
PathStone Enterprise Center, Inc.	Vineyard Property	Various			On Demand	various	\$ 81,281	\$ -	\$ -	\$ -
PathStone Enterprise Center, Inc.	None Noted	Various			On Maturity	various	34,094	-	-	-
PathStone Corporation	None Noted	02/28/05	02/28/15	0.00%	On Maturity	72,000	72,000	-	-	-
PathStone Corporation	None Noted	06/12/06	06/12/16	0.00%	On Maturity	70,000	70,000	70,000	-	-
PathStone Corporation	None Noted	09/30/09	On Demand	0.00%	On Demand	89,108	41,441	-	-	-
PathStone Corporation	None Noted	07/11/07	On Demand	0.00%	On Demand	97,410	17,670	-	-	-
PathStone Corporation	None Noted	12/23/08	On Demand	0.00%	On Demand	33,000	33,000	-	-	-
PathStone Corporation	None Noted	10/29/10	On Demand	0.00%	On Demand	9,418	9,418	-	-	-
PathStone Housing Action Corp	None Noted	12/31/07	On Demand	0.00%	On Demand	177,602	10,890	-	-	-
PathStone Housing Action Corp	None Noted	09/30/11	On Demand	0.00%	On Demand	11,029	11,029	-	-	-
PathStone Housing Action Corp	None Noted	11/19/09	On Demand	0.00%	On Demand	72,159	159	-	-	-
PathStone Corporation	None Noted	Various	On Demand	0.00%	On Demand	134,215	9,215	-	-	-
PathStone Corporation	None Noted	05/06/05	05/06/20	0.00%	Forgiven annually	192,858	71,687	-	12,857	58,830
PathStone Corporation	None Noted	08/02/05	On Demand	0.00%	On Demand	40,858	40,858	-	-	-
PathStone Corporation	None Noted	09/30/06	30 yrs after completion	0.00%	None Noted	8,363	-	8,363	-	-
PathStone Housing Action Corp	None Noted	06/15/10	On Demand	0.00%	On Demand	20,000	20,000	-	-	-
PathStone Housing Action Corp	None Noted	12/23/09	On Demand	0.00%	On Demand	15,000	15,000	-	-	-
PathStone Housing Action Corp	None Noted	06/29/11	On Demand	0.00%	On Demand	22,000	22,000	-	-	-
PathStone Housing Action Corp	None Noted	06/28/11	On Demand	0.00%	On Demand	47,231	47,165	-	-	-
PathStone Housing Action Corp	None Noted	07/23/07	On Demand	0.00%	On Demand	35,000	35,000	-	-	-
PathStone Housing Action Corp	None Noted	08/05/09	On Demand	0.00%	On Demand	38,569	38,569	-	-	-
PathStone Housing Action Corp	None Noted	Various	On Demand	0.00%	On Demand	146,615	146,615	-	-	-
PathStone Corporation	None Noted	09/18/03	On Demand	0.00%	On Demand	90,000	90,000	-	-	-
Rural Housing Opportunity Corporation	None Noted	10/31/08	On Demand	0.00%	On Demand	241,789	241,789	-	-	-
PathStone Enterprise Center, Inc.	None Noted	10/27/11	Upon Sale of Homes	5.00%	On Demand	100,000	100,000	-	-	-
PathStone Enterprise Center, Inc.	None Noted	10/26/11	Upon Sale of Homes	5.00%	On Demand	300,000	300,000	-	-	-
PathStone Opportunities, Inc.	None Noted	02/01/12	On Demand	0.00%	On Demand	64,412	10,461	-	-	-
PathStone Opportunities, Inc.	15 Prince Street	02/01/12	02/01/22	4.50%	\$3,232/month	\$10,917	481,610	35,426	446,184	-
PathStone Enterprise Center, Inc.	Ovid Multi Family Project	09/13/05	09/13/35	5.00%	\$1,932/month	359,955	355,548	54,433	301,115	-
PathStone Enterprise Center, Inc.	Berkas Family Development	06/01/00	Various	2.00%	Closing of permanent financing	26,850	26,850	-	-	-
PathStone Corporation	None Noted	09/30/05	On Demand	8.25%	Closing of permanent financing	355,000	163,275	23,499	139,776	-
PathStone Corporation	None Noted	09/30/05	On Demand	0.00%	On Demand	47,452	47,452	-	-	-
PathStone Corporation	None Noted	09/30/05	On Demand	0.00%	On Demand	32,615	32,615	-	-	-
PathStone Corporation	Clarkson Property	12/01/99	12/01/29	1.00%	On Maturity	250,000	250,000	-	-	-
PathStone Corporation	Albion Academy	10/03/07	10/03/22	0.00%	On Maturity	193,446	193,446	-	-	-
PathStone Corporation	None Noted	02/24/00	Various	0.00%	None Noted	50,000	50,000	-	-	-
PathStone Corporation	None Noted	2002	Various	0.00%	None Noted	295,000	45,000	-	-	-
PathStone Corporation	None Noted	11/04/03	11/04/13	0.00%	On Maturity	142,000	70,000	-	-	-
PathStone Corporation	None Noted	2004	On Demand	0.00%	On Demand	15,906	15,906	-	-	-
PathStone Corporation	None Noted	Various	On Demand	0.00%	On Demand	11,022	11,022	-	-	-
PathStone Corporation	None Noted	Various	On Demand	0.00%	On Demand	32,804	32,804	-	-	-
PathStone Corporation	None Noted	09/30/05	On Demand	0.00%	On Demand	11,911	11,911	-	-	-
PathStone Corporation	None Noted	09/30/05	On Demand	0.00%	On Demand	44,501	44,501	-	-	-
PathStone Corporation	None Noted	Various	On Demand	0.00%	On Demand	38,320	38,320	-	-	-
PathStone Corporation	None Noted	Various	On Demand	0.00%	On Demand	12,385	12,385	-	-	-

PATHSTONE CORPORATION AND AFFILIATES

Payable To	Collateral	Date of Loan	Due Date	Interest Rate	Payment Terms	Original Loan	TO BE PAID		TO BE FORGIVEN		
							09/30/14 Balance	Current Portion	Long-Term Portion	Current Portion	
Intercompany (Continued)											
PathStone Corporation	None Noted	Various	On Demand	0.00%	On Demand	1,185	1,185	-	-	-	
PathStone Corporation	None Noted	Various	On Demand	0.00%	On Demand	5,168	5,168	-	-	-	
PathStone Opportunities, Inc.	None Noted	Various	Upon Completion	3.00%	On Maturity	61,671	2,936	-	-	-	
PathStone Opportunities, Inc.	None Noted	04/19/07	Upon Completion	5.00%	On Maturity	3,940,739	332,066	-	332,066	-	
PathStone Housing Action Corp.	None Noted	07/30/10	08/31/15	4.50%	\$2,919/Month	381,630	303,517	21,903	281,614	-	
PathStone Opportunities, Inc.	None Noted	02/03/09	On Demand	0.00%	On Demand	196,000	196,000	-	-	-	
Rural Housing Opportunity Corporation	None Noted	09/18/03	04/01/24	0.00%	On Maturity	160,000	160,000	-	160,000	-	
Rural Opportunities, Inc.	None Noted	Various	Various	0.00%	On Maturity	53,847	53,847	-	-	-	
Rural Opportunities, Inc.	None Noted	09/18/03	12/01/2013*	0.00%	On Maturity	150,000	75,000	-	75,000	-	
PathStone Corporation	None Noted	09/09/10	09/09/15	0.00%	On Maturity	242,012	242,012	-	-	-	
PathStone Enterprise Center, Inc.	None Noted	07/30/10	08/31/15	5.50%	\$3,064/Month	375,000	298,211	20,715	277,496	-	
PathStone Corporation	None Noted	09/14/10	09/14/25	0.00%	On Maturity	256,535	256,535	-	256,535	-	
PathStone Corporation	None Noted	09/14/10	09/14/15	0.00%	On Maturity	200,000	200,000	-	200,000	-	
PathStone Corporation	None Noted	09/23/10	09/23/2011*	0.00%	On Maturity	237,500	237,500	-	-	-	
PathStone Corporation	None Noted	09/24/10	On Demand	0.00%	On Demand	42,000	42,000	-	-	-	
PathStone Corporation	None Noted	09/24/10	On Demand	0.00%	On Demand	10,000	10,000	-	-	-	
PathStone Corporation	None Noted	09/20/11	09/20/2013*	0.00%	On Maturity	229,500	229,500	-	-	-	
PathStone Corporation	None Noted	09/22/11	09/22/2013*	0.00%	On Maturity	193,500	500	-	-	-	
PathStone Corporation	None Noted	09/22/11	09/22/2013*	0.00%	On Maturity	200,000	92,487	-	92,487	-	
PathStone Corporation	None Noted	04/16/12	01/16/2013*	0.00%	On Maturity	84,107	84,107	-	-	-	
PathStone Housing Action Corp	None Noted	10/27/11	Upon Sale of Homes	5.00%	On Maturity	70,000	70,000	-	-	-	
PathStone Corporation	None Noted	10/27/11	Upon Sale of Homes	5.00%	On Maturity	50,000	50,000	-	-	-	
PathStone Corporation	None Noted	09/27/11	On Demand	0.00%	On Maturity	300,000	300,000	-	-	-	
PathStone Opportunities, Inc.	None Noted	11/11/11	11/11/18	4.75%	\$1,085/Month	77,595	10,862	40,163	-	-	
PathStone Corporation	None Noted	12/19/13	On Demand	0.00%	On Demand	150	150	-	-	-	
PathStone Housing Action Corp.	None Noted	10/24/97	11/24/27	1.00%	On Maturity	294,978	294,978	-	294,978	-	
Heritage Meadows Housing Development Fund Company	None Noted	08/19/98	Available Cash Flow	4.72%	Available Cash Flow	27,800	27,800	-	27,800	-	
PathStone Housing Action Corp.	None Noted	08/19/98	Available Cash Flow	4.72%	Available Cash Flow	70,000	70,000	-	70,000	-	
PathStone Opportunities, Inc.	None Noted	11/23/13	On Demand	0.00%	On Demand	8,825	3,025	-	3,025	-	
PathStone Corporation	None Noted	06/30/97	12/01/15	8.50%	On Maturity	100,000	100,000	-	-	-	
PathStone Corporation	None Noted	08/03/98	12/01/15	8.50%	On Maturity	10,000	10,000	-	-	-	
PathStone Corporation	None Noted	10/08/98	12/01/15	8.50%	On Maturity	12,419	12,419	-	-	-	
PathStone Corporation	None Noted	06/30/97	12/01/15	8.50%	On Maturity	300,000	300,000	-	-	-	
Rural Opportunities Housing Corporation of Ohio	None Noted	06/30/96	12/01/15	8.50%	On Maturity	10,000	10,000	-	-	-	
Rural Opportunities Housing Corporation of Ohio	None Noted	11/01/96	12/01/15	8.50%	On Maturity	100,000	100,000	-	-	-	
Rural Opportunities Housing Corporation of Ohio	None Noted	03/15/13	03/01/33	5.49%	\$2,822/Month	410,597	391,791	12,723	379,068	-	
PathStone Enterprise Center, Inc.	None Noted	06/29/11	On Demand	0.00%	On Demand	7,500	7,500	-	-	-	
Mountain House Apartments	None Noted	03/24/14	03/24/44	1.00%	On Maturity	107,684	107,684	-	-	-	
PathStone Corporation	None Noted	03/24/14	03/15/33	0.00%	\$893/Month	214,421	196,551	10,721	185,830	-	
PathStone Housing Action Corp	None Noted	03/15/13	Upon Sale/Refinance	0.00%	Upon Sale or Refinance	68,871	68,871	-	-	-	
PathStone Housing Action Corp	None Noted	06/01/99	Upon Sale/Refinance	0.00%	Upon Sale or Refinance	\$ 8,474,245	\$ 4,063,428	\$ 4,310,310	\$ 12,857	\$ 58,830	

PATHSTONE DEVELOPMENT CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
SCHEDULE OF LONG-TERM DEBT
September 30, 2014

September 30, 2014											
Payable To	Property/Security	Date of Loan	Due Date	Interest Rate	Monthly Payment	Original Loan	09/30/14 Balance	TO BE REPAID		TO BE FORGIVEN	
								Current Portion	Long-Term Portion	Current Portion	Long-Term Portion
PathStone Development Corporation Operating Fund:											
City of Rochester	Quincy Street	01/16/97	01/16/27	1%	interest annually 389	100,000 \$	100,000 \$	- \$	100,000 \$	- \$	-
	24-28 Quincy Street										
	Comm. Preservation Corp	06/06/97	07/01/22	6.24%		50,000	24,752	1,658	23,094	-	-
	Total Quincy Street						124,752	1,658	123,094	-	-
South River											
Housing Trust Fund	••	11/6/89	12/29/22	0%	N/A	364,420	315,570	-	315,570	-	-
	•••	10/5/90	12/29/22	0%	N/A	89,211	89,211	-	89,211	-	-
	Total South River						404,781	-	404,781	-	-
PathStone Development Corporation General Fund and Predevelopment											
HSBC	127 First St.	08/31/01	08/31/16	0%	N/A	177,880	23,184	-	-	11,592	11,592
	Susan B. Anthony LP	04/06/06	04/06/36	0%	N/A	120,000	120,000	-	120,000	-	-
	PathStone Corporation	11/05/06	11/05/36	0%	N/A	120,000	120,000	-	120,000	-	-
PathStone Corporation	PathStone Breckenridge, Inc	05/23/12	05/23/42	1%	interest only based on cash flow	400,000	400,000	-	400,000	-	-
	Canal Place	03/28/02	03/28/17	1%	N/A	280,000	46,663	-	-	18,667	27,996
	MJ Estates II	04/26/10	04/25/25	0%	N/A	124,000	124,000	-	124,000	-	-
PathStone Corporation	Orchard Park	04/09/10	On Demand	0%	N/A	138,297	138,297	138,297	-	-	-
Federal Home Loan Bank/ Bank of Castle	Elliott's Landing LP	06/29/06	06/29/21	0%	N/A	70,000	31,499	-	-	4,667	26,832
	None noted	12/23/09	12/23/2010 •	4%	N/A	155,130	155,130	-	-	-	-
	PathStone Corporation	04/08/08	On Demand	5.5%	N/A	47,829	47,829	-	-	-	-
PathStone Corporation	None noted										
Federal Home Loan Bank/M&T Bank	MJ Estates	10/01/07	10/01/22	0%	N/A	87,515	46,676	-	-	5,834	40,842
	Pinnacle Apartments, LLC	09/09/14	09/09/44	1%	N/A	200,000	200,000	-	200,000	-	-
PathStone Corporation	PathStone Stone Quarry Inc	09/30/14	09/30/44	4%	N/A	100,000	100,000	-	100,000	-	-
	Wedgpoint	08/21/14	08/04/16	3%	N/A	113,030	113,030	-	113,030	-	-
	Housing Trust Fund	09/16/14	09/16/19	0%	N/A	150,000	150,000	-	-	30,000	120,000
Federal Home Loan Bank/ First Niagara	Pinnacle Apartments, LLC	12/20/12	09/30/29	0%	N/A	2,000,000	2,000,000	-	-	133,333	1,866,667
Greater Rochester Housing Partnership, Inc.	Wedgpoint	11/01/13	10/31/16	5%	N/A	42,250	45,250	-	45,250	-	-
							3,861,558	341,256	1,222,280	204,093	2,093,929
Alloway Housing Development Fund Corporation											
PathStone Corporation	None Noted	09/29/06	09/29/46	0%	N/A	101,673	101,673	-	101,673	-	-
Federal Home Loan Bank/M&T Bank	Elizabeth Way	09/26/06	09/29/46	0%	N/A	138,000	138,000	-	-	-	138,000
HUD	Elizabeth Way	09/29/06	09/29/46	0%	N/A	as disbursed	2,084,318	-	2,084,318	-	-
							2,323,991	-	2,185,991	-	138,000

PATHSTONE DEVELOPMENT CORPORATION AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
SCHEDULE OF LONG-TERM DEBT
September 30, 2014
(Continued)

Payable To	Property/Security	Date of Loan	Due Date	Interest Rate	Monthly Payment	Original Loan	09/30/14		TO BE REPAYED		TO BE FORGIVEN	
							Balance	Current Portion	Long-Term Portion	Current Portion	Long-Term Portion	
Housing Opportunities HDPC and Subsidiary:												
City of Rochester	Monroe Place	07/30/99	12/13/30	1%	interest annually	740,000	740,000	-	740,000	-	-	
City of Rochester	Monroe Place	10/17/01	10/25/31	1%	interest annually	20,241	20,241	-	20,241	-	-	
City of Rochester	RARE II	02/04/04	08/18/19	1%	interest annually	358,000	358,000	-	358,000	-	-	
CPC	RARE II	05/20/04	12/01/19	1%	interest only	250,000	250,000	-	250,000	-	-	
PathStone Corporation	Bohrer Place	09/04/12	09/01/42	0%	N/A	38,721	38,721	-	38,721	-	-	
PathStone Corporation	Monroe Place	10/02/13	12/31/30	3%	interest annually	102,488	102,488	-	102,488	-	-	
Housing Trust Fund	Bohrer Place	11/22/11	11/22/41	0%	N/A	1,075,472	1,075,472	-	1,075,472	-	-	
Housing Trust Fund	Marketview Housing, LP	08/14/91	03/30/90	1%	interest only from excess income	2,589,058	2,115,865	-	2,115,865	-	-	
Housing Trust Fund	Marketview Phase II	11/30/94	02/13/25	1%	interest only from excess income	513,830	505,811	-	505,811	-	-	
Housing Trust Fund	Niagara Place	08/31/95	08/31/26	1%	interest only from excess income	793,524	793,249	-	793,249	-	-	
City of Rochester	Central Place	04/14/97	08/20/27	6.77%	1% interest annually	486,000	486,000	-	486,000	-	-	
CPC	Central Place	01/16/98	02/01/28	8.29%	1,509	200,000	144,746	6,337	138,409	-	-	
Housing Trust Fund	Westminster	01/06/95	12/19/93	1%	interest only from excess income	2,193,010	1,827,822	-	1,827,822	-	-	
NYS Homeless Housing Assistance Corp	Woodward L.P	04/12/96	04/12/26	1%	N/A	160,000	160,000	-	160,000	-	-	
City of Rochester	Woodward L.P	12/29/95	01/01/20	1%	interest only from excess income	565,000	565,000	-	565,000	-	-	
Grand Totals							9,183,415	6,337	9,177,078	-	-	
							\$ 15,898,497	\$ 349,251	\$ 13,113,224	\$ 204,093	\$ 2,231,929	

Maturities of Long-Term Debt for the years succeeding September 30, 2015 are:

Year Ending	To Be Repaid	To Be Forgiven	Total
2016	121,720	70,760	192,480
2017	54,694	49,830	104,524
2018	10,265	40,501	50,766
2019	369,157	40,501	409,658
2020	262,128	10,501	272,629
Beyond	12,295,260	2,019,836	14,315,096
Totals	\$ 13,113,224	\$ 2,231,929	\$ 15,345,153

* In arrears
** 100-104 Violetta St., 8 Ethel St., 821 Exchange St., 18 Bartlett St
*** 197 Magnolia St., 971 Exchange St.

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS - NOTE 10 - SOURCES OF SUPPORT, REVENUE,
GAINS AND LOSSES
September 30, 2014

Sources of Support, Revenue, Gains and Losses

PathStone Corporation

USDOL Direct	\$ 9,052,114	
US DHHS Pass Through ECMHSP	4,239,488	
US Department of HUD Pass Through Various	3,987,496	
US DHHS Direct	1,964,835	
NY Div of Housing and Comm Renewal	1,366,025	
US DHHS Pass Through Various	1,146,512	
NeighborWorks America	1,073,843	
Other - Unrestricted	1,002,177	
Other Non Federal Programs	901,101	
US Dept of HUD Direct	698,810	
PA Department of Public Welfare	649,716	
USDOL Pass Through Various	553,201	
NY Dept of Health	480,574	
PA Department of Education	385,409	
Chester County PA Department of Comm. Dev.	322,155	
USDA Pass Through Various	241,782	
In Kind Revenue	225,995	
US Dept of Education - Direct	190,283	
Indiana Housing Finance Agency	181,277	
NYSERDA - GJGNY	161,577	
USDOL Pass Through Various	156,880	
NY Dept of Labor	104,667	
Substance Abuse Mental Health	76,954	
NY Dept of Social Services	54,537	
Enterprise Corporation	50,000	
US DHHS Direct	30,609	
US Dept of Justice Pass Through Legal Aid Society	25,115	
United Way	22,178	
Local Initiative Support Corporation	20,976	
FEMA Pass Through Various Counties	18,237	
United States Department of Agriculture	<u>3,196</u>	
		<u>29,387,719</u>

PECI

Fed US Treasury Dept	670,602	
Other Non Federal Programs	226,422	
US Small Business Administration	582,371	
US Dept of Agriculture	21,590	
Unrestricted	<u>15,214</u>	
		<u>1,516,199</u>

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS - NOTE 10 - SOURCES OF SUPPORT, REVENUE,
GAINS AND LOSSES
September 30, 2014
(Continued)

PathStone Opportunities, Inc.

Other Non Federal Programs	67,056	<u>67,056</u>
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PathStone Development Corp. of Ohio

Rental Income - Olde Theatre Apartments	220,600	
Other Non Federal Programs	<u>271,940</u>	<u>492,540</u>

Highland Meadows, HDFC

Other Non Federal Programs	<u>12,808</u>	<u>12,808</u>
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RHOC

Other Non Federal Programs	1,046,892	
NYS Div of Housing and Community Renewal	82,914	
Rental Income - West Broadway Villas	179,735	
Rental Income - Sandy Creek Associates, L.P.	143,358	
Rental Income - Heritage Meadows	<u>161,847</u>	<u>1,614,746</u>

PathStone Community Improvement of Newburgh

NY Div of Housing and Community Renewal	67,931	
Other Non Federal Programs	<u>7,500</u>	<u>75,431</u>

PathStone Housing Action Corp.

Other Non Federal Programs	2,820,578	
Rental Income - Thompson Building Associates, L.P.	<u>235,595</u>	<u>3,056,173</u>

Parque Platino Inc.

Other Non Federal Programs	<u>104,414</u>	<u>104,414</u>
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PathStone Opportunity for Seniors Corp.

USDOL Passed Through NCOA	6,323,172	
In Kind Revenue	880,292	
Other Non Federal Programs	<u>120</u>	<u>7,203,584</u>

Other Affiliates:

PathStone Community Development Corp. of Puerto Rico	4,272,787	
PathStone Development Corporation and Affiliates	1,742,697	
PathStone Foundation	90,930	
The Housing Council at PathStone	2,307,499	
Sojourner House at PathStone	1,803,337	
PathStone Management Corporation	1,291,029	
PathStone Farmworker Housing Corporation of NY	174,896	
PathStone Alliance for Better Housing of PA	169,032	
Monroe Special Housing, Inc.	94,192	
PathStone Farmworker Housing Corp. of PA	72,201	
Revenue Eliminations	<u>(622,767)</u>	<u>11,395,833</u>

Total Combined Support, Revenue, Gains and Losses	<u>\$ 54,926,503</u>
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PATHSTONE CORPORATION AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS - NOTE 10 - SOURCES OF REVENUE
September 30, 2014
(Continued)

Cash Basis Revenue Received from Pennsylvania State Agencies - October 1, 2013 to September 30, 2014

Project Title	Date Received	Transaction Description	Cash Basis Income Received
PRE K COUNTS-ADAMS COUNTY	12/23/2013	ACH CREDIT/PA TREASURY DEPT	\$ 61,904.30
PRE K COUNTS-ADAMS COUNTY	1/21/2014	ACH CREDIT/PA TREASURY DEPT	9,851.20
PRE K COUNTS-ADAMS COUNTY	2/25/2014	ACH CREDIT/PA TREASURY	19,702.40
PRE K COUNTS-ADAMS COUNTY	3/21/2014	ACH CREDIT/PA TREASURY DEPT	9,851.20
PRE K COUNTS-ADAMS COUNTY	4/21/2014	ACH CREDIT/PA TREASURY DEPT	9,851.20
PRE K COUNTS-ADAMS COUNTY	5/21/2014	ACH CREDIT/PA TREASURY	9,851.20
PRE K COUNTS-ADAMS COUNTY	6/17/2014	ACH CREDIT/PA TREASURY DEPT	9,851.20
PRE K COUNTS-ADAMS COUNTY	7/31/2014	ACH CREDIT/COMMONWEALTH OF PA	9,851.20
PRE K COUNTS-ADAMS COUNTY	8/21/2014	ACH CREDIT/COMMONWEALTH OF PA	9,543.00
PRE K COUNTS-ADAMS COUNTY	9/22/2014	ACH CREDIT/COMMONWELATH OF PA	9,543.35
PRE K COUNTS-ADAMS COUNTY		TRANSACTION TOTAL	\$ 159,800.25
BCIU PA FAMILY MEALS WORKSHOP PROJECT MHS	8/12/2014	BERKS COUNTY INTERMEDIATE UNIT #165002	500.00
BCIU PA FAMILY MEALS WORKSHOP PROJECT MHS		TRANSACTION TOTAL	\$ 500.00
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	10/21/2013	ACH CREDIT/PA TREASURY DEPT	20,180.92
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	1/21/2014	ACH CREDIT/PA TREASURY DEPT	20,180.92
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	2/25/2014	ACH CREDIT/PA TREASURY	20,180.92
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	3/21/2014	ACH CREDIT/PA TREASURY DEPT	20,180.92
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	4/21/2014	ACH CREDIT/PA TREASURY DEPT	20,180.92
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	5/21/2014	ACH CREDIT/PA TREASURY	40,361.84
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	6/17/2014	ACH CREDIT/PA TREASURY DEPT	20,180.92
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	7/31/2014	ACH CREDIT/COMMONWEALTH OF PA	20,180.92
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	8/21/2014	ACH CREDIT/COMMONWEALTH OF PA	20,180.92
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS	9/22/2014	ACH CREDIT/COMMONWELATH OF PA	20,180.91
HEAD START SUPPLEMENTAL ASSISTANCE PGM - CCHS		TRANSACTION TOTAL	\$ 221,990.11
CARBON CTY HEAD START SUPPLEMENTAL-CLIU	1/3/2014	CARBON LEHIGH INTERMEDIATE UNIT #76668	36,947.75
CARBON CTY HEAD START SUPPLEMENTAL-CLIU	3/3/2014	CARBON LEHIGH INTERMEDIATE UNIT #77621	29,558.20
CARBON CTY HEAD START SUPPLEMENTAL-CLIU		TRANSACTION TOTAL	\$ 66,505.95
BCIU PA FAMILY MEALS WORKSHOP PROJECT CCHS	8/12/2014	BERKS COUNTY INTERMEDIATE UNIT #165002	500.00
BCIU PA FAMILY MEALS WORKSHOP PROJECT CCHS		TRANSACTION TOTAL	\$ 500.00
PRE K COUNTS - CARBON COUNTY	12/23/2013	ACH CREDIT/PA TREASURY DEPT	131,546.66
PRE K COUNTS - CARBON COUNTY	1/21/2014	ACH CREDIT/PA TREASURY DEPT	20,933.80
PRE K COUNTS - CARBON COUNTY	2/25/2014	ACH CREDIT/PA TREASURY	41,867.60
PRE K COUNTS - CARBON COUNTY	3/21/2014	ACH CREDIT/PA TREASURY DEPT	20,933.80
PRE K COUNTS - CARBON COUNTY	4/21/2014	ACH CREDIT/PA TREASURY DEPT	20,933.80
PRE K COUNTS - CARBON COUNTY	5/21/2014	ACH CREDIT/PA TREASURY	20,933.80
PRE K COUNTS - CARBON COUNTY	6/17/2014	ACH CREDIT/PA TREASURY DEPT	20,933.80
PRE K COUNTS - CARBON COUNTY	7/31/2014	ACH CREDIT/COMMONWEALTH OF PA	20,933.80
PRE K COUNTS - CARBON COUNTY	8/21/2014	ACH CREDIT/COMMONWEALTH OF PA	21,242.00
PRE K COUNTS - CARBON COUNTY	9/22/2014	ACH CREDIT/COMMONWELATH OF PA	21,241.65
PRE K COUNTS - CARBON COUNTY		TRANSACTION TOTAL	\$ 341,500.71
PA-EMERGENCY FOOD FEMA	12/30/2013	ACH CREDIT/EFS NATL BRD PROGRAM	10,747.50
PA-EMERGENCY FOOD FEMA		TRANSACTION TOTAL	\$ 10,747.50
USDA FOOD PROGRAM*PA HEADSTART	10/10/2013	ACH CREDIT/PA TREASURY DEPT	5,878.82
USDA FOOD PROGRAM*PA HEADSTART	12/6/2013	ACH CREDIT/PA TREASURY DEPT	57,551.81
USDA FOOD PROGRAM*PA HEADSTART	1/3/2014	ACH CREDIT/PA TREASURY DEPT	24,757.90
USDA FOOD PROGRAM*PA HEADSTART	2/7/2014	ACH CREDIT/PA TREASURY DEPT	20,877.03
USDA FOOD PROGRAM*PA HEADSTART	3/7/2014	ACH CREDIT/PA TREASURY DEPT	24,323.91
USDA FOOD PROGRAM*PA HEADSTART	3/28/2014	ACH CREDIT/PA TREASURY DEPT	20,296.32
USDA FOOD PROGRAM*PA HEADSTART	4/25/2014	ACH CREDIT/PA TREASURY	30,706.09
USDA FOOD PROGRAM*PA HEADSTART	5/23/2014	ACH CREDIT/PA TREASURY DEPT	19,733.01
USDA FOOD PROGRAM*PA HEADSTART	6/27/2014	ACH CREDIT/PA TREASURY DEPT	13,172.06
USDA FOOD PROGRAM*PA HEADSTART	7/25/2014	ACH CREDIT/COMMONWEALTH OF PA	2,069.34
USDA FOOD PROGRAM*PA HEADSTART	9/3/2014	ACH CREDIT/COMMONWEALTH OF PA	4,177.29
USDA FOOD PROGRAM*PA HEADSTART		TRANSACTION TOTAL	\$ 223,543.58

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS - NOTE 10 - SOURCES OF REVENUE
September 30, 2014
(Continued)

Cash Basis Revenue Received from Pennsylvania State Agencies - October 1, 2013 to September 30, 2014

Project Title	Date Received	Transaction Description	Cash Basis Income Received
CSBG PROGRAM	10/24/2013	ACH CREDIT/PA TREASURY DEPT	49,754 00
CSBG PROGRAM	11/25/2013	ACH CREDIT/PA TREASURY DEPT	42,276.00
CSBG PROGRAM	4/4/2014	ACH CREDIT/PA TREASURY DEPT	44,113.00
CSBG PROGRAM	5/6/2014	ACH CREDIT/PA TREASURY	19,134 00
CSBG PROGRAM	9/2/2014	ACH CREDIT/COMMONWEALTH OF PA	116,631 00
CSBG PROGRAM		TRANSACTION TOTAL	<u>\$ 271,908 00</u>
PA CSBG PROGRAM 10/1/11_09/30/12	9/2/2014	ACH CREDIT/COMMONWELATH OF PA	5,618 00
PA CSBG PROGRAM 10/1/11_09/30/12		TRANSACTION TOTAL	<u>\$ 5,618.00</u>
DAUPHIN/CUMBERLAND/PERRY SUPPORTED WORK	11/22/2013	ACH CREDIT/PA TREASURY DEPARTMENT	63,861 00
DAUPHIN/CUMBERLAND/PERRY SUPPORTED WORK	1/22/2014	ACH CREDIT/PA TREASURY DEPT	64,596 00
DAUPHIN/CUMBERLAND/PERRY SUPPORTED WORK	3/4/2014	ACH CREDIT/PA TREASURY DEPT	55,318 00
DAUPHIN/CUMBERLAND/PERRY SUPPORTED WORK	3/10/2014	ACH CREDIT/PA TREASURY DEPT	15,246 00
DAUPHIN/CUMBERLAND/PERRY SUPPORTED WORK	5/19/2014	ACH CREDIT/PA TREASURY DEPT	41,332.00
DAUPHIN/CUMBERLAND/PERRY SUPPORTED WORK	8/18/2014	ACH CREDIT/COMMONWEALTH OF PA	55,717 00
DAUPHIN/CUMBERLAND/PERRY SUPPORTED WORK		TRANSACTION TOTAL	<u>\$ 296,070 00</u>
WIA YOUTH DEVELOPMENT	10/3/2013	COUNTY OF CHESTER #299705	38,961 84
WIA YOUTH DEVELOPMENT	10/22/2013	COUNTY OF CHESTER #300689	23,477 66
WIA YOUTH DEVELOPMENT	12/4/2013	COUNTY OF CHESTER #304304	25,147 07
WIA YOUTH DEVELOPMENT	12/31/2013	COUNTY OF CHESTER #305577	30,450 81
WIA YOUTH DEVELOPMENT	1/28/2014	COUNTY OF CHESTER #306704	18,377 08
WIA YOUTH DEVELOPMENT	3/4/2014	COUNTY OF CHESTER #308366	18,341 93
WIA YOUTH DEVELOPMENT	3/25/2014	COUNTY OF CHESTER #309674	19,969 09
WIA YOUTH DEVELOPMENT	5/5/2014	COUNTY OF CHESTER #311540	20,915 19
WIA YOUTH DEVELOPMENT	5/28/2014	COUNTY OF CHESTER #313053	22,116.24
WIA YOUTH DEVELOPMENT	7/2/2014	COUNTY OF CHESTER #316354	32,550 72
WIA YOUTH DEVELOPMENT	8/12/2014	COUNTY OF CHESTER #318463	104,692.37
WIA YOUTH DEVELOPMENT		TRANSACTION TOTAL	<u>\$ 355,000 00</u>
MONTGOMERY COUNTY IN SCHOOL YOUTH PGM	4/22/2014	MONTGOMERY CO ECO & WORK FORCE DEV #30962	25,356.24
MONTGOMERY COUNTY IN SCHOOL YOUTH PGM	5/19/2014	MONTGOMERY CO ECO & WORK FROCE DEV #31026	19,439 42
MONTGOMERY COUNTY IN SCHOOL YOUTH PGM	6/11/2014	MONTGOMERY CO ECO & WORKFROCE DEV #31077	15,690.31
MONTGOMERY COUNTY IN SCHOOL YOUTH PGM	7/17/2014	MONTGOMERY COUNTY ECO & WORK FORCE DEV #31139	19,279 09
MONTGOMERY COUNTY IN SCHOOL YOUTH PGM	8/28/2014	MONTGOMERY ECI & WORKFORCE DEV #31187	27,971 40
MONTGOMERY COUNTY IN SCHOOL YOUTH PGM		TRANSACTION TOTAL	<u>\$ 107,736 46</u>
PA BERKS COUNTY LAB DONATION	5/23/2014	POCONO COUNTIES WIA #40813	8,242.38
PA BERKS COUNTY LAB DONATION		TRANSACTION TOTAL	<u>\$ 8,242.38</u>
BUCKS COUNTY SUPPORTED WORK	11/20/2013	ACH CREDIT/PA TREASURY DEPT	27,095 00
BUCKS COUNTY SUPPORTED WORK	11/20/2013	ACH CREDIT/PA TREASURY DEPT	23,821 00
BUCKS COUNTY SUPPORTED WORK	3/4/2014	ACH CREDIT/PA TREASURY DEPT	21,547 00
BUCKS COUNTY SUPPORTED WORK	4/30/2014	ACH CREDIT/PA TREASURY DEPT	13,873 00
BUCKS COUNTY SUPPORTED WORK	5/16/2014	ACH CREDIT/PA TREASURY	25,291 00
BUCKS COUNTY SUPPORTED WORK	8/25/2014	ACH CREDIT/COMMONWEALTH OF PA	27,684 00
BUCKS COUNTY SUPPORTED WORK		TRANSACTION TOTAL	<u>\$ 139,311 00</u>
CARBON COUNTY SUPPORTED WORK PROGRAM	12/6/2013	ACH CREDIT/PA TREASURY DEPT	22,405 00
CARBON COUNTY SUPPORTED WORK PROGRAM	1/17/2014	ACH CREDIT/PA TREASURY DEPT	21,678 00
CARBON COUNTY SUPPORTED WORK PROGRAM	3/4/2014	ACH CREDIT/PA TREASURY DEPT	21,679 00
CARBON COUNTY SUPPORTED WORK PROGRAM	4/23/2014	ACH CREDIT/PA TREASURY DEPT	3,360 00
CARBON COUNTY SUPPORTED WORK PROGRAM	5/19/2014	ACH CREDIT/PA TREASURY DEPT	21,016 00
CARBON COUNTY SUPPORTED WORK PROGRAM	8/26/2014	ACH CREDIT/COMMONWEALTH OF PA	20,762.00
CARBON COUNTY SUPPORTED WORK PROGRAM		TRANSACTION TOTAL	<u>\$ 110,900 00</u>

PATHSTONE CORPORATION AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS - NOTE 10 - SOURCES OF REVENUE
September 30, 2014
(Continued)

Cash Basis Revenue Received from Pennsylvania State Agencies - October 1, 2013 to September 30, 2014

Project Title	Date Received	Transaction Description	Cash Basis Income Received
CHESTER COUNTY - PA	10/3/2013	COUNTY OF CHESTER #299705	15,173.57
CHESTER COUNTY - PA	10/22/2013	COUNTY OF CHESTER #300689	13,143.43
CHESTER COUNTY - PA	12/4/2013	COUNTY OF CHESTER #304304	14,133.16
CHESTER COUNTY - PA	12/31/2013	COUNTY OF CHESTER #305577	21,398.98
CHESTER COUNTY - PA	1/28/2014	COUNTY OF CHESTER #306704	14,699.13
CHESTER COUNTY - PA	3/4/2014	COUNTY OF CHESTER #308366	11,937.10
CHESTER COUNTY - PA	3/25/2014	COUNTY OF CHESTER #309674	11,603.53
CHESTER COUNTY - PA	5/5/2014	COUNTY OF CHESTER #311540	11,816.98
CHESTER COUNTY - PA	5/28/2014	COUNTY OF CHESTER #313053	12,790.40
CHESTER COUNTY - PA	7/9/2014	COUNTY OF CHESTER #316764	28,829.47
CHESTER COUNTY - PA	7/29/2014	COUNTY OF CHESTER #317902	16,089.63
CHESTER COUNTY - PA	8/25/2014	COUNTY OF CHESTER #319199	5,353.20
CHESTER COUNTY - PA		TRANSACTION TOTAL	<u>\$ 176,968.58</u>
EARN PGM PLACEMENT	10/3/2013	COUNTY OF CHESTER #299705	1,555.94
EARN PGM PLACEMENT	12/2/2013	COUNTY OF CHESTER #301649	2,720.17
EARN PGM PLACEMENT	12/4/2013	COUNTY OF CHESTER #304304	5,113.91
EARN PGM PLACEMENT	12/26/2013	COUNTY OF CHESTER #305218	10,880.66
EARN PGM PLACEMENT	1/22/2014	COUNTY OF CHESTER #306294	6,218.30
EARN PGM PLACEMENT	3/25/2014	COUNTY OF CHESTER #309674	8,650.12
EARN PGM PLACEMENT	4/22/2014	COUNTY OF CHESTER #310656	7,708.95
EARN PGM PLACEMENT	5/5/2014	COUNTY OF CHESTER #311846	17,969.44
EARN PGM PLACEMENT	7/9/2014	COUNTY OF CHESTER #316764	9,460.74
EARN PGM PLACEMENT	9/15/2014	COUNTY OF CHESTER #319678	9,520.59
EARN PGM PLACEMENT	9/15/2014	COUNTY OF CHESTER #319985	2,720.17
EARN PGM PLACEMENT		TRANSACTION TOTAL	<u>\$ 82,518.99</u>
MONROE COUNTY EARN PROJECT CDC	11/4/2013	POCONO COUNTIES WIA #038752	6,051.88
MONROE COUNTY EARN PROJECT CDC	12/2/2013	POCONO COUNTIES WIA #40421	5,829.41
MONROE COUNTY EARN PROJECT CDC	12/31/2013	POCONO COUNTIES WIA #404096	8,753.56
MONROE COUNTY EARN PROJECT CDC	1/28/2014	POCONO COUNTIES WIA #40540	4,453.67
MONROE COUNTY EARN PROJECT CDC	2/28/2014	POCONO COUNTIES WIA #40598	5,526.08
MONROE COUNTY EARN PROJECT CDC	3/25/2014	POCONO COUNTIES WIA #40663	5,975.27
MONROE COUNTY EARN PROJECT CDC	4/22/2014	POCONO COUNTIES WIA #40721	6,763.56
MONROE COUNTY EARN PROJECT CDC	6/25/2014	POCONO COUNTIES WIA #40887	7,535.48
MONROE COUNTY EARN PROJECT CDC	8/18/2014	POCONO COUNTIES WIA #41015	27,395.31
MONROE COUNTY EARN PROJECT CDC		TRANSACTION TOTAL	<u>\$ 78,284.22</u>
MONROE COUNTY WORK READY SUPPORTED SERVICES	2/12/2014	COUNTY OF MONROE #266710	33,092.00
MONROE COUNTY WORK READY SUPPORTED SERVICES	2/12/2014	COUNTY OF MONROE #267065	26,791.00
MONROE COUNTY WORK READY SUPPORTED SERVICES	3/3/2014	COUNTY OF MONROE #267802	10,102.00
MONROE COUNTY WORK READY SUPPORTED SERVICES	3/28/2014	COUNTY OF MONROE #269211	10,386.00
MONROE COUNTY WORK READY SUPPORTED SERVICES	5/1/2014	COUNTY OF MONROE #270618	11,511.00
MONROE COUNTY WORK READY SUPPORTED SERVICES	6/4/2014	COUNTY OF MONROE #272401	14,316.00
MONROE COUNTY WORK READY SUPPORTED SERVICES	7/1/2014	COUNTY OF MONROE #273991	14,094.00
MONROE COUNTY WORK READY SUPPORTED SERVICES	8/4/2014	COUNTY OF MONROE #275582	9,261.00
MONROE COUNTY WORK READY SUPPORTED SERVICES	8/28/2014	COUNTY OF MONROE #276832	715.00
MONROE COUNTY WORK READY SUPPORTED SERVICES		TRANSACTION TOTAL	<u>\$ 130,268.00</u>
CHESTER COUNTY WORK READY PGM	10/3/2013	COUNTY OF CHESTER #299705	5,433.20
CHESTER COUNTY WORK READY PGM	12/4/2013	COUNTY OF CHESTER #304304	31,247.52
CHESTER COUNTY WORK READY PGM	12/26/2013	COUNTY OF CHESTER #305218	17,977.11
CHESTER COUNTY WORK READY PGM	1/28/2014	COUNTY OF CHESTER #306704	8,116.30
CHESTER COUNTY WORK READY PGM	3/4/2014	COUNTY OF CHESTER #308366	7,322.70
CHESTER COUNTY WORK READY PGM	3/25/2014	COUNTY OF CHESTER #309674	6,070.15
CHESTER COUNTY WORK READY PGM	5/5/2014	COUNTY OF CHESTER #311540	6,370.85
CHESTER COUNTY WORK READY PGM	5/28/2014	COUNTY OF CHESTER #313053	6,344.31
CHESTER COUNTY WORK READY PGM	7/9/2014	COUNTY OF CHESTER #316764	10,863.42
CHESTER COUNTY WORK READY PGM	7/29/2014	COUNTY OF CHESTER #317902	6,306.67
CHESTER COUNTY WORK READY PGM	8/18/2014	COUNTY OF CHESTER #318818	7,236.03
CHESTER COUNTY WORK READY PGM		TRANSACTION TOTAL	<u>\$ 113,288.26</u>

PATHSTONE CORPORATION
BALANCE SHEET
September 30, 2014

ASSETS

Assets

Cash and Cash Equivalents	\$ 2,691,196
Receivables	3,957,957
Receivable From Related Parties	14,630,489
Investment in Subsidiaries	3,252,387
Land, Buildings and Equipment, Net	3,845,733
Other Assets, Net	<u>401,642</u>
 TOTAL ASSETS	 <u><u>28,779,404</u></u>

LIABILITIES AND NET ASSETS

Liabilities

Accounts Payable and Accrued Expenses	4,631,927
Notes Payable	3,217,256
Deferred Revenue	<u>1,101,433</u>
 Total Liabilities	 <u><u>8,950,616</u></u>

Net Assets

Permanently Restricted	10,843,972
Unrestricted	<u>8,984,816</u>
 Total Net Assets	 <u><u>19,828,788</u></u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 28,779,404</u></u>

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE CORPORATION
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2014

Support, Revenue, Gains and Losses

Program-Related Revenue	\$ 28,326,446
Contributions	210,100
In-Kind Contributions	225,993
Other Support and Revenue	<u>625,180</u>

Total Support, Revenue, Gains and Losses 29,387,719

Expenses

Program Service	24,171,878
Management and General	4,672,103
Fundraising	<u>202,514</u>

Total Expenses 29,046,495

Change in Net Assets 341,224

Net Assets - Beginning of Year 18,785,604

Transfers 701,960

Net Assets - End of Year \$ 19,828,788

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE HOUSING ACTION CORPORATION AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEETS
September 30, 2014

	PathStone Housing Action Corporation	Thompson Building Associates, L.P.	RHAC Development Corporation	Stanton Meadows Corporation	Eliminations	Total
ASSETS						
Cash and Cash Equivalents	\$ 6,345,095	\$ 3,742	\$ -	\$ -	\$ -	\$ 6,348,837
Receivables	189,175	1,440	-	11,961	-	202,576
Investment in Partnerships	746,314	-	73,270	1,434	31,194	852,212
Restricted Deposits and Funded Reserves	157,155	131,820	-	-	-	288,975
Receivable From/(Payables to) Related Parties	27,616,080	(183,784)	(103,677)	(14,182)	-	27,314,437
Land, Buildings and Equipment, Net	5,965,686	1,441,001	-	-	-	7,406,687
Other Assets, Net	101,523	28,829	-	-	-	130,352
TOTAL ASSETS	41,121,028	1,423,048	(30,407)	(787)	31,194	42,544,076
LIABILITIES AND NET ASSETS						
Liabilities						
Accounts Payable and Accrued Expenses	223,776	354,754	-	-	-	578,530
Notes Payable	8,181,601	1,957,215	-	-	-	10,138,816
Deferred Revenue	6,124	4,200	-	-	-	10,324
Total Liabilities	8,411,501	2,316,169	-	-	-	10,727,670
Net Assets						
Retained Earnings (Deficit) Unrestricted	-	-	(30,407)	(787)	31,194	-
	32,709,527	(893,121)	-	-	-	31,816,406
Total Net Assets	32,709,527	(893,121)	(30,407)	(787)	31,194	31,816,406
TOTAL LIABILITIES AND NET ASSETS	\$ 41,121,028	\$ 1,423,048	\$ (30,407)	\$ (787)	\$ 31,194	\$ 42,544,076

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE HOUSING ACTION CORPORATION AND SUBSIDIARIES
CONSOLIDATING STATEMENTS OF ACTIVITIES
For the Year Ended September 30, 2014

	PathStone Housing Action Corporation	Thompson Building Associates, L.P.	RHAC Development Corporation	Stanton Meadows Corporation	Eliminations	Total
<u>Support, Revenue, Gains and (Losses)</u>						
Program-Related Revenue	\$ 2,350,805	\$ 234,801	\$ -	\$ -	\$ -	\$ 2,585,606
Other Support and Revenue	<u>469,779</u>	<u>788</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>470,567</u>
Total Support, Revenue, Gains and (Losses)	<u>2,820,584</u>	<u>235,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,056,173</u>
<u>Expenses</u>						
	<u>1,680,289</u>	<u>371,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,051,427</u>
Total Expenses	<u>1,680,289</u>	<u>371,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,051,427</u>
Change in Net Assets	1,140,295	(135,549)	-	-	-	1,004,746
Net Assets - Beginning of Year	32,498,470	(757,572)	(30,407)	(787)	31,194	31,740,898
Transfers	<u>(929,238)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(929,238)</u>
Net Assets - End of Year	<u>\$ 32,709,527</u>	<u>\$ (893,121)</u>	<u>\$ (30,407)</u>	<u>\$ (787)</u>	<u>\$ 31,194</u>	<u>\$ 31,816,406</u>

See Independent Auditors' Report and Notes to Financial Statements

PATHSTONE CORPORATION AFFILIATES
COMBINING BALANCE SHEETS - OTHER AFFILIATES
September 30, 2014

	PHC of PA and Subsidiary	PHAC of New Jersey	PathStone Dev. Corp. of Ohio and Subsidiaries	Monroe Special Housing	Heritage Meadows Development Fund Corp.	Highland Meadows HDFC	PathStone Farmworker Housing Corporation	PathStone Farmworker Housing Corp. of PA	Rural Housing Opportunities Corporation and Subsidiaries
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ 20,211	\$ 1,792	\$ 1,899	\$ -	\$ 59,526	\$ 15,171	\$ 113,359
Receivables	-	-	37,218	2,386	8,444	-	8,216	323	111,623
Receivable From/(Payable To) Related Parties	(23,022)	(20,958)	2,694,532	(159,602)	27,800	-	(84,026)	(23,190)	2,300,918
Land, Building, and Equipment, Net	-	7,792	339,629	804,320	-	-	981,745	1,200,960	5,075,286
Investment in Partnership	108,992	-	12,001	-	-	-	-	-	136,600
Restricted Deposits and Funded Reserves	-	-	9,125	59,260	-	-	-	-	196,574
Other Assets, Net	-	-	14,979	7,765	-	107,065	107,712	2,608	77,464
TOTAL ASSETS	<u>\$ 85,970</u>	<u>(13,021)</u>	<u>\$ 3,127,695</u>	<u>\$ 715,921</u>	<u>\$ 38,143</u>	<u>\$ 107,065</u>	<u>\$ 1,073,173</u>	<u>\$ 1,195,872</u>	<u>\$ 8,011,824</u>
LIABILITIES AND NET ASSETS/CAPITAL									
Liabilities									
Accounts Payable and Accrued Expenses	-	-	1,998,488	48,141	-	-	24,717	4,286	975,487
Notes Payable	-	115,375	982,419	-	-	-	238,390	635,258	6,597,432
Deferred Revenue	-	-	384	447	-	-	1,274	-	47,184
Total Liabilities	-	115,375	2,981,291	48,588	-	-	264,381	639,544	7,620,103
Net Assets/Capital Unrestricted	<u>\$ 85,970</u>	<u>(128,396)</u>	<u>\$ 146,404</u>	<u>\$ 667,333</u>	<u>\$ 38,143</u>	<u>\$ 107,065</u>	<u>\$ 808,792</u>	<u>\$ 556,328</u>	<u>\$ 391,721</u>
TOTAL LIABILITIES AND NET ASSETS/ CAPITAL	<u>\$ 85,970</u>	<u>(13,021)</u>	<u>\$ 3,127,695</u>	<u>\$ 715,921</u>	<u>\$ 38,143</u>	<u>\$ 107,065</u>	<u>\$ 1,073,173</u>	<u>\$ 1,195,872</u>	<u>\$ 8,011,824</u>

Parque Platino, Inc.	PathStone Comm. Dev. Corp. of Puerto Rico	PathStone Opportunities, Inc.	HOPN Housing Development Fund Corp.	PathStone Management Corporation	PathStone Alliance for Better Housing	PathStone Opportunities for Seniors Corporation	Housing Council at PathStone	PathStone Foundation	Old West End Place Corp.
\$ 300 9,074	\$ 3,871 -	\$ 390,198 -	\$ - -	\$ 103,620 -	\$ 27,488 11,269	\$ 22,262 447,350	\$ 741,120 386,568	\$ - 22,967	\$ - -
(687,494)	4,294,760	1,555,701	(3,965)	604,136	(16,000)	(76,117)	-	46,225	-
3,158,736	449,966	-	-	47,111	949,428	-	33,040	-	192,258
-	-	-	-	-	-	-	-	-	-
41,120	-	-	-	2,910	3,718	-	-	-	-
2,521,736	4,748,597	1,945,899	(3,965)	757,777	975,903	393,495	1,164,560	69,192	192,258
16,998	24,753	2,549	-	11,172	60,848	205,005	176,085	-	29
2,376,617	9,215	-	132,710	228,118	959,304	-	-	-	162,000
-	-	-	-	-	-	189,333	-	-	-
2,393,615	33,968	2,549	132,710	239,290	1,020,152	394,338	176,085	-	162,029
128,121	4,714,629	1,943,350	(136,675)	518,487	(44,249)	(843)	988,475	69,192	30,229
\$ 2,521,736	\$ 4,748,597	\$ 1,945,899	\$ (3,965)	\$ 757,777	\$ 975,903	\$ 393,495	\$ 1,164,560	\$ 69,192	\$ 192,258

See Independent Auditors' Report and Notes to Financial Statements.

	Andrews Terrace HDFC	PathStone Community Improvement of Newburgh	Total
\$	-	\$ 6,232	\$ 1,507,194
	-	7,530	1,052,968
	332,066	(16,722)	10,745,042
	-	-	13,240,271
	-	292,858	550,451
	-	-	264,959
	-	-	369,173
	<u>332,066</u>	<u>289,898</u>	<u>27,730,058</u>
	-	3,838	3,552,396
	332,066	200,000	12,968,904
	-	2,021	240,643
	<u>332,066</u>	<u>205,859</u>	<u>16,761,943</u>
	-	84,039	10,968,115
\$	<u>332,066</u>	<u>289,898</u>	<u>\$ 27,730,058</u>

See Independent Auditors' Report and Notes to Financial Statements.

PATHSTONE CORPORATION AFFILIATES
COMBINING STATEMENTS OF ACTIVITIES - OTHER AFFILIATES
For the Year Ended September 30, 2014

	PHC of PA and Subsidiary	PHAC of New Jersey	PathStone Dev. Corp. of Ohio and Subsidiaries	Monroe Special Housing	Heritage Meadows Development Fund Corp.	Highland Meadows HDFC	PathStone Farmworker Housing Corporation	PathStone Farmworker Housing Corp. of PA	Rural Housing Opportunities Corporation and Subsidiaries
<u>Support, Revenue, Gains, and (Losses)</u>									
Program Related Revenue	\$ -	\$ -	\$ 176,267	\$ 93,551	\$ -	\$ -	\$ 172,448	\$ 58,416	\$ 1,509,285
Contributions	-	-	-	-	-	-	-	-	-
In Kind Contributions	-	-	-	-	-	-	-	-	-
Other Support and Revenue	-	-	316,273	641	-	12,808	2,448	13,785	105,461
Total Support, Revenue Gains and (Losses)	-	-	492,540	94,192	-	12,808	174,896	72,201	1,614,746
<u>Expenses</u>	-	2,118	495,026	138,524	-	-	190,649	105,881	1,195,608
Change in Net Assets	-	(2,118)	(2,486)	(44,332)	-	12,808	(15,753)	(33,680)	419,138
Net Assets/Capital - Beginning of Year	85,970	(126,278)	3,229,145	711,665	38,143	94,257	824,545	590,008	631,093
New Subsidiaries/Affiliates	-	-	(3,080,255)	-	-	-	-	-	(314,244)
Capital Contributions	-	-	-	-	-	-	-	-	100
Transfers	-	-	-	-	-	-	-	-	(344,366)
Net Assets/Capital - End of Year	\$ 85,970	\$ (128,396)	\$ 146,404	\$ 667,333	\$ 38,143	\$ 107,065	\$ 808,792	\$ 556,328	\$ 391,721

Parque Platino, Inc.	PathStone Comm. Dev. Corp. of Puerto Rico	PathStone Opportunities, Inc.	HOPN Housing Development Fund Corp.	PathStone Management Corporation	PathStone Alliance for Better Housing	PathStone Opportunities for Seniors Corporation	Housing Council at PathStone	PathStone Foundation	Old West End Place Corp.
\$ 103,440	\$ 4,200,000	\$ -	\$ -	\$ 1,180,123	\$ 147,013	\$ 6,323,172	\$ 2,242,021	\$ -	\$ -
-	-	-	-	-	2,802	-	-	90,930	-
-	-	-	-	-	-	880,292	65,478	-	-
974	72,787	67,056	-	110,906	19,217	120	-	-	-
104,414	4,272,787	67,056	-	1,291,029	169,032	7,203,584	2,307,499	90,930	-
181,112	128	149	-	1,255,164	154,613	7,204,731	2,326,171	21,738	-
(76,698)	4,272,659	66,907	-	35,865	14,419	(1,147)	(18,672)	69,192	-
204,819	16,757	1,876,443	(136,675)	482,622	(58,668)	304	-	-	-
-	-	-	-	-	-	-	1,007,147	-	-
-	-	-	-	-	-	-	-	-	-
-	425,213	-	-	-	-	-	-	-	30,229
\$ 128,121	\$ 4,714,629	\$ 1,943,350	\$ (136,675)	\$ 518,487	\$ (44,249)	\$ (843)	\$ 988,475	\$ 69,192	\$ 30,229

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	Andrews Terrace HDFC	PathStone Community Improvement of Newburgh	Total
\$	-	\$ 75,431	\$ 16,281,167
	-	-	93,732
	-	-	945,770
	-	-	<u>722,476</u>
	-	<u>75,431</u>	<u>18,043,145</u>
	-	<u>69,950</u>	<u>13,341,562</u>
	-	5,481	4,701,583
	-	78,558	8,542,708
	-	-	(2,387,352)
	-	-	100
	-	-	<u>111,076</u>
\$	-	\$ 84,039	\$ 10,968,115

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