



ROTHBART, BARANEK & BARON, LLC
A NEW JERSEY LIMITED LIABILITY COMPANY

ACCOUNTING OFFICES

PRINCIPALS

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ASSOCIATES

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Leona Morris St. Urban Renewal Assoc., LLC
201 Mendham Rd.
Morristown, NJ 07960

To The Members:

Management is responsible for the accompanying financial statements of Leona Morris St. Urban Renewal Assoc., LLC, which comprise the balance sheets as of December 31, 2018 & 2017, and the related statements of income for the years then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Rothbart, Baranek & Baron, LLC
Rothbart, Baranek & Baron, LLC

August 28, 2019

Leona Morris St Urban Renewal Assoc, LLC
Balance Sheets
December 31, 2018 and 2017
(unaudited)

ASSETS

	December 31, 2018	Pct.	December 31, 2017	Pct.
Current Assets:				
Cash in Banks	\$ 9,726	0.67%	\$ 205,780	14.08%
Total Current Assets	9,726	0.67%	205,780	14.08%
Fixed Assets:				
Building	5,510,960	377.17%	4,506,111	308.40%
Building in Progress	-	0.00%	988,585	67.66%
Land	169,863	11.63%	169,863	11.63%
Less: Accumulated Depreciation	(415,078)	-28.41%	(216,202)	-14.80%
Total Fixed Assets	5,265,745	360.39%	5,448,357	372.89%
Total Assets	<u>\$ 5,275,471</u>	<u>361.06%</u>	<u>\$ 5,654,137</u>	<u>386.97%</u>

LIABILITIES AND MEMBER EQUITY

Current Liabilities:				
Notes Payable	\$ 5,163,504	353.39%	\$ 5,352,038	366.30%
Total Current Liabilities	5,163,504	353.39%	5,352,038	366.30%
Non-Current Liabilities:				
Notes Payable - Non-Current	-	0.00%	-	0.00%
Total Non-Current Liabilities	-	0.00%	-	0.00%
Member Equity:				
Member Capital	111,967	7.66%	302,098	20.68%
Total Member Equity	111,967	7.66%	302,098	20.68%
Total Liabilities & Equity	<u>\$ 5,275,471</u>	<u>361.06%</u>	<u>\$ 5,654,136</u>	<u>386.97%</u>

Leona Morris St Urban Renewal Assoc, LLC
Statements of Income
For the Years Ended December 31, 2018 and 2017
(unaudited)

	December 31, 2018	Pct.	December 31, 2017	Pct.
Sales	759,598	100.00%	702,415	100.00%
Operating Expenses:				
Interest Expense	244,818	3.58%	182,077	2.66%
Real Estate Taxes	129,089	1.89%	46,547	0.68%
Management Fees	74,609	1.09%	140,778	2.06%
Insurance	25,612	0.37%	20,935	0.31%
Repairs	4,186	0.06%	15,918	0.23%
Supplies	1,489	0.02%	0	0.00%
Utilities	6,665	0.10%	2,442	0.04%
Cleaning & Maintenance	15,449	0.23%	9,654	0.14%
Advertising	0	0.00%	2,000	0.03%
Depreciation	198,876	2.90%	163,858	2.39%
Legal & Accounting Fees	3,299	0.05%	2,983	0.04%
Security Expense	4,350	0.06%	2,896	0.04%
Sewer	0	0.00%	623	0.01%
Outside Maintenance	24,784	0.36%	3,830	0.06%
Inspection Fees	1,240	0.02%	960	0.01%
Water	10,715	0.16%	6,017	0.09%
Wages	14,240	0.21%	0	0.00%
Payroll Taxes	1,487	0.02%	0	0.00%
Office	1,456	0.02%	0	0.00%
NJ Annual Report	125	0.00%	51	0.00%
Total Operating Expenses	762,489	11.14%	601,569	8.79%
Income/(Loss) From Operations	(2,891)	-0.04%	100,846	1.47%
Interest Income	0	0.00%	0	0.00%
Income/(Loss) Before Income Taxes	(2,891)	-0.04%	100,846	1.47%
Income Taxes	0	0.00%	0	0.00%
Net Income/(Loss)	(2,891)	-0.04%	100,846	1.47%