

New York Landmarks Conservancy, Inc.

Financial Statements

December 31, 2025

Independent Auditors' Report

**To the Board of Directors of
New York Landmarks Conservancy, Inc.**

Opinion

We have audited the accompanying financial statements of New York Landmarks Conservancy, Inc. (the "Organization") which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Summarized Comparative Information

We have previously audited the Organization's December 31, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 14, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

PKF O'Connor Davies, LLP

April 14, 2026

New York Landmarks Conservancy, Inc.

Statement of Financial Position
December 31, 2025
(with comparative amounts at December 31, 2024)

	2025	2024
ASSETS		
Cash and cash equivalents	\$ 1,468,749	\$ 2,510,982
Certificate of deposit, at cost	1,010,336	-
Pledges receivable	252,000	299,000
Program-related loans receivable	263,440	274,695
Prepaid expenses and other assets	103,336	18,123
Cash and cash equivalents held for others	74,762	70,417
Investments	17,534,601	15,985,026
Right of use asset - operating lease, net	3,184,591	3,497,294
Investments held in perpetuity	2,392,068	2,392,068
	\$ 26,283,883	\$ 25,047,605
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued liabilities	\$ 51,000	\$ 46,325
Grants payable	652,700	753,300
Lease payable	3,505,140	3,822,380
Amounts Held for Others		
Queens Historic Properties Fund	74,762	70,417
Total Liabilities	4,283,602	4,692,422
Net Assets		
Without Donor Restrictions		
Undesignated	2,870,125	2,681,666
Board designated	14,238,428	13,135,747
Total Without Donor Restrictions	17,108,553	15,817,413
With donor restrictions	4,891,728	4,537,770
Total Net Assets	22,000,281	20,355,183
	\$ 26,283,883	\$ 25,047,605

See notes to financial statements

New York Landmarks Conservancy, Inc.

Statement of Activities Year Ended December 31, 2025 (with summarized totals for the year ended December 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
OPERATING REVENUE AND SUPPORT				
Contributions and grants	\$ 2,071,877	\$ 512,275	\$ 2,584,152	\$ 2,470,265
Contributed services	96,815	-	96,815	303,050
Special events, net of direct benefit to donors of \$394,065 and \$347,265	775,982	-	775,982	884,105
Government grants	-	-	-	40,000
Investment return used for operations	594,480	38,160	632,640	687,430
Program services income	-	76,012	76,012	77,195
	3,539,154	626,447	4,165,601	4,462,045
Net assets released from restrictions	639,160	(639,160)	-	-
Total Operating Revenue and Support	4,178,314	(12,713)	4,165,601	4,462,045
EXPENSES				
Program	2,674,360	-	2,674,360	2,938,240
Administration	579,381	-	579,381	508,960
Development and fundraising	796,677	-	796,677	739,199
Total Expenses	4,050,418	-	4,050,418	4,186,399
Excess (Deficit) of Operating Revenue and Support Over Expenses	127,896	(12,713)	115,183	275,646
NON-OPERATING ACTIVITIES				
Non-operating investment return	1,163,244	366,671	1,529,915	1,157,617
Change in Net Assets	1,291,140	353,958	1,645,098	1,433,263
NET ASSETS				
Beginning of year	15,817,413	4,537,770	20,355,183	18,921,920
End of year	\$ 17,108,553	\$ 4,891,728	\$ 22,000,281	\$ 20,355,183

See notes to financial statements

New York Landmarks Conservancy, Inc.

Statement of Functional Expenses
Year Ended December 31, 2025
(with summarized totals for the year ended December 31, 2024)

	Program								
	Sacred Sites Program	Public Policy	Technical Services	Emergency Grants	Easements	Nonprofit Technical Assistance Grant Program	New York City Historic Properties Fund	Endangered Buildings	Total Program
Salaries	\$ 403,362	\$ 228,373	\$ 96,229	\$ 49,213	\$ 42,264	\$ 49,277	\$ -	\$ 29,707	\$ 898,425
Payroll taxes and benefits	113,602	65,995	27,808	14,222	12,214	14,240	-	8,585	256,666
Total Salaries and Related Expenses	<u>516,964</u>	<u>294,368</u>	<u>124,037</u>	<u>63,435</u>	<u>54,478</u>	<u>63,517</u>	-	<u>38,292</u>	<u>1,155,091</u>
Professional fees and purchased services	45,845	20,998	8,848	102,926	3,886	4,531	-	2,732	189,766
In-kind legal	-	14,963	-	-	-	-	-	-	14,963
Occupancy and insurance	103,160	61,374	25,861	13,226	11,358	13,243	-	7,984	236,206
Equipment lease and maintenance	1,463	871	367	188	161	188	-	113	3,351
Telephone	4,010	2,386	1,005	514	442	515	-	310	9,182
Postage, shipping and messenger	4,401	2,618	1,103	564	485	565	-	341	10,077
Copying, printing and photos	1,446	1,383	362	185	159	186	-	112	3,833
Supplies	2,532	1,506	635	325	279	325	-	196	5,798
Travel, catering, and meetings	7,075	7,885	1,774	882	779	908	-	548	19,851
Other events	-	141,503	-	-	-	-	-	-	141,503
Grants - direct	573,224	-	14,875	-	-	-	89,691	-	677,790
Dues and subscriptions	3,160	1,880	792	405	348	406	-	244	7,235
Fees	8,908	5,300	2,233	1,142	981	1,144	-	689	20,397
Special events	-	-	-	-	-	-	-	-	-
Advertising	3,805	116,351	14,361	44,727	25	30	-	18	179,317
Total Expenses Before Reimbursement and Direct Donor Benefit Expenses	<u>1,275,993</u>	<u>673,386</u>	<u>196,253</u>	<u>228,519</u>	<u>73,381</u>	<u>85,558</u>	<u>89,691</u>	<u>51,579</u>	<u>2,674,360</u>
Reimbursement of expenses	-	-	-	-	-	-	-	-	-
Direct donor benefit expenses	-	-	-	-	-	-	-	-	-
Total Expenses Reported by Function on the Statement of Activities	<u>\$ 1,275,993</u>	<u>\$ 673,386</u>	<u>\$ 196,253</u>	<u>\$ 228,519</u>	<u>\$ 73,381</u>	<u>\$ 85,558</u>	<u>\$ 89,691</u>	<u>\$ 51,579</u>	<u>\$ 2,674,360</u>

See notes to financial statements

New York Landmarks Conservancy, Inc.

Statement of Functional Expenses *(continued)*

Year Ended December 31, 2025

(with summarized totals for the year ended December 31, 2024)

	Administration					
	Management and General	New York City Historic Properties Fund	Total Administration	Development and Fundraising	2025 Total	2024 Total
Salaries	\$ 294,197	\$ 240,306	\$ 534,503	\$ 302,856	\$ 1,735,784	\$ 1,590,959
Payroll taxes and benefits	85,017	66,017	151,034	87,520	495,220	482,571
Total Salaries and Related Expenses	<u>379,214</u>	<u>306,323</u>	<u>685,537</u>	<u>390,376</u>	<u>2,231,004</u>	<u>2,073,530</u>
Professional fees and purchased services	27,051	-	27,051	27,847	244,664	284,873
In-kind legal	81,852	-	81,852	-	96,815	303,050
Occupancy and insurance	56,809	86,229	143,038	81,392	460,636	427,818
Equipment lease and maintenance	1,122	908	2,030	1,154	6,535	6,387
Telephone	3,073	2,487	5,560	3,164	17,906	16,452
Postage, shipping and messenger	3,373	3,144	6,517	3,472	20,066	36,334
Copying, printing and photos	10,098	897	10,995	1,141	15,969	12,282
Supplies	1,941	1,570	3,511	1,998	11,307	22,930
Travel, catering, and meetings	5,422	-	5,422	5,582	30,855	23,762
Other events	-	-	-	-	141,503	185,880
Grants - direct	-	-	-	-	677,790	755,348
Dues and subscriptions	2,422	-	2,422	2,493	12,150	14,239
Fees	6,828	-	6,828	7,028	34,253	15,757
Special events	-	-	-	394,065	394,065	347,265
Advertising	176	14,303	14,479	271,030	464,826	406,555
Total Expenses Before Reimbursement and Direct Donor Benefit Expenses	<u>579,381</u>	<u>415,861</u>	<u>995,242</u>	<u>1,190,742</u>	<u>4,860,344</u>	<u>4,932,462</u>
Reimbursement of expenses	-	(415,861)	(415,861)	-	(415,861)	(398,798)
Direct donor benefit expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(394,065)</u>	<u>(394,065)</u>	<u>(347,265)</u>
Total Expenses Reported by Function on the Statement of Activities	<u>\$ 579,381</u>	<u>\$ -</u>	<u>\$ 579,381</u>	<u>\$ 796,677</u>	<u>\$ 4,050,418</u>	<u>\$ 4,186,399</u>

See notes to financial statements

New York Landmarks Conservancy, Inc.

Statement of Cash Flows
Year Ended December 31, 2025
(with comparative amounts for the year ended December 31, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,645,098	\$ 1,433,263
Adjustments to reconcile change in net assets to net cash from operating activities		
Amortization of right to use assets - operating lease	312,703	306,422
Net realized and unrealized gain on investments	(1,506,257)	(1,138,183)
Changes in operating assets and liabilities		
Pledges receivable	47,000	(259,000)
Program-related loans receivable	11,255	97
Prepaid expenses and other assets	(85,213)	84,877
Accounts payable and accrued liabilities	4,675	4,611
Grants payable	(100,600)	(191,241)
Payments on lease payable	(317,240)	(267,669)
Net Cash from Operating Activities	11,421	(26,823)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	3,281,596	14,736,685
Purchase of investments	(3,324,914)	(14,907,340)
Purchase of certificate of deposit	(1,010,336)	-
Net Cash from Investing Activities	(1,053,654)	(170,655)
Net Change in Cash and Cash Equivalents	(1,042,233)	(197,478)
CASH AND CASH EQUIVALENTS		
Beginning of the year	2,510,982	2,708,460
End of the year	\$ 1,468,749	\$ 2,510,982

See notes to financial statements

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

1. Organization and Tax Status

New York Landmarks Conservancy, Inc. (the "Organization"), established in 1973, is a non-profit organization dedicated to the preservation and reuse of architecturally, culturally and historically significant buildings throughout New York City and the State of New York. The Organization's goals are to devise and implement economically sound reuse strategies for landmark buildings, carry out studies, utilize legal and economic tools as incentives to historic preservation, disseminate preservation-related information to the public, assist community groups in achieving urban renewal through the revitalization of existing structures, and provide technical assistance to owners of landmark properties. The Organization derives most of its revenue and support from contributions and grants made by individuals, corporations and foundations.

The Organization has been granted tax-exempt status from the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal or state income taxes.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires the Organization's management to make certain estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measure of Operations

The Organization includes in its measure of operations all revenues and expenses that are an integral part of its program and supporting activities and excludes contributions with donor restrictions that are permanent in nature and investment return in excess of the Organization's spend rate.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with maturities of three months or less when purchased.

Pledges Receivable

Pledges receivable are stated at their estimated realizable value. Amounts due in more than one year are stated at the present value of the estimated future cash flows, discounted using a risk-adjusted rate.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

2. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents Held for Others

The Organization maintains cash and cash equivalents for others in connection with transactions in which the Organization acts as an agent. These cash and cash equivalents are reported in the statement of financial position with related liability accounts categorized under amounts held for others.

Fair Value Measurements

The Organization follows U.S. GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The Organization follows U.S. GAAP guidance which removed the requirements to categorize within the fair value hierarchy alternative investments where fair value is measured using the Net Asset Value (“NAV”) per share as a practical expedient.

The Organization holds alternative investments (see Note 7) which are valued on a quarterly basis using the NAV for the fund which is calculated by a third party. The fair value of alternative investments has been estimated using NAV as reported by the management of the respective alternative investment funds. U.S. GAAP guidance provides for the use of NAV as a “Practical Expedient” for estimating fair value of alternative investments. The NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of the Organization’s interest.

The fair values by input levels of the Organization’s investments are included in Note 7 to the financial statements.

Investments and Investment Income Recognition

Investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

2. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are stated at cost and depreciated on a straight line basis over their estimated useful lives, ranging from 3 to 15 years. The Organization capitalizes all expenditures for property and equipment in excess of \$5,000. Leasehold improvements are stated at cost and depreciated on a straight-line basis over the shorter of the lease term or their estimated useful life.

Net Asset Presentation

Net assets without donor restrictions have no restriction as to use or purpose imposed by donors. Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, and are limited to a specific time period or purpose. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained for investment in perpetuity.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries are allocated on the basis of staff estimates of time and effort. Direct program costs such as grants and other events are allocated directly to the programs. Special event costs are netted with the contributions. All other costs that are not charged directly to a program are allocated based on the percentage of overall salary allocation.

Contributions

Contributions received, including unconditional promises to give, are recognized as revenue in the period received. The Organization reports gifts as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are restricted as support for future periods. When donor restrictions expire, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization reports gifts of goods and equipment at fair value at the date of the gift. Such gifts are reported as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations as to how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or purchased long-lived assets are placed in service.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

2. Summary of Significant Accounting Policies (continued)

Contributed Services

The fair value of contributed services is reported as a contribution if such services create or enhance non-financial assets, or require specialized skills, and are provided by individuals possessing such specialized skills and would typically need to be purchased if not provided by donation.

Art Collection

The Organization maintains a donated art collection that is not recognized as an asset on the statement of financial position. The collection has been appraised at \$400,000.

Accounting for Uncertainty in Income Taxes

The Organization recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Organization had no uncertain tax positions that would require financial statement recognition or disclosure. The Organization is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2022.

Advertising

Advertising costs are expensed as incurred and amounted to \$464,826 for the year ended December 31, 2025.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is April 14, 2026.

Prior Year Summarized Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset or functional class. Such information is not intended to include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for 2024.

Leases

The Organization determines if an arrangement is a lease at inception. The operating lease is included in right of use assets – operating lease (“ROU asset”) and lease payable on the accompanying statement of financial position.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

2. Summary of Significant Accounting Policies (continued)

Leases (continued)

ROU asset represents the right to use an underlying asset for the lease term and lease payable represents the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The lease does not provide an implicit borrowing rate. The Organization uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset includes any lease payments made and excludes lease incentives. The lease term may include options to extend the lease and when it is reasonably certain that the Organization will exercise that option, such amounts are included in ROU assets and lease liabilities. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Organization's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

The Organization has a lease agreement with lease and non-lease components, which are generally accounted for separately. Variable lease components in this lease are utilities, insurance, storage, and maintenance expenses and are recognized in operating expenses in the period in which the obligation is incurred.

The Organization applies the short-term lease exemption to all of its classes of underlying assets. During the year ended December 31, 2025, there were no short-term lease costs.

Program-Related Loans Receivable and Allowance for Credit Losses

Program-related loans receivable are recorded at the amount per the loan agreement less subsequent payments per the loan agreement and an allowance for credit losses that are not expected to be recovered. The amount of program-related loans receivable and corresponding allowance for credit losses are presented on the accompanying statement of financial position. The Organization maintains allowances for credit losses resulting from the expected failure or inability of its loan recipients to make required payments. The Organization recognizes the allowance for credit losses at inception and reassesses at every reporting date based on the remaining program-related loan receivable's expected collectability. The allowance is based on multiple factors including historical experience with bad debts, the credit quality of the customer base, the aging of such receivables and current macroeconomic conditions, as well as expectations of conditions in the future, if applicable. The Organization's allowance for credit losses is based on the assessment of the collectability of assets pooled together with similar risk characteristics.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

2. Summary of Significant Accounting Policies *(continued)*

Program-Related Loans Receivable and Allowance for Credit Losses (continued)

The Organization records a provision for expected credit losses using a cumulative loss rate method based on the ratio of its historical write-offs to its outstanding loan balance as of the specific reporting date. At each reporting period, the Organization assesses whether financial assets in a pool continue to display similar risk characteristics. If particular program-related loan receivables no longer display risk characteristics that are similar to those of the program-related loan receivables in the pool, the Organization may determine that it needs to move those program-related loan receivables to a different pool or perform an individual assessment of expected credit losses for those specific program-related loan receivables.

3. Concentration of Credit Risk

The Organization maintains cash in bank accounts which at times may exceed federally insured limits. This potentially subjects the Organization to a concentration of credit risk. The Organization has not experienced any losses in such accounts.

The investment portfolio is managed by professional investment advisors and managers and is diversified by type of investment and industry concentrations so that no individual investment or group of investments represents a significant concentration of market risk.

4. Pledges Receivable

Pledges receivable consist of the following at December 31, 2025:

Due within	
One year	\$ 202,000
Two years	<u>50,000</u>
	<u>\$ 252,000</u>

Pledges receivable at December 31, 2025 are deemed fully collectible by management.

5. Program-Related Loans Receivable

Program-related loans receivable consist of two unsecured loans, one of which was made to a church for landmark restoration and preservation of their historic buildings. Monthly payments for the church loan are \$876, including interest at 2% per annum through June 1, 2026. The balance of the church loan was \$13,440 at December 31, 2025. The remaining loan of \$250,000 was made to New York City Historic Properties Fund, Inc. ("NYCHPF") for general operating purposes with interest accruing at 2% per annum through February 1, 2026, and the entire balance due at maturity on February 1, 2026.

The NYCHPF loan was collected in full in February 2026 while the church loan is expected to be collected in June 2026.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

6. Due from New York City Historic Properties Fund, Inc.

The Organization has a management contract with NYCHPF, a related party, whereby NYCHPF reimburses the Organization for management and administrative costs provided. During 2025, the Organization was reimbursed \$415,861 by NYCHPF for direct expenses and common costs associated with the administration and management of NYCHPF. At December 31, 2025, the Organization had no outstanding receivable from NYCHPF relating to this contract.

7. Investments

The following summarizes the inputs used to measure the fair value of investments at December 31, 2025:

	Level 1	Total
Mutual Funds, at Fair Value		
US Large Cap Growth	\$ 2,756,239	\$ 2,756,239
US Large Cap Value	2,590,664	2,590,664
US Large Cap	1,911,680	1,911,680
US Mid Cap	927,874	927,874
International Equities	2,812,250	2,812,250
US Taxable Core	3,075,404	3,075,404
Preferred Securities	814,975	814,975
Bank Loans	489,149	489,149
Global Fixed Income Other	1,274,891	1,274,891
Global Cash	424,193	424,193
Taxable Government Money Market	2,276,376	2,276,376
Total Mutual Funds, at Fair Value	19,353,695	19,353,695
Cash and cash equivalents, at cost	-	182,003
Alternative investments *	-	390,971
Total Investments	\$ 19,353,695	\$ 19,926,669

* As discussed in Note 2, alternative investments are valued at NAV and are not included in the fair value hierarchy. Amounts in the total column are presented to permit a reconciliation to the statement of financial position.

During the year ended December 31, 2025, there were no transfers in or out of Levels 1, 2, or 3 of the fair value hierarchy.

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

7. Investments (continued)

Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial conditions and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

Information regarding investments valued at NAV at December 31, 2025 is as follows:

<u>Investment Funds</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Domestic Credit Investments (a)				
Oaktree Strategic Credit Fund, LP	\$ 390,971	\$ -	Quarterly	29 days in advance

- a. This category includes one statutory trust. The fund invests broadly in various private credit financing and public debt financing opportunities primarily within the United States of America.

Investment earnings consist of the following for the year ended December 31, 2025:

Realized and unrealized gain on investments	\$ 1,506,257
Interest and dividends	761,595
Investment fees	<u>(105,297)</u>
	<u>\$ 2,162,555</u>

8. Commitments and Contingencies

The Organization occupies offices in New York City at One Whitehall Street (the "Facility") under a noncancellable operating lease expiring December 31, 2034.

The Organization amortizes the operating lease right-of-use asset over the remaining life of the lease agreement. The right-of-use asset consists of the following at December 31, 2025:

Right of use assets - operating lease	\$ 4,401,175
Less: accumulated amortization	<u>(1,216,584)</u>
	<u>\$ 3,184,591</u>

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

8. Commitments and Contingencies (*continued*)

The weighted average discount rate and remaining lease term of the lease are as follows at December 31, 2025:

Weighted Average:	
Discount rate	2.26%
Remaining lease term in years	9

The Facility is occupied under an operating lease requiring future minimum payments as follows for the years ending December 31:

2026	\$ 399,600
2027	399,600
2028	439,560
2029	439,560
2030	439,560
Thereafter	<u>1,758,240</u>
Total Undiscounted Operating Lease Payments	3,876,120
Less: imputed interest	<u>(370,980)</u>
Present Value of Operating Lease Liabilities	<u>\$ 3,505,140</u>

Supplemental cash flow information related to operating leases was as follows for the year ended December 31, 2025:

Cash paid for amounts included in the measurement of operating lease liabilities	\$ 399,600
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Occupancy and insurance expense for the Organization for 2025 was \$460,636 with \$82,360 related to imputed interest on the lease payable, \$312,703 related to amortization on the right of use asset - operating lease, \$5,449 related to utilities, \$20,700 related to insurance, \$6,167 related to storage, and \$33,257 related to property maintenance.

9. Net Assets

At December 31, 2025, the Board of Directors has designated \$14,238,428 of the Organization's accumulated net assets without donor restrictions to be used for preservation grants and easements, restoration of endangered buildings, and future operating purposes.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

9. Net Assets (continued)

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2025:

Subject to expenditure for a specified purpose or time restriction:	
Time Restriction	\$ 49,500
Nonprofit Technical Assistance Grant Program	27,326
Emergency Grant Program	163,759
Sacred Sites Program	382,126
Lucy G. Moses Endowment	111,320
Lucy G. Moses Awards Program	687,568
Brendan Gill Endowment for Historic Preservation	721,540
Frederick Law Olmstead House	3,012
25 Year Anniversary Endowment	162,767
Staten Island Foundation	89,312
Mellon Tents	66,430
Shapiro Grant	35,000
	<u>2,499,660</u>
Held as endowment and subject to the Organization's spending policy and appropriation:	
Lucy G. Moses Awards Endowment	330,000
Brendan Gill Endowment for Historic Preservation	1,783,225
25 Year Anniversary Endowment	278,843
	<u>2,392,068</u>
Total Net Assets with Donor Restrictions	<u>\$ 4,891,728</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the passage of time in 2025 as follows:

Time restriction (passage of time)	\$ 49,500
Program restrictions accomplished:	
Sacred Sites Program	263,025
Lucy G. Moses Awards Endowment	156,529
Staten Island Foundation	3,188
Brendan Gill Endowment for Historic Preservation	89,690
25 Year Anniversary Endowment	23,135
Mellon Tents	54,093
Total Restrictions Released	<u>\$ 639,160</u>

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

10. Endowment

Interpretation of Law

The Organization follows the New York Prudent Management of Institutional Funds Act (“NYPMIFA”), which requires the preservation of the value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary, and except in those cases where the law allows appropriation for spending of the original gift amounts. As a result, the Board of Directors retains in perpetuity (a) the original value of the gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations of investment returns to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity is subject to appropriation for expenditure by the Board of Directors in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while attempting to increase the value of the endowment assets, including both donor-restricted and board designated funds.

The Organization utilizes a total return investment approach with its asset allocation diversified over multiple asset classes and sub classes. Endowment return objectives are to provide adequate funding over the long term with a moderate level of risk. In order to achieve this objective, the Organization follows the strategy of weighing the asset allocation to higher return asset classes, including equities, with marginally higher risk characteristics. The total return objective includes the funding of both the current year spending rate amount and the amount required to be retained pursuant to the Board of Director’s interpretation of State law.

Spending Rate Methods

The spending policies for board designated endowment funds are set at the discretion of the Board of Directors. These funds are used for preservation grants and easements, restoration of endangered buildings and future operating purposes. The annual appropriation amounts are presented and approved with the Organization’s annual budget. Within the Board designated endowment funds, an amount of \$1 million dollars is held in perpetuity to fund any obligation under the terms of easements held by the Organization. The Organization invests its endowment funds and allocates the related earnings for expenditure in accordance with the total return concept.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

10. Endowment (continued)

Spending Rate Methods (continued)

The Board of Directors utilizes various targeted spending methods to determine the estimated annual drawdown from the Organization's donor restricted endowment funds, as follows:

Board Designated - at the discretion of the Board of Directors

Donor Restricted:

- Lucy G. Moses Awards Endowment – 4% of the trailing 5 year average of the fair value of the endowment fund to offset allocated expenses
- Brendan Gill Endowment for Historic Preservation – 4% of the trailing 5 year average of the fair value of the endowment fund to provide a grant to NYCHPF
- 25 Year Anniversary Endowment – 5% of the trailing 5 year average of the fair value of the endowment fund to provide working capital

The above targeted spending policies for donor restricted endowment funds and any and all actual appropriation amounts are approved annually at the discretion of the Organization's Board of Directors and must be consistent with the requirements of NYPMIFA as set forth in Section 553 of the New York Not-for-Profit Corporation Law including, but not limited to, the prudence standard of NYPMIFA. Under the prudence standard, an organization may spend so much of a donor restricted endowment fund as the organization determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, considering certain factors enumerated in Section 553(a) of the New York Not-for-Profit Corporation Law. The Investment Committee of the Board of Directors reviews and reassesses periodically the adequacy of the current spending policies in light of current operational circumstances.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

10. Endowment (continued)

Spending Rate Methods (continued)

Changes in endowment and other invested funds for 2025 consist of the following:

	Without Donor Restrictions	With Donor Restrictions		Total
		Temporary in Nature	Perpetual in Nature	
Balance, beginning of year, endowment funds	\$ 11,790,570	\$ 725,127	\$ 2,392,068	\$ 14,907,765
Additions	511,649	-	-	511,649
Investment return	459,287	119,413	-	578,700
Investment fees	(79,088)	(20,787)	-	(99,875)
Capital appreciation	1,129,793	299,723	-	1,429,516
Transfers	(519,480)	(127,851)	-	(647,331)
Balance, end of year, endowment funds	13,292,731	995,625	2,392,068	16,680,424
Other investments, not included in endowment funds				
Operating fund	918,975	-	-	918,975
Astor Fund (Sacred Sites)	-	50,894	-	50,894
Total Investments *	<u>\$ 14,211,706</u>	<u>\$ 1,046,519</u>	<u>\$ 2,392,068</u>	<u>\$ 17,650,293</u>
Comprised of the following:				
Board Designated	\$ 13,292,731	\$ -	\$ -	\$ 13,292,731
25 year Anniversary endowment	-	162,768	278,843	441,611
Lucy G. Moses endowment	-	111,320	330,000	441,320
Brendan Gill endowment	-	721,537	1,783,225	2,504,762
Total Endowment Funds	13,292,731	995,625	2,392,068	16,680,424
Operating fund	918,975	-	-	918,975
Astor Fund (Sacred Sites)	-	50,894	-	50,894
Total Investments *	<u>\$ 14,211,706</u>	<u>\$ 1,046,519</u>	<u>\$ 2,392,068</u>	<u>\$ 17,650,293</u>
Donor endowed	\$ -	\$ 995,625	\$ 2,392,068	\$ 3,387,693
Board designated	13,292,731	-	-	13,292,731
Total Endowment Funds	13,292,731	995,625	2,392,068	16,680,424
Operating fund	918,975	-	-	918,975
Astor Fund (Sacred Sites)	-	50,894	-	50,894
Total Investments *	<u>\$ 14,211,706</u>	<u>\$ 1,046,519</u>	<u>\$ 2,392,068</u>	<u>\$ 17,650,293</u>

* Net of taxable government money market investments of \$2,276,376

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

10. Endowment (*continued*)

Underwater Endowment 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. There were no underwater endowment funds as of December 31, 2025.

11. Grants Payable

The Organization issues grants to other non-profit organizations. Grants are given to maintain, repair and restore historic buildings and are given to Sacred Sites, endangered buildings and for emergency preservation. An annual grant is given to the New York City Historic Properties Fund, Inc., which is the Organization's main financing vehicle for restoration work throughout New York City. Grants are expensed and considered a payable at the time of commitment as no conditions exist, and do not span more than one year.

12. Retirement Plan

The Organization has a 403(b) plan that provides for discretionary contributions for eligible employees, limited to the maximum annual amount allowed by the Internal Revenue Service. The Organization's contributions to the plan totaled \$77,832 in 2025.

13. Contributed Services

The Organization received contributed services as follows for the year ended December 31, 2025:

	<u>Amount</u>	<u>Usage in Program/Activities</u>	<u>Donor Restriction</u>	<u>Fair Value Techniques</u>
Legal services	\$ 14,963	Public Policy Program	None	Estimated based on current rates of legal services provided by law firm
Legal services	<u>81,852</u>	Management and General	None	Estimated based on current rates of legal services provided by law firm
	<u>\$ 96,815</u>			

The Organization does not have a policy to monetize donations of non-financial assets.

New York Landmarks Conservancy, Inc.

Notes to Financial Statements
December 31, 2025

14. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following at December 31, 2025:

Cash and cash equivalents	\$ 1,468,749
Certificate of deposit	1,010,336
Pledges receivable	202,000
Program-related loans receivable	263,440
Investments	<u>17,534,601</u>
Total Financial Assets	20,479,126
Donor restricted net assets	
temporary in nature	(2,499,660)
Board designated net assets	<u>(14,238,428)</u>
	<u>\$ 3,741,038</u>

As part of the Organization's liquidity management, the Organization strives to maintain an amount equal to all donor restricted non-endowed funds in either checking or money market accounts. At year-end, any shortfalls are reconciled, and funds are transferred from the investment account to a checking account. Investments without donor restrictions can be used if needed. The balance of these investments as of December 31, 2025 was \$3,387,693. Also, there are Board designated investments of approximately \$13.3 million that can be made available if needed.

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