

**DIVISION 00 – PROCUREMENT AND CONTRACTING REQUIREMENTS**

**SECTION 00 41 13**

**BID FORM**

TO:

TOWN OF DEWEY BEACH  
105 RODNEY AVENUE  
DEWEY BEACH, DELAWARE

NEW DEWEY BEACH TOWN  
HALL AND POLICE DEPT.

I have received the construction documents titled New Construction for Dewey Town Hall and Police Department. I have also received Addenda Nos. 1, 2, 3 & 4, and have included their provisions in this Proposal. I have examined both the documents and the site and submit the following bid.

In submitting this bid, I agree:

1. To hold my bid open until 60 days after bids are opened.
2. To enter into and execute a Contract, if awarded on the basis of this bid, and to furnish Performance and Labor and Material Payment Bonds in accord with the Supplementary Instructions to AIA Document A701.
3. To accomplish the work in accord with the Contract Documents.
4. To complete the work as certified in writing by the architect within 502\* calendar days following receipt of written notice to proceed.

The first phase of construction will take 365 calendar days

The second phase of construction will take 137 calendar days.

Emory Hill & Company, Inc. will construct this project for the lump sum price of:

TWELVE MILLION THREE HUNDRED THIRTY EIGHT THOUSAND <sup>00</sup>/<sub>100</sub>Dollars (\$ 12,330,000 .00)

The first phase of construction with prevailing wage rate will cost:

NINE MILLION THREE HUNDRED TWENTY FIVE THOUSAND <sup>00</sup>/<sub>100</sub>Dollars (\$ 9,325,000 .00)

The second phase of construction with prevailing wage rate will cost:

THREE MILLION FIVE THOUSAND <sup>00</sup>/<sub>100</sub>Dollars (\$ 3,005,000 .00)

Included within the lump sum price is \$ 236,440 for the full payment & performance bond premium in the amount of 100% of the lump sum price stated on this bid form.

I include a copy of my current Delaware Contractor's license, Town of Dewey Contractor License, and other local licenses if applicable, with my bid. Subcontractor's entered into this contract with trades identified by the Delaware Division of Professional Regulation—including but not limited to Electricians, Elevator Mechanics, HVAC, Plumbers, Surveyors, etc.—shall possess professional licenses by the Delaware Division of Professional Regulation.

I include an executed copy of AIA Document A305 "Contractor's Qualification Statement" with my bid.

I include the required Bid Security with my bid.

I include the following DEDUCTIVE ALTERNATES. The Town of Dewey Beach reserves the right to incorporate alternates, in part or in total, it deems to be in its own best interests.

**ALTERNATE NO. 1:** Omit terrazzo flooring, and substitute with LVT flooring #2.

DEDUCT: \$ 25,000.00

**ALTERNATE NO. 2:** Omit drywall, furring, acoustical batt insulation for wall types A and B. Embed conduit, power, or other utility within the wall. Finish exposed concrete with primer and paint as specified.

DEDUCT: \$ 30,000.00

**ALTERNATE NO. 3:** Omit all LVT and Carpet where scheduled, and substitute for sealed and polished concrete.

~~DEDUCT:~~ \$ ADD 40,000.00

**ALTERNATE NO. 4:** Substitute standing seam metal roof for fully adhered pvc membrane roof with standing seam profile.

DEDUCT: \$ 130,000.00

**ALTERNATE NO. 5:** Omit all windows on the third floor. Block and rough-in framing for future window install.

DEDUCT: \$ 40,000.00

**ALTERNATE NO. 6:** Omit all ceramic tile. Provide rigid vinyl wall protection system up to 48" A.F.F. over painted moisture resistant drywall where scheduled, and provide fully adhered LVT flooring with heat welded seams to prevent moisture intrusion.

DEDUCT: \$ 0

**ALTERNATE NO. 7:** Substitute fiberglass doors and frames for hollow metal doors and frames.

DEDUCT: \$ ~~0~~ ADD 110,000<sup>00</sup>

**ALTERNATE NO. 8:** Omit elevator # 2. Provide foundation pit, shaft wall at first floor, and floor block outs for second and third for future install. Provide handicap lift to serve between Grade Vestibule to Processing Vestibule with necessary safeguards, calls, and doors.

DEDUCT: \$ 100,000.00

**ALTERNATE NO. 9:** Omit all ballistic (and fire-rated) exterior glass on first floor and substitute with ballistic and fire-rated glass block with frames and mortar.

DEDUCT: \$ 30,000<sup>00</sup>

**ALTERNATE NO. 10:** The cost to omit prevailing wages from labor for the project from first phase of construction.

DEDUCT: \$ 575,000<sup>00</sup>

**ALTERNATE NO. 11:** The cost to omit prevailing wages from labor for the project from second phase of construction.

DEDUCT: \$ 130,000<sup>00</sup>

**ALTERNATE NO. 12:** The cost in savings for construction if phasing was eliminated from the project and both phases (1+2) were constructed all at one time under prevailing wage rate.

DEDUCT: \$ 100,000<sup>00</sup>

**SCHEDULE C- UNIT PRICES BID – CONTINGENT ITEMS**

CONTINGENT ITEMS: The following unit prices will be utilized for changes in work from that indicated by the Project Manual, upon authorization of the Engineer.

ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	TOTAL PRICE
C1	Excavation Below Subgrade	-- CY	200	\$55.00	\$11,000.00
C2	Furnish and Place Gravel Bedding	-- CY	100	\$106.50	\$10,648.00
C3	Furnish and Place Special Backfill	-- CY	200	\$76.25	\$15,250.00
C4	Miscellaneous Excavation and Backfill	-- CY	100	\$71.50	\$7,150.00
C5	Furnish and Place Miscellaneous 4,500 psi Concrete	-- CY	100	\$880.00	\$88,000.00
C6	Secure Modified Proctor Tests	-- EA	6	\$400.00	\$2,400.00
C7	Secure Field Density Tests	-- EA	20	\$110.00	\$2,200.00
C8	Secure Concrete Field Test Cylinders	-- EA	20	\$415.00	\$8,300.00

**SUBCONTRACTORS**

Subcontractor's entered into this contract with trades identified by the Delaware Division of Professional Regulation—including but not limited to Electricians, Elevator Mechanics, HVAC, Plumbers, Surveyors, etc.—shall possess professional licenses by the Delaware Division of Professional Regulation. The undersigned BIDDER proposes to use the following named licensed SUBCONTRACTORS:

SITE WORK B. A. I. EXCAVATING

PAVEMENT ll ll

CONCRETE ll ll

STEEL CUSTOM WELDING + FAB

CARPENTRY K. B. CALDWELL

FRAMING ll ll

CABINETRY 3-D FABRICATION

DOORS AND HARDWARE PRECISION DOOR & HARDWARE  
 WINDOWS WANKERT LABERGE  
 DRYWALL K.B. CORDERO  
 ACOUSTICAL CEILINGS u u  
 FLOORING FLOORMAX  
 ROOFING H.K. GRIFFITH  
 HVAC RAULI DRAGLOBIZZI  
 ELECTRICAL DIAMOND WELC  
 PLUMBING DRAGLOBIZZI  
 FIRE PROTECTION J.S. SOBIESKI

The following Corporation is chartered in the State of Delaware.

Geri D. Olsen  
 Witness

[Signature]  
 Signature  
**President**  
 Title

CORPORATE SEAL

Emory Hill  
 Firm Name  
**10 Corporate Circle**  
**Suite 100**

Date 1/17/25

**New Castle, DE 19720**  
 Business Address  
DE-2021-000000153  
 Delaware Contractor's License #

**END OF SECTION**

# TOWN OF DEWEY BEACH

Phone: (302)227-6363  
Fax: (302)227-8319

**License Id:** 24-01766      **Issued Date:** 01/09/25  
**Effective Date:** 05/01/24      **Expiration Date:** 04/30/25  
**License Type:** OUT OF TOWN SMALL BUSINESS



**Business Name:** EMORY HILL & COMPANY  
**Mailing Location:** 10 CORPORATE CIRCLE

EMORY HILL & COMPANY  
ROBERT LEAKE  
10 CORPORATE CIRCLE  
NEW CASTLE, DE 19720

# 2024

### Summary of Services:

Description	Dewey Beach Address
OUT OF TOWN SMALL	,

NON-TRANSFERABLE

TO BE PLACED IN A CONSPICUOUS PLACE

**License Id:** 24-01766      **Issued Date:** 01/09/25  
**Effective Date:** 05/01/24      **Expiration Date:** 04/30/25  
**License Type:** OUT OF TOWN SMALL BUSINESS

# 2024

**Business Name:** EMORY HILL & COMPANY  
**Mailing Location:** 10 CORPORATE CIRCLE

EMORY HILL & COMPANY  
ROBERT LEAKE  
10 CORPORATE CIRCLE  
NEW CASTLE, DE 19720

# FILE COPY

Dewey Beach Address

,

### Summary of Services

Description
OUT OF TOWN SMALL

# STATE OF DELAWARE

## Department of Finance Division of Revenue

ACTIVE BUSINESS LICENSE  
1989033041

**EFFECTIVE**

01/01/2024 - 12/31/2026

**ISSUED TO**

EMORY HILL & CO INC  
10 CORPORATE CIR STE 100  
NEW CASTLE DE 19720-2418

**LOCATION**

EMORY HILL & CO INC  
  
10 CORPORATE CIR STE 100  
NEW CASTLE, DE 19720-2418

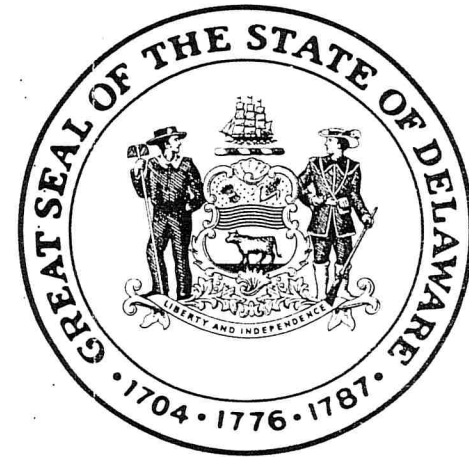
**TRADE, BUSINESS, OR  
PROFESSIONAL ACTIVITY**

**RESIDENT CONTRACTOR**

**ISSUED:** 12/20/2023

**FEE PAID:** \$225.00

Is hereby licensed to practice, conduct, or engage in the occupation or business activity indicated above in accordance with the license application duly filed pursuant to Title 30, Delaware Code.



**2026**

POST CONSPICUOUSLY - NOT TRANSFERABLE



**Certificate Number:**

DE-2021-000000153

Valid for both Private and Public Work



**Registration Date:**

07/06/2021

**Expiration Date:**

07/06/2024

**State of Delaware**

**Department of Labor**

Office of Contractor Registration

**Delaware Contractor Registration Act**

Pursuant to 82 Del. Laws, c. 291, § 2; §3604. Registration required [Effective upon fulfillment of 82 Del. Laws, c. 168, § 6, as amended by 82 Del. Laws, c. 291, § 2] of the Contractor Registration Act. This certificate is required under this chapter before performing construction services or maintenance.

**EMORY HILL & CO INC**

**Valid for both Private and Public Work**

**Responsible Representative(s)**

Carmen J. Facciolo, Jr.

*Non Transferable*

*This Certificate may not be transferred or assigned  
and may be suspended or revoked by the  
Secretary of the Delaware Department of Labor*

Karryl D. Hubbard

Secretary of the Delaware Department of Labor



# Emory Hill

## & COMPANY

10 Corporate Circle Suite 100  
New Castle DE 19720  
tel 302 322 9500  
toll free 1 888 322 9502  
fax 302 322 9518  
www.emoryhill.com

Commercial | Industrial | Residential  
Construction Management  
General Contracting  
Development  
Design/Build

January 17, 2025

## Dewey Beach Town Hall

Emory Hill & Company is pleased to submit this bid for the project listed above: With the following clarifications. The below shall be considered to be part of our bid and required to be part of the scope for the bid pricing to be valid. Any items that are listed as not included that are eventually determined to be required by the design team, will need to be priced and added to the contract amount as a change order to the contract.

1. The utility pole to bring electrical service from is not designated and the location of the pad mount transformer is not shown. Allowance of **160'** for primary and **70'** for secondary feeders has been included.
2. No conduit shown for incoming communications, not included in our bid scope.
3. All of the electrical switchgear probably will not fit in the wall space shown on drawing. If additional wall space is needed or revisions to the room layout are required, this will need to be priced and added to the contract as a change order.
4. Generator circuits, conduit and wire for battery charger, block heater and controls are not shown and not included in our bid.
5. The fire alarm system needs to monitor the generator, which is not shown and not included.
6. No sprinkler system monitoring or fire pump wiring is included.
7. No location is shown for the main disconnect switch nor ATS. These locations need to be within 5' of the circuits they are meant to control. If they are further away than that additional work will be require and a change order will be required.
8. No circuits and disconnects shown for elevator cabs and are included in our bid.
9. Undercutting of unsuitable soils, and import of structural fill materials to replace.
10. Well pointing.
11. Winter tenting and heating.
12. All permits, testing, and inspections.
13. Demolition of existing buildings and current items not shown to be demolished. We include minor demolition of Phase 1 new construction in order to make connections to Phase 2 work.
14. The overall pricing is the basis of the bid and the split pricing for Phases 1 & 2 are approximate. The bid assumes both phases will be awarded to this contractor under a single contract as indicated in the specs, addendum and pre-bid meeting. If the intention is to

Individual member of



# Emory Hill

## & COMPANY

- award only one phase to this contractor, pricing for that specific phase will need to be adjusted (up or down).
15. One 30' Aluminum flagpole has been include since there is a specification but no location or indication of multiple flagpoles is indicated on the drawings or specifications. Deduct \$3,500 if to be by others.
  16. The cost of all permits is by other and not included in this bid.
  17. All materials, unless otherwise specified, are from manufacturer's standard products and color selections.

Emory Hill appreciates this opportunity, and we look forward to working with you and bringing your project to a timely and successful completion. If you have any questions, please feel free to contact me directly.

Sincerely  
*John Nocket*

John Nocket  
Director of Construction  
Emory Hill & Company  
Direct: 302-221-7214  
Cell: 302-668-6902  
johnnocket@emoryhill.com

CC: Brian Hildick, Emory Hill

 **AIA** Document A310™ – 2010**Bid Bond****CONTRACTOR:**

(Name, legal status and address)

Emory Hill & Company, Inc.  
10 Corporate Circle, Suite 100  
New Castle, DE 19720

**SURETY:**

(Name, legal status and principal place of business)

U.S. Specialty Insurance Company  
707 Philadelphia Pike  
Wilmington, DE 19809

**OWNER:**

Town of Dewey Beach  
105 Rodney Ave.  
Dewey Beach, DE 19971

**BOND AMOUNT:** \$ 10% of the Total Amount Bid

**PROJECT:**

(Name, location or address, and Project number, if any)

New Dewey Beach Town Hall & Police Department and EMS Quarters

**ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Init.

AIA Document A310 – 2010. Copyright © 1983, 1970 and 2010. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 13:26:39 ET on 03/27/2024 under Order No.2114516760 which expires on 04/09/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiaccontracts.com.

User Notes:

(1280666960)

**SIGN  
HERE**

Signed and sealed this 17th day of January, 2025

**SIGN  
HERE**

Emory Hill & Company, Inc.

*(Contractor as Principal)*

*(Seal)*

*(Witness)*

*(Title)*

U.S. Specialty Insurance Company

*(Surety)*

*(Seal)*

Linda McMahon

*(Witness for Surety)*

Gina M. Semonelle

*(Title)* Gina M. Semonelle, Attorney-in-fact

Init.

CONSENT OF SURETY

We, the undersigned surety,

U.S. Specialty Insurance Company

a corporation organized and existing under the State of TX  
are hereby authorized to do business in the State of DE  
do hereby consent and agree with

Town of Dewey Beach

that if the foregoing proposal of

Emory Hill & Company, Inc.

for New Dewey Beach Town Hall & Police Department and EMS Quarters

be accepted and the contract timely awarded and executed by the Obligee and Principal,  
that we will, as surety, upon its being so awarded and entered into, become surety for  
the said project in the sum not to exceed 100% for the faithful performance and  
payment of said contract.

Signed and dated: 1/17/2025

U.S. Specialty Insurance Company

(Surety)

By:

Gina M. Semonelle

Attorney-in-Fact



**ANDERSON & CATANIA**  
Surety Services, LLC

January 17, 2025

Re: Emory Hill and Company – Prequalification Letter

To Whom It May Concern:

This letter is to advise that a Surety Bond Line of Credit is provided for the subject contractor through U.S. Specialty Insurance Company with \$15,000,000 single/\$30,000,000 aggregate limits. This line is by no means a maximum limit the bond company would grant, but established to handle the everyday needs of the contractor.

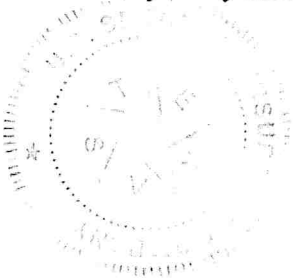
U.S. Specialty Insurance Company is rated A++(Superior) by A.M. Best, Inc. with Financial Category XV (\$2 billion or greater). The Surety reserves the right to perform normal underwriting at the time of any bond request including, without limitation, prior review and approval of relevant contract documents, bond forms & project financing. We assume no liability if for any reason we do not execute such bonds.

Should additional information be required, please contact our office.

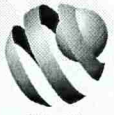
Sincerely,

A handwritten signature in cursive script, reading "Gina M. Semonelle". The ink is dark and the signature is fluid and legible.

Gina M. Semonelle, Attorney-in-Fact  
U.S. Specialty Insurance Company



707 Philadelphia Pike, Wilmington DE 19809  
877-977-BOND  
[bondrequest@acsurety.com](mailto:bondrequest@acsurety.com)  
[www.acsurety.com](http://www.acsurety.com)



TOKIOMARINE  
HCC

**POWER OF ATTORNEY**  
**AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY**  
**UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY**

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, Texas Bonding Company, an assumed name of American Contractors Indemnity Company, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

RICHARD G. ANDERSON, JOSEPH T. CATANIA, GINA M. SEMONELLE, DENISE A. MEDLAR, MARY LAWRENCE, GEMMA B. FENDLER

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed** \*\*\*\*\*Unlimited\*\*\*\*\* Dollars (\*\*\*unlimited\*\*\*). This Power of Attorney shall expire without further action on April 23<sup>rd</sup>, 2026. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.


*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 18<sup>th</sup> day of April 2022.

**AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY**  
**UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY**

State of California  
County of Los Angeles



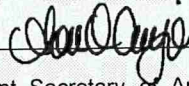
By:   
Daniel P. Aguilar, Vice President

*A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document*

On this 18<sup>th</sup> day of April 2022, before me, Sonia O. Carrejo, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (seal)



I, Kio Lo, Assistant Secretary of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 17<sup>th</sup> day of January, 2025.

Corporate Seals  
Bond No. BB1172025  
Agency No. 12138



  
Kio Lo, Assistant Secretary



# AIA®

# Document A305® – 2020

## Contractor's Qualification Statement

THE PARTIES SHOULD EXECUTE A SEPARATE CONFIDENTIALITY AGREEMENT IF THEY INTEND FOR ANY OF THE INFORMATION IN THIS A305-2020 TO BE HELD CONFIDENTIAL.

**SUBMITTED BY:**

*(Organization name and address.)*

Emory Hill & Company  
10 Corporate Circle, Suite 100  
New Castle, DE 19720

**SUBMITTED TO:**

*(Organization name and address.)*

Dewey Town Hall & Police  
Department  
1505 Coastal Highway  
Dewey Beach, Delaware

**ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

**TYPE OF WORK TYPICALLY PERFORMED**

*(Indicate the type of work your organization typically performs, such as general contracting, construction manager as constructor services, HVAC contracting, electrical contracting, plumbing contracting, or other.)*

General Contractor


**THIS CONTRACTOR'S QUALIFICATION STATEMENT INCLUDES THE FOLLOWING:**

*(Check all that apply.)*

- Exhibit A – General Information
- Exhibit B – Financial and Performance Information
- Exhibit C – Project-Specific Information
- Exhibit D – Past Project Experience
- Exhibit E – Past Project Experience (Continued)

**CONTRACTOR CERTIFICATION**

The undersigned certifies under oath that the information provided in this Contractor's Qualification Statement is true and sufficiently complete so as not to be misleading.

  
 \_\_\_\_\_ 1/17/2025  
 Organization's Authorized Representative      Date  
 Signature

John Nocket Director of Construction  
\_\_\_\_\_  
Printed Name and Title

**NOTARY**

State of: Delaware

County of: New Castle

Signed and sworn to before me this 17th day of January 2025

  
 \_\_\_\_\_  
 Notary Signature

My commission expires: August 4, 2025







# AIA® Document A305® – 2020 Exhibit A

## General Information

This Exhibit is part of the Contractor’s Qualification Statement, submitted by Emory Hill & Company and dated the 17th day of January in the year 2025  
(In words, indicate day, month and year.)

### § A.1 ORGANIZATION

#### § A.1.1 Name and Location

§ A.1.1.1 Identify the full legal name of your organization.

Emory Hill & Company  
10 Corporate Circle, Suite 100  
New Castle, DE 19720

§ A.1.1.2 List all other names under which your organization currently does business and, for each name, identify jurisdictions in which it is registered to do business under that trade name.

N/A

§ A.1.1.3 List all prior names under which your organization has operated and, for each name, indicate the date range and jurisdiction in which it was used.

N/A

§ A.1.1.4 Identify the address of your organization’s principal place of business and list all office locations out of which your organization conducts business. If your organization has multiple offices, you may attach an exhibit or refer to a website.

10 Corporate Circle, Suite 100  
New Castle, DE 19720

#### § A.1.2 Legal Status

§ A.1.2.1 Identify the legal status under which your organization does business, such as sole proprietorship, partnership, corporation, limited liability corporation, joint venture, or other.

Corporation

- .1 If your organization is a corporation, identify the state in which it is incorporated, the date of incorporation, and its four highest-ranking corporate officers and their titles, as applicable.

Delaware 1983  
Carmen J. Facciolo, Jr. – President  
Neil Killian – Partner  
Clay Hill – Partner  
Steven Endres – Chief Financial Officer

- .2 If your organization is a partnership, identify its partners and its date of organization.

### ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

N/A

.3 If your organization is individually owned, identify its owner and date of organization.

N/A

.4 If the form of your organization is other than those listed above, describe it and identify its individual leaders:

N/A

§ A.1.2.2 Does your organization own, in whole or in part, any other construction-related businesses? If so, identify and describe those businesses and specify percentage of ownership.

N/A

§ A.1.3 Other Information

§ A.1.3.1 How many years has your organization been in business?

42 Years

§ A.1.3.2 How many full-time employees work for your organization?

12

§ A.1.3.3 List your North American Industry Classification System (NAICS) codes and titles. Specify which is your primary NAICS code.

23

§ A.1.3.4 Indicate whether your organization is certified as a governmentally recognized special business class, such as a minority business enterprise, woman business enterprise, service disabled veteran owned small business, woman owned small business, small business in a HUBZone, or a small disadvantaged business in the 8(a) Business Development Program. For each, identify the certifying authority and indicate jurisdictions to which such certification applies.

N/A

§ A.2 EXPERIENCE

§ A.2.1 Complete Exhibit D to describe up to four projects, either completed or in progress, that are representative of your organization's experience and capabilities.

§ A.2.2 State your organization's total dollar value of work currently under contract.

\$2,716,818.00

§ A.2.3 Of the amount stated in Section A.2.2, state the dollar value of work that remains to be completed:

\$1,474,255.00

§ A.2.4 State your organization's average annual dollar value of construction work performed during the last five years.

\$8,070,550.00

**§ A.3 CAPABILITIES**

**§ A.3.1** List the categories of work that your organization typically self-performs.

General Contracting

**§ A.3.2** Identify qualities, accreditations, services, skills, or personnel that you believe differentiate your organization from others.

**§ A.3.3** Does your organization provide design collaboration or pre-construction services? If so, describe those services.

**§ A.3.4** Does your organization use building information modeling (BIM)? If so, describe how your organization uses BIM and identify BIM software that your organization regularly uses.

N/A

**§ A.3.5** Does your organization use a project management information system? If so, identify that system.

Sage Timberline

**§ A.4 REFERENCES**

**§ A.4.1** Identify three client references:

*(Insert name, organization, and contact information)*

**§ A.4.2** Identify three architect references:

*(Insert name, organization, and contact information)*

Mitchell Associates – 1 Corporate Commons 100 West Commons Blvd, Suite 300 New Castle, DE 19720 – John Raftery 302-594-9400

Bernardon - 20 North High Street Suite 310 West Chester, PA 19380 – Kerry Haber – 610-444-2900

Architectural Alliance – 1309 Veale Road, Suite 22, Wilmington, DE 19810 – Kevin Wilson – 302-478-3777

**§ A.4.3** Identify one bank reference:

*(Insert name, organization, and contact information)*

WSFS – 500 Delaware Avenue, Wilmington DE 19810 – Michael Konczewski – 302-792-6000

**§ A.4.4** Identify three subcontractor or other trade references:

*(Insert name, organization, and contact information)*

East Coast Plumbing & HVAC – 26 A Brookhill Drive, Newark, DE 19702 – DJ Puharic – 302-266-0530

Bell Painting & Wall Covering, Inc. – 667 Dawson Drive, Suite F, Newark, DE 19713 – Harry Bell– 302-738-8854

Drywall Associates, LTD. 58 Albe Drive, Suite A, Newark, DE 19702- Jerry Woerner – 302-737-3220

# AIA<sup>®</sup> Document A305<sup>®</sup> – 2020 Exhibit B

## **Financial and Performance Information**

This Exhibit is part of the Contractor's Qualification Statement, submitted by Emory Hill & Company and dated the 17th day of January in the year 2025  
(In words, indicate day, month and year.)

### **§ B.1 FINANCIAL**

#### **§ B.1.1** Federal tax identification number:

51-0319402

**§ B.1.2** Attach financial statements for the last three years prepared in accordance with Generally Accepted Accounting Principles, including your organization's latest balance sheet and income statement. Also, indicate the name and contact information of the firm that prepared each financial statement.

See Attached

**§ B.1.3** Has your organization, its parent, or a subsidiary, affiliate, or other entity having common ownership or management, been the subject of any bankruptcy proceeding within the last ten years?

No

**§ B.1.4** Identify your organization's preferred credit rating agency and identification information.

*(Identify rating agency, such as Dun and Bradstreet or Equifax, and insert your organization's identification number or other method of searching your organization's credit rating with such agency.)*

No

### **§ B.2 DISPUTES AND DISCIPLINARY ACTIONS**

**§ B.2.1** Are there any pending or outstanding judgments, arbitration proceedings, bond claims, or lawsuits against your organization, its parent, or a subsidiary, affiliate, or other entity having common ownership or management, or any of the individuals listed in Exhibit A, Section 1.2, in which the amount in dispute is more than \$75,000?

*(If the answer is yes, provide an explanation.)*

**§ B.2.2** In the last five years has your organization, its parent, or a subsidiary, affiliate, or other entity having common ownership or management:

*(If the answer to any of the questions below is yes, provide an explanation.)*

.1 failed to complete work awarded to it?

No

.2 been terminated for any reason except for an owners' convenience?

No

### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

.3 had any judgments, settlements, or awards pertaining to a construction project in which your organization was responsible for more than \$75,000?

No

.4 filed any lawsuits or requested arbitration regarding a construction project?

No

**§ B.2.3** In the last five years, has your organization, its parent, or a subsidiary, affiliate, or other entity having common ownership or management; or any of the individuals listed in Exhibit A Section 1.2:  
*(If the answer to any of the questions below is yes, provide an explanation.)*

.1 been convicted of, or indicted for, a business-related crime?

No

.2 had any business or professional license subjected to disciplinary action?

No

.3 been penalized or fined by a state or federal environmental agency?

No

**The Emory Hill Holding Company, Inc.  
and Subsidiaries**

**Consolidated Financial Statements and  
Independent Accountants' Review Report**

**December 31, 2021 and 2020**

## Table of Contents

	Page
Independent Accountants' Review Report.....	3
Consolidated Financial Statements	
Consolidated Balance Sheets.....	5
Consolidated Statements of Operations and Retained Earnings and Members' Equity.....	7
Consolidated Statements of Cash Flows.....	8
Notes to Consolidated Financial Statements.....	10
Supplementary Information	
Consolidated Schedules of Operating Expenses .....	27
Consolidating Balance Sheet.....	28
Consolidating Statement of Operations and Retained Earnings and Members' Equity (Deficit).....	30
Consolidating Schedule of Operating Expenses.....	32
Schedule of Earnings from Contracts - Emory Hill & Company .....	33
Schedule of Contracts Completed - Emory Hill & Company.....	34
Schedule of Contracts in Progress - Emory Hill & Company.....	35
Z-Score Calculation - Emory Hill & Company.....	36



William A. Santora, CPA  
John A. D'Agostino, CPA, MST  
Heath N. Kahrs, CPA  
Robert S. Smith, CPA  
Theresa D. Jones, CPA  
Israel Mercado, CPA

## **Independent Accountants' Review Report**

Robert Freed, Principal  
Linda A. Pappajohn, Principal  
Stephen M. Conyers, CPA, Principal

To the Board of Directors  
The Emory Hill Holding Company, Inc. and Subsidiaries

We have reviewed the accompanying consolidated financial statements of The Emory Hill Holding Company, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, the related consolidated statements of operations and retained earnings and members' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements in order for them to be in accordance with GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements related to our reviews.



To the Board of Directors

### **Accountants' Conclusion**

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with GAAP.

### **Supplementary Information**

The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic consolidated 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 consolidated financial statements. The supplementary information has been subjected to the review procedures applied in our reviews of the basic consolidated financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

  
\_\_\_\_\_

April 8, 2022  
Newark, Delaware

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31, 2021 and 2020

See Independent Accountants' Review Report

Assets

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,800,649	\$ 2,309,899
Accounts receivable, net	415,317	476,859
Contract receivables, net	1,536,771	64,571
Contract assets	315,493	197,189
Inventory	62,987	38,547
Prepaid expenses	115,424	91,936
Other current assets	908,347	329,042
Advances to affiliates	<u>236,449</u>	<u>185,532</u>
Total current assets	5,391,437	3,693,575
PROPERTY AND EQUIPMENT		
Automobiles	632,233	601,965
Equipment	329,570	329,570
Leasehold improvements	<u>435,790</u>	<u>398,786</u>
	1,397,593	1,330,321
Less: accumulated depreciation	<u>1,153,655</u>	<u>1,069,533</u>
	243,938	260,788
OTHER ASSET		
Deposits	<u>2,490</u>	<u>2,490</u>
TOTAL ASSETS	<u>\$ 5,637,865</u>	<u>\$ 3,956,853</u>

See notes to consolidated financial statements.

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31, 2021 and 2020

See Independent Accountants' Review Report

Liabilities and Stockholders' and Members' Equity

	<u>2021</u>	<u>2020</u>
CURRENT LIABILITIES		
Accounts payable (including retainage payable of \$12,228 in 2021 and \$29,781 in 2020)	\$ 651,876	\$ 358,274
Accrued payroll and related expenses	151,427	334,877
Loans payable - stockholders	12,740	43,921
Contract liabilities	1,433,442	106,537
Deferred grant revenue	-	59,224
Current portion of long-term debt	39,460	39,989
Paycheck Protection Program (PPP) loan	<u>952,097</u>	<u>883,500</u>
Total current liabilities	3,241,042	1,826,322
LONG-TERM LIABILITY		
Long-term debt (net of current maturities)	<u>57,645</u>	<u>83,161</u>
Total liabilities	3,298,687	1,909,483
STOCKHOLDERS' AND MEMBERS' EQUITY		
Common stock, no par value, 2,000 shares authorized, 220 shares issued, and 180 shares outstanding	1,300	1,300
Additional paid-in capital	1,905,933	1,905,933
Retained earnings and members' equity	<u>432,541</u>	<u>140,733</u>
	2,339,774	2,047,966
Noncontrolling interest	<u>(596)</u>	<u>(596)</u>
	<u>2,339,178</u>	<u>2,047,370</u>
TOTAL LIABILITIES AND STOCKHOLDERS' AND MEMBERS' EQUITY	<u>\$ 5,637,865</u>	<u>\$ 3,956,853</u>

See notes to consolidated financial statements.

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Statements of Operations  
and Retained Earnings and Members' Equity

For the Years Ended December 31, 2021 and 2020  
See Independent Accountants' Review Report

	<u>2021</u>	<u>%</u>	<u>2020</u>	<u>%</u>
REVENUES				
Construction revenue	\$ 6,705,302	45.8	\$ 4,434,492	41.1
Commission income	3,290,667	22.5	1,573,884	14.6
Management fees	2,101,378	14.4	2,214,681	20.6
Maintenance income	2,399,434	16.4	2,465,974	22.9
Refinancing fees	<u>144,250</u>	<u>0.9</u>	<u>81,000</u>	<u>0.8</u>
Total revenues	14,641,031	100.0	10,770,031	100.0
DIRECT COSTS				
Commissions	1,998,522	13.7	950,811	8.8
Cost of construction	6,216,527	42.5	3,963,448	36.9
Direct maintenance cost	1,286,871	8.8	1,351,159	12.5
Marketing expense	<u>48,270</u>	<u>0.3</u>	<u>36,348</u>	<u>0.3</u>
Total direct costs	<u>9,550,190</u>	<u>65.3</u>	<u>6,301,766</u>	<u>58.5</u>
GROSS PROFIT	5,090,841	34.7	4,468,265	41.5
OPERATING EXPENSES	<u>4,061,924</u>	<u>27.7</u>	<u>4,300,329</u>	<u>39.9</u>
INCOME FROM OPERATIONS	1,028,917	7.0	167,936	1.6
OTHER INCOME (EXPENSE)				
Interest income	-	-	451	-
Interest expense	(2,768)	-	(4,507)	-
Miscellaneous income	97,821	0.7	58,657	0.5
PPP loan forgiveness income	<u>883,500</u>	<u>6.0</u>	<u>-</u>	<u>-</u>
	<u>978,553</u>	<u>6.7</u>	<u>54,601</u>	<u>0.5</u>
NET INCOME	2,007,470	<u>13.7</u>	222,537	<u>2.1</u>
RETAINED EARNINGS AND MEMBERS' EQUITY - BEGINNING	140,733		587,135	
DISTRIBUTIONS	<u>(1,715,662)</u>		<u>(668,939)</u>	
RETAINED EARNINGS AND MEMBERS' EQUITY - ENDING	<u>\$ 432,541</u>		<u>\$ 140,733</u>	

See notes to consolidated financial statements.

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Consolidated Statements of Cash Flows**

**For the Years Ended December 31, 2021 and 2020**

**See Independent Accountants' Review Report**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 2,007,470	\$ 222,537
Adjustments to reconcile net income to net cash provided by (used in) operating activities		
Depreciation	84,122	72,981
Bad debt recovery	(27)	(1,574)
PPP loan forgiveness	(883,500)	-
Changes in assets and liabilities		
(Increase) decrease in accounts receivable, net	59,500	(112,897)
(Increase) decrease in contract receivables, net	(1,470,131)	2,497,978
Increase in contract assets	(118,304)	(150,667)
Increase in inventory	(24,440)	(17,415)
(Increase) decrease in prepaid expenses	(23,488)	259
Increase in other current assets	(579,305)	(329,042)
Increase (decrease) in accounts payable	293,602	(1,780,975)
Decrease in accrued payroll and related expenses	(183,450)	(49,179)
Increase (decrease) in contract liabilities	<u>1,326,905</u>	<u>(752,706)</u>
Net cash provided by (used in) operating activities	488,954	(400,700)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net change in advances with affiliates	(50,917)	62,951
Net change in loans payable - stockholders	(31,181)	(5,624)
Purchase of property and equipment	(37,004)	(114,774)
Deferred grant revenue	<u>(59,224)</u>	<u>59,224</u>
Net cash provided by (used in) investing activities	(178,326)	1,777
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from PPP loan	952,097	883,500
Repayment of long-term debt	(56,313)	(36,808)
Distributions to stockholders	<u>(1,715,662)</u>	<u>(668,939)</u>
Net cash provided by (used in) financing activities	<u>(819,878)</u>	<u>177,753</u>
Net decrease in cash and cash equivalents	(509,250)	(221,170)

Continued...

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the Years Ended December 31, 2021 and 2020

See Independent Accountants' Review Report

	<u>2021</u>	<u>2020</u>
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	\$ <u>2,309,899</u>	\$ <u>2,531,069</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ <u>1,800,649</u>	\$ <u>2,309,899</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION</b>		
Cash paid during the year for interest	\$ <u>2,768</u>	\$ <u>4,507</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Assets acquired through issuance of long-term debt	\$ <u>30,268</u>	\$ <u>26,068</u>

See notes to consolidated financial statements.

## **The Emory Hill Holding Company, Inc. and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **See Independent Accountants' Review Report**

#### **Note A - Summary of Significant Accounting Policies**

##### **1. The Company and Principles of Consolidation**

The Emory Hill Holding Company, Inc. and Subsidiaries (the Company) consist of The Emory Hill Holding Company, Inc. (EHC) and its wholly owned subsidiaries, Emory Hill & Company (EHC) and Emory Hill Real Estate Services, Inc. (EHRES) and its subsidiary, Emory Hill Real Estate Commercial Brokerage, LLC (EHRECB). The entities are affiliated through common ownership and management, and their operations are closely interrelated and economically interdependent. All significant intercompany transactions and balances have been eliminated.

EHC was incorporated under the laws of the State of Delaware and began operations on March 1, 2013. It is the sole shareholder of EHRES and EHC.

EHRES was incorporated under the laws of the State of Delaware and began operations on January 1, 1990. It is engaged primarily in property management of industrial, commercial, and residential buildings in Delaware, Maryland, and Pennsylvania.

EHRECB was formed under the laws of the State of Delaware and began operations on January 1, 2009. It is engaged primarily in commercial property brokerage in Delaware, Maryland, and Pennsylvania.

EHC was incorporated under the laws of the State of Delaware and began operations on March 10, 1987. It is primarily engaged as a general contractor in the construction of industrial and commercial buildings in Delaware, Maryland, New Jersey, and Pennsylvania. Construction work is performed under fixed-price and cost-plus contracts.

##### **2. Operating Cycle**

The length of EHC's contracts varies. Assets and liabilities arising from long-term construction activities, the operating cycle of which extends over a period of years, are classified as current in the consolidated financial statements. A one-year time period is used as the basis for classification of all other current assets and liabilities in the consolidated balance sheets.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note A - Summary of Significant Accounting Policies (Continued)**

**3. Use of Estimates**

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**4. Revenue Recognition**

**a. Construction Revenues and Costs**

EHC recognizes revenues from fixed-price and modified fixed-price construction contracts utilizing the input method, measured by the percentage of actual construction costs incurred to date to estimated total cost at completion for each contract (cost-to-cost method). This method is used because management considers costs to be the best available measure of progress on these contracts. Revenues from cost-plus-fee contracts are recognized on the basis of costs incurred during the period, plus the fee earned, measured by the cost-to-cost method.

A contract is considered complete when all costs except insignificant items have been incurred and the work has been accepted by the customer.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as fringe benefits, insurance, and payroll taxes. Other indirect and administrative costs are charged to expense when incurred.

Changes in job performance, job conditions, and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in revisions to costs and income and are recognized in the period in which revisions are determined. Profit incentives are included in revenues when their realization is reasonably



The Emory Hill Holding Company, Inc. and Subsidiaries  
Notes to Consolidated Financial Statements (Continued)

See Independent Accountants' Review Report

Note A - Summary of Significant Accounting Policies (Continued)

4. Revenue Recognition (Continued)

a. Construction Revenues and Costs (Continued)

assured. An amount equal to contract costs attributable to claims is included in revenues when realization is probable and the amount can be reliably estimated.

Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term.

The asset, *Contract Assets*, represents revenues recognized in excess of amounts billed.

The liability, *Contract Liabilities*, represents billings in excess of revenues recognized.

In accordance with construction industry practice, EHC includes in current assets and current liabilities, amounts relating to contracts realizable and payable over a period in excess of one year.

Construction revenue may be earned on properties owned by either affiliates of the Company or independent third parties. Revenue disaggregated by affiliate and third parties is as follows for the years ended December 31,:

	<u>2021</u>	<u>2020</u>
Affiliated revenue	\$ 1,739,323	\$ 3,959,019
Third-party revenue	<u>4,965,979</u>	<u>475,473</u>
	<u>\$ 6,705,302</u>	<u>\$ 4,434,492</u>

b. Nonconstruction Revenues and Costs

The Company's nonconstruction revenues and costs consist of commission income, management fee income, maintenance income, and refinancing fee income.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note A - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**b. Nonconstruction Revenues and Costs (Continued)**

For the Company's commission income, revenue is recognized on the basis that the performance obligation under each contract is satisfied at a point in time. The Company's performance obligation is to find a buyer or tenant for properties, which are owned by either affiliates of the Company or independent third parties. The performance obligation is satisfied and control is transferred to the customer at the time of settlement for each property. The Company incurs sales commission costs to obtain contracts, which are contingent upon the sale or lease of the property. Sales commission costs are expensed when revenue is recognized.

For the Company's maintenance and management fee income, revenue is recognized on the basis that the performance obligation under each contract is satisfied over time. The Company's performance obligation is to perform property management or property maintenance services. The performance obligation is satisfied as the Company performs these services. As such, the Company's contracts fall under the "right-to-invoice" practical expedient that allows an entity to recognize revenue equal to the consideration from a customer in the amounts that correspond directly with the value to the customer of the entity's performance to date. Contracts include cancellation provisions, but the Company recognizes revenue under the single most likely method, as historically, cancellations do not often occur.

For the Company's refinancing income, revenue is recognized on the basis that the performance obligation under each contract is satisfied at a point in time. The Company's performance obligation is to refinance loans for affiliated entities. The performance obligation is satisfied and control is transferred to the customer at the time of settlement for each property. The Company incurs refinancing costs as the performance obligation is satisfied. Refinancing costs are expensed when revenue is recognized.

Revenue disaggregated by affiliate and third parties is as follows for the years ended December 31,:

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note A - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**b. Nonconstruction Revenues and Costs (Continued)**

	<u>2021</u>	<u>2020</u>
Affiliated revenue	\$ 4,421,621	\$ 3,440,928
Third-party revenue	<u>3,514,108</u>	<u>2,894,611</u>
	<u>\$ 7,935,729</u>	<u>\$ 6,335,539</u>

**5. Cash and Cash Equivalents**

For purposes of the consolidated statements of cash flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

**6. Accounts and Contract Receivables**

Accounts and contract receivables consist of short-term receivables that arise in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and generally requires no collateral from its customers. Accounts are generally due upon presentation and are considered past due if not paid within 30 days. Contract retentions are due 30 days after completion of the project and acceptance by the customer. Total accounts and contract receivables past due 90 days or more amounted to \$1,406,692 and \$170,121 as of December 31, 2021 and 2020, respectively.

Management determines the allowance for doubtful accounts based upon prior experience and its assessment of the collectibility of specific accounts. At December 31, 2021 and 2020, the allowance for doubtful accounts receivable was \$53,550 and \$60,000, respectively.

Uncollectible accounts are charged off when management determines that all reasonable collection efforts have been exhausted (see Note B related to allowance for doubtful contract receivables).

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note A - Summary of Significant Accounting Policies (Continued)**

**7. Property and Equipment**

Property and equipment are valued at cost. Expenditures for major additions and improvements are capitalized, and minor replacements, maintenance, and repairs are charged to expense as incurred. When assets are disposed of, the related cost and accumulated depreciation thereon are removed from the accounts, and any resulting gain or loss is included in the results of operations for the respective period.

Depreciation is computed using accelerated and straight-line methods based upon the estimated useful lives of the related assets. The useful lives for purposes of computing depreciation are as follows:

Automobiles	5 years
Equipment	3 - 7 years
Leasehold improvements	15 - 39 years

**8. Income Taxes**

EHHC, with the consent of its shareholders, has elected to be an S corporation under the Internal Revenue Code. EHHC owns 100% of the stock of EHRES and EHC and has elected to treat the entities as qualified subchapter S subsidiaries (QSubs). EHRECB has elected to be taxed as a partnership. Under these elections, the stockholders and members of the Company are taxed on their proportionate share of the Company's consolidated taxable income. Therefore, no provision or liability for federal or state income tax is presented in these consolidated financial statements.

The Company is no longer subject to federal and state income tax examinations for fiscal years ended prior to December 31, 2018, with the exception of New Jersey, in which the Company is no longer subject to examinations for fiscal years ended prior to December 31, 2017.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note A - Summary of Significant Accounting Policies (Continued)**

**9. Advertising and Marketing**

A portion of advertising and marketing costs associated with EHRES are charged to direct costs when incurred. Other advertising and marketing costs are charged to operating expense when incurred. Total advertising and marketing costs for the years ended December 31, 2021 and 2020 were \$90,310 and \$54,430, respectively.

**10. Inventory**

Inventory consists of supplies, tools, and work-in-process costs incurred on uncompleted maintenance jobs. Work-in-process costs incurred include labor, material, and supplies related to the performance of the maintenance jobs. Material and supplies inventory is carried at the lower of cost (first-in, first-out) and net realizable value, and labor is recorded using a standard burden rate.

**11. Recent Accounting Pronouncements Not Yet Adopted**

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in *Leases (Topic 840)*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Pursuant to subsequent ASUs, the new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Company is currently evaluating the impact of the pending adoption of the new standard on the consolidated financial statements.

In June 2016, FASB issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial assets measured at amortized cost and available-for-sale debt securities. This ASU requires financial assets measured at amortized cost (including loans, trade receivables, and held-to-maturity debt securities) to be

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note A - Summary of Significant Accounting Policies (Continued)**

**11. Recent Accounting Pronouncements Not Yet Adopted (Continued)**

presented at the net amount expected to be collected, through an allowance for credit losses that are expected to occur over the remaining life of the asset, rather than incurred losses. The ASU requires that credit losses on available-for-sale debt securities be presented as an allowance rather than as a direct write-down. The measurement of credit losses for newly recognized financial assets (other than certain purchased assets) and subsequent changes in the allowance for credit losses are recorded in the statement of income as the amounts expected to be collected change. This ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company is currently evaluating the impact of the adoption of ASU 2016-13 on the consolidated financial statements.

**Note B - Contract Receivables**

Contract receivables consisted of the following at December 31,:

	<u>2021</u>	<u>2020</u>
Billed		
Completed contracts	\$ 124,118	\$ 16,590
Contracts in progress	<u>1,426,584</u>	<u>63,981</u>
	1,550,702	80,571
Less: allowance for doubtful accounts	<u>13,931</u>	<u>16,000</u>
	<u>\$ 1,536,771</u>	<u>\$ 64,571</u>

**Note C - Contract Assets and Liabilities**

Costs and estimated earnings on uncompleted contracts and related amounts billed were as follows as of December 31,:

	<u>2021</u>	<u>2020</u>
Costs incurred to date on uncompleted contracts	\$ 3,453,580	\$ 1,044,960
Estimated earnings	<u>301,781</u>	<u>45,869</u>
	3,755,361	1,090,829
Less: billings to date	<u>4,873,310</u>	<u>1,000,177</u>
Billings in excess of contract revenues - net	<u>\$ (1,117,949)</u>	<u>\$ 90,652</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (Continued)

See Independent Accountants' Review Report

**Note C - Contract Assets and Liabilities (Continued)**

These amounts are included in the accompanying consolidated balance sheets under the following captions:

	<u>2021</u>	<u>2020</u>
Contract assets	\$ 315,493	\$ 197,189
Contract liabilities	<u>(1,433,442)</u>	<u>(106,537)</u>
	<u>\$ (1,117,949)</u>	<u>\$ 90,652</u>

**Note D - Backlog**

The following schedule shows a reconciliation of backlog representing signed contracts at December 31,:

	<u>2021</u>	<u>2020</u>
Backlog balance at January 1	\$ 2,085,625	\$ 2,298,745
New contracts and change orders during the year	<u>10,956,852</u>	<u>4,221,372</u>
	13,042,477	6,520,117
Less: contract revenue earned during the year	<u>6,705,302</u>	<u>4,434,492</u>
Backlog balance at December 31	<u>\$ 6,337,175</u>	<u>\$ 2,085,625</u>

**Note E - Revolving Line of Credit**

EHC has available a revolving line of credit with a financial institution with a maximum credit limit of \$1,000,000 at December 31, 2021. Borrowings under the line of credit bear interest equal to 2.00% above the one-month LIBOR rate. The interest rate at December 31, 2021 was 2.09%. The line of credit is secured by the Company's two stockholders and by all business assets of the Company. As of December 31, 2021 and 2020, there were no balances outstanding on the line of credit.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note F - Long-Term Debt**

Long-term debt consisted of the following as of December 31,:

	<u>2021</u>	<u>2020</u>
Note payable for a vehicle with a financial institution, payable in monthly payments of \$615, including interest at 3.85%, with the final balance outstanding due in December 2021. The note is collateralized by certain Company vehicles.	\$ -	\$ 7,229
Note payable for a vehicle with a financial institution, payable in monthly payments of \$421, including interest at 4.99%, with the final balance outstanding due in June 2023. The note is collateralized by certain Company vehicles.	7,686	12,237
Note payable for a vehicle with a financial institution, payable in monthly payments of \$421, including interest at 4.99%, with the final balance outstanding due in June 2023. The note is collateralized by certain Company vehicles.	7,686	12,237
Note payable for a vehicle with a financial institution, payable in monthly payments of \$680, including interest at 3.99%, with the final balance outstanding due in September 2023. The note is collateralized by certain Company vehicles.	13,790	21,249
Note payable for a vehicle with a financial institution, payable in monthly payments of \$465, including interest at 2.09%, with the final balance outstanding due in May 2024. The note is collateralized by certain Company vehicles.	13,921	-
Note payable for a vehicle with a financial institution, payable in monthly payments of \$1,063, including interest at 3.70%, with the final balance outstanding due in December 2024. The note is collateralized by certain Company vehicles.	36,171	47,364



**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note F - Long-Term Debt (Continued)**

	<u>2021</u>	<u>2020</u>
Note payable for a vehicle with a financial institution, payable in monthly payments of \$472, including interest at 3.30%, with the final balance outstanding due in April 2025. The note is collateralized by certain Company vehicles.	\$ <u>17,851</u>	\$ <u>22,834</u>
	97,105	123,150
Less: current portion	<u>39,460</u>	<u>39,989</u>
<b>LONG-TERM DEBT</b>	<b>\$ <u>57,645</u></b>	<b>\$ <u>83,161</u></b>

Estimated maturities on long-term notes payable are as follows for the years ending December 31,:

2022	\$ 39,460
2023	34,681
2024	21,145
2025	<u>1,819</u>
	<b>\$ <u>97,105</u></b>

**Note G - Operating Leases**

The Company leases its office and warehouse facilities in Delaware from affiliated entities and third-party lessors. These leases are classified as operating leases. The leases expire at various times through March 2024. Total facilities lease expense for the years ended December 31, 2021 and 2020 were \$292,148 and \$289,177, respectively.

In addition, the Company has entered into various operating leases for office equipment. Equipment lease expense was \$8,110 and \$12,026 for each of the years ended December 31, 2021 and 2020, respectively.

Minimum future rental payments to be paid under the noncancellable operating leases for the next five years and thereafter are as follows for the years ending December 31,:

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note G - Operating Leases (Continued)**

2022	\$ 282,911
2023	278,312
2024	29,726
2025	2,360
2026	2,360
Thereafter	<u>787</u>
Total minimum lease payments	<u>\$ 596,456</u>

**Note H - Related Party Transactions**

At December 31, 2021 and 2020, the Company had loans payable to stockholders in the amount of \$12,740 and \$43,921, respectively. The loans were unsecured, noninterest bearing, and due upon demand.

The Company leases certain office and warehouse facilities in Delaware from affiliated entities (Note G).

The Company makes and receives advances between affiliated companies in order to meet the operating and cash flow needs of the individual affiliates. These advances are unsecured, noninterest bearing, and payable/receivable within one year. Net advances to affiliates at December 31, 2021 and 2020 were \$236,449 and \$185,532, respectively.

Construction revenues at December 31, 2021 and 2020 included amounts earned from contracts with affiliates of \$1,739,323 and \$3,959,019, respectively. For the years ended December 31, 2021 and 2020, contract receivables included amounts due from affiliates of \$681.

Nonconstruction revenues for services provided to affiliated entities were \$4,421,621 and \$3,440,928 for the years ended December 31, 2021 and 2020, respectively. Accounts receivable from these affiliates were \$85,974 and \$289,071 at December 31, 2021 and 2020, respectively.

**Note I - Retirement Plan**

The Company adopted a 401(k) profit-sharing plan (the Plan) covering substantially all eligible full-time employees. Under the Plan, employees may contribute amounts under a salary reduction agreement up to specified limits. The Company may contribute additional amounts for each participant up to

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note I - Retirement Plan (Continued)**

specified limits as defined in the Plan agreement. The Company's contributions to the Plan during December 31, 2021 and 2020 were \$91,922 and \$74,254, respectively.

**Note J - Concentrations of Credit Risk**

Financial instruments that potentially subject the Company to significant concentrations of credit risk are principally cash and accounts receivable.

Cash deposits are maintained in highly rated financial institutions within the Company's operating area, and management continually monitors the financial strength of these institutions to minimize its risk.

Accounts at these institutions have Federal Deposit Insurance Corporation insurance for up to \$250,000. Amounts in excess of insured limits at December 31, 2021 and 2020 were \$1,027,246 and \$1,679,960, respectively. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk from cash.

Accounts receivable represent unsecured credit sales whose collectibility is periodically reviewed by management. An allowance for doubtful accounts is established, if required.

Concentrations of credit risk with respect to contract receivables are limited due to the Company's routine assessment of the financial strength of its customers and the filing of statutory liens on all construction projects where collection problems are anticipated. An allowance for doubtful accounts is established, if required.

**Note K - Major Customers**

Construction revenue includes earnings from contracts with two major customers in 2021 and five major customers in 2020, which accounted for 45% and 63%, respectively, of the total construction revenue of the Company. Contract receivables from these customers were 1% and 0% of total contract receivables at December 31, 2021 and 2020, respectively.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note L - Stockholders' and Members' Equity**

The separate components of stockholders' and members' equity for the Company were as follows at December 31,:

	<u>2021</u>	<u>2020</u>
Common stock		
Emory Hill Real Estate Services, Inc.	\$ 1,200	\$ 1,200
Emory Hill & Company	<u>100</u>	<u>100</u>
	<u>\$ 1,300</u>	<u>\$ 1,300</u>
Additional paid-in capital		
Emory Hill Real Estate Services, Inc.	\$ 996,018	\$ 996,018
Emory Hill & Company	<u>909,915</u>	<u>909,915</u>
	<u>\$ 1,905,933</u>	<u>\$ 1,905,933</u>
Retained earnings and members' equity		
Emory Hill Real Estate Services, Inc.	\$ 2,532,859	\$ 2,091,659
Emory Hill & Company	<u>(2,100,318)</u>	<u>(1,950,926)</u>
	<u>\$ 432,541</u>	<u>\$ 140,733</u>
Noncontrolling interest		
Emory Hill Real Estate Commercial Brokerage, LLC	<u>\$ (596)</u>	<u>\$ (596)</u>

**Note M - COVID-19 Pandemic**

During 2021 and 2020, the COVID-19 pandemic in the United States, including geographical regions in which the Company operates, caused business disruption through mandated and voluntary closings of businesses. The Company, however, was deemed to be an essential business under the Delaware State of Emergency declaration and, therefore, remained operational. The extent of the impact of COVID-19 on the Company's operational and financial performance will continue to depend on certain developments, including the duration and spread of the outbreak and its impact on the Company's customers and direct labor employees, both of which are uncertain and cannot be predicted.

**Note N - Economic Stimulus**

The Company applied for and received funding of \$952,097 and \$883,500 for the years ended December 31, 2021 and 2020, respectively, from the Paycheck Protection Program (PPP) under Division A, Title I of the

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note N - Economic Stimulus (Continued)**

Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was enacted on March 27, 2020. Under the terms of the PPP, certain amounts of the loan, including accrued interest, may be forgiven if used for qualified expenses as described in the CARES Act and subsequent Small Business Administration (SBA) guidance. Determination of whether or not the loan was used for qualified expenses and ultimately forgiven is within the discretion of the SBA. The funding received during 2020 was approved for full forgiveness during 2021. Therefore, the Company recognized the full amount of the 2020 funding as debt forgiveness income in 2021. As of December 31, 2021, the Company believes that their use of the loan proceeds will meet the conditions for full forgiveness of the loan, therefore, the Company has classified the entire note balance of \$952,097 as a current liability. The possibility remains that certain actions could cause the Company to be ineligible for forgiveness of the loan, in whole or in part. The unforgiven portion of the PPP loan would be payable over five years at an interest rate of 1% with a deferral of payments until the second quarter of 2022. The PPP loan is unsecured and guaranteed by the SBA.

The Employee Retention Credit (ERC), as enacted by the CARES Act, provided a tax credit to encourage businesses to keep employees on their payroll. For the year ended December 31, 2021, the credit is equal to 70% of qualified wages paid, including qualified health plan expenses, up to \$10,000 per employee per quarter in 2021. The credit is only available for the first three quarters of 2021, therefore, the maximum credit per employee is \$7,000 per quarter, or \$21,000 total. Management has analyzed the Company's eligibility for the credit and estimated the allowable ERC available to the Company to be \$908,347 for 2021. The amount of this credit was filed with the Internal Revenue Service through amended payroll tax filings in 2021. This payroll tax credit has been recorded as a reduction in salary expense on the consolidated statements of operations and retained earnings and members' equity and as other current assets on the consolidated balance sheets.

The credit was equal to 50% of qualified wages paid, including qualified health plan expenses, up to \$10,000 per employee in 2020. Therefore, the maximum credit per employee is \$5,000. Management has analyzed the Company's eligibility for the credit and estimated the allowable ERC available to the Company to be \$324,029 for 2020. The Company filed amended payroll tax filings with the Internal Revenue Service in 2021 and received the funding in its full amount during the year.

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note N - Economic Stimulus (Continued)**

Delaware Relief Grants give Delaware small businesses and nonprofits access to funds to cover expenses and provide relief related to COVID-19. During the year ended December 31, 2020, the Company applied for and received a \$100,000 Delaware Relief Grant from the State of Delaware. During the year ended December 31, 2021, the Company received an additional \$20,000 under the grant. The terms of the grant agreement specify the Company is obligated to fulfill certain requirements, which include restricting use of the funds to eligible expenses and providing applicable supporting documents to the State of Delaware. If the stated requirements are not met, the Company may be obligated to repay the grant. During 2020, management had evaluated the use of the proceeds and established reasonable assurance that the Company fulfilled the stated requirements of the grant in the amount of \$40,776. The remainder of the funding was used for eligible expenses during 2021. As such, the Company has recorded \$79,224 and \$40,776 as other income for the years ended December 31, 2021 and 2020, respectively.

**Note O - Subsequent Events**

The Company has evaluated subsequent events through April 8, 2022, the date the consolidated financial statements were available to be issued.

## Supplementary Information

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Consolidated Schedules of Operating Expenses**

**For the Years Ended December 31, 2021 and 2020**

**See Independent Accountants' Review Report**

	<u>2021</u>	<u>%</u>	<u>2020</u>	<u>%</u>
Auto expense	\$ 184,624	1.3	\$ 159,115	1.5
Bad debt recovery	(27)	-	(1,574)	-
Computer expense	195,008	1.3	218,027	2.0
Contributions	26,538	0.2	7,156	0.1
Depreciation	84,122	0.6	72,981	0.7
Dues and subscriptions	109,738	0.7	121,718	1.1
Equipment rental and repair	11,087	0.1	9,177	0.1
Insurance	729,402	5.0	646,121	6.0
Licenses and fees	18,171	0.1	23,253	0.2
Management fee expense	-	-	7,346	0.1
Marketing expenses	42,040	0.3	18,082	0.2
Office expense	78,891	0.5	49,892	0.5
Payroll taxes	603,199	4.1	479,212	4.4
Postage	5,625	-	7,271	0.1
Professional fees	97,046	0.7	101,089	0.9
Rent	292,148	2.0	289,177	2.7
Retirement plan contributions	91,922	0.6	74,254	0.7
Salaries	1,378,344	9.4	1,911,065	17.7
Seminars	10,465	0.1	6,039	-
Taxes	1,175	-	14,701	0.1
Telephone	47,478	0.3	46,796	0.4
Temporary employment fees	45,640	0.3	31,031	0.3
Travel and entertainment	<u>9,288</u>	<u>0.1</u>	<u>8,400</u>	<u>0.1</u>
<b>TOTALS</b>	<b><u>\$ 4,061,924</u></b>	<b><u>27.7</u></b>	<b><u>\$ 4,300,329</u></b>	<b><u>39.9</u></b>



The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Balance Sheet

December 31, 2021

With Summarized Financial Information as of December 31, 2020  
See Independent Accountants' Review Report

Assets

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2021	2020
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 1,524,644	\$ 644	\$ 275,361	\$ -	\$ 1,800,649	\$ 2,309,899
Accounts receivable, net	415,317	-	-	-	415,317	476,859
Contract receivables, net	-	-	1,536,771	-	1,536,771	64,571
Contract assets	-	-	315,493	-	315,493	197,189
Inventory	62,987	-	-	-	62,987	38,547
Prepaid expenses	57,640	-	57,784	-	115,424	91,936
Other current assets	743,071	-	165,276	-	908,347	329,042
Advances to affiliates	<u>1,573,261</u>	<u>-</u>	<u>(1,336,812)</u>	<u>-</u>	<u>236,449</u>	<u>185,532</u>
Total current assets	4,376,920	644	1,013,873	-	5,391,437	3,693,575
<b>PROPERTY AND EQUIPMENT</b>						
Automobiles	466,967	-	165,266	-	632,233	601,965
Equipment	278,199	-	51,371	-	329,570	329,570
Leasehold improvements	<u>435,790</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>435,790</u>	<u>398,786</u>
	1,180,956	-	216,637	-	1,397,593	1,330,321
Less: accumulated depreciation	<u>980,683</u>	<u>-</u>	<u>172,972</u>	<u>-</u>	<u>1,153,655</u>	<u>1,069,533</u>
	200,273	-	43,665	-	243,938	260,788
<b>OTHER ASSETS</b>						
Deposits	2,490	-	-	-	2,490	2,490
Investment in affiliate	<u>1,240</u>	<u>(1,111)</u>	<u>-</u>	<u>(129)</u>	<u>-</u>	<u>-</u>
	<u>3,730</u>	<u>(1,111)</u>	<u>-</u>	<u>(129)</u>	<u>2,490</u>	<u>2,490</u>
<b>TOTAL ASSETS</b>	<u>\$ 4,580,923</u>	<u>\$ (467)</u>	<u>\$ 1,057,538</u>	<u>\$ (129)</u>	<u>\$ 5,637,865</u>	<u>\$ 3,956,853</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Balance Sheet

December 31, 2021

With Summarized Financial Information as of December 31, 2020

See Independent Accountants' Review Report

Liabilities and Stockholders' and Members' Equity

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2021	2020
<b>CURRENT LIABILITIES</b>						
Accounts payable (including retainage payable of \$12,228 in 2021 and \$29,781 in 2020)	\$ 79,838	\$ -	\$ 572,038	\$ -	\$ 651,876	\$ 358,274
Accrued payroll and related expenses	133,019	-	18,408	-	151,427	334,877
Loans payable - stockholders	12,740	-	-	-	12,740	43,921
Contract liabilities	-	-	1,433,442	-	1,433,442	106,537
Deferred grant revenue	-	-	-	-	-	59,224
Current portion of long-term debt	26,363	-	13,097	-	39,460	39,989
Paycheck Protection Program (PPP) loan	755,855	-	196,242	-	952,097	883,500
Total current liabilities	1,007,815	-	2,233,227	-	3,241,042	1,826,322
<b>LONG-TERM LIABILITY</b>						
Long-term debt (net of current maturities)	43,031	-	14,614	-	57,645	83,161
Total liabilities	1,050,846	-	2,247,841	-	3,298,687	1,909,483
<b>STOCKHOLDERS' AND MEMBERS' EQUITY</b>						
Common stock, no par value, 2,000 shares authorized, 220 shares issued, and 180 shares outstanding	1,200	-	100	-	1,300	1,300
Additional paid-in capital	996,018	-	909,915	-	1,905,933	1,905,933
Retained earnings and members' equity	2,532,859	129	(2,100,318)	(129)	432,541	140,733
	3,530,077	129	(1,190,303)	(129)	2,339,774	2,047,966
Noncontrolling interest	-	(596)	-	-	(596)	(596)
	3,530,077	(467)	(1,190,303)	(129)	2,339,178	2,047,370
<b>TOTAL LIABILITIES AND STOCKHOLDERS' AND MEMBERS' EQUITY</b>	<b>\$ 4,580,923</b>	<b>\$ (467)</b>	<b>\$ 1,057,538</b>	<b>\$ (129)</b>	<b>\$ 5,637,865</b>	<b>\$ 3,956,853</b>

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Statement of Operations and  
Retained Earnings and Members' Equity (Deficit)

For the Year Ended December 31, 2021  
With Summarized Financial Information for the Year Ended December 31, 2020  
See Independent Accountants' Review Report

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2021	2020
<b>REVENUES</b>						
Construction revenue	\$ -	\$ -	\$ 6,705,302	\$ -	\$ 6,705,302	\$ 4,434,492
Commission income	3,290,667	-	-	-	3,290,667	1,573,884
Management fees	2,101,378	-	-	-	2,101,378	2,214,681
Maintenance income	2,399,434	-	-	-	2,399,434	2,465,974
Refinancing fees	144,250	-	-	-	144,250	81,000
Total revenues	7,935,729	-	6,705,302	-	14,641,031	10,770,031
<b>DIRECT COSTS</b>						
Commissions	1,998,522	-	-	-	1,998,522	950,811
Cost of construction	-	-	6,216,527	-	6,216,527	3,963,448
Direct maintenance cost	1,286,871	-	-	-	1,286,871	1,351,159
Marketing expense	48,270	-	-	-	48,270	36,348
Total direct costs	3,333,663	-	6,216,527	-	9,550,190	6,301,766
GROSS PROFIT	4,602,066	-	488,775	-	5,090,841	4,468,265
OPERATING EXPENSES	3,232,265	-	829,659	-	4,061,924	4,300,329
INCOME (LOSS) FROM OPERATIONS	1,369,801	-	(340,884)	-	1,028,917	167,936
<b>OTHER INCOME (EXPENSE)</b>						
Interest income	-	-	-	-	-	451
Interest expense	(2,768)	-	-	-	(2,768)	(4,507)
Miscellaneous income	84,329	-	13,492	-	97,821	58,657
PPP loan forgiveness income	705,500	-	178,000	-	883,500	-
	787,061	-	191,492	-	978,553	54,601
NET INCOME (LOSS)	2,156,862	-	(149,392)	-	2,007,470	222,537

Continued...

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Statement of Operations  
and Retained Earnings and Members' Equity (Deficit) (Continued)

For the Year Ended December 31, 2021  
With Summarized Financial Information for the Year Ended December 31, 2020  
See Independent Accountants' Review Report

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2021	2020
AMOUNT ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CONSOLIDATED NET INCOME (LOSS)	2,156,862	-	(149,392)	-	2,007,470	222,537
RETAINED EARNINGS AND MEMBERS' EQUITY (DEFICIT) - BEGINNING	2,091,659	-	(1,950,926)	-	140,733	587,135
DISTRIBUTIONS	<u>(1,715,662)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,715,662)</u>	<u>(668,939)</u>
RETAINED EARNINGS AND MEMBERS' EQUITY (DEFICIT) - ENDING	<u>\$ 2,532,859</u>	<u>\$ -</u>	<u>\$ (2,100,318)</u>	<u>\$ -</u>	<u>\$ 432,541</u>	<u>\$ 140,733</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Schedule of Operating Expenses

For the Year Ended December 31, 2021  
 With Summarized Financial Information for the Year Ended December 31, 2020  
 See Independent Accountants' Review Report

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2021	2020
Auto expense	\$ 134,943	\$ -	\$ 49,681	\$ -	\$ 184,624	\$ 159,115
Bad debt expense (recovery)	2,042	-	(2,069)	-	(27)	(1,574)
Computer expense	158,214	-	36,794	-	195,008	218,027
Contributions	21,701	-	4,837	-	26,538	7,156
Depreciation	74,576	-	9,546	-	84,122	72,981
Dues and subscriptions	81,590	-	28,148	-	109,738	121,718
Equipment rental and repair	9,510	-	1,577	-	11,087	9,177
Insurance	466,665	-	262,737	-	729,402	646,121
Licenses and fees	7,286	-	10,885	-	18,171	23,253
Management fee expense	-	-	-	-	-	7,346
Marketing expenses	18,122	-	23,918	-	42,040	18,082
Office expense	44,816	-	34,075	-	78,891	49,892
Payroll taxes	424,990	-	178,209	-	603,199	479,212
Postage	4,434	-	1,191	-	5,625	7,271
Professional fees	55,349	-	41,697	-	97,046	101,089
Rent	239,807	-	52,341	-	292,148	289,177
Retirement plan contributions	64,647	-	27,275	-	91,922	74,254
Salaries	1,342,714	-	35,630	-	1,378,344	1,911,065
Seminars	8,590	-	1,875	-	10,465	6,039
Taxes	658	-	517	-	1,175	14,701
Telephone	30,998	-	16,480	-	47,478	46,796
Temporary employment fees	33,184	-	12,456	-	45,640	31,031
Travel and entertainment	7,429	-	1,859	-	9,288	8,400
<b>TOTALS</b>	<b>\$ 3,232,265</b>	<b>\$ -</b>	<b>\$ 829,659</b>	<b>\$ -</b>	<b>\$ 4,061,924</b>	<b>\$ 4,300,329</b>

The Emory Hill Holding Company, Inc. and Subsidiaries

Schedule of Earnings from Contracts -  
Emory Hill & Company

For the Year Ended December 31, 2021  
With Summarized Information for the Year Ended December 31, 2020  
See Independent Accountants' Review Report

	2021		2020	
	Revenues Earned	Cost of Revenues Earned	Gross Profit	Gross Profit
CONTRACTS COMPLETED DURING THE YEAR	\$ 2,953,496	\$ 2,766,500	\$ 186,996	\$ 426,412
CONTRACTS IN PROGRESS AT YEAR END	3,751,806	3,450,027	301,779	44,632
TOTALS	\$ 6,705,302	\$ 6,216,527	\$ 488,775	\$ 471,044

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Schedule of Contracts Completed - Emory Hill & Company**  
**For the Year Ended December 31, 2021**  
**See Independent Accountants' Review Report**

Contract Number	Contract Totals			Before January 1, 2021			For the Year Ended December 31, 2021		
	Revenues Earned	Cost of Revenues	Gross Profit	Revenues Earned	Cost Incurred	Gross Profit (Loss)	Revenues Earned	Cost Incurred	Gross Profit (Loss)
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18-021	3,128,376	2,805,391	322,985	3,128,376	2,804,641	323,735	-	750	(750)
19-002	832,855	820,234	12,621	686,061	666,854	19,207	146,794	153,380	(6,586)
20-022	1,525,136	1,483,352	41,784	89,497	86,993	2,504	1,435,639	1,396,359	39,280
21-010	274,908	257,060	17,848	-	-	-	274,908	257,060	17,848
21-016	365,031	326,638	38,393	-	-	-	365,031	326,638	38,393
Contracts less than \$250,000	<u>1,413,264</u>	<u>1,330,563</u>	<u>82,701</u>	<u>682,140</u>	<u>698,250</u>	<u>(16,110)</u>	<u>731,124</u>	<u>632,313</u>	<u>98,811</u>
	<u>\$ 7,539,570</u>	<u>\$ 7,023,238</u>	<u>\$ 516,332</u>	<u>\$ 4,586,074</u>	<u>\$ 4,256,738</u>	<u>\$ 329,336</u>	<u>\$ 2,953,496</u>	<u>\$ 2,766,500</u>	<u>\$ 186,996</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Schedule of Contracts in Progress - Emory Hill & Company**  
**For the Year Ended December 31, 2021**  
**See Independent Accountants' Review Report**

Job Number	Total Contract		From Inception to December 31, 2021					At December 31, 2021		For the Year Ended December 31, 2021		
	Contract Revenues	Estimated Gross Profit	Revenues Earned	Total Costs Incurred	Gross Profit	Billed to Date	Estimated Cost to Complete	Contract Assets	Contract Liabilities	Revenues Earned	Cost Incurred	Gross Profit
20-041	\$ 487,897	\$ 54,027	\$ 484,448	\$ 430,802	\$ 53,646	\$ 487,897	\$ 3,068	\$ -	\$ (3,449)	\$ 484,448	\$ 430,802	\$ 53,646
20-043	1,470,646	139,458	1,447,396	1,310,144	137,252	1,458,296	21,044	-	(10,900)	1,443,841	1,306,591	137,250
21-013	968,169	23,029	396,527	387,095	9,432	803,140	558,045	-	(406,613)	396,527	387,095	9,432
21-014	308,964	12,666	266,037	255,130	10,907	308,964	41,168	-	(42,927)	266,037	255,130	10,907
21-017	1,656,588	114,527	169,734	157,999	11,735	1,029,600	1,384,062	-	(859,866)	169,734	157,999	11,735
21-019	431,937	26,943	293,748	275,424	18,324	200,000	129,570	93,748	-	293,748	275,424	18,324
21-022	998,500	73,182	-	3,644	267	-	921,941	3,644	-	-	3,644	267
21-027	885,310	69,282	99,922	92,102	7,820	-	723,926	99,922	-	99,922	92,102	7,820
21-031	342,905	12,881	116,492	112,116	4,376	-	217,908	116,492	-	116,492	112,116	4,376
21-032	1,858,832	62,751	1,687	1,630	57	-	1,794,451	1,687	-	1,687	1,630	57
Contracts less than \$250,000	682,788	66,427	475,726	427,761	47,965	585,413	188,600	-	(109,687)	475,726	427,761	47,965
	<u>\$ 10,092,536</u>	<u>\$ 655,173</u>	<u>\$ 3,755,361</u>	<u>\$ 3,453,580</u>	<u>\$ 301,781</u>	<u>\$ 4,873,310</u>	<u>\$ 5,983,783</u>	<u>\$ 315,493</u>	<u>\$ (1,433,442)</u>	<u>\$ 3,751,806</u>	<u>\$ 3,450,027</u>	<u>\$ 301,779</u>



The Emory Hill Holding Company, Inc. and Subsidiaries

Z-Score Calculation - Emory Hill & Company

For the Years Ended December 31, 2021 and 2020  
See Independent Accountants' Review Report

Title/Formula	Symbol	2021	2020
Current assets*	CA	\$ 2,350,685	\$ 619,569
Total assets*	TA	2,394,350	642,512
Net sales	SL	6,705,302	4,434,492
Interest	IN	-	-
Total liabilities**	TL	2,051,599	415,385
Current liabilities**	CL	2,036,985	401,588
Market value of equity (TA-TL)	VE	342,751	227,127
Earnings (loss) before tax***	ET	(327,392)	(412,647)
Retained earnings (accumulated deficit)	RE	(2,100,318)	(1,950,926)
X1 = (CA-CL)/TA		0.13101677	0.33926370
X2 = RE/TA		(0.87719757)	(3.03640399)
X3 = (ET+IN)/TA		(0.13673523)	(0.64224014)
X4 = VE/TL		0.16706530	0.54678672
X5 = SL/TA		2.80046860	6.90180417
Z = (1.2*X1)+(1.4*X2)+(3.3*X3)+(0.6*X4)+(1.0*X5)		1.38	1.27

\*Intercompany balances are not included in the analysis above.

\*\*Does not include PPP loans received in each year.

\*\*\*Does not include income related to forgiveness of PPP loan (2021 only).

**The Emory Hill Holding Company, Inc.  
and Subsidiaries**

**Consolidated Financial Statements and  
Independent Accountants' Review Report**

**December 31, 2022 and 2021**

## Table of Contents

	Page
Independent Accountants' Review Report.....	3
Consolidated Financial Statements	
Consolidated Balance Sheets.....	5
Consolidated Statements of Operations and Retained Earnings and Members' Equity.....	7
Consolidated Statements of Cash Flows.....	8
Notes to Consolidated Financial Statements.....	10
Supplementary Information	
Consolidated Schedules of Operating Expenses .....	30
Consolidating Balance Sheet.....	31
Consolidating Statement of Operations and Retained Earnings and Members' Equity (Deficit).....	33
Consolidating Schedule of Operating Expenses.....	35
Schedule of Earnings from Contracts - Emory Hill & Company .....	36
Schedule of Contracts Completed - Emory Hill & Company.....	37
Schedule of Contracts in Progress - Emory Hill & Company.....	38
Z-Score Calculation - Emory Hill & Company.....	39



William A. Santora, CPA  
Heath N. Kahrs, CPA  
Robert S. Smith, CPA  
Theresa D. Jones, CPA  
Israel Mercado, CPA

## **Independent Accountants' Review Report**

---

Robert Freed, Principal  
Linda A. Pappajohn, Principal  
Stephen M. Conyers, CPA, Principal

To the Board of Directors  
The Emory Hill Holding Company, Inc. and Subsidiaries

We have reviewed the accompanying consolidated financial statements of The Emory Hill Holding Company, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the related consolidated statements of operations and retained earnings and members' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements in order for them to be in accordance with GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements related to our reviews.

To the Board of Directors

### **Accountants' Conclusion**

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with GAAP.

### **Change in Accounting Principle**

As discussed in Note B.12 to the consolidated financial statements, the Company has changed its method of accounting for leases as of January 1, 2022 due to the adoption of Accounting Standards Update 2016-02, *Leases (Topic 842)*.

### **Supplementary Information**

The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic consolidated 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 consolidated financial statements. The supplementary information has been subjected to the review procedures applied in our reviews of the basic consolidated financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

  
A handwritten signature in cursive script that reads "Santora CPA Group" is written over a horizontal line.

April 3, 2023  
Newark, Delaware

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31, 2022 and 2021  
See Independent Accountants' Review Report

Assets

	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,140,124	\$ 1,800,649
Accounts receivable, net	356,985	415,317
Contract receivables, net	3,037,785	1,536,771
Contract assets	310,455	315,493
Inventory	24,624	62,987
Prepaid expenses	152,278	115,424
Other current assets	-	908,347
Loans receivable - stockholders	112,115	-
Advances to affiliates	<u>183,039</u>	<u>236,449</u>
Total current assets	6,317,405	5,391,437
PROPERTY AND EQUIPMENT		
Automobiles	668,008	632,233
Equipment	329,570	329,570
Leasehold improvements	<u>435,790</u>	<u>435,790</u>
	1,433,368	1,397,593
Less: accumulated depreciation	<u>1,236,642</u>	<u>1,153,655</u>
	196,726	243,938
OTHER ASSETS		
Deposits	2,490	2,490
Operating lease right-of-use assets	<u>380,057</u>	<u>-</u>
	<u>382,547</u>	<u>2,490</u>
TOTAL ASSETS	<u>\$ 6,896,678</u>	<u>\$ 5,637,865</u>

See notes to consolidated financial statements.

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31, 2022 and 2021  
See Independent Accountants' Review Report

Liabilities and Stockholders' and Members' Equity

	<u>2022</u>	<u>2021</u>
CURRENT LIABILITIES		
Accounts payable (including retainage payable of \$523,435 in 2022 and \$12,228 in 2021)	\$ 2,447,756	\$ 651,876
Accrued payroll and related expenses	172,731	151,427
Loans payable - stockholders	2,345	12,740
Contract liabilities	1,033,508	1,433,442
Current portion of long-term debt	41,323	39,460
Current portion of operating lease liabilities	285,502	-
Paycheck Protection Program (PPP) loan	-	<u>952,097</u>
Total current liabilities	3,983,165	3,241,042
LONG-TERM LIABILITIES		
Long-term debt (net of current maturities)	47,738	57,645
Operating lease liabilities (net of current portion)	<u>98,995</u>	<u>-</u>
Total liabilities	4,129,898	3,298,687
STOCKHOLDERS' AND MEMBERS' EQUITY		
Common stock, no par value, 2,000 shares authorized, 220 shares issued, and 180 shares outstanding	1,300	1,300
Additional paid-in capital	1,905,933	1,905,933
Retained earnings and members' equity	<u>859,547</u>	<u>432,541</u>
	2,766,780	2,339,774
Noncontrolling interest	-	<u>(596)</u>
	<u>2,766,780</u>	<u>2,339,178</u>
TOTAL LIABILITIES AND STOCKHOLDERS' AND MEMBERS' EQUITY	<u>\$ 6,896,678</u>	<u>\$ 5,637,865</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Consolidated Statements of Operations  
and Retained Earnings and Members' Equity**

**For the Years Ended December 31, 2022 and 2021  
See Independent Accountants' Review Report**

	<u>2022</u>	<u>%</u>	<u>2021</u>	<u>%</u>
REVENUES				
Construction revenue	\$ 13,847,426	64.4	\$ 6,705,302	45.8
Commission income	3,026,935	14.1	3,290,667	22.5
Management fees	1,981,591	9.2	2,101,378	14.4
Maintenance income	2,631,399	12.2	2,399,434	16.4
Refinancing fees	<u>20,000</u>	<u>0.1</u>	<u>144,250</u>	<u>0.9</u>
Total revenues	21,507,351	100.0	14,641,031	100.0
DIRECT COSTS				
Commissions	1,914,550	8.9	1,998,522	13.7
Cost of construction	12,708,475	59.0	6,216,527	42.5
Direct maintenance cost	1,409,021	6.6	1,286,871	8.8
Marketing expense	<u>37,980</u>	<u>0.2</u>	<u>48,270</u>	<u>0.3</u>
Total direct costs	<u>16,070,026</u>	<u>74.7</u>	<u>9,550,190</u>	<u>65.3</u>
GROSS PROFIT	5,437,325	25.3	5,090,841	34.7
OPERATING EXPENSES	<u>5,005,435</u>	<u>23.3</u>	<u>4,061,924</u>	<u>27.7</u>
INCOME FROM OPERATIONS	431,890	2.0	1,028,917	7.0
OTHER INCOME (EXPENSE)				
Interest expense	(3,808)	-	(2,768)	-
Miscellaneous income	14,707	0.1	97,821	0.7
PPP loan forgiveness income	<u>952,097</u>	<u>4.4</u>	<u>883,500</u>	<u>6.0</u>
	<u>962,996</u>	<u>4.5</u>	<u>978,553</u>	<u>6.7</u>
CONSOLIDATED NET INCOME	1,394,886	<u>6.5</u>	2,007,470	<u>13.7</u>
AMOUNT ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>(596)</u>		<u>-</u>	
AMOUNT ATTRIBUTABLE TO EMORY HILL HOLDING COMPANY, INC. AND SUBSIDIARIES STOCKHOLDERS AND MEMBERS	1,394,290		2,007,470	
RETAINED EARNINGS AND MEMBERS' EQUITY - BEGINNING OF YEAR	432,541		140,733	
DISTRIBUTIONS	<u>(967,284)</u>		<u>(1,715,662)</u>	
RETAINED EARNINGS AND MEMBERS' EQUITY - END OF YEAR	<u>\$ 859,547</u>		<u>\$ 432,541</u>	

See notes to consolidated financial statements.



**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Consolidated Statements of Cash Flows**

**For the Years Ended December 31, 2022 and 2021**  
**See Independent Accountants' Review Report**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 1,394,886	\$ 2,007,470
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	82,987	84,122
Bad debt expense (recovery)	70,693	(27)
PPP loan forgiveness	(952,097)	(883,500)
Noncash operating lease cost	4,440	-
(Increases) decreases in assets		
Accounts receivable	57,915	59,500
Contract receivables	(1,571,290)	(1,470,131)
Contract assets	5,038	(118,304)
Inventory	38,363	(24,440)
Prepaid expenses	(36,854)	(23,488)
Other current assets	908,347	(579,305)
Increases (decreases) in liabilities		
Accounts payable	1,795,880	293,602
Accrued payroll and related expenses	21,304	(183,450)
Contract liabilities	<u>(399,934)</u>	<u>1,326,905</u>
Net cash provided by operating activities	1,419,678	488,954
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net change in advances with affiliates	53,410	(50,917)
Net change in loans with stockholders	(122,510)	(31,181)
Purchase of property and equipment	-	(37,004)
Deferred grant revenue	<u>-</u>	<u>(59,224)</u>
Net cash used in investing activities	(69,100)	(178,326)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from PPP loan	-	952,097
Repayment of long-term debt	(43,819)	(56,313)
Distributions to stockholders	<u>(967,284)</u>	<u>(1,715,662)</u>
Net cash used in financing activities	<u>(1,011,103)</u>	<u>(819,878)</u>
Net increase (decrease) in cash and cash equivalents	339,475	(509,250)

Continued...

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the Years Ended December 31, 2022 and 2021  
See Independent Accountants' Review Report

	<u>2022</u>	<u>2021</u>
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	\$ <u>1,800,649</u>	\$ <u>2,309,899</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ <u>2,140,124</u>	\$ <u>1,800,649</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION</b>		
Cash paid during the year for interest	\$ <u>    3,808</u>	\$ <u>    2,768</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Assets acquired through issuance of long-term debt	\$ <u>   35,775</u>	\$ <u>   30,268</u>

See notes to consolidated financial statements.

## **The Emory Hill Holding Company, Inc. and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **See Independent Accountants' Review Report**

#### **Note A - Nature of Operations**

The Emory Hill Holding Company, Inc. and Subsidiaries (the Company) consist of The Emory Hill Holding Company, Inc. (EHHC) and its wholly owned subsidiaries, Emory Hill & Company (EHC) and Emory Hill Real Estate Services, Inc. (EHRES) and its subsidiary, Emory Hill Real Estate Commercial Brokerage, LLC (EHRECB).

EHHC was incorporated under the laws of the State of Delaware and began operations on March 1, 2013. It is the sole shareholder of EHRES and EHC.

EHRES was incorporated under the laws of the State of Delaware and began operations on January 1, 1990. It is engaged primarily in property management of industrial, commercial, and residential buildings in Delaware, Maryland, New Jersey, and Pennsylvania.

EHRECB was formed under the laws of the State of Delaware and began operations on January 1, 2009. It is engaged primarily in commercial property brokerage in Delaware, Maryland, New Jersey, and Pennsylvania. This entity was dissolved as of December 31, 2022. Property brokerage services are now being performed in EHRES.

EHC was incorporated under the laws of the State of Delaware and began operations on March 10, 1987. It is primarily engaged as a general contractor in the construction of industrial and commercial buildings in Delaware, Maryland, New Jersey, and Pennsylvania. Construction work is performed under fixed-price and cost-plus contracts.

#### **Note B - Summary of Significant Accounting Policies**

##### **1. Basis of Presentation and Consolidation**

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and include the accounts of EHHC, EHRES, EHRECB and EHC. The entities are affiliated through common ownership and management, and their operations are closely interrelated and economically interdependent. All significant intercompany transactions and balances have been eliminated.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**2. Operating Cycle**

The length of EHC's contracts varies. Assets and liabilities arising from long-term construction activities, the operating cycle of which extends over a period of years, are classified as current in the consolidated financial statements. A one-year time period is used as the basis for classification of all other current assets and liabilities in the consolidated balance sheets.

**3. Use of Estimates**

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**4. Revenue Recognition**

**a. Construction Revenues and Costs**

EHC recognizes revenues from fixed-price and modified fixed-price construction contracts utilizing the input method, measured by the percentage of actual construction costs incurred to date to estimated total cost at completion for each contract (cost-to-cost method). This method is used because management considers costs to be the best available measure of progress on these contracts. Revenues from cost-plus-fee contracts are recognized on the basis of costs incurred during the period, plus the fee earned, measured by the cost-to-cost method.

A contract is considered complete when all costs except insignificant items have been incurred and the work has been accepted by the customer.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**a. Construction Revenues and Costs (Continued)**

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as fringe benefits, insurance, and payroll taxes. Other indirect and administrative costs are charged to expense when incurred.

Changes in job performance, job conditions, and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in revisions to costs and income and are recognized in the period in which revisions are determined. Profit incentives are included in revenues when their realization is reasonably assured. An amount equal to contract costs attributable to claims is included in revenues when realization is probable and the amount can be reliably estimated.

Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term.

The asset, *Contract Assets*, represents revenues recognized in excess of amounts billed.

The liability, *Contract Liabilities*, represents billings in excess of revenues recognized.

In accordance with construction industry practice, EHC includes in current assets and current liabilities amounts relating to contracts realizable and payable over a period in excess of one year.

Construction revenue may be earned on properties owned by either affiliates of the Company or independent third parties. Revenue disaggregated by affiliate and third parties was as follows for the years ended December 31,:

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**a. Construction Revenues and Costs (Continued)**

	<u>2022</u>	<u>2021</u>
Affiliated revenue	\$ 7,182,244	\$ 1,739,323
Third-party revenue	<u>6,665,182</u>	<u>4,965,979</u>
	<u>\$13,847,426</u>	<u>\$ 6,705,302</u>

**b. Nonconstruction Revenues and Costs**

The Company's nonconstruction revenues and costs consist of commission income, management fee income, maintenance income, and refinancing fee income.

For the Company's commission income, revenue is recognized on the basis that the performance obligation under each contract is satisfied at a point in time. The Company's performance obligation is to find a buyer or tenant for properties, which are owned by either affiliates of the Company or independent third parties. The performance obligation is satisfied and control is transferred to the customer at the time of settlement for each property. The Company incurs sales commission costs to obtain contracts, which are contingent upon the sale or lease of the property. Sales commission costs are expensed when revenue is recognized.

For the Company's maintenance and management fee income, revenue is recognized on the basis that the performance obligation under each contract is satisfied over time. The Company's performance obligation is to perform property management or property maintenance services. The performance obligation is satisfied as the Company performs these services. As such, the Company's contracts fall under the "right-to-invoice" practical expedient that allows an entity to recognize revenue equal to the consideration from a customer in the amounts that correspond directly with the value to the customer of the entity's performance to date. Contracts include cancellation provisions, but the Company recognizes revenue under the single most likely method, as historically, cancellations do not often occur.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**b. Nonconstruction Revenues and Costs (Continued)**

For the Company's refinancing income, revenue is recognized on the basis that the performance obligation under each contract is satisfied at a point in time. The Company's performance obligation is to refinance loans for affiliated entities. The performance obligation is satisfied and control is transferred to the customer at the time of settlement for each property. The Company incurs refinancing costs as the performance obligation is satisfied. Refinancing costs are expensed when revenue is recognized.

Revenue disaggregated by affiliate and third parties was as follows for the years ended December 31,:

	<u>2022</u>	<u>2021</u>
Affiliated revenue	\$ 3,697,819	\$ 4,421,621
Third-party revenue	<u>3,962,106</u>	<u>3,514,108</u>
	<u>\$ 7,659,925</u>	<u>\$ 7,935,729</u>

**5. Cash and Cash Equivalents**

For purposes of the consolidated statements of cash flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

**6. Accounts and Contract Receivables**

Accounts and contract receivables consist of short-term receivables that arise in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and generally requires no collateral from its customers. Accounts are generally due upon presentation and are considered past due if not paid within 30 days. Contract retentions are due 30 days after completion of the project and acceptance by the customer. Total accounts and contract receivables past due 90 days or more amounted to \$74,458 and \$1,406,692 as of December 31, 2022 and 2021, respectively.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**6. Accounts and Contract Receivables (Continued)**

Management determines the allowance for doubtful accounts based upon prior experience and its assessment of the collectibility of specific accounts. At December 31, 2022 and 2021, the allowance for doubtful accounts and contract receivables was \$149,543 and \$67,481, respectively.

Uncollectible accounts are charged off when management determines that all reasonable collection efforts have been exhausted.

**7. Property and Equipment**

Property and equipment are valued at cost. Expenditures for major additions and improvements are capitalized, and minor replacements, maintenance, and repairs are charged to expense as incurred. When assets are disposed of, the related cost and accumulated depreciation thereon are removed from the accounts, and any resulting gain or loss is included in the results of operations for the respective period.

Depreciation is computed using accelerated and straight-line methods based upon the estimated useful lives of the related assets. The useful lives for purposes of computing depreciation are as follows:

Automobiles	5 years
Equipment	3 - 7 years
Leasehold improvements	15 - 39 years

**8. Income Taxes**

EHHC, with the consent of its shareholders, has elected to be an S corporation under the Internal Revenue Code. EHHC owns 100% of the stock of EHRES and EHC and has elected to treat the entities as qualified subchapter S subsidiaries (QSubs). EHRECB has elected to be taxed as a partnership. Under these elections, the stockholders and members of the Company are taxed on their proportionate share of the Company's consolidated taxable income. Therefore, no provision or liability for federal or state income tax is presented in these consolidated financial statements.



**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**8. Income Taxes (Continued)**

The Company is no longer subject to federal and state income tax examinations for fiscal years ended prior to December 31, 2019, with the exception of New Jersey, in which the Company is no longer subject to examinations for fiscal years ended prior to December 31, 2018.

**9. Advertising and Marketing**

A portion of advertising and marketing costs associated with EHRES are charged to direct costs when incurred. Other advertising and marketing costs are charged to operating expense when incurred. Total advertising and marketing costs for the years ended December 31, 2022 and 2021 were \$87,577 and \$90,310, respectively.

**10. Inventory**

Inventory consists of supplies, tools, and work-in-process costs incurred on uncompleted maintenance jobs. Work-in-process costs incurred include labor, material, and supplies related to the performance of the maintenance jobs. Material and supplies inventory is carried at the lower of cost (first-in, first-out) and net realizable value, and labor is recorded using a standard burden rate.

**11. Leases**

The Company determines if an arrangement contains a lease at inception based on whether or not the Company has the right to control the asset during the contract period and other facts and circumstances. Right-of-use (ROU) assets represent the Company's right to use the underlying assets for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the leases. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Company has elected to use the risk-free rate at the lease commencement date, in determining the present value of lease payments. The Company does not record leases with an initial term of 12 months or less on the consolidated balance sheets.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**11. Leases (Continued)**

Leases may include one or more options to renew, with renewals that can extend the lease term. Renewal options that the Company is reasonably certain to exercise are included in the lease term and recognized as part of the Company's ROU assets and lease liabilities. The useful lives of assets and leasehold improvements are generally limited by the expected lease term.

Certain lease agreements for real estate include payments based on actual common area maintenance expenses and others include rental payments adjusted periodically for inflation. These variable lease payments are recognized as period costs in the consolidated statements of operations and retained earnings and members' equity and not included in the ROU asset or liability balances.

The Company has elected the practical expedient, which allows lessees to separate lease and non-lease components by class of underlying asset, and are applying this expedient to all relevant asset classes.

**12. Recently Adopted Accounting Pronouncements**

On January 1, 2022, the Company adopted the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, and additional ASUs issued to clarify and update the guidance in ASU 2016-02 (collectively, the new lease standard). The new lease standard was issued to increase transparency and comparability among organizations by requiring the recognition of ROU assets and lease liabilities on the consolidated balance sheets, and to improve disclosure of key information about leasing arrangements. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for leases classified as operating leases. Under the new lease standard, disclosures are required to enable users of the consolidated financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**12. Recently Adopted Accounting Pronouncements (Continued)**

The Company adopted the new lease standard using the modified retrospective method and utilized the optional transition method under which we continue to apply legacy guidance, including disclosure requirements, in the comparative period presented. For contracts existing at the date of adoption, the Company elected to not reassess: (i) whether any are or contain leases, (ii) lease classification, and (iii) initial direct costs. The adoption of the new lease standard resulted in the recognition of operating lease ROU assets of \$659,981, net of prepaid lease payments and lease incentives and operating lease liabilities of \$659,981. There was no adjustment to opening retained earnings and no material impact to our results of operations or cash flows as a result of adopting the new lease standard. See Note B.11 for further information regarding the Company's lease accounting policy.

**13. Recent Accounting Pronouncements Not Yet Adopted**

In June 2016, FASB issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial assets measured at amortized cost and available-for-sale debt securities. This ASU requires financial assets measured at amortized cost (including loans, trade receivables, and held-to-maturity debt securities) to be presented at the net amount expected to be collected, through an allowance for credit losses that are expected to occur over the remaining life of the asset, rather than incurred losses. The ASU requires that credit losses on available-for-sale debt securities be presented as an allowance rather than as a direct write-down. The measurement of credit losses for newly recognized financial assets (other than certain purchased assets) and subsequent changes in the allowance for credit losses are recorded in the consolidated statements of operations and retained earnings and members' equity as the amounts expected to be collected change. This ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company is currently evaluating the impact of the adoption of ASU 2016-13 on the consolidated financial statements.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note C - Contract Receivables**

Contract receivables consisted of the following at December 31,:

	<u>2022</u>	<u>2021</u>
Billed		
Completed contracts	\$ 16,816	\$ 124,118
Contracts in progress	<u>3,142,772</u>	<u>1,426,584</u>
	3,159,588	1,550,702
Less: allowance for doubtful accounts	<u>121,803</u>	<u>13,931</u>
	<u>\$ 3,037,785</u>	<u>\$ 1,536,771</u>

**Note D - Contract Assets and Liabilities**

Costs and estimated earnings on uncompleted contracts and related amounts billed were as follows as of December 31,:

	<u>2022</u>	<u>2021</u>
Costs incurred to date on uncompleted contracts	\$14,285,567	\$ 3,453,580
Estimated earnings	<u>1,043,558</u>	<u>301,781</u>
	15,329,125	3,755,361
Less: billings to date	<u>16,052,178</u>	<u>4,873,310</u>
Billings in excess of contract revenues - net	<u>\$ (723,053)</u>	<u>\$ (1,117,949)</u>

These amounts are included in the accompanying consolidated balance sheets under the following captions:

	<u>2022</u>	<u>2021</u>
Contract assets	\$ 310,455	\$ 315,493
Contract liabilities	<u>(1,033,508)</u>	<u>(1,433,442)</u>
	<u>\$ (723,053)</u>	<u>\$ (1,117,949)</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note E - Backlog**

The following schedule shows a reconciliation of backlog representing signed contracts at December 31,:

	<u>2022</u>	<u>2021</u>
Backlog balance at January 1	\$ 6,337,175	\$ 2,085,625
New contracts and change orders during the year	<u>9,413,271</u>	<u>10,956,852</u>
	15,750,446	13,042,477
Less: contract revenue earned during the year	<u>13,847,426</u>	<u>6,705,302</u>
Backlog balance at December 31	<u>\$ 1,903,020</u>	<u>\$ 6,337,175</u>

**Note F - Revolving Line of Credit**

EHC has available a revolving line of credit with a financial institution with a maximum credit limit of \$1,000,000 at December 31, 2022. Borrowings under the line of credit bear interest equal to 2.00% above the one-month LIBOR rate. The interest rate at December 31, 2022 was 6.14%. The line of credit is guaranteed by two of the Company's stockholders and is secured by all business assets of the Company. As of December 31, 2022 and 2021, there were no balances outstanding on the line of credit.

**Note G - Long-Term Debt**

Long-term debt consisted of the following as of December 31,:

	<u>2022</u>	<u>2021</u>
Note payable for a vehicle with a financial institution, payable in monthly payments of \$421, including interest at 4.99%, with the final balance outstanding due in June 2023. The note is collateralized by certain Company vehicles.	\$ 2,903	\$ 7,686
Note payable for a vehicle with a financial institution, payable in monthly payments of \$421, including interest at 4.99%, with the final balance outstanding due in June 2023. The note is collateralized by certain Company vehicles.	2,902	7,686

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note G - Long-Term Debt (Continued)**

	<u>2022</u>	<u>2021</u>
Note payable for a vehicle with a financial institution, payable in monthly payments of \$680, including interest at 3.99%, with the final balance outstanding due in September 2023. The note is collateralized by certain Company vehicles.	\$ 5,963	\$ 13,790
Note payable for a vehicle with a financial institution, payable in monthly payments of \$465, including interest at 2.09%, with the final balance outstanding due in May 2024. The note is collateralized by certain Company vehicles.	8,578	13,921
Note payable for a vehicle with a financial institution, payable in monthly payments of \$1,063, including interest at 3.70%, with the final balance outstanding due in December 2024. The note is collateralized by certain Company vehicles.	24,557	36,171
Note payable for a vehicle with a financial institution, payable in monthly payments of \$472, including interest at 3.30%, with the final balance outstanding due in April 2025. The note is collateralized by certain Company vehicles.	12,700	17,851
Note payable for a vehicle with a financial institution, payable in monthly payments of \$670, including interest at 4.63%, with the final balance outstanding due in May 2027. The note is collateralized by certain Company vehicles.	<u>31,458</u>	<u>-</u>
Less: current portion	<u>89,061</u> <u>41,323</u>	<u>97,105</u> <u>39,460</u>
LONG-TERM DEBT	<u>\$ 47,738</u>	<u>\$ 57,645</u>

Estimated maturities on long-term notes payable are as follows for the years ending December 31,:

2023	\$ 41,323
2024	28,183
2025	9,256
2026	7,730
2027	<u>2,569</u>
	<u>\$ 89,061</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (Continued)

See Independent Accountants' Review Report

Note H - Leases

The Company has two operating leases for office space. The leases have remaining lease terms of one year, and one lease includes an option to extend the lease for up to four years.

The components of lease expense are as follows for the year ended December 31, 2022:

<u>Component of Lease Expense</u>	<u>Classification on Consolidated Statements of Operations and Retained Earnings and Members' Equity</u>	
Operating lease expense	Operating expenses	\$ 284,553
Short-term and variable lease cost	Operating expenses	<u>20,351</u>
Total lease cost		<u>\$ 304,904</u>

The weighted-average lease terms and discount rates for operating leases were as follows for the year ended December 31, 2022:

Weighted-average remaining lease term (in years)	
Operating lease	1.9
Weighted-average discount rate	
Operating lease	0.9%

Cash flows and other information related to leases were as follows for the year ended December 31, 2022:

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	<u>\$ 280,113</u>
ROU assets obtained in exchange for lease obligations	
Operating leases	<u>\$ 659,981</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note H - Leases (Continued)**

Future maturities of operating lease liabilities are as follows at December 31, 2022:

2023	\$ 287,811
2024	46,138
2025	24,240
2026	24,240
2027	<u>6,060</u>
Total lease payments	388,489
Less: imputed interest	<u>3,992</u>
Total lease obligations	384,497
Less: current obligations	<u>285,502</u>
Long-term lease obligations	<u>\$ 98,995</u>

Future maturities of long-term operating lease liabilities prior to the adoption of the new lease standard were as follows at December 31, 2021:

2022	\$ 282,911
2023	278,312
2024	29,726
2025	2,360
2026	2,360
Thereafter	<u>787</u>
Total lease payments	<u>\$ 596,456</u>

Rental expense under operating leases, including short-term leases, was \$300,258 for the year ended December 31, 2021.

**Note I - Related-Party Transactions**

At December 31, 2022 and 2021, the Company had loans payable to stockholders in the amount of \$2,345 and \$12,740, respectively. The loans were unsecured, noninterest bearing, and due upon demand.



**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note I - Related-Party Transactions (Continued)**

At December 31, 2022, the Company had loans receivable from stockholders in the amount of \$112,115. There was no amount due from stockholders at December 31, 2021.

The Company leases certain office facilities in Delaware from an affiliated entity. These payments are included in the total operating lease expense as disclosed in Note H.

The Company makes and receives advances between affiliated companies in order to meet the operating and cash flow needs of the individual affiliates. These advances are unsecured, noninterest bearing, and payable/receivable within one year. Net advances to affiliates were \$183,039 and \$236,449 at December 31, 2022 and 2021, respectively.

Construction revenues for the years ended December 31, 2022 and 2021 included amounts earned from contracts with affiliates of \$7,182,244 and \$1,739,323, respectively. At December 31, 2022 and 2021, contract receivables included amounts due from affiliates of \$2,258,653 and \$681, respectively.

Nonconstruction revenues for services provided to affiliated entities were \$3,697,819 and \$4,421,621 for the years ended December 31, 2022 and 2021, respectively. Accounts receivable from these affiliates were \$206,850 and \$85,974 at December 31, 2022 and 2021, respectively.

**Note J - Retirement Plan**

The Company adopted a 401(k) profit-sharing plan (the Plan) covering substantially all eligible full-time employees. Under the Plan, employees may contribute amounts under a salary reduction agreement up to specified limits. The Company may contribute additional amounts for each participant up to specified limits as defined in the Plan agreement. The Company's contributions to the Plan were \$82,586 and \$91,922 during December 31, 2022 and 2021, respectively.

**Note K - Concentrations of Credit Risk**

Financial instruments that potentially subject the Company to significant concentrations of credit risk are principally cash and accounts receivable.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note K - Concentrations of Credit Risk (Continued)**

Cash deposits are maintained in highly rated financial institutions within the Company's operating area, and management continually monitors the financial strength of these institutions to minimize its risk.

Accounts at these institutions have Federal Deposit Insurance Corporation insurance for up to \$250,000. Amounts in excess of insured limits at December 31, 2022 and 2021 were \$1,269,639 and \$1,027,246, respectively. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk from cash.

Accounts receivable represent unsecured credit sales whose collectibility is periodically reviewed by management. An allowance for doubtful accounts is established, if required.

Concentrations of credit risk with respect to contract receivables are limited due to the Company's routine assessment of the financial strength of its customers and the filing of statutory liens on all construction projects where collection problems are anticipated. An allowance for doubtful accounts is established, if required.

**Note L - Contingencies**

The Company is contingently liable to a surety company under a general indemnity agreement. The Company agrees to indemnify the surety for any payments made on contracts of suretyship, guaranty, or indemnity. The Company believes that all contingent liabilities will be satisfied by their performance on the specific bonded contracts.

During the year ended December 31, 2022, the Company entered into an employment agreement with a key employee through December 31, 2027. Under the terms of the agreement, should the Company terminate the key employee for any reason other than due to death, disability, or cause, the Company is responsible for all deferred compensation and unpaid salary through the agreement termination date. As of December 31, 2022, no loss contingency liability has been reported within the consolidated balance sheets. The Company has not estimated the amount of the loss contingency.

The Emory Hill Holding Company, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (Continued)

See Independent Accountants' Review Report

**Note M - Major Customers**

Construction revenue includes earnings from contracts with three major customers in 2022 and two major customers in 2021, which accounted for 73% and 45%, respectively, of the total construction revenue of the Company. Contract receivables from these customers were 36% and 1% of total contract receivables at December 31, 2022 and 2021, respectively.

**Note N - Stockholders' and Members' Equity**

The separate components of stockholders' and members' equity for the Company were as follows at December 31,:

	<u>2022</u>	<u>2021</u>
Common stock		
Emory Hill Real Estate Services, Inc.	\$ 1,200	\$ 1,200
Emory Hill & Company	<u>100</u>	<u>100</u>
	<u>\$ 1,300</u>	<u>\$ 1,300</u>
Additional paid-in capital		
Emory Hill Real Estate Services, Inc.	\$ 996,018	\$ 996,018
Emory Hill & Company	<u>909,915</u>	<u>909,915</u>
	<u>\$ 1,905,933</u>	<u>\$ 1,905,933</u>
Retained earnings and members' equity		
Emory Hill Real Estate Services, Inc.	\$ 2,573,641	\$ 2,532,859
Emory Hill & Company	<u>(1,714,094)</u>	<u>(2,100,318)</u>
	<u>\$ 859,547</u>	<u>\$ 432,541</u>
Noncontrolling interest		
Emory Hill Real Estate Commercial Brokerage, LLC	<u>\$ -</u>	<u>\$ (596)</u>

**Note O - COVID-19 Pandemic**

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. Management is actively monitoring the situation and its impact on the Company's customers, vendors, and employees. Given the nature of the situation, the Company is not able to estimate any adverse effects the COVID-19 outbreak may have on its results of operations, financial condition, or liquidity in future periods.

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note P - Economic Stimulus**

The Company applied for and received funding of \$952,097 and \$883,500 for the years ended December 31, 2021 and 2020, respectively, from the Paycheck Protection Program (PPP) under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was enacted on March 27, 2020. Under the terms of the PPP, certain amounts of the loan, including accrued interest, may be forgiven if used for qualified expenses as described in the CARES Act and subsequent Small Business Administration (SBA) guidance. Determination of whether or not the loan was used for qualified expenses and ultimately forgiven is within the discretion of the SBA. The funding received during 2020 was approved for full forgiveness during 2021. Therefore, the Company recognized the full amount of the 2020 funding of \$883,500 as debt forgiveness income in 2021. The funding received during 2021 was approved for full forgiveness during 2022. Therefore, the Company recognized the full amount of the 2021 funding of \$952,097 as debt forgiveness income in 2022.

The Employee Retention Credit (ERC), as enacted by the CARES Act, provided a tax credit to encourage businesses to keep employees on their payroll. For the year ended December 31, 2021, the credit was equal to 70% of qualified wages paid, including qualified health plan expenses, up to \$10,000 per employee per quarter in 2021. The credit was only available for the first three quarters of 2021, therefore, the maximum credit per employee was \$7,000 per quarter, or \$21,000 total. Management has analyzed the Company's eligibility for the credit and estimated the allowable ERC available to the Company to be \$908,347 for 2021. The amount of this credit was filed with the Internal Revenue Service through amended payroll tax filings in 2021. This payroll tax credit has been recorded as a reduction in salary expense on the consolidated statements of operations and retained earnings and members' equity and as other current assets on the consolidated balance sheets at December 31, 2021. The credit was received in its full amount during 2022.

Delaware Relief Grants gave Delaware small businesses and nonprofits access to funds to cover expenses and provide relief related to COVID-19. During the year ended December 31, 2020, the Company applied for and received a \$100,000 Delaware Relief Grant from the State of Delaware. During the year ended December 31, 2021, the Company received an additional \$20,000 under the grant. The terms of the grant agreement specify the Company is obligated to fulfill certain requirements, which include

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note P - Economic Stimulus (Continued)**

restricting use of the funds to eligible expenses and providing applicable supporting documents to the State of Delaware. If the stated requirements are not met, the Company may be obligated to repay the grant. During 2020, management had evaluated the use of the proceeds and established reasonable assurance that the Company fulfilled the stated requirements of the grant in the amount of \$40,776. The remainder of the funding was used for eligible expenses during 2021. As such, the Company has recorded \$79,224 as other income for the year ended December 31, 2021.

**Note Q - Subsequent Events**

The Company has evaluated subsequent events through April 3, 2023, the date the consolidated financial statements were available to be issued.

## **Supplementary Information**

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Consolidated Schedules of Operating Expenses**

**For the Years Ended December 31, 2022 and 2021**  
**See Independent Accountants' Review Report**

	<u>2022</u>	<u>%</u>	<u>2021</u>	<u>%</u>
Auto expense	\$ 230,249	1.1	\$ 184,624	1.3
Bad debt expense (recovery)	70,693	0.3	(27)	-
Computer expense	172,681	0.8	195,008	1.3
Contributions	27,395	0.1	26,538	0.2
Depreciation	82,987	0.4	84,122	0.6
Dues and subscriptions	120,809	0.6	109,738	0.7
Equipment rental and repair	8,051	-	11,087	0.1
Insurance	603,343	2.9	729,402	5.0
Licenses and fees	22,471	0.1	18,171	0.1
Marketing expenses	49,597	0.2	42,040	0.3
Office expense	56,768	0.3	78,891	0.5
Operating lease expense	304,047	1.4	292,148	2.0
Payroll taxes	504,469	2.3	603,199	4.1
Postage	7,057	-	5,625	-
Professional fees	126,315	0.6	97,046	0.7
Retirement plan contributions	82,586	0.4	91,922	0.6
Salaries	2,244,494	10.5	1,378,344	9.4
Seminars	25,564	0.1	10,465	0.1
Taxes	157,261	0.7	1,175	-
Telephone	44,733	0.2	47,478	0.3
Temporary employment fees	42,198	0.2	45,640	0.3
Travel and entertainment	<u>21,667</u>	<u>0.1</u>	<u>9,288</u>	<u>0.1</u>
<b>TOTALS</b>	<b><u>\$ 5,005,435</u></b>	<b><u>23.3</u></b>	<b><u>\$ 4,061,924</u></b>	<b><u>27.7</u></b>

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Balance Sheet

December 31, 2022

With Summarized Financial Information as of December 31, 2021  
See Independent Accountants' Review Report

Assets

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2022	2021
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 1,663,707	\$ -	\$ 476,417	\$ -	\$ 2,140,124	\$ 1,800,649
Accounts receivable, net	356,985	-	-	-	356,985	415,317
Contract receivables, net	-	-	3,037,785	-	3,037,785	1,536,771
Contract assets	-	-	310,455	-	310,455	315,493
Inventory	24,624	-	-	-	24,624	62,987
Prepaid expenses	76,834	-	75,444	-	152,278	115,424
Other current assets	-	-	-	-	-	908,347
Loans receivable - stockholders	112,115	-	-	-	112,115	-
Advances to affiliates	1,557,125	-	(1,374,086)	-	183,039	236,449
Total current assets	3,791,390	-	2,526,015	-	6,317,405	5,391,437
<b>PROPERTY AND EQUIPMENT</b>						
Automobiles	466,967	-	201,041	-	668,008	632,233
Equipment	278,199	-	51,371	-	329,570	329,570
Leasehold improvements	435,790	-	-	-	435,790	435,790
	1,180,956	-	252,412	-	1,433,368	1,397,593
Less: accumulated depreciation	1,046,831	-	189,811	-	1,236,642	1,153,655
	134,125	-	62,601	-	196,726	243,938
<b>OTHER ASSETS</b>						
Deposits	2,490	-	-	-	2,490	2,490
Operating lease right-of-use assets	380,057	-	-	-	380,057	-
	382,547	-	-	-	382,547	2,490
<b>TOTAL ASSETS</b>	<b>\$ 4,308,062</b>	<b>\$ -</b>	<b>\$ 2,588,616</b>	<b>\$ -</b>	<b>\$ 6,896,678</b>	<b>\$ 5,637,865</b>



The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Balance Sheet

December 31, 2022

With Summarized Financial Information as of December 31, 2021  
See Independent Accountants' Review Report

Liabilities and Stockholders' and Members' Equity (Deficit)

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2022	2021
<b>CURRENT LIABILITIES</b>						
Accounts payable (including retainage payable of \$523,435 in 2022 and \$12,228 in 2021)	\$ 162,698	\$ -	\$ 2,285,058	\$ -	\$ 2,447,756	\$ 651,876
Accrued payroll and related expenses	144,601	-	28,130	-	172,731	151,427
Loans payable - stockholders	2,345	-	-	-	2,345	12,740
Contract liabilities	-	-	1,033,508	-	1,033,508	1,433,442
Current portion of long-term debt	23,175	-	18,148	-	41,323	39,460
Paycheck Protection Program (PPP) loan	-	-	-	-	-	952,097
Current portion of operating lease liabilities	285,502	-	-	-	285,502	-
<b>Total current liabilities</b>	<b>618,321</b>	<b>-</b>	<b>3,364,844</b>	<b>-</b>	<b>3,983,165</b>	<b>3,241,042</b>
<b>LONG-TERM LIABILITIES</b>						
Long-term debt (net of current maturities)	19,887	-	27,851	-	47,738	57,645
Operating lease liabilities (net of current portion)	98,995	-	-	-	98,995	-
<b>Total liabilities</b>	<b>737,203</b>	<b>-</b>	<b>3,392,695</b>	<b>-</b>	<b>4,129,898</b>	<b>3,298,687</b>
<b>STOCKHOLDERS' AND MEMBERS' EQUITY (DEFICIT)</b>						
Common stock, no par value, 2,000 shares authorized, 220 shares issued, and 180 shares outstanding	1,200	-	100	-	1,300	1,300
Additional paid-in capital	996,018	-	909,915	-	1,905,933	1,905,933
Retained earnings and members' equity (deficit)	2,573,641	-	(1,714,094)	-	859,547	432,541
	3,570,859	-	(804,079)	-	2,766,780	2,339,774
Noncontrolling interest	-	-	-	-	-	(596)
	3,570,859	-	(804,079)	-	2,766,780	2,339,178
<b>TOTAL LIABILITIES AND STOCKHOLDERS' AND MEMBERS' EQUITY (DEFICIT)</b>	<b>\$ 4,308,062</b>	<b>\$ -</b>	<b>\$ 2,588,616</b>	<b>\$ -</b>	<b>\$ 6,896,678</b>	<b>\$ 5,637,865</b>

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Statement of Operations and  
Retained Earnings and Members' Equity (Deficit)

For the Year Ended December 31, 2022  
With Summarized Financial Information for the Year Ended December 31, 2021  
See Independent Accountants' Review Report

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2022	2021
<b>REVENUES</b>						
Construction revenue	\$ -	\$ -	\$ 13,847,426	\$ -	\$ 13,847,426	\$ 6,705,302
Commission income	3,026,935	-	-	-	3,026,935	3,290,667
Management fees	1,981,591	-	-	-	1,981,591	2,101,378
Maintenance income	2,631,399	-	-	-	2,631,399	2,399,434
Refinancing fees	20,000	-	-	-	20,000	144,250
Total revenues	7,659,925	-	13,847,426	-	21,507,351	14,641,031
<b>DIRECT COSTS</b>						
Commissions	1,914,550	-	-	-	1,914,550	1,998,522
Cost of construction	-	-	12,708,475	-	12,708,475	6,216,527
Direct maintenance cost	1,409,021	-	-	-	1,409,021	1,286,871
Marketing expense	37,980	-	-	-	37,980	48,270
Total direct costs	3,361,551	-	12,708,475	-	16,070,026	9,550,190
GROSS PROFIT	4,298,374	-	1,138,951	-	5,437,325	5,090,841
OPERATING EXPENSES	4,047,759	-	957,676	-	5,005,435	4,061,924
INCOME FROM OPERATIONS	250,615	-	181,275	-	431,890	1,028,917
<b>OTHER INCOME (EXPENSE)</b>						
Interest expense	(2,188)	-	(1,620)	-	(3,808)	(2,768)
Miscellaneous income	3,784	596	10,327	-	14,707	97,821
PPP loan forgiveness income	755,855	-	196,242	-	952,097	883,500
	757,451	596	204,949	-	962,996	978,553
CONSOLIDATED NET INCOME	1,008,066	596	386,224	-	1,394,886	2,007,470

Continued...

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Statement of Operations  
and Retained Earnings and Members' Equity (Deficit) (Continued)

For the Year Ended December 31, 2022  
With Summarized Financial Information for the Year Ended December 31, 2021  
See Independent Accountants' Review Report

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2022	2021
AMOUNT ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ -	\$ (596)	\$ -	\$ -	\$ (596)	\$ -
AMOUNT ATTRIBUTABLE TO EMORY HILL HOLDING COMPANY, INC. AND SUBSIDIARIES STOCKHOLDERS AND MEMBERS	1,008,066	-	386,224	-	1,394,290	2,007,470
RETAINED EARNINGS AND MEMBERS' EQUITY (DEFICIT) - BEGINNING OF YEAR	2,532,859	-	(2,100,318)	-	432,541	140,733
DISTRIBUTIONS	(967,284)	-	-	-	(967,284)	(1,715,662)
RETAINED EARNINGS AND MEMBERS' EQUITY (DEFICIT) - END OF YEAR	<u>\$ 2,573,641</u>	<u>\$ -</u>	<u>\$ (1,714,094)</u>	<u>\$ -</u>	<u>\$ 859,547</u>	<u>\$ 432,541</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Schedule of Operating Expenses

For the Year Ended December 31, 2022  
 With Summarized Financial Information for the Year Ended December 31, 2021  
 See Independent Accountants' Review Report

	Emory Hill Real Estate Services, Inc.	Emory Hill Real Estate Commercial Brokerage, LLC	Emory Hill & Company	Eliminations	2022	2021
Auto expense	\$ 177,777	\$ -	\$ 52,472	\$ -	\$ 230,249	\$ 184,624
Bad debt expense (recovery)	417	-	70,276	-	70,693	(27)
Computer expense	147,984	-	24,697	-	172,681	195,008
Contributions	23,570	-	3,825	-	27,395	26,538
Depreciation	66,148	-	16,839	-	82,987	84,122
Dues and subscriptions	96,090	-	24,719	-	120,809	109,738
Equipment rental and repair	8,051	-	-	-	8,051	11,087
Insurance	349,943	-	253,400	-	603,343	729,402
Licenses and fees	14,209	-	8,262	-	22,471	18,171
Marketing expenses	37,369	-	12,228	-	49,597	42,040
Office expense	25,271	-	31,497	-	56,768	78,891
Operating lease expense	261,594	-	42,453	-	304,047	292,148
Payroll taxes	345,058	-	159,411	-	504,469	603,199
Postage	5,629	-	1,428	-	7,057	5,625
Professional fees	80,190	-	46,125	-	126,315	97,046
Retirement plan contributions	60,191	-	22,395	-	82,586	91,922
Salaries	2,196,519	-	47,975	-	2,244,494	1,378,344
Seminars	21,995	-	3,569	-	25,564	10,465
Taxes	48,378	-	108,883	-	157,261	1,175
Telephone	30,954	-	13,779	-	44,733	47,478
Temporary employment fees	31,780	-	10,418	-	42,198	45,640
Travel and entertainment	18,642	-	3,025	-	21,667	9,288
<b>TOTALS</b>	<b>\$ 4,047,759</b>	<b>\$ -</b>	<b>\$ 957,676</b>	<b>\$ -</b>	<b>\$ 5,005,435</b>	<b>\$ 4,061,924</b>

The Emory Hill Holding Company, Inc. and Subsidiaries

Schedule of Earnings from Contracts -  
Emory Hill & Company

For the Year Ended December 31, 2022  
With Summarized Information for the Year Ended December 31, 2021  
See Independent Accountants' Review Report

	2022			2021
	Revenues Earned	Cost of Revenues Earned	Gross Profit	Gross Profit
CONTRACTS COMPLETED DURING THE YEAR	\$ 1,064,656	\$ 975,328	\$ 89,328	\$ 186,996
CONTRACTS IN PROGRESS AT YEAR END	<u>12,782,770</u>	<u>11,733,147</u>	<u>1,049,623</u>	<u>301,779</u>
TOTALS	<u>\$ 13,847,426</u>	<u>\$ 12,708,475</u>	<u>\$ 1,138,951</u>	<u>\$ 488,775</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Schedule of Contracts Completed - Emory Hill & Company**

**For the Year Ended December 31, 2022**  
**See Independent Accountants' Review Report**

Contract Number	Contract Totals			Before January 1, 2022			For the Year Ended December 31, 2022		
	Revenues Earned	Cost of Revenues	Gross Profit	Revenues Earned	Cost Incurred	Gross Profit	Revenues Earned	Cost Incurred	Gross Profit (Loss)
20-022	\$ 1,533,719	\$ 1,514,263	\$ 19,456	\$ 1,525,136	\$ 1,483,352	\$ 41,784	\$ 8,583	\$ 30,911	\$ (22,328)
20-041	487,897	433,369	54,528	484,448	430,802	53,646	3,449	2,567	882
21-014	308,964	281,810	27,154	266,037	255,130	10,907	42,927	26,680	16,247
21-027	870,793	839,533	31,260	99,922	92,102	7,820	770,871	747,431	23,440
Contracts less than \$250,000	1,014,049	917,556	96,493	775,223	730,786	44,437	238,826	186,770	52,056
Unallocated net markup on direct labor	-	-	-	-	-	-	-	(19,031)	19,031
	<u>\$ 4,215,422</u>	<u>\$ 3,986,531</u>	<u>\$ 228,891</u>	<u>\$ 3,150,766</u>	<u>\$ 2,992,172</u>	<u>\$ 158,594</u>	<u>\$ 1,064,656</u>	<u>\$ 975,328</u>	<u>\$ 89,328</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Schedule of Contracts in Progress - Emory Hill & Company**  
**For the Year Ended December 31, 2022**  
**See Independent Accountants' Review Report**

Job Number	Total Contract		From Inception to December 31, 2022					At December 31, 2022		For the Year Ended December 31, 2022		
	Contract Revenues	Estimated Gross Profit	Revenues Earned	Total Costs Incurred	Gross Profit (Loss)	Billed to Date	Estimated Cost to Complete	Contract Assets	Contract Liabilities	Revenues Earned	Cost Incurred	Gross Profit (Loss)
20-043	\$ 1,458,296	\$ 124,714	\$ 1,457,154	\$ 1,332,537	\$ 124,617	\$ 1,458,296	\$ 1,045	\$ -	\$ (1,142)	\$ 9,757	\$ 22,394	\$ (12,637)
21-013	1,450,000	72,400	1,368,897	1,300,546	68,351	1,524,919	77,054	-	(156,022)	972,370	913,451	58,919
21-017	1,459,952	104,610	1,405,794	1,305,065	100,729	1,459,952	50,277	-	(54,158)	1,236,060	1,147,066	88,994
21-018	5,519,966	328,866	5,266,753	4,952,973	313,780	4,967,970	238,127	298,783	-	5,149,625	4,841,370	308,255
21-019	472,988	44,898	460,109	416,434	43,675	472,988	11,656	-	(12,879)	166,363	141,010	25,353
21-022	1,289,221	107,312	1,242,821	1,139,371	103,450	1,289,221	42,538	-	(46,400)	1,239,177	1,135,994	103,183
21-030	447,417	25,363	416,605	392,989	23,616	447,477	29,065	-	(30,872)	416,605	392,989	23,616
21-031	356,935	34,311	344,212	311,124	33,088	376,635	11,500	-	(32,423)	227,720	199,008	28,712
21-032	1,847,977	178,425	1,838,043	1,660,577	177,466	1,847,977	8,975	-	(9,934)	1,836,356	1,658,947	177,409
22-003	357,586	16,588	111,966	106,772	5,194	197,829	234,226	-	(85,863)	111,966	106,772	5,194
22-005	403,382	28,615	191,552	177,964	13,588	315,704	196,803	-	(124,152)	191,552	177,964	13,588
22-009	253,930	13,013	250,336	237,507	12,829	244,354	3,410	5,982	-	250,336	237,507	12,829
22-013	267,573	12,157	152,453	145,527	6,926	151,995	109,889	458	-	152,453	145,527	6,926
22-015	612,257	54,582	378,037	344,336	33,701	612,257	213,339	-	(234,220)	378,037	344,336	33,701
22-019	404,638	13,856	96,405	93,104	3,301	212,319	297,678	-	(115,914)	96,405	93,104	3,301
Contracts less than \$250,000	622,107	671	347,988	368,741	(20,753)	472,285	252,695	5,232	(129,529)	347,988	368,745	(20,757)
Unallocated net markup on direct labor	-	-	-	-	-	-	-	-	-	-	(193,037)	193,037
	<u>\$ 17,224,225</u>	<u>\$ 1,160,381</u>	<u>\$ 15,329,125</u>	<u>\$ 14,285,567</u>	<u>\$ 1,043,558</u>	<u>\$ 16,052,178</u>	<u>\$ 1,778,277</u>	<u>\$ 310,455</u>	<u>\$ (1,033,508)</u>	<u>\$ 12,782,770</u>	<u>\$ 11,733,147</u>	<u>\$ 1,049,623</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Z-Score Calculation - Emory Hill & Company

For the Years Ended December 31, 2022 and 2021  
See Independent Accountants' Review Report

Title/Formula	Symbol	2022	2021
Current assets*	CA	\$ 3,900,101	\$ 2,350,685
Total assets*	TA	3,962,702	2,394,350
Net sales	SL	13,847,426	6,705,302
Interest	IN	1,620	-
Total liabilities**	TL	3,392,695	2,051,599
Current liabilities**	CL	3,364,844	2,036,985
Market value of equity (TA-TL)	VE	570,007	342,751
Earnings (loss) before tax***	ET	189,982	(327,392)
Retained earnings (accumulated deficit)	RE	(1,714,094)	(2,100,318)
X1 = (CA-CL)/TA		0.13507375	0.13101677
X2 = RE/TA		(0.43255688)	(0.87719757)
X3 = (ET+IN)/TA		0.04835135	(0.13673523)
X4 = VE/TL		0.16801009	0.16706530
X5 = SL/TA		3.49444041	2.80046860
Z = (1.2*X1)+(1.4*X2)+(3.3*X3)+(0.6*X4)+(1.0*X5)		3.31	1.38

\* Intercompany balances are not included in the analysis above.

\*\* Does not include PPP loan liability (2021 only).

\*\*\* Does not include income related to forgiveness of PPP loans received in each year.





January 17, 2025

EMORY HILL & COMPANY  
10 Corporate Circle  
New Castle, DE 19720

RE: Worker's Comp. Policy C58808155

Dear Brad,

As per your request, your EMR for workers compensation in DE for the last 12 months is 0.98. Should you have any further questions/concerns, please feel free to reach out to me directly. Have a wonderful day.

Best Regards,

A handwritten signature in black ink, appearing to read 'Robby Sheehan'.

Robby Sheehan  
Area Manager  
BBSI

E: [robby.sheehan@mybbsi.com](mailto:robby.sheehan@mybbsi.com)  
P: (302) 734-5921 option 1  
F: (302) 734-5935



# **THE EMORY HILL HOLDING COMPANY, INC. AND SUBSIDIARIES**

**Consolidated Financial Statements  
and Independent Accountants'  
Review Report**

**DECEMBER 31, 2023 AND 2022**

## Table of Contents

	Page
Independent Accountants' Review Report.....	3
Consolidated Financial Statements	
Consolidated Balance Sheets.....	5
Consolidated Statements of Operations and Retained Earnings.....	7
Consolidated Statements of Cash Flows.....	8
Notes to Consolidated Financial Statements.....	10
Supplementary Information	
Consolidated Schedules of Operating Expenses .....	28
Consolidating Balance Sheet.....	29
Consolidating Statement of Operations and Retained Earnings.....	31
Consolidating Schedule of Operating Expenses.....	33
Schedule of Earnings from Contracts - Emory Hill & Company .....	34
Schedule of Contracts Completed - Emory Hill & Company.....	35
Schedule of Contracts in Progress - Emory Hill & Company.....	36
Z-Score Calculation - Emory Hill & Company.....	37



William A. Santora, CPA  
Heath N. Kahrs, CPA  
Robert S. Smith, CPA  
Theresa D. Jones, CPA  
Israel Mercado, CPA  
Keith M. Hammond, CPA

## **Independent Accountants' Review Report**

Robert Freed, Principal  
Linda A. Pappajohn, Principal  
Stephen M. Conyers, CPA, Principal  
Kevin J. Gobeil, CPA, Principal

To the Board of Directors  
The Emory Hill Holding Company, Inc. and Subsidiaries

We have reviewed the accompanying consolidated financial statements of The Emory Hill Holding Company, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the related consolidated statements of operations and retained earnings and cash flows for the years then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements in order for them to be in accordance with GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements related to our reviews.

To the Board of Directors

### **Accountants' Conclusion**

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with GAAP.

### **Change in Accounting Principle**

As discussed in Note B.13 to the consolidated financial statements, the Company has changed its method of accounting for credit losses as of January 1, 2023 due to the adoption of Accounting Standards Update 2016-13, *Financial Instruments - Credit Losses (Topic 326)*. Our conclusion is not modified with respect to this matter.

### **Supplementary Information**

The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic consolidated 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 consolidated financial statements. The supplementary information has been subjected to the review procedures applied in our reviews of the basic consolidated financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

  
\_\_\_\_\_

March 28, 2024  
Newark, Delaware

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31, 2023 and 2022  
See Independent Accountants' Review Report

Assets

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,966,528	\$ 2,140,124
Accounts receivable, net	508,207	356,985
Contract receivables, net	377,581	3,037,785
Contract assets	220,312	310,455
Inventory	20,202	24,624
Prepaid expenses	164,987	152,278
Loans receivable - stockholders	133,305	112,115
Advances to affiliates	<u>20,444</u>	<u>183,039</u>
Total current assets	4,411,566	6,317,405
PROPERTY AND EQUIPMENT		
Automobiles	730,966	668,008
Equipment	329,570	329,570
Leasehold improvements	<u>435,790</u>	<u>435,790</u>
	1,496,326	1,433,368
Less: accumulated depreciation	<u>1,307,821</u>	<u>1,236,642</u>
	188,505	196,726
OTHER ASSETS		
Deposits	2,490	2,490
Operating lease right-of-use assets	<u>97,812</u>	<u>380,057</u>
	<u>100,302</u>	<u>382,547</u>
TOTAL ASSETS	<u>\$ 4,700,373</u>	<u>\$ 6,896,678</u>

Continued...

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Consolidated Balance Sheets (Continued)**

**December 31, 2023 and 2022**  
**See Independent Accountants' Review Report**

**Liabilities and Stockholders' Equity**

	<u>2023</u>	<u>2022</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable (including retainage payable of \$313,189 in 2023 and \$523,435 in 2022)	\$ 895,172	\$ 2,447,756
Accrued payroll and related expenses	223,092	172,731
Loans payable - stockholders	7,396	2,345
Contract liabilities	416,782	1,033,508
Current portion of long-term debt	28,178	41,323
Current portion of operating lease liabilities	<u>45,256</u>	<u>285,502</u>
Total current liabilities	1,615,876	3,983,165
<b>LONG-TERM LIABILITIES</b>		
Long-term debt (net of current maturities)	19,555	47,738
Operating lease liabilities (net of current portion)	<u>53,739</u>	<u>98,995</u>
Total liabilities	1,689,170	4,129,898
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, no par value, 2,000 shares authorized, 220 shares issued, and 180 shares outstanding	1,300	1,300
Additional paid-in capital	1,905,933	1,905,933
Retained earnings	<u>1,103,970</u>	<u>859,547</u>
Total stockholders' equity	<u>3,011,203</u>	<u>2,766,780</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b><u>\$ 4,700,373</u></b>	<b><u>\$ 6,896,678</u></b>

See notes to consolidated financial statements.

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Consolidated Statements of Operations  
and Retained Earnings**

**For the Years Ended December 31, 2023 and 2022  
See Independent Accountants' Review Report**

	<u>2023</u>	<u>%</u>	<u>2022</u>	<u>%</u>
REVENUES				
Construction revenue	\$ 9,366,156	58.4	\$ 13,847,426	64.4
Commission income	1,789,435	11.2	3,026,935	14.1
Management fees	2,332,085	14.6	1,981,591	9.2
Maintenance income	2,539,789	15.8	2,631,399	12.2
Refinancing fees	-	-	20,000	0.1
	<u>16,027,465</u>	<u>100.0</u>	<u>21,507,351</u>	<u>100.0</u>
DIRECT COSTS				
Commissions	788,250	4.9	1,914,550	8.9
Cost of construction	8,004,461	50.0	12,708,475	59.0
Direct maintenance cost	1,254,970	7.8	1,409,021	6.6
Marketing expense	47,310	0.3	37,980	0.2
	<u>10,094,991</u>	<u>63.0</u>	<u>16,070,026</u>	<u>74.7</u>
GROSS PROFIT	5,932,474	37.0	5,437,325	25.3
OPERATING EXPENSES	<u>4,756,964</u>	<u>29.7</u>	<u>5,005,435</u>	<u>23.3</u>
INCOME FROM OPERATIONS	1,175,510	7.3	431,890	2.0
OTHER INCOME (EXPENSE)				
Interest income	14,234	0.1	-	-
Interest expense	(1,899)	-	(3,808)	-
Miscellaneous income	89,838	0.6	14,707	0.1
Paycheck Protection Program (PPP) loan forgiveness income	-	-	952,097	4.4
	<u>102,173</u>	<u>0.7</u>	<u>962,996</u>	<u>4.5</u>
CONSOLIDATED NET INCOME	1,277,683	<u>8.0</u>	1,394,886	<u>6.5</u>
AMOUNT ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>-</u>		<u>(596)</u>	
AMOUNT ATTRIBUTABLE TO STOCKHOLDERS OF EMORY HILL HOLDING COMPANY, INC. AND SUBSIDIARIES	1,277,683		1,394,290	
RETAINED EARNINGS - BEGINNING OF YEAR	859,547		432,541	
DISTRIBUTIONS	<u>(1,033,260)</u>		<u>(967,284)</u>	
RETAINED EARNINGS - END OF YEAR	<u>\$ 1,103,970</u>		<u>\$ 859,547</u>	

See notes to consolidated financial statements.



**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Consolidated Statements of Cash Flows**

**For the Years Ended December 31, 2023 and 2022**

**See Independent Accountants' Review Report**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 1,277,683	\$ 1,394,886
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	71,179	82,987
Provision for credit losses	4,850	70,693
PPP loan forgiveness	-	(952,097)
Noncash operating lease cost	(3,257)	4,440
(Increases) decreases in assets		
Accounts receivable	(156,072)	57,915
Contract receivables	2,660,204	(1,571,290)
Contract assets	90,143	5,038
Inventory	4,422	38,363
Prepaid expenses	(12,709)	(36,854)
Other current assets	-	908,347
Increases (decreases) in liabilities		
Accounts payable	(1,552,584)	1,795,880
Accrued payroll and related expenses	50,361	21,304
Contract liabilities	<u>(616,726)</u>	<u>(399,934)</u>
Net cash provided by operating activities	1,817,494	1,419,678
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net change in advances with affiliates	162,595	53,410
Net change in loans with stockholders	(16,139)	(122,510)
Purchase of property and equipment	<u>(62,958)</u>	<u>-</u>
Net cash provided by (used in) investing activities	83,498	(69,100)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(41,328)	(43,819)
Distributions to stockholders	<u>(1,033,260)</u>	<u>(967,284)</u>
Net cash used in financing activities	<u>(1,074,588)</u>	<u>(1,011,103)</u>
Net increase in cash and cash equivalents	826,404	339,475

Continued...

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the Years Ended December 31, 2023 and 2022

See Independent Accountants' Review Report

	<u>2023</u>	<u>2022</u>
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	\$ <u>2,140,124</u>	\$ <u>1,800,649</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ <u>2,966,528</u>	\$ <u>2,140,124</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION</b>		
Cash paid during the year for interest	\$ <u>1,899</u>	\$ <u>3,808</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Assets acquired through issuance of long-term debt	\$ <u>-</u>	\$ <u>35,775</u>

See notes to consolidated financial statements.

## **The Emory Hill Holding Company, Inc. and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **See Independent Accountants' Review Report**

#### **Note A - Nature of Operations**

The Emory Hill Holding Company, Inc. and Subsidiaries (the Company) consist of The Emory Hill Holding Company, Inc. (EHHC) and its wholly owned subsidiaries, Emory Hill & Company (EHC) and Emory Hill Real Estate Services, Inc. (EHRES) and its subsidiary, Emory Hill Real Estate Commercial Brokerage, LLC (EHRECB).

EHHC was incorporated under the laws of the State of Delaware and began operations on March 1, 2013. It is the sole shareholder of EHRES and EHC.

EHRES was incorporated under the laws of the State of Delaware and began operations on January 1, 1990. It is engaged primarily in property management of industrial, commercial, and residential buildings in Delaware, Maryland, New Jersey, and Pennsylvania.

EHRECB was formed under the laws of the State of Delaware and began operations on January 1, 2009. It is engaged primarily in commercial property brokerage in Delaware, Maryland, New Jersey, and Pennsylvania. This entity was dissolved as of December 31, 2022. Property brokerage services are now being performed in EHRES.

EHC was incorporated under the laws of the State of Delaware and began operations on March 10, 1987. It is primarily engaged as a general contractor in the construction of industrial and commercial buildings in Delaware, Maryland, New Jersey, and Pennsylvania. Construction work is performed under fixed-price and cost-plus contracts.

#### **Note B - Summary of Significant Accounting Policies**

##### **1. Basis of Presentation and Consolidation**

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and include the accounts of EHHC, EHRES, EHRECB, and EHC. The entities are affiliated through common ownership and management, and their operations are closely interrelated and economically interdependent. All significant intercompany transactions and balances have been eliminated.

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**2. Operating Cycle**

The length of EHC's contracts varies. Assets and liabilities arising from long-term construction activities, the operating cycle of which extends over a period of years, are classified as current in the consolidated financial statements. A one-year time period is used as the basis for classification of all other current assets and liabilities in the consolidated balance sheets.

**3. Use of Estimates**

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**4. Revenue Recognition**

**a. Construction Revenues and Costs**

EHC recognizes revenues from fixed-price and modified fixed-price construction contracts utilizing the input method, measured by the percentage of actual construction costs incurred to date to estimated total cost at completion for each contract (cost-to-cost method). This method is used because management considers costs to be the best available measure of progress on these contracts. Revenues from cost-plus-fee contracts are recognized on the basis of costs incurred during the period, plus the fee earned, measured by the cost-to-cost method.

A contract is considered complete when all costs except insignificant items have been incurred and the work has been accepted by the customer.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**a. Construction Revenues and Costs (Continued)**

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as fringe benefits, insurance, and payroll taxes. Other indirect and administrative costs are charged to expense when incurred.

Changes in job performance, job conditions, and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in revisions to costs and income and are recognized in the period in which revisions are determined. Profit incentives are included in revenues when their realization is reasonably assured. An amount equal to contract costs attributable to claims is included in revenues when realization is probable and the amount can be reliably estimated.

Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term.

The asset, *Contract Assets*, represents revenues recognized in excess of amounts billed.

The liability, *Contract Liabilities*, represents billings in excess of revenues recognized.

In accordance with construction industry practice, EHC includes in current assets and current liabilities amounts relating to contracts realizable and payable over a period in excess of one year.

Construction revenue may be earned on properties owned by either affiliates of the Company or independent third parties. Revenue disaggregated by affiliate and third parties was as follows for the years ended December 31,:

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**a. Construction Revenues and Costs (Continued)**

	<u>2023</u>	<u>2022</u>
Affiliated revenue	\$ 5,883,909	\$ 7,182,244
Third-party revenue	<u>3,482,247</u>	<u>6,665,182</u>
	<u>\$ 9,366,156</u>	<u>\$13,847,426</u>

Assets and liabilities arising from construction contracts with customers were as follows as of December 31,:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contract receivables, net	\$ <u>377,581</u>	\$ <u>3,037,785</u>	\$ <u>1,536,771</u>
Contract assets	\$ <u>220,312</u>	\$ <u>310,455</u>	\$ <u>315,493</u>
Contract liabilities	\$ <u>416,782</u>	\$ <u>1,033,508</u>	\$ <u>1,433,442</u>

**b. Nonconstruction Revenues and Costs**

The Company's nonconstruction revenues and costs consist of commission income, management fee income, maintenance income, and refinancing fee income.

For the Company's commission income, revenue is recognized on the basis that the performance obligation under each contract is satisfied at a point in time. The Company's performance obligation is to find a buyer or tenant for properties, which are owned by either affiliates of the Company or independent third parties. The performance obligation is satisfied and control is transferred to the customer at the time of settlement for each property. The Company incurs sales commission costs to obtain contracts, which are contingent upon the sale or lease of the property. Sales commission costs are expensed when revenue is recognized.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**b. Nonconstruction Revenues and Costs (Continued)**

For the Company's maintenance and management fee income, revenue is recognized on the basis that the performance obligation under each contract is satisfied over time. The Company's performance obligation is to perform property management or property maintenance services. The performance obligation is satisfied as the Company performs these services. As such, the Company's contracts fall under the "right-to-invoice" practical expedient that allows an entity to recognize revenue equal to the consideration from a customer in the amounts that correspond directly with the value to the customer of the entity's performance to date. Contracts include cancellation provisions, but the Company recognizes revenue under the single most likely method, as historically, cancellations do not often occur.

For the Company's refinancing income, revenue is recognized on the basis that the performance obligation under each contract is satisfied at a point in time. The Company's performance obligation is to refinance loans for affiliated entities. The performance obligation is satisfied and control is transferred to the customer at the time of settlement for each property. The Company incurs refinancing costs as the performance obligation is satisfied. Refinancing costs are expensed when revenue is recognized.

Revenue disaggregated by affiliate and third parties was as follows for the years ended December 31,:

	<u>2023</u>	<u>2022</u>
Affiliated revenue	\$ 3,852,945	\$ 3,697,819
Third-party revenue	<u>2,808,364</u>	<u>3,962,106</u>
	<u>\$ 6,661,309</u>	<u>\$ 7,659,925</u>

Assets and liabilities arising from nonconstruction contracts with customers were as follows as of December 31,:

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**4. Revenue Recognition (Continued)**

**b. Nonconstruction Revenues and Costs (Continued)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Accounts receivable, net	\$ <u>508,207</u>	\$ <u>356,985</u>	\$ <u>415,317</u>

**5. Cash and Cash Equivalents**

For purposes of the consolidated statements of cash flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

**6. Accounts and Contract Receivables**

Accounts and contract receivables are presented net of a provision for credit losses, which are measured according to the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 326, *Financial Instruments - Credit Losses*. The Company considers multiple factors to estimate expected credit losses for financial instruments, including accounts and contract receivables. Receivables are pooled among those with similar risk characteristics. The Company's expected loss provision methodology for these receivables are developed using historical losses adjusted for any changes in current economic conditions and current credit quality. The Company performs ongoing evaluations of its existing and potential customer's creditworthiness, writing off receivables when there is no possibility of recovery. Recoveries, expected to be trivial, will be recognized as an offset to the provision for credit losses in the year of recovery. At December 31, 2023 and 2022, the provision for credit losses for accounts and contract receivables was \$154,393 and \$149,543, respectively.

**7. Property and Equipment**

Property and equipment are valued at cost. Expenditures for major additions and improvements are capitalized, and minor replacements, maintenance, and repairs are charged to expense as incurred.



**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**7. Property and Equipment (Continued)**

When assets are disposed of, the related cost and accumulated depreciation thereon are removed from the accounts, and any resulting gain or loss is included in the results of operations for the respective period.

Depreciation is computed using accelerated and straight-line methods based upon the estimated useful lives of the related assets. The useful lives for purposes of computing depreciation are as follows:

Automobiles	5 years
Equipment	3 - 7 years
Leasehold improvements	15 - 39 years

**8. Impairment of Long-Lived Assets**

Long-lived assets, including intangible assets other than goodwill, are evaluated for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. There were no impairment losses on long-lived assets for the years ended December 31, 2023 and 2022.

**9. Income Taxes**

EHHC, with the consent of its shareholders, has elected to be an S corporation under the Internal Revenue Code. EHHC owns 100% of the stock of EHRES and EHC and has elected to treat the entities as qualified subchapter S subsidiaries (QSubs). EHRECB (dissolved in 2022) had elected to be taxed as a partnership. Under these elections, the stockholders of the Company are taxed on their proportionate share of the Company's consolidated taxable income. Therefore, no provision or liability for federal or state income tax is presented in these consolidated financial statements.

The Company is no longer subject to federal and state income tax examinations for fiscal years ended prior to December 31, 2020, with the exception of New Jersey, in which the Company is no longer subject to examinations for fiscal years ended prior to December 31, 2019.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**10. Advertising and Marketing**

A portion of advertising and marketing costs associated with EHRES are charged to direct costs when incurred. Other advertising and marketing costs are charged to operating expense when incurred. Total advertising and marketing costs for the years ended December 31, 2023 and 2022 were \$101,978 and \$87,577, respectively.

**11. Inventory**

Inventory consists of supplies, tools, and work-in-process costs incurred on uncompleted maintenance jobs. Work-in-process costs incurred include labor, material, and supplies related to the performance of the maintenance jobs. Material and supplies inventory is carried at the lower of cost (first-in, first-out) and net realizable value, and labor is recorded using a standard burden rate.

**12. Leases**

The Company determines if an arrangement contains a lease at inception based on whether or not the Company has the right to control the asset during the contract period and other facts and circumstances. Right-of-use (ROU) assets represent the Company's right to use the underlying assets for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the leases. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Company has elected to use the risk-free rate at the lease commencement date, in determining the present value of lease payments. The Company does not record leases with an initial term of 12 months or less on the consolidated balance sheets.

Leases may include one or more options to renew, with renewals that can extend the lease term. Renewal options that the Company is reasonably certain to exercise are included in the lease term and recognized as part of the Company's ROU assets and lease liabilities. The useful lives of assets and leasehold improvements are generally limited by the expected lease term.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**12. Leases (Continued)**

Certain lease agreements for real estate include payments based on actual common area maintenance expenses and others include rental payments adjusted periodically for inflation. These variable lease payments are recognized as period costs in the consolidated statements of operations and retained earnings and not included in the ROU asset or liability balances.

The Company has elected the practical expedient, which allows lessees to separate lease and non-lease components by class of underlying asset, and are applying this expedient to all relevant asset classes.

**13. Recently Adopted Accounting Pronouncements**

In June 2016, FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, related to use of the current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Additionally, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial instruments held by the Company that are subject to the guidance in FASB ASC 326 were trade accounts and contract receivables. The Company adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only.

**14. Recent Accounting Pronouncements Not Yet Adopted**

In March 2023, FASB issued ASU 2023-01, *Leases (Topic 842): Common Control Arrangements*, which addresses the terms and conditions to be considered when classifying and accounting for leases and leasehold improvements in leases between entities under common control. The

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note B - Summary of Significant Accounting Policies (Continued)**

**14. Recent Accounting Pronouncements Not Yet Adopted (Continued)**

ASU is effective for fiscal years beginning after December 15, 2023. The Company is currently evaluating the impact of this new guidance on its consolidated financial statements.

**Note C - Contract Receivables**

Contract receivables consisted of the following at December 31,:

	<u>2023</u>	<u>2022</u>
Billed		
Completed contracts	\$ 477,475	\$ 16,816
Contracts in progress	<u>21,909</u>	<u>3,142,772</u>
	499,384	3,159,588
Less: provision for credit losses	<u>121,803</u>	<u>121,803</u>
	<u>\$ 377,581</u>	<u>\$ 3,037,785</u>

**Note D - Contract Assets and Liabilities**

Costs and estimated earnings on uncompleted contracts and related amounts billed were as follows as of December 31,:

	<u>2023</u>	<u>2022</u>
Costs incurred to date on uncompleted contracts	\$ 3,022,720	\$ 14,285,567
Estimated earnings	<u>445,514</u>	<u>1,043,558</u>
	3,468,234	15,329,125
Less: billings to date	<u>3,664,704</u>	<u>16,052,178</u>
Billings in excess of contract revenues - net	<u>\$ (196,470)</u>	<u>\$ (723,053)</u>

These amounts are included in the accompanying consolidated balance sheets under the following captions:

	<u>2023</u>	<u>2022</u>
Contract assets	\$ 220,312	\$ 310,455
Contract liabilities	<u>(416,782)</u>	<u>(1,033,508)</u>
	<u>\$ (196,470)</u>	<u>\$ (723,053)</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note E - Backlog**

The following schedule shows a reconciliation of backlog representing signed contracts at December 31,:

	<u>2023</u>	<u>2022</u>
Backlog balance at January 1	\$ 1,903,020	\$ 6,337,175
New contracts and change orders during the year	<u>8,176,772</u>	<u>9,413,271</u>
	10,079,792	15,750,446
Less: contract revenue earned during the year	<u>9,366,156</u>	<u>13,847,426</u>
Backlog balance at December 31	<u>\$ 713,636</u>	<u>\$ 1,903,020</u>

**Note F - Revolving Line of Credit**

EHC has available a revolving line of credit with a financial institution with a maximum credit limit of \$1,000,000 at December 31, 2023. Borrowings under the line of credit bear interest equal to 2.00% above the one-month SOFR rate. The interest rate at December 31, 2023 was 7.38%. The line of credit is guaranteed by two of the Company's stockholders and is secured by all business assets of the Company. As of December 31, 2023 and 2022, there were no balances outstanding on the line of credit.

**Note G - Long-Term Debt**

Long-term debt consisted of the following as of December 31,:

	<u>2023</u>	<u>2022</u>
Note payable for a vehicle with a financial institution, payable in monthly payments of \$421, including interest at 4.99%. The note was paid off in 2023.	\$ -	\$ 2,903
Note payable for a vehicle with a financial institution, payable in monthly payments of \$421, including interest at 4.99%. The note was paid off in 2023.	-	2,902
Note payable for a vehicle with a financial institution, payable in monthly payments of \$680, including interest at 3.99%. The note was paid off in 2023.	-	5,963

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note G - Long-Term Debt (Continued)**

	<u>2023</u>	<u>2022</u>
Note payable for a vehicle with a financial institution, payable in monthly payments of \$465, including interest at 2.09%, with the final balance outstanding due in May 2024. The note is collateralized by certain Company vehicles.	\$ 3,123	\$ 8,578
Note payable for a vehicle with a financial institution, payable in monthly payments of \$1,063, including interest at 3.70%, with the final balance outstanding due in December 2024. The note is collateralized by certain Company vehicles.	12,505	24,557
Note payable for a vehicle with a financial institution, payable in monthly payments of \$472, including interest at 3.30%, with the final balance outstanding due in April 2025. The note is collateralized by certain Company vehicles.	7,376	12,700
Note payable for a vehicle with a financial institution, payable in monthly payments of \$670, including interest at 4.63%, with the final balance outstanding due in May 2027. The note is collateralized by certain Company vehicles.	<u>24,729</u>	<u>31,458</u>
	47,733	89,061
Less: current portion	<u>28,178</u>	<u>41,323</u>
LONG-TERM DEBT	<u>\$ 19,555</u>	<u>\$ 47,738</u>

Estimated maturities on long-term notes payable are as follows for the years ending December 31,:

2024	\$ 28,178
2025	9,255
2026	7,730
2027	<u>2,570</u>
	<u>\$ 47,733</u>

**Note H - Leases**

The Company has two operating leases for office space. The leases have remaining lease terms of less than one year, and one lease includes an option to extend the lease for up to three years.

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note H - Leases (Continued)**

The components of lease expense are as follows for the years ended December 31,:

<u>Component of Lease Expense</u>	<u>Classification on Consolidated Statements of Operations and Retained Earnings</u>	<u>2023</u>	<u>2022</u>
Operating lease expense	Operating expenses	\$ 284,553	\$ 284,553
Short-term and variable lease cost	Operating expenses	<u>25,848</u>	<u>20,351</u>
Total lease cost		<u>\$ 310,401</u>	<u>\$ 304,904</u>

The weighted-average lease terms and discount rates for operating leases were as follows for the years ended December 31,:

	<u>2023</u>	<u>2022</u>
Weighted-average remaining lease term (in years)		
Operating lease	<u>2.5</u>	<u>1.9</u>
Weighted-average discount rate		
Operating lease	<u>1.2%</u>	<u>0.9%</u>

Cash flows and other information related to leases were as follows for the years ended December 31,:

	<u>2023</u>	<u>2022</u>
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	<u>\$ 287,811</u>	<u>\$ 280,113</u>
ROU assets obtained in exchange for lease obligations		
Operating leases	<u>\$ -</u>	<u>\$ 659,981</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note H - Leases (Continued)**

Future maturities of operating lease liabilities are as follows at December 31, 2023:

2024	\$ 46,138
2025	24,240
2026	24,240
2027	<u>6,060</u>
Total lease payments	100,678
Less: imputed interest	<u>1,683</u>
Total lease obligations	98,995
Less: current obligations	<u>45,256</u>
Long-term lease obligations	<u>\$ 53,739</u>

**Note I - Related-Party Transactions**

At December 31, 2023 and 2022, the Company had loans payable to one stockholder in the amount of \$7,396 and \$2,345, respectively. The loans were unsecured, noninterest bearing, and due upon demand.

At December 31, 2023 and 2022, the Company had loans receivable from three stockholders in the amount of \$133,305 and \$112,115, respectively.

The Company leases certain office facilities in Delaware from an affiliated entity. These payments are included in the total operating lease expense as disclosed in Note H.

The Company makes and receives advances between affiliated companies in order to meet the operating and cash flow needs of the individual affiliates. These advances are unsecured, noninterest bearing, and payable/receivable within one year. Net advances to affiliates were \$20,444 and \$183,039 at December 31, 2023 and 2022, respectively.

Construction revenues for the years ended December 31, 2023 and 2022 included amounts earned from contracts with affiliates of \$5,883,909 and \$7,182,244, respectively. At December 31, 2023 and 2022, contract receivables included amounts due from affiliates of \$373,817 and \$2,258,653, respectively.



**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note I - Related-Party Transactions (Continued)**

Nonconstruction revenues for services provided to affiliated entities were \$3,852,945 and \$3,697,819 for the years ended December 31, 2023 and 2022, respectively. Accounts receivable from these affiliates were \$225,068 and \$206,850 at December 31, 2023 and 2022, respectively.

**Note J - Retirement Plan**

The Company adopted a 401(k) profit-sharing plan (the Plan) covering substantially all eligible full-time employees. Under the Plan, employees may contribute amounts under a salary reduction agreement up to specified limits. The Company may contribute additional amounts for each participant up to specified limits as defined in the Plan agreement. The Company's contributions to the Plan were \$67,816 and \$82,586 for the years ended December 31, 2023 and 2022, respectively.

**Note K - Concentrations of Credit Risk**

Financial instruments that potentially subject the Company to significant concentrations of credit risk are principally cash and accounts receivable.

Cash deposits are maintained in highly rated financial institutions within the Company's operating area, and management continually monitors the financial strength of these institutions to minimize its risk.

Accounts at these institutions have Federal Deposit Insurance Corporation insurance for up to \$250,000. Amounts in excess of insured limits at December 31, 2023 and 2022 were \$2,336,812 and \$1,269,639, respectively. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk from cash.

Accounts receivable represent unsecured credit sales whose collectibility is periodically reviewed by management. A provision for credit losses is established, if required.

Concentrations of credit risk with respect to contract receivables are limited due to the Company's routine assessment of the financial strength of its customers and the filing of statutory liens on all construction projects where collection problems are anticipated. A provision for credit losses is established, if required.

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note L - Contingencies**

During the year ended December 31, 2022, the Company entered into an employment agreement with a key employee through December 31, 2027. Under the terms of the agreement, should the Company terminate the key employee for any reason other than due to death, disability, or cause, the Company is responsible for all deferred compensation and unpaid salary through the agreement termination date. As of December 31, 2023, no loss contingency liability has been reported within the consolidated balance sheets. The Company has not estimated the amount of the loss contingency.

**Note M - Major Customers**

Construction revenue includes earnings from contracts with two major customers in 2023 and three major customers in 2022, which accounted for 29% and 73%, respectively, of the total construction revenue of the Company. Contract receivables from these customers were 8% and 36% of total contract receivables at December 31, 2023 and 2022, respectively.

**Note N - Stockholders' Equity**

The separate components of stockholders' equity for the Company were as follows at December 31,:

	<u>2023</u>	<u>2022</u>
Common stock		
Emory Hill Real Estate Services, Inc.	\$ 1,200	\$ 1,200
Emory Hill & Company	<u>100</u>	<u>100</u>
	<u>\$ 1,300</u>	<u>\$ 1,300</u>
Additional paid-in capital		
Emory Hill Real Estate Services, Inc.	\$ 996,018	\$ 996,018
Emory Hill & Company	<u>909,915</u>	<u>909,915</u>
	<u>\$ 1,905,933</u>	<u>\$ 1,905,933</u>
Retained earnings		
Emory Hill Real Estate Services, Inc.	\$ 2,155,589	\$ 2,573,641
Emory Hill & Company	<u>(1,051,619)</u>	<u>(1,714,094)</u>
	<u>\$ 1,103,970</u>	<u>\$ 859,547</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements (Continued)**

**See Independent Accountants' Review Report**

**Note O - Economic Stimulus**

The Company applied for and received funding of \$952,097 and \$883,500 for the years ended December 31, 2021 and 2020, respectively, from the Paycheck Protection Program (PPP) under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was enacted on March 27, 2020. Under the terms of the PPP, certain amounts of the loan, including accrued interest, may be forgiven if used for qualified expenses as described in the CARES Act and subsequent Small Business Administration (SBA) guidance. Determination of whether or not the loan was used for qualified expenses and ultimately forgiven is within the discretion of the SBA. The funding received during 2020 was approved for full forgiveness during 2021. Therefore, the Company recognized the full amount of the 2020 funding of \$883,500 as debt forgiveness income in 2021. The funding received during 2021 was approved for full forgiveness during 2022. Therefore, the Company recognized the full amount of the 2021 funding of \$952,097 as debt forgiveness income in 2022.

**Note P - Subsequent Events**

The Company has evaluated subsequent events through March 28, 2024, the date the consolidated financial statements were available to be issued.

## **Supplementary Information**

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidated Schedules of Operating Expenses

For the Years Ended December 31, 2023 and 2022

See Independent Accountants' Review Report

	<u>2023</u>	<u>%</u>	<u>2022</u>	<u>%</u>
Auto expense	\$ 175,241	1.1	\$ 230,249	1.1
Credit losses	4,850	-	70,693	0.3
Computer expense	172,716	1.1	172,681	0.8
Contributions	16,372	0.1	27,395	0.1
Depreciation	71,179	0.4	82,987	0.4
Dues and subscriptions	133,544	0.8	120,809	0.6
Equipment rental and repair	11,229	0.1	8,051	-
Insurance	495,977	3.1	603,343	2.9
Licenses and fees	13,636	0.1	22,471	0.1
Marketing expenses	54,668	0.3	49,597	0.2
Office expense	62,018	0.4	56,768	0.3
Operating lease expense	305,160	1.9	304,047	1.4
Payroll taxes	454,278	2.8	504,469	2.3
Postage	6,184	-	7,057	-
Professional fees	167,103	1.0	126,315	0.6
Retirement plan contributions	67,816	0.4	82,586	0.4
Salaries	2,400,112	15.1	2,244,494	10.5
Seminars	25,542	0.2	25,564	0.1
Taxes	2,398	-	157,261	0.7
Telephone	43,505	0.3	44,733	0.2
Temporary employment fees	47,889	0.3	42,198	0.2
Travel and entertainment	<u>25,547</u>	<u>0.2</u>	<u>21,667</u>	<u>0.1</u>
TOTALS	<u>\$ 4,756,964</u>	<u>29.7</u>	<u>\$ 5,005,435</u>	<u>23.3</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Balance Sheet

December 31, 2023

With Summarized Financial Information as of December 31, 2022

See Independent Accountants' Review Report

Assets

	Emory Hill Real Estate Services, Inc.	Emory Hill & Company	Eliminations	2023	2022
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$ 1,655,716	\$ 1,310,812	\$ -	\$ 2,966,528	\$ 2,140,124
Accounts receivable, net	508,207	-	-	508,207	356,985
Contract receivables, net	-	377,581	-	377,581	3,037,785
Contract assets	-	220,312	-	220,312	310,455
Inventory	20,202	-	-	20,202	24,624
Prepaid expenses	73,721	91,266	-	164,987	152,278
Loans receivable - stockholders	133,305	-	-	133,305	112,115
Advances to affiliates	1,056,847	(1,036,403)	-	20,444	183,039
Total current assets	3,447,998	963,568	-	4,411,566	6,317,405
<b>PROPERTY AND EQUIPMENT</b>					
Automobiles	466,967	263,999	-	730,966	668,008
Equipment	278,199	51,371	-	329,570	329,570
Leasehold improvements	435,790	-	-	435,790	435,790
	1,180,956	315,370	-	1,496,326	1,433,368
Less: accumulated depreciation	1,097,771	210,050	-	1,307,821	1,236,642
	83,185	105,320	-	188,505	196,726
<b>OTHER ASSETS</b>					
Deposits	2,490	-	-	2,490	2,490
Operating lease right-of-use assets	97,812	-	-	97,812	380,057
	100,302	-	-	100,302	382,547
<b>TOTAL ASSETS</b>	<b>\$ 3,631,485</b>	<b>\$ 1,068,888</b>	<b>\$ -</b>	<b>\$ 4,700,373</b>	<b>\$ 6,896,678</b>

Continued...

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Balance Sheet (Continued)

December 31, 2023

With Summarized Financial Information as of December 31, 2022

See Independent Accountants' Review Report

Liabilities and Stockholders' Equity

	Emory Hill Real Estate Services, Inc.	Emory Hill & Company	Eliminations	2023	2022
<b>CURRENT LIABILITIES</b>					
Accounts payable (including retainage payable of \$313,189 in 2023 and \$523,435 in 2022)	\$ 165,550	\$ 729,622	\$ -	\$ 895,172	\$ 2,447,756
Accrued payroll and related expenses	186,856	36,236	-	223,092	172,731
Loans payable - stockholders	7,396	-	-	7,396	2,345
Contract liabilities	-	416,782	-	416,782	1,033,508
Current portion of long-term debt	18,007	10,171	-	28,178	41,323
Current portion of operating lease liabilities	45,256	-	-	45,256	285,502
Total current liabilities	423,065	1,192,811	-	1,615,876	3,983,165
<b>LONG-TERM LIABILITIES</b>					
Long-term debt (net of current maturities)	1,874	17,681	-	19,555	47,738
Operating lease liabilities (net of current portion)	53,739	-	-	53,739	98,995
Total liabilities	478,678	1,210,492	-	1,689,170	4,129,898
<b>STOCKHOLDERS' EQUITY</b>					
Common stock, no par value, 2,000 shares authorized, 220 shares issued, and 180 shares outstanding	1,200	100	-	1,300	1,300
Additional paid-in capital	996,018	909,915	-	1,905,933	1,905,933
Retained earnings (deficit)	2,155,589	(1,051,619)	-	1,103,970	859,547
Total stockholders' equity (deficit)	3,152,807	(141,604)	-	3,011,203	2,766,780
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 3,631,485</b>	<b>\$ 1,068,888</b>	<b>\$ -</b>	<b>\$ 4,700,373</b>	<b>\$ 6,896,678</b>

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Consolidating Statement of Operations and Retained Earnings**  
**For the Year Ended December 31, 2023**  
**With Summarized Financial Information for the Year Ended December 31, 2022**  
**See Independent Accountants' Review Report**

	Emory Hill Real Estate Services, Inc.	Emory Hill & Company	Eliminations	2023	2022
<b>REVENUES</b>					
Construction revenue	\$ -	\$ 9,366,156	\$ -	\$ 9,366,156	\$ 13,847,426
Commission income	1,789,435	-	-	1,789,435	3,026,935
Management fees	2,332,085	-	-	2,332,085	1,981,591
Maintenance income	2,539,789	-	-	2,539,789	2,631,399
Refinancing fees	-	-	-	-	20,000
Total revenues	<u>6,661,309</u>	<u>9,366,156</u>	<u>-</u>	<u>16,027,465</u>	<u>21,507,351</u>
<b>DIRECT COSTS</b>					
Commissions	788,250	-	-	788,250	1,914,550
Cost of construction	-	8,004,461	-	8,004,461	12,708,475
Direct maintenance cost	1,254,970	-	-	1,254,970	1,409,021
Marketing expense	<u>47,310</u>	<u>-</u>	<u>-</u>	<u>47,310</u>	<u>37,980</u>
Total direct costs	<u>2,090,530</u>	<u>8,004,461</u>	<u>-</u>	<u>10,094,991</u>	<u>16,070,026</u>
GROSS PROFIT	4,570,779	1,361,695	-	5,932,474	5,437,325
OPERATING EXPENSES	<u>3,969,727</u>	<u>787,237</u>	<u>-</u>	<u>4,756,964</u>	<u>5,005,435</u>
INCOME FROM OPERATIONS	601,052	574,458	-	1,175,510	431,890
<b>OTHER INCOME (EXPENSE)</b>					
Interest income	14,234	-	-	14,234	-
Interest expense	(290)	(1,609)	-	(1,899)	(3,808)
Miscellaneous income	212	89,626	-	89,838	14,707
Paycheck Protection Program (PPP) loan forgiveness income	-	-	-	-	952,097
	<u>14,156</u>	<u>88,017</u>	<u>-</u>	<u>102,173</u>	<u>962,996</u>

Continued...



**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Consolidating Statement of Operations and Retained Earnings (Continued)**  
**For the Year Ended December 31, 2023**  
**With Summarized Financial Information for the Year Ended December 31, 2022**  
**See Independent Accountants' Review Report**

	Emory Hill Real Estate Services, Inc.	Emory Hill & Company	Eliminations	<u>2023</u>	<u>2022</u>
CONSOLIDATED NET INCOME	\$ 615,208	\$ 662,475	\$ -	\$ 1,277,683	\$ 1,394,886
AMOUNT ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ -	\$ -	\$ -	\$ -	\$ (596)
AMOUNT ATTRIBUTABLE TO STOCKHOLDERS OF EMORY HILL HOLDING COMPANY, INC. AND SUBSIDIARIES	615,208	662,475	-	1,277,683	1,394,290
RETAINED EARNINGS - BEGINNING OF YEAR	2,573,641	(1,714,094)	-	859,547	432,541
DISTRIBUTIONS	<u>(1,033,260)</u>	<u>-</u>	<u>-</u>	<u>(1,033,260)</u>	<u>(967,284)</u>
RETAINED EARNINGS (DEFICIT) - END OF YEAR	<u>\$ 2,155,589</u>	<u>\$(1,051,619)</u>	<u>\$ -</u>	<u>\$ 1,103,970</u>	<u>\$ 859,547</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Consolidating Schedule of Operating Expenses

For the Year Ended December 31, 2023

With Summarized Financial Information for the Year Ended December 31, 2022

See Independent Accountants' Review Report

	Emory Hill Real Estate Services, Inc.	Emory Hill & Company	Eliminations	2023	2022
Auto expense	\$ 134,487	\$ 40,754	\$ -	\$ 175,241	\$ 230,249
Provision for credit losses	4,850	-	-	4,850	70,693
Computer expense	151,985	20,731	-	172,716	172,681
Contributions	14,407	1,965	-	16,372	27,395
Depreciation	50,940	20,239	-	71,179	82,987
Dues and subscriptions	108,838	24,706	-	133,544	120,809
Equipment rental and repair	11,091	138	-	11,229	8,051
Insurance	331,504	164,473	-	495,977	603,343
Licenses and fees	7,741	5,895	-	13,636	22,471
Marketing expenses	42,428	12,240	-	54,668	49,597
Office expense	34,266	27,752	-	62,018	56,768
Operating lease expense	268,532	36,628	-	305,160	304,047
Payroll taxes	323,125	131,153	-	454,278	504,469
Postage	5,035	1,149	-	6,184	7,057
Professional fees	109,175	57,928	-	167,103	126,315
Retirement plan contributions	49,798	18,018	-	67,816	82,586
Salaries	2,207,222	192,890	-	2,400,112	2,244,494
Seminars	22,476	3,066	-	25,542	25,564
Taxes	1,584	814	-	2,398	157,261
Telephone	31,469	12,036	-	43,505	44,733
Temporary employment fees	36,293	11,596	-	47,889	42,198
Travel and entertainment	22,481	3,066	-	25,547	21,667
TOTALS	<u>\$ 3,969,727</u>	<u>\$ 787,237</u>	<u>\$ -</u>	<u>\$ 4,756,964</u>	<u>\$ 5,005,435</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Schedule of Earnings from Contracts -  
Emory Hill & Company

For the Year Ended December 31, 2023  
With Summarized Information for the Year Ended December 31, 2022  
See Independent Accountants' Review Report

	2023			2022
	Revenues Earned	Cost of Revenues Earned	Gross Profit	Gross Profit
CONTRACTS COMPLETED DURING THE YEAR	\$ 6,246,299	\$ 5,309,573	\$ 936,726	\$ 89,328
CONTRACTS IN PROGRESS AT YEAR END	3,119,857	2,694,888	424,969	1,049,623
TOTALS	\$ 9,366,156	\$ 8,004,461	\$ 1,361,695	\$ 1,138,951

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Schedule of Contracts Completed - Emory Hill & Company**  
**For the Year Ended December 31, 2023**  
**See Independent Accountants' Review Report**

Contract Number	Contract Totals			Before January 1, 2023			For the Year Ended December 31, 2023		
	Revenues Earned	Cost of Revenues	Gross Profit	Revenues Earned	Cost Incurred	Gross Profit	Revenues Earned	Cost Incurred	Gross Profit
21-018	\$ 5,875,514	\$ 5,360,966	\$ 514,548	\$ 5,266,753	\$ 4,952,973	\$ 313,780	\$ 608,761	\$ 407,993	\$ 200,768
22-003	384,581	337,965	46,616	111,966	106,772	5,194	272,615	231,193	41,422
22-019	404,638	370,211	34,427	96,405	93,104	3,301	308,233	277,107	31,126
23-002	440,577	376,178	64,399	-	-	-	440,577	376,178	64,399
23-012	801,284	734,207	67,077	-	-	-	801,284	734,207	67,077
23-013	639,217	558,117	81,100	-	-	-	639,217	558,117	81,100
23-015	723,267	648,493	74,774	-	-	-	723,267	648,493	74,774
23-017	809,894	716,064	93,830	-	-	-	809,894	716,064	93,830
Contracts with current year revenues less than \$250,000	12,190,842	11,231,022	959,820	10,548,391	9,750,309	798,082	1,642,451	1,480,713	161,738
Unallocated net markup on direct labor	-	(120,492)	120,492	-	-	-	-	(120,492)	120,492
	<u>\$ 22,269,814</u>	<u>\$ 20,212,731</u>	<u>\$ 2,057,083</u>	<u>\$ 16,023,515</u>	<u>\$ 14,903,158</u>	<u>\$ 1,120,357</u>	<u>\$ 6,246,299</u>	<u>\$ 5,309,573</u>	<u>\$ 936,726</u>

**The Emory Hill Holding Company, Inc. and Subsidiaries**  
**Schedule of Contracts in Progress - Emory Hill & Company**  
**For the Year Ended December 31, 2023**  
**See Independent Accountants' Review Report**

Job Number	Total Contract		From Inception to December 31, 2023					At December 31, 2023		For the Year Ended December 31, 2023		
	Contract Revenues	Estimated Gross Profit	Revenues Earned	Total Costs Incurred	Gross Profit	Billed to Date	Estimated Cost to Complete	Contract Assets	Contract Liabilities	Revenues Earned	Cost Incurred	Gross Profit
22-014	\$ 584,418	\$ 49,729	\$ 319,786	\$ 292,575	\$ 27,211	\$ 584,418	\$ 242,114	\$ -	\$ (264,632)	\$ 319,786	\$ 292,575	\$ 27,211
22-018	1,411,144	167,461	1,263,993	1,113,994	149,999	1,088,989	129,689	175,004	-	1,260,011	1,110,012	149,999
23-009	703,091	101,184	663,378	567,909	95,469	703,090	33,998	-	(39,712)	663,378	567,909	95,469
Contracts with current year revenues less than \$250,000	1,483,217	123,735	1,221,077	1,117,295	103,782	1,288,207	242,187	45,308	(112,438)	876,682	793,445	83,237
Unallocated net markup on direct labor	-	69,053	-	(69,053)	69,053	-	-	-	-	-	(69,053)	69,053
	<u>\$ 4,181,870</u>	<u>\$ 511,162</u>	<u>\$ 3,468,234</u>	<u>\$ 3,022,720</u>	<u>\$ 445,514</u>	<u>\$ 3,664,704</u>	<u>\$ 647,988</u>	<u>\$ 220,312</u>	<u>\$ (416,782)</u>	<u>\$ 3,119,857</u>	<u>\$ 2,694,888</u>	<u>\$ 424,969</u>

The Emory Hill Holding Company, Inc. and Subsidiaries

Z-Score Calculation - Emory Hill & Company

For the Years Ended December 31, 2023 and 2022  
See Independent Accountants' Review Report

Title/Formula	Symbol	2023	2022
Current assets*	CA	\$ 1,999,971	\$ 3,900,101
Total assets*	TA	2,105,291	3,962,702
Net sales	SL	9,366,156	13,847,426
Interest	IN	1,609	1,620
Total liabilities	TL	1,210,492	3,392,695
Current liabilities	CL	1,192,811	3,364,844
Market value of equity (TA-TL)	VE	894,799	570,007
Earnings (loss) before tax**	ET	662,475	189,982
Retained earnings (accumulated deficit)	RE	(1,051,619)	(1,714,094)
X1 = (CA-CL)/TA		0.38339593	0.13507375
X2 = RE/TA		(0.49951242)	(0.43255688)
X3 = (ET+IN)/TA		0.31543573	0.04835135
X4 = VE/TL		0.73920274	0.16801009
X5 = SL/TA		4.44886526	3.49444041
Z = (1.2*X1)+(1.4*X2)+(3.3*X3)+(0.6*X4)+(1.0*X5)		5.69	3.31

\* Intercompany balances are not included in the analysis above.

\*\* Does not include income related to forgiveness of PPP loans received in 2022.



# CERTIFICATE OF LIABILITY INSURANCE

Acct#: 2940237

DATE (MM/DD/YYYY)

6/28/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> USI Insurance Services, LLC 2502 N Rocky Point Drive Tampa, FL 33607	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): 844-290-4908      FAX (A/C, No): E-MAIL ADDRESS: BBSIcerts@locktonaffinity.com	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> <b>EMORY HILL &amp; COMPANY</b> 10 CORPORATE CIRCLE, SUITE 100, NEW CASTLE, DE 19720	INSURER A :	Indemnity Insurance Co. of North America      NAIC # 43575
	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	


**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y / N <input type="checkbox"/> N / A	C58808155	7/1/2024	7/1/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 2,000,000 E.L. DISEASE - EA EMPLOYEE \$ 2,000,000 E.L. DISEASE - POLICY LIMIT \$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 Policy State = DE

**CERTIFICATE HOLDER****CANCELLATION**

<b>Proof Of Insurance</b>	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b>  



# AIA® Document A305® – 2020 Exhibit C

## Project Specific Information

This Exhibit is part of the Contractor’s Qualification Statement, submitted by Emory Hill & Company and dated the 17th day of January in the year 2025  
*(In words, indicate day, month and year.)*

### PROJECT:

*(Name and location or address.)*

Dewey Town Hall & Police Department  
1505 Coastal Highway  
Dewey Beach, DE

### CONTRACTOR’S PROJECT OFFICE:

*(Identify the office out of which the contractor proposes to perform the work for the Project.)*

10 Corporate Circle, Suite 100, New Castle, DE 19720

### TYPE OF WORK SOUGHT

*(Indicate the type of work you are seeking for this Project, such as general contracting, construction manager as constructor, design-build, HVAC subcontracting, electrical subcontracting, plumbing subcontracting, etc.)*

GC

### CONFLICT OF INTEREST

Describe any conflict of interest your organization, its parent, or a subsidiary, affiliate, or other entity having common ownership or management, or any of the individuals listed in Exhibit A Section 1.2, may have regarding this Project.

N/A

### § C.1 PERFORMANCE OF THE WORK

§ C.1.1 When was the Contractor’s Project Office established?

1983

§ C.1.2 How many full-time field and office staff are respectively employed at the Contractor’s Project Office?

12

§ C.1.3 List the business license and contractor license or registration numbers for the Contractor’s Project Office that pertain to the Project.

GC0100 State of Delaware

§ C.1.4 Identify key personnel from your organization who will be meaningfully involved with work on this Project and indicate (1) their position on the Project team, (2) their office

### ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.



location, (3) their expertise and experience, and (4) projects similar to the Project on which they have worked.

N/A

§ C.1.5 Identify portions of work that you intend to self-perform on this Project.

Full time supervision, Part time PM and Admin.

§ C.1.6 To the extent known, list the subcontractors you intend to use for major portions of work on the Project.

N/A

## § C.2 EXPERIENCE RELATED TO THE PROJECT

§ C.2.1 Complete Exhibit D to describe up to four projects performed by the Contractor's Project Office, either completed or in progress, that are relevant to this Project, such as projects in a similar geographic area or of similar project type. If you have already completed Exhibit D, but want to provide further examples of projects that are relevant to this Project, you may complete Exhibit E.

§ C.2.2 State the total dollar value of work currently under contract at the Contractor's Project Office:

2,716,818.00

§ C.2.3 Of the amount stated in Section C.2.2, state the dollar value of work that remains to be completed:

1,474,255.00

§ C.2.4 State the average annual dollar value of construction work performed by the Contractor's Project Office during the last five years.

\$8,7550

§ C.2.5 List the total number of projects the Contractor's Project Office has completed in the last five years and state the dollar value of the largest contract the Contractor's Project Office has completed during that time.

162

## § C.3 SAFETY PROGRAM AND RECORD

§ C.3.1 Does the Contractor's Project Office have a written safety program?

Yes

§ C.3.2 List all safety-related citations and penalties the Contractor's Project Office has received in the last three years.

None

§ C.3.3 Attach the Contractor's Project Office's OSHA 300a Summary of Work-Related Injuries and Illnesses form for the last three years.

§ C.3.4 Attach a copy of your insurance agent's verification letter for your organization's current workers' compensation experience modification rate and rates for the last three years.

## § C.4 INSURANCE

§ C.4.1 Attach current certificates of insurance for your commercial general liability policy, umbrella insurance policy, and professional liability insurance policy, if any. Identify deductibles or self-insured retentions for your commercial general liability policy.

§ C.4.2 If requested, will your organization be able to provide property insurance for the Project written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis?

| Yes

§ C.4.3 Does your commercial general liability policy contain any exclusions or restrictions of coverage that are prohibited in AIA Document A101-2017, Exhibit A, Insurance A.3.2.2.2? If so, identify.

| N/A

**§ C.5 SURETY**

§ C.5.1 If requested, will your organization be able to provide a performance and payment bond for this Project?

| Yes

§ C.5.2 Surety company name:

| Anderson & Catania Surety Services

§ C.5.3 Surety agent name and contact information:

| Chris Ruck (610-420-6170)

§ C.5.4 Total bonding capacity:

| 15,000,000.00

§ C.5.5 Available bonding capacity as of the date of this qualification statement:

| 15,000,000.00



# AIA<sup>®</sup> Document A305<sup>®</sup> – 2020 Exhibit D

## Contractor's Past Project Experience

	1	2	3	4
PROJECT NAME	See Attached Project Profile			
PROJECT LOCATION				
PROJECT TYPE				
OWNER				
ARCHITECT				
CONTRACTOR'S PROJECT EXECUTIVE				
KEY PERSONNEL (include titles)				
PROJECT DETAILS	Contract Amount  Completion Date  % Self-Performed Work	Contract Amount  Completion Date  % Self-Performed Work	Contract Amount  Completion Date  % Self-Performed Work	Contract Amount  Completion Date  % Self-Performed Work
PROJECT DELIVERY METHOD	<input type="checkbox"/> Design-bid-build <input type="checkbox"/> Design-build <input type="checkbox"/> CM constructor <input type="checkbox"/> CM advisor <input type="checkbox"/> Other:	<input type="checkbox"/> Design-bid-build <input type="checkbox"/> Design-build <input type="checkbox"/> CM constructor <input type="checkbox"/> CM advisor <input type="checkbox"/> Other:	<input type="checkbox"/> Design-bid-build <input type="checkbox"/> Design-build <input type="checkbox"/> CM constructor <input type="checkbox"/> CM advisor <input type="checkbox"/> Other:	<input type="checkbox"/> Design-bid-build <input type="checkbox"/> Design-build <input type="checkbox"/> CM constructor <input type="checkbox"/> CM advisor <input type="checkbox"/> Other:
SUSTAINABILITY CERTIFICATIONS				



# AIA®

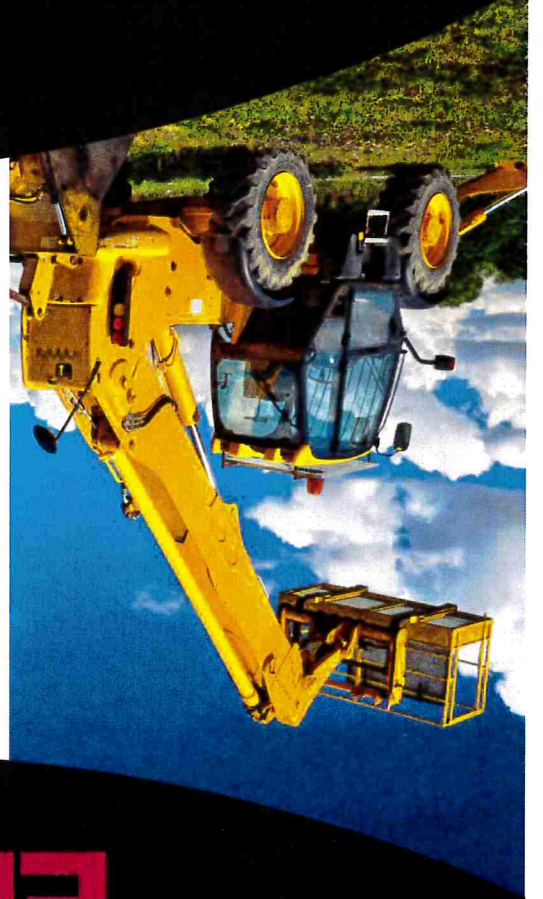
## Document A305® – 2020 Exhibit E

### Contractor's Past Project Experience, Continued

	1	2	3	4
PROJECT NAME	See Attached Project Profile			
PROJECT LOCATION				
PROJECT TYPE				
OWNER				
ARCHITECT				
CONTRACTOR'S PROJECT EXECUTIVE				
KEY PERSONNEL (include titles)				
PROJECT DETAILS	Contract Amount  Completion Date  % Self-Performed Work	Contract Amount  Completion Date  % Self-Performed Work	Contract Amount  Completion Date  % Self-Performed Work	Contract Amount  Completion Date  % Self-Performed Work
PROJECT DELIVERY METHOD	<input type="checkbox"/> Design-bid-build <input type="checkbox"/> Design-build <input type="checkbox"/> CM constructor <input type="checkbox"/> CM advisor <input type="checkbox"/> Other:	<input type="checkbox"/> Design-bid-build <input type="checkbox"/> Design-build <input type="checkbox"/> CM constructor <input type="checkbox"/> CM advisor <input type="checkbox"/> Other:	<input type="checkbox"/> Design-bid-build <input type="checkbox"/> Design-build <input type="checkbox"/> CM constructor <input type="checkbox"/> CM advisor <input type="checkbox"/> Other:	<input type="checkbox"/> Design-bid-build <input type="checkbox"/> Design-build <input type="checkbox"/> CM constructor <input type="checkbox"/> CM advisor <input type="checkbox"/> Other:
SUSTAINABILITY CERTIFICATIONS				



[emoryhill.com](http://emoryhill.com)



**Emory Hill**



## Emory Hill & Company: Executive Summary

**Emory Hill & Company isn't just a construction firm** – we're your **trusted partner** in shaping the future and transforming your vision into a reality. Since 1981, we've been the **driving force behind over 15 million square feet of commercial real estate**. Our expertise extends beyond construction, encompassing a comprehensive suite of commercial real estate services for businesses throughout the Mid-Atlantic.

### **Empowering Collaboration, Achieving Excellence.**

At Emory Hill, we believe in the power of collaboration. That's why we offer a variety of project delivery methods to suit your needs perfectly. Our experienced team of construction professionals, from estimators to skilled laborers, seamlessly integrates with yours to bring your vision to life.

### **Our Expertise, Your Advantage:**

**We offer a wide range of services to suit your specific needs, including:**

- **Construction Management:** We ensure seamless project execution, fostering collaboration and keeping you informed.
- **Design-Build:** Streamline the process with a single point of contact for design, engineering, and construction.
- **Contracting:** Leverage our general and subcontracting expertise for a smooth and efficient project experience.
- **Consulting:** Benefit from valuable insights and guidance throughout your project lifecycle.

### **A Legacy of Excellence. A Commitment to Innovation.**

Our impressive portfolio showcases the **diversity of our expertise** and the trust placed in us by clients of all sizes. We've delivered exceptional results for a wide range of projects, including:

- Office Buildings and Large Complexes
- Educational Facilities and Research & Development Sites
- Medical Facilities and Surgical Centers
- Retail Stores and Shopping Centers
- LEED-Certified Sustainable Projects

### **Highlights:**

- 8 Wawa and Royal Farms convenience stores
- 16 Retail Banks
- Multiple Gore Facilities
- 2 VA Clinics
- 11 Goodwill Facilities
- Easter Seals Headquarters Interior
- Delaware Children's Museum Interior
- Neuroscience Surgery Center
- Abby Medical Center



# Emory Hill

## Building Your Vision, Together: Our Comprehensive Services

Emory Hill & Company offers a wealth of experience, a team of dedicated professionals, and a comprehensive suite of services to empower your project's success.

### **We Collaborate, You Achieve. Tailored Solutions for Every Need:**

- **Commercial Construction:** From office complexes to retail centers, we deliver exceptional results for your commercial space.
- **Construction Management:** Ensuring seamless project execution through collaboration and expert oversight.
- **Design-Build:** Streamlining the process with a single point of contact for design, engineering, and construction.
- **Contracting Services:** Leverage our in-depth knowledge for general and subcontracting needs.
- **Consulting:** Providing valuable insights and guidance throughout your project lifecycle.
- **Residential Construction:** Crafting dream homes and renovations with meticulous attention to detail.

**Expertise You Can Build On:** At Emory Hill, we believe in fostering a **collaborative environment** where your vision is our priority. Our team brings **years of experience** and a commitment to **exceeding expectations**. Our team has a keen eye for every detail. We meticulously consider every aspect of your project, working closely with you to understand your vision.

We cater to a diverse clientele, from large corporations to small businesses, and our impressive track record demonstrates our versatility.

### **A Portfolio of Excellence:** We've excelled in a wide variety of fields, including:

- Office Buildings & Complexes
- Condominiums & Apartments, Student Housing
- Manufacturing & Distribution Centers
- Industrial Parks & Specialized Facilities
- Educational Facilities & Research & Development Sites
- Banking Operations & Medical Facilities
- Government Facilities, Museums & Recreational Centers
- Non-Profit Facilities, Churches & Places of Worship
- Retail Stores & Centers (including LEED-certified projects)

**Award-Winning Performance:** Emory Hill has received over 25 Construction Excellence and Green Building Awards from organizations such as Associated Builders and Contractors, Inc. and the Delaware Contractors Association.

We prioritize value and efficiency through the following:

- **In-house construction professionals:** Our experienced team ensures seamless project execution.
- **Onsite management expertise:** We provide dedicated oversight for each project.
- **Flexible delivery methods:** We adapt our approach to meet your needs and timelines.

# Emory Hill

## THE EMORY HILL DIFFERENCE: OUR CORE VALUES

### Beyond Blueprints: The Values That Guide Our Work

Our core values define our reputation: integrity, dedication, service, and on-time performance. With a team of experienced professionals across all disciplines, we deliver high-quality projects that exceed expectations.

### Our Values



#### Integrity

Building trust,  
one project at a time.



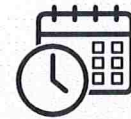
#### Dedication

Your vision,  
our commitment.



#### Service

From blueprint  
to beyond.



#### On-Time Performance

Building trust, one  
project at a time.







# Emory Hill

## CONSTRUCTION MANAGEMENT : A COLLABORATIVE APPROACH

**Emory Hill & Company** goes beyond bricks and mortar. We believe in **building trust and collaboration** with our clients to deliver **exceptional projects on time and within budget**. Our construction management approach fosters a **seamless, client-centric experience** that empowers you to achieve your vision.

### **The Power of Teamwork:**

Construction management combines the owner, architect, engineer, and general contractor as a **unified team**. The team ensures **continuity** throughout your project and provides you with a **single point of contact** for clear communication and informed decision-making.

### **Maximizing Value, Minimizing Risk:**

Effective cost and schedule control begins in the **planning phase**. Emory Hill leverages its expertise to identify potential savings opportunities early on. Our comprehensive construction management services encompass the following:

- **Cost Estimating:** We collaborate with all team members to develop accurate cost models and estimates, ensuring transparency and cost control.
- **Value Engineering:** We analyze every aspect of your project to identify the best solutions that meet your needs, budget, and long-term goals.
- **Project Management:** Emory Hill's experienced project managers oversee every detail, from optimizing purchasing to monitoring quality, guaranteeing a smooth and efficient project lifecycle.
- **Quality Management:** We maintain the highest quality control standards through rigorous testing, inspections, and meticulous oversight.
- **Time Management:** Time is of the essence. Using critical path scheduling and experienced teams, we deliver projects on time and within budget.
- **Safety Management:** A safe work environment is paramount. We implement strict safety protocols and enforce regulations to protect everyone on-site.
- **Contract Administration:** Our team ensures efficient communication, clear documentation, and timely billing to streamline the project execution process.

### **Technology-Driven Efficiency:**

- Emory Hill utilizes cutting-edge construction management software, scheduling systems, and communication tools to ensure seamless information flow, accurate data analysis, and real-time project updates.

### **Building Your Vision, Brick by Brick:**

Emory Hill doesn't just manage construction – we partner with you to bring your vision to life. We empower you to achieve successful outcomes with our expertise, collaboration, and commitment to excellence. **Let's discuss how we can help you build your dream project. Contact us today!**

## Building Faster, Smarter: The Power of Design-Build

**Emory Hill & Company** understands that time is of the essence. That's why we offer the **design-build** approach – a **streamlined and efficient** project delivery method that allows you to **achieve your vision swiftly and confidently**.

### **One Team, One Goal:**

With design-build, you sign a **single contract** with Emory Hill, encompassing **design, engineering, and construction services**. This creates a **seamless, collaborative environment** where everyone works together as one team, focused on **achieving your goals**. You'll benefit from:

- **Simplified Communication:** Design-build eliminates the need to manage separate contracts for design and construction. We become your **single point of contact**, simplifying communication and streamlining decision-making.
- **Enhanced Efficiency:** Our **long-standing relationships** with trusted design and engineering firms create a **well-oiled machine**. This fosters **efficient collaboration**, leading to faster project completion.

### **Unparalleled Benefits:**

- **Reduced Costs:** Early collaboration between design and construction teams allows for identifying and implementing cost-saving methods and materials.
- **Faster Completion:** **We eliminate** time-consuming bidding periods and design revisions by overlapping the design and construction phases. This translates to a **significantly reduced project timeframe**, allowing you to occupy your new space and begin reaping the rewards sooner.
- **Guaranteed Quality:** The design-build contract outlines your project goals and performance expectations. We take full responsibility for ensuring the final product meets your vision and exceeds your quality standards.

### **Design-build is ideal for clients seeking:**

- **Fast-track construction**
- **Early project occupancy**
- **Cost and time savings**
- **A collaborative and transparent process**

**Emory Hill & Company** is your **trusted partner** for design-build projects. Please get in touch with us today to discuss how we can help you achieve your vision faster and wiser.



# Emory Hill

## Building Solutions: General Contracting, Consulting, and Program Management

### General Contracting:

Our general contracting services provide a streamlined approach for clients with extensive planning and design expertise. We concentrate our efforts on the construction phase, ensuring flawless execution on time and within budget. Our experience allows you to choose the most suitable contract format, including:

- **Lump Sum:** A fixed price for the entire project, guaranteeing cost certainty.
- **Negotiated Fee:** A collaborative approach with flexible pricing based on project scope.
- **Time and Material:** Ideal for projects with evolving requirements, ensuring cost transparency.

### Owner's Representation:

We act as your **trusted owner's representative** for clients seeking expert guidance throughout the project lifecycle. We manage communication, track progress, and advocate for your best interests during:

- **Construction Management:** Overseeing projects delivered through the construction management method.
- **General Contracting:** Ensuring your interests are protected when working with a general contractor.
- **Multiple Prime Subcontractors:** Facilitating smooth collaboration and communication between all parties.

Our **extensive experience** representing over 100 owners for over two decades gives you peace of mind. We partner with you from **conception to completion**, ensuring your investment's **long-term value and integrity**.

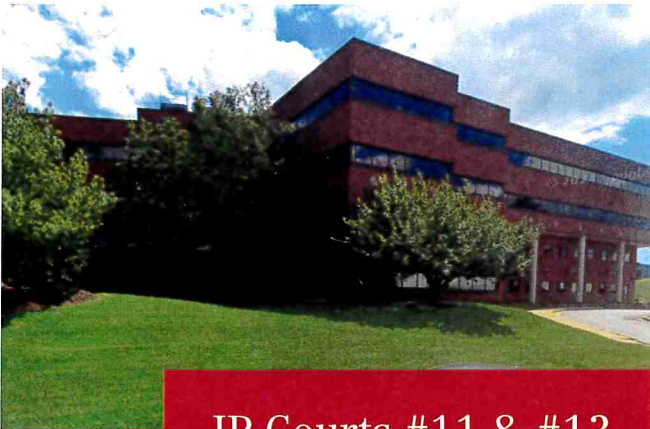
### Program Management (for Large-Scale Projects):

Our **program management** services provide a **comprehensive solution** for complex, multi-phased projects. This service is ideal for large organizations with long-term planning objectives. We act as your **centralized partner**, overseeing all aspects of your program, including:

- **Needs Assessment:** Identifying your current and future facility needs.
- **Master Plan Development:** Creating a comprehensive roadmap for your program.
- **Scheduling and Budgeting:** Establishing a clear timeline and financial framework.
- **Cash Flow Analysis:** Forecasting and managing financial resources throughout the program lifecycle.
- **Management Information System Implementation:** Providing real-time data and insights for informed decision-making.

**Emory Hill & Company** doesn't just build structures – we build **lasting relationships**. **Contact us today** to discuss how we can tailor our services to meet your needs.

# Referenced Projects



JP Courts #11 & #13

## JP Courts #11 & #13 2 Penns Way, New Castle, DE

Owner: Penns Plaza LP  
Architect: Mitchell & Associates  
Initial Contract Value: \$1,903,767  
Number of Change Orders: 13  
Final Contract Value: \$1,930,316

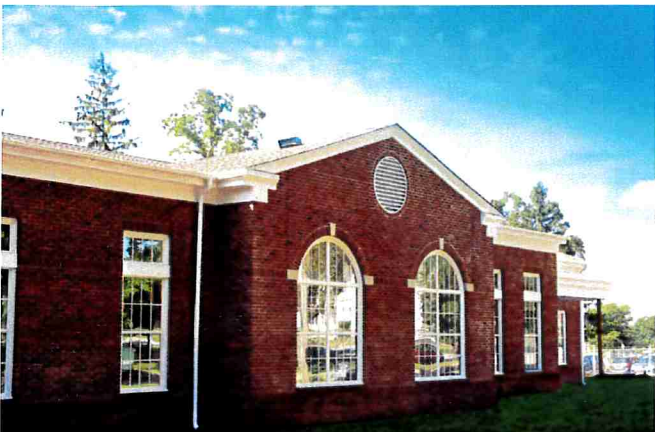


Little Falls I & II

## Little Falls I & II Wilmington, Delaware

Multi-phase projects ongoing from 2020-2025.

Owner: Centerville Associates  
Architect: HOK  
Initial Contract Value: \$7,185,502  
Number of Change Orders: 13  
Final Contract Value: \$10,597,085



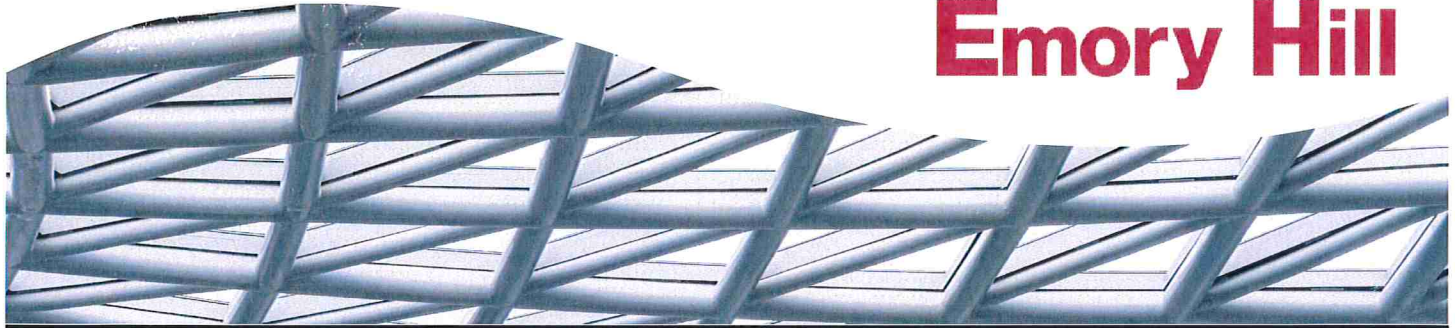
Ferris School

## Ferris School Juvenile Multipurpose Facility 1825 Faulkland Road, Wilmington, DE

New out-of-the-ground building providing classrooms, dining facilities, and offices for The Ferris School.

Owner: Delaware Department of Services for Childrer Youth, & Their Families  
Architect: Buck Simpers Architect & Associates Inc  
Initial Contract Value: \$3,680,247  
Number of Change Orders: 24  
Final Contract Value: \$3,738,901  
Awards: Excellence in Construction  
Green Building Award

# Emory Hill



## THE CHOICE OF LEADERS: EMORY HILL CONSTRUCTION





# Emory Hill

10 Corporate Circle  
Suite 100

New Castle, DE 19720

Main: 302 322 9500 Fax: 302 322 9518

## CONSTRUCTION CONTACT



**JOHN NOCKET**

Director of Construction

[jnockett@emoryhill.com](mailto:jnockett@emoryhill.com)

Cell: 302 668 6902



# Emory Hill



[emoryhill.com](http://emoryhill.com)

## Emory Hill & Company: Executive Summary

**Emory Hill & Company isn't just a construction firm – we're your trusted partner** in shaping the future and transforming your vision into a reality. Since 1981, we've been the **driving force behind over 15 million square feet of commercial real estate**. Our expertise extends beyond construction, encompassing a comprehensive suite of commercial real estate services for businesses throughout the Mid-Atlantic.

### **Empowering Collaboration, Achieving Excellence.**

At Emory Hill, we believe in the power of collaboration. That's why we offer a variety of project delivery methods to suit your needs perfectly. Our experienced team of construction professionals, from estimators to skilled laborers, seamlessly integrates with yours to bring your vision to life.

### **Our Expertise, Your Advantage:**

**We offer a wide range of services to suit your specific needs, including:**

- **Construction Management:** We ensure seamless project execution, fostering collaboration and keeping you informed.
- **Design-Build:** Streamline the process with a single point of contact for design, engineering, and construction.
- **Contracting:** Leverage our general and subcontracting expertise for a smooth and efficient project experience.
- **Consulting:** Benefit from valuable insights and guidance throughout your project lifecycle.

### **A Legacy of Excellence. A Commitment to Innovation.**


Our impressive portfolio showcases the **diversity of our expertise** and the trust placed in us by clients of all sizes. We've delivered exceptional results for a wide range of projects, including:

- Office Buildings and Large Complexes
- Educational Facilities and Research & Development Sites
- Medical Facilities and Surgical Centers
- Retail Stores and Shopping Centers
- LEED-Certified Sustainable Projects

### **Highlights:**

- 8 Wawa and Royal Farms convenience stores
- 16 Retail Banks
- Multiple Gore Facilities
- 2 VA Clinics
- 11 Goodwill Facilities
- Easter Seals Headquarters Interior
- Delaware Children's Museum Interior
- Neuroscience Surgery Center
- Abby Medical Center





## Building Your Vision, Together: Our Comprehensive Services

Emory Hill & Company offers a wealth of experience, a team of dedicated professionals, and a comprehensive suite of services to empower your project's success.

### **We Collaborate, You Achieve. Tailored Solutions for Every Need:**

- **Commercial Construction:** From office complexes to retail centers, we deliver exceptional results for your commercial space.
- **Construction Management:** Ensuring seamless project execution through collaboration and expert oversight.
- **Design-Build:** Streamlining the process with a single point of contact for design, engineering, and construction.
- **Contracting Services:** Leverage our in-depth knowledge for general and subcontracting needs.
- **Consulting:** Providing valuable insights and guidance throughout your project lifecycle.
- **Residential Construction:** Crafting dream homes and renovations with meticulous attention to detail.

**Expertise You Can Build On:** At Emory Hill, we believe in fostering a **collaborative environment** where your vision is our priority. Our team brings **years of experience** and a commitment to **exceeding expectations**. Our team has a keen eye for every detail. We meticulously consider every aspect of your project, working closely with you to understand your vision.

We cater to a diverse clientele, from large corporations to small businesses, and our impressive track record demonstrates our versatility.

### **A Portfolio of Excellence:** We've excelled in a wide variety of fields, including:

- Office Buildings & Complexes
- Condominiums & Apartments, Student Housing
- Manufacturing & Distribution Centers
- Industrial Parks & Specialized Facilities
- Educational Facilities & Research & Development Sites
- Banking Operations & Medical Facilities
- Government Facilities, Museums & Recreational Centers
- Non-Profit Facilities, Churches & Places of Worship
- Retail Stores & Centers (including LEED-certified projects)

**Award-Winning Performance:** Emory Hill has received over 25 Construction Excellence and Green Building Awards from organizations such as Associated Builders and Contractors, Inc. and the Delaware Contractors Association.

We prioritize value and efficiency through the following:

- **In-house construction professionals:** Our experienced team ensures seamless project execution.
- **Onsite management expertise:** We provide dedicated oversight for each project.
- **Flexible delivery methods:** We adapt our approach to meet your needs and timelines.

# Emory Hill

## THE EMORY HILL DIFFERENCE: OUR CORE VALUES

### Beyond Blueprints: The Values That Guide Our Work

Our core values define our reputation: integrity, dedication, service, and on-time performance. With a team of experienced professionals across all disciplines, we deliver high-quality projects that exceed expectations.

### Our Values



#### **Integrity**

Building trust,  
one project at a time.



#### **Dedication**

Your vision,  
our commitment.



#### **Service**

From blueprint  
to beyond.



#### **On-Time Performance**

Building trust, one  
project at a time.





# Emory Hill

## CONSTRUCTION MANAGEMENT : A COLLABORATIVE APPROACH

Emory Hill & Company goes beyond bricks and mortar. We believe in **building trust and collaboration** with our clients to deliver **exceptional projects on time and within budget**. Our construction management approach fosters a **seamless, client-centric experience** that empowers you to achieve your vision.

### The Power of Teamwork:

Construction management combines the owner, architect, engineer, and general contractor as a **unified team**. The team ensures **continuity** throughout your project and provides you with a **single point of contact** for clear communication and informed decision-making.

### Maximizing Value, Minimizing Risk:

Effective cost and schedule control begins in the **planning phase**. Emory Hill leverages its expertise to identify potential savings opportunities early on. Our comprehensive construction management services encompass the following:

- **Cost Estimating:** We collaborate with all team members to develop accurate cost models and estimates, ensuring transparency and cost control.
- **Value Engineering:** We analyze every aspect of your project to identify the best solutions that meet your needs, budget, and long-term goals.
- **Project Management:** Emory Hill's experienced project managers oversee every detail, from optimizing purchasing to monitoring quality, guaranteeing a smooth and efficient project lifecycle.
- **Quality Management:** We maintain the highest quality control standards through rigorous testing, inspections, and meticulous oversight.
- **Time Management:** Time is of the essence. Using critical path scheduling and experienced teams, we deliver projects on time and within budget.
- **Safety Management:** A safe work environment is paramount. We implement strict safety protocols and enforce regulations to protect everyone on-site.
- **Contract Administration:** Our team ensures efficient communication, clear documentation, and timely billing to streamline the project execution process.

### Technology-Driven Efficiency:

- Emory Hill utilizes cutting-edge construction management software, scheduling systems, and communication tools to ensure seamless information flow, accurate data analysis, and real-time project updates.

### Building Your Vision, Brick by Brick:

Emory Hill doesn't just manage construction – we partner with you to bring your vision to life. We empower you to achieve successful outcomes with our expertise, collaboration, and commitment to excellence. **Let's discuss how we can help you build your dream project. Contact us today!**



# Emory Hill

## Building Faster, Smarter: The Power of Design-Build

**Emory Hill & Company** understands that time is of the essence. That's why we offer the **design-build** approach – a **streamlined and efficient** project delivery method that allows you to **achieve your vision swiftly and confidently**.

### **One Team, One Goal:**

With design-build, you sign a **single contract** with Emory Hill, encompassing **design, engineering, and construction services**. This creates a **seamless, collaborative environment** where everyone works together as one team, focused on **achieving your goals**. You'll benefit from:

- **Simplified Communication:** Design-build eliminates the need to manage separate contracts for design and construction. We become your **single point of contact**, simplifying communication and streamlining decision-making.
- **Enhanced Efficiency:** Our **long-standing relationships** with trusted design and engineering firms create a **well-oiled machine**. This fosters **efficient collaboration**, leading to faster project completion.

### **Unparalleled Benefits:**

- **Reduced Costs:** Early collaboration between design and construction teams allows for identifying and implementing cost-saving methods and materials.
- **Faster Completion:** We **eliminate** time-consuming bidding periods and design revisions by overlapping the design and construction phases. This translates to a **significantly reduced project timeframe**, allowing you to occupy your new space and begin reaping the rewards sooner.
- **Guaranteed Quality:** The design-build contract outlines your project goals and performance expectations. We take full responsibility for ensuring the final product meets your vision and exceeds your quality standards.

### **Design-build is ideal for clients seeking:**

- **Fast-track construction**
- **Early project occupancy**
- **Cost and time savings**
- **A collaborative and transparent process**

**Emory Hill & Company** is your **trusted partner** for design-build projects. Please get in touch with us today to discuss how we can help you achieve your vision faster and wiser.



# Emory Hill

## Building Solutions: General Contracting, Consulting, and Program Management

### General Contracting:

Our general contracting services provide a streamlined approach for clients with extensive planning and design expertise. We concentrate our efforts on the construction phase, ensuring flawless execution on time and within budget. Our experience allows you to choose the most suitable contract format, including:

- **Lump Sum:** A fixed price for the entire project, guaranteeing cost certainty.
- **Negotiated Fee:** A collaborative approach with flexible pricing based on project scope.
- **Time and Material:** Ideal for projects with evolving requirements, ensuring cost transparency.

### Owner's Representation:

We act as your **trusted owner's representative** for clients seeking expert guidance throughout the project lifecycle. We manage communication, track progress, and advocate for your best interests during:

- **Construction Management:** Overseeing projects delivered through the construction management method.
- **General Contracting:** Ensuring your interests are protected when working with a general contractor.
- **Multiple Prime Subcontractors:** Facilitating smooth collaboration and communication between all parties.

Our **extensive experience** representing over 100 owners for over two decades gives you peace of mind. We partner with you from **conception to completion**, ensuring your investment's **long-term value and integrity**.

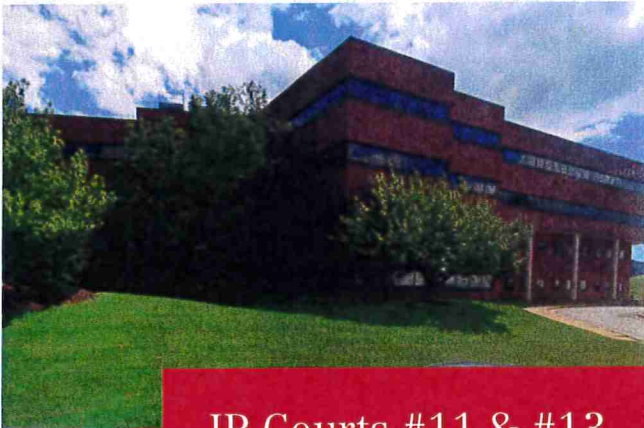
### Program Management (for Large-Scale Projects):

Our **program management** services provide a **comprehensive solution** for complex, multi-phased projects. This service is ideal for large organizations with long-term planning objectives. We act as your **centralized partner**, overseeing all aspects of your program, including:

- **Needs Assessment:** Identifying your current and future facility needs.
- **Master Plan Development:** Creating a comprehensive roadmap for your program.
- **Scheduling and Budgeting:** Establishing a clear timeline and financial framework.
- **Cash Flow Analysis:** Forecasting and managing financial resources throughout the program lifecycle.
- **Management Information System Implementation:** Providing real-time data and insights for informed decision-making.

**Emory Hill & Company** doesn't just build structures – we build **lasting relationships**. **Contact us today** to discuss how we can tailor our services to meet your needs.

# Referenced Projects



JP Courts #11 & #13

## JP Courts #11 & #13 2 Penns Way, New Castle, DE

Owner: Penns Plaza LP  
Architect: Mitchell & Associates  
Initial Contract Value: \$1,903,767  
Number of Change Orders: 13  
Final Contract Value: \$1,930,316



Little Falls I & II

## Little Falls I & II Wilmington, Delaware

Multi-phase projects ongoing from 2020-2025.

Owner: Centerville Associates  
Architect: HOK  
Initial Contract Value: \$7,185,502  
Number of Change Orders: 13  
Final Contract Value: \$10,597,085



Ferris School

## Ferris School Juvenile Multipurpose Facility 1825 Faulkland Road, Wilmington, DE

New out-of-the-ground building providing classrooms, dining facilities, and offices for The Ferris School.

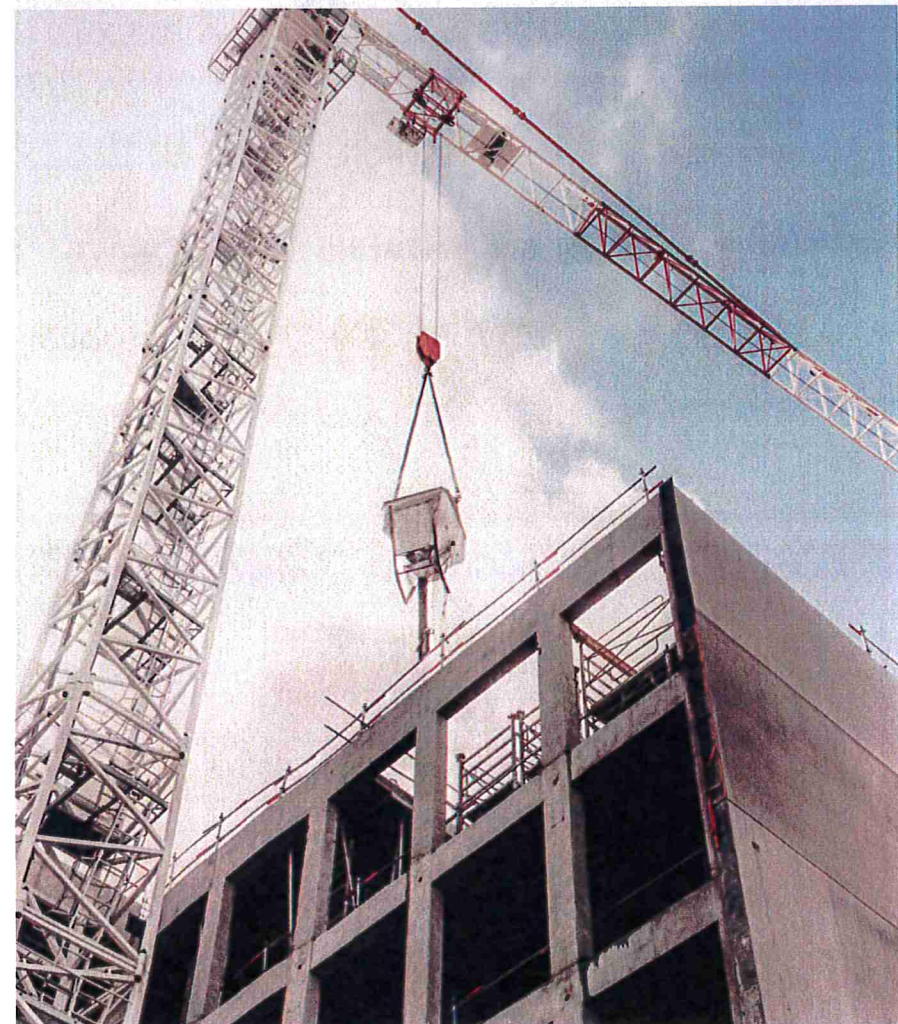
Owner: Delaware Department of Services for Childrer Youth, & Their Families  
Architect: Buck Simpers Architect & Associates Inc  
Initial Contract Value: \$3,680,247  
Number of Change Orders: 24  
Final Contract Value: \$3,738,901  
Awards: Excellence in Construction  
Green Building Award

# Emory Hill



## THE CHOICE OF LEADERS: EMORY HILL CONSTRUCTION





# Emory Hill

**10 Corporate Circle  
Suite 100  
New Castle, DE 19720**

**Main: 302 322 9500 Fax: 302 322 9518**

## CONSTRUCTION CONTACT



**JOHN NOCKET**  
Director of Construction  
[jnockett@emoryhill.com](mailto:jnockett@emoryhill.com)  
Cell: 302 668 6902





Year 2023

U.S. Department of Labor  
Occupational Safety and Health Administration

Form approved OMB no. 1218-01

# OSHA's Form 300A (Rev. 01/2004) Summary of Work-Related Injuries and Illnesses

All establishments covered by Part 1904 must complete this Summary page, even if no injuries or illnesses occurred during the year. Remember to review the Log to verify that the entries are complete.

Using the Log, count the individual entries you made for each category. Then write the totals below, making sure you've added the entries from every page of the log. If you had no cases write "0."

Employees, former employees, and their representatives have the right to review the OSHA Form 300 in its entirety. They also have limited access to the OSHA Form 301 or its equivalent. See 29 CFR 1904.35, in OSHA's Recordkeeping rule, for further details on the access provisions for these forms.

### Number of Cases

Total number of deaths	Total number of cases with days away from work	Total number of cases with job transfer or restriction	Total number of other recordable cases
<u>0</u>	<u>1</u>	<u>-1</u>	<u>0</u>
(G)	(H)	(I)	(J)

### Number of Days

Total number of days away from work	Total number of days of job transfer or restriction
<u>10</u>	<u>17</u>
(K)	(L)

### Injury and Illness Types

Total number of... (M)			
1) Injury	<u>1</u>	(4) Poisoning	<u>0</u>
2) Skin Disorder	<u>0</u>	(5) Hearing Loss	<u>0</u>
3) Respiratory Condition	<u>0</u>	(6) All Other Illnesses	<u>0</u>

Post this Summary page from February 1 to April 30 of the year following the year covered by the form.

Public reporting burden for this collection of information is estimated to average 58 minutes per response, including time to review the instruction, search and gather the data needed, and complete and review the collection of information. Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number. If you have any comments about these estimates or any aspects of this data collection, contact US Department of Labor, OSHA Office of Statistics, Room N-3644, 200 Constitution Ave. NW, Washington, DC 20210. Do not send the completed forms to this office.

### Establishment information

Your establishment name Emory Hill & Company

Street 10 Corporate Circle, Suite 100

City New Castle State DE Zip 19720

Industry description (e.g., Manufacture of motor truck trailers)  
General Contractor

Standard Industrial Classification (SIC), if known (e.g., SIC 3715)

OR North American Industrial Classification (NAICS), if known (e.g., 336212)

### Employment information

Annual average number of employees 10

Total hours worked by all employees last year 23,173

### Sign here

Knowingly falsifying this document may result in a fine.

I certify that I have examined this document and that to the best of my knowledge the entries are true, accurate, and complete.

*Jeffrey...*  
Company executive

President  
Title

302-322-9500  
Phone

1/31/2024  
Date

# Summary of Work-Related Injuries and Illnesses

**Note: You can type input into this form and save it.** Because the forms in this recordkeeping package are "fillable/writable" PDF documents, you can type into the input form fields and then save your inputs using the free Adobe PDF Reader.

Year 20 22



U.S. Department of Labor  
Occupational Safety and Health Administration

Form approved OMB no. 1218-0176

All establishments covered by Part 1904 must complete this Summary page, even if no work-related injuries or illnesses occurred during the year. Remember to review the Log to verify that the entries are complete and accurate before completing this summary.

Using the Log, count the individual entries you made for each category. Then write the totals below, making sure you've added the entries from every page of the Log. If you had no cases, write "0."

Employees, former employees, and their representatives have the right to review the OSHA Form 300 in its entirety. They also have limited access to the OSHA Form 301 or its equivalent. See 29 CFR Part 1904.35, in OSHA's recordkeeping rule, for further details on the access provisions for these forms.

Number of Cases			
Total number of deaths	Total number of cases with days away from work	Total number of cases with job transfer or restriction	Total number of other recordable cases
0	0	0	0
(G)	(H)	(I)	(J)

Number of Days	
Total number of days away from work	Total number of days of job transfer or restriction
0	0
(K)	(L)

Injury and Illness Types			
Total number of ... (M)			
(1) Injuries	0	(4) Poisonings	0
(2) Skin disorders	0	(5) Hearing loss	0
(3) Respiratory conditions	0	(6) All other illnesses	0

Post this Summary page from February 1 to April 30 of the year following the year covered by the form.

Public reporting burden for this collection of information is estimated to average 58 minutes per response, including time to review the instructions, search and gather the data needed, and complete and review the collection of information. Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number. If you have any comments about these estimates or any other aspects of this data collection, contact: US Department of Labor, OSHA Office of Statistical Analysis, Room N-3644, 200 Constitution Avenue, NW, Washington, DC 20210. Do not send the completed forms to this office.

**Establishment information**

Your establishment name Emory Hill & Company.

Street 10 Corporate Circle, Suite 100

City New Castle State DE Zip 19720

Industry description (e.g., *Manufacture of motor truck trailers*)  
Construction

North American Industrial Classification (NAICS), if known (e.g., 336212)

**Employment information** (If you don't have these figures, see the Worksheet on the next page to estimate.)

Annual average number of employees 10

Total hours worked by all employees last year 18,714.00

**Sign here**

**Knowingly falsifying this document may result in a fine.**

I certify that I have examined this document and that to the best of my knowledge the entries are true, accurate, and complete.

[Signature] Title President

Company executive

Phone 302-322-9500 Date 1/31/2023

**Reset**

# Summary of Work-Related Injuries and Illnesses

**Note: You can type input into this form and save it.** Because the forms in this recordkeeping package are "fillable/writable" PDF documents, you can type into the input form fields and then save your inputs using the free Adobe PDF Reader.

Year 20 21



U.S. Department of Labor  
Occupational Safety and Health Administration

Form approved OMB no. 1218-0176

All establishments covered by Part 1904 must complete this Summary page, even if no work-related injuries or illnesses occurred during the year. Remember to review the Log to verify that the entries are complete and accurate before completing this summary.

Using the Log, count the individual entries you made for each category. Then write the totals below, making sure you've added the entries from every page of the Log. If you had no cases, write "0."

Employees, former employees, and their representatives have the right to review the OSHA Form 300 in its entirety. They also have limited access to the OSHA Form 301 or its equivalent. See 29 CFR Part 1904.35, in OSHA's recordkeeping rule, for further details on the access provisions for these forms.

Number of Cases			
Total number of deaths	Total number of cases with days away from work	Total number of cases with job transfer or restriction	Total number of other recordable cases
0	0	0	0
(G)	(H)	(I)	(J)

Number of Days	
Total number of days away from work	Total number of days of job transfer or restriction
0	0
(K)	(L)

Injury and Illness Types			
Total number of . . . (M)			
(1) Injuries	0	(4) Poisonings	0
(2) Skin disorders	0	(5) Hearing loss	0
(3) Respiratory conditions	0	(6) All other illnesses	0

Post this Summary page from February 1 to April 30 of the year following the year covered by the form.

Public reporting burden for this collection of information is estimated to average 58 minutes per response, including time to review the instructions, search and gather the data needed, and complete and review the collection of information. Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number. If you have any comments about these estimates or any other aspects of this data collection, contact: US Department of Labor, OSHA Office of Statistical Analysis, Room N-3644, 200 Constitution Avenue, NW, Washington, DC 20210. Do not send the completed forms to this office.

**Establishment information**

Your establishment name Emory Hill & Company

Street 10 Corporate Circle Suite 100

City New Castle State DE Zip 19720

Industry description (e.g., *Manufacture of motor truck trailers*)  
Construction

North American Industrial Classification (NAICS), if known (e.g., 336212)

**Employment information** (If you don't have these figures, see the Worksheet on the next page to estimate.)

Annual average number of employees 11

Total hours worked by all employees last year 20,694.00

**Sign here**

**Knowingly falsifying this document may result in a fine.**

I certify that I have examined this document and that to the best of my knowledge the entries are true, accurate, and complete.

Company executive \_\_\_\_\_ Title \_\_\_\_\_  
 Phone 302-322-9500 Date 1/20/2022

**Reset**