

Academic Properties, Inc.
Financial Statements and Supplemental Schedules
for the Fiscal Years Ended
June 30, 2019 and 2018

Academic Properties, Inc.

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June 30, 2019 and 2018

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Review Report of Independent Accountants

To the Board of Trustees of Drexel University,

We have reviewed the accompanying financial statements of Academic Properties Inc., which comprise the statements of financial position as of June 30, 2019 and 2018 and the related statements of activities and statements of cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

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 AICPA. 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 financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our reviews were conducted for the purpose of forming a conclusion on the financial statements taken as a whole. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the review procedures applied in the reviews of the financial statements, and accordingly, we do not express a conclusion or provide any assurance on them.

PricewaterhouseCoopers LLP

April 23, 2020

Academic Properties, Inc.
Statements of Financial Position
June 30, 2019 and 2018

	2019	2018
Assets:		
Cash and cash equivalents		
Operating	\$ 10,102,165	\$ 10,403,963
Accounts receivable	360,509	184,906
Prepaid expenses and other assets	147,887	-
Tenants' escrow accounts	189,148	196,033
Deferred charges, net	57,862	-
Due from Drexel University	247,711	98,034
Rental property and equipment, net	18,200,099	16,213,001
Total assets	\$ 29,305,381	\$ 27,095,937
Liabilities:		
Accounts payable and accrued liabilities	\$ 500,953	\$ 785,333
Deferred revenue	140,131	130,357
Deferred charges, net	-	15,495
Tenants' escrow accounts	189,148	196,033
Total liabilities	830,232	1,127,218
Net Assets:		
Without donor restrictions	28,475,149	25,968,719
Total net assets	28,475,149	25,968,719
Total liabilities and net assets	\$ 29,305,381	\$ 27,095,937

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

Academic Properties, Inc.
Statements of Activities
For the Years Ended June 30, 2019 and 2018

	2019	2018
Operating		
Revenues:		
Rents		
Minimum lease payments	\$ 5,738,817	\$ 5,083,341
Common area expense and utilities	2,234,526	3,695,225
Interest	15,970	12,643
Management fee income - affiliate	151,537	200,400
Miscellaneous	541,309	583,387
Total revenues	8,682,159	9,574,996
Expenses:		
Salaries and wages	551,550	685,666
Employee benefits	292,791	342,281
Depreciation and amortization	737,541	1,015,467
Other operating expenses	3,052,847	3,633,579
Total expenses	4,634,729	5,676,993
Increase in net assets from operating activities	4,047,430	3,898,003
Non-operating		
Transfers to Drexel Endowment	(1,541,000)	(913,101)
Transfers to Community Center	-	(2,488,058)
(Loss) on disposal of Schuylkill Yards Properties	-	(5,894,896)
Decrease in net assets from non-operating activities	(1,541,000)	(9,296,055)
Total increase / (decrease) in net assets	2,506,430	(5,398,052)
Net assets, beginning of year	25,968,719	31,366,771
Net assets, end of year	\$ 28,475,149	\$ 25,968,719

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

Academic Properties, Inc.
Statements of Cash Flows
June 30, 2019 and 2018

	2019	2018
Operating activities:		
Increase / (decrease) in net assets	\$ 2,506,430	\$ (5,398,052)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	737,541	1,015,467
Transfer to Drexel Endowment	1,541,000	913,101
Transfer to Calhoun	-	2,488,058
Loss on disposal of Schuylkill Yards Properties	-	5,894,896
Changes in assets and liabilities that provide / (use) cash:		
Accounts receivable	(175,601)	248,344
Prepaid expenses and other assets	(147,888)	24,668
Tenants' escrow asset	6,885	46,290
Tenants' escrow liability	(6,885)	(46,290)
Deferred charges, net	(73,357)	138,087
Accounts payable and accrued liabilities	(284,380)	273,864
Deferred revenue	9,774	(62,908)
Net cash provided by operating activities	4,113,519	5,535,525
Investing activities:		
Purchases of rental property and equipment	(2,724,640)	(1,156,905)
Net cash (used in) investment activities	(2,724,640)	(1,156,905)
Financing activities:		
Due from Drexel University	(149,677)	(20,515)
Transfer to Drexel Endowment	(1,541,000)	(913,101)
Transfer to Community Center	-	(2,488,058)
Net cash (used in) financing activities	(1,690,677)	(3,421,674)
Net (decrease) / increase in cash and cash equivalents	(301,798)	956,945
Cash and cash equivalents, beginning of year	10,403,963	9,447,018
Cash and cash equivalents, end of year	\$ 10,102,165	\$ 10,403,963

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

Academic Properties, Inc.

Notes to Financial Statements

June 30, 2019 and 2018

1. Organization

Academic Properties, Inc. (the “Company” or “API”), is a wholly owned subsidiary of Drexel University (“Drexel”) and an exempt organization under Section 501 (c) (3) or the Internal Revenue Code. API manages properties used by Drexel, as well as other strategically located properties contiguous to its campus.

2. Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and with the provision of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*, which requires API to classify its net assets into two categories according to donor-imposed restrictions; net assets without donor imposed restrictions and net assets with donor imposed restrictions.

Net Assets without Donor Restrictions – Net assets without donor restrictions are funds which have no restrictions, and over which the Board has discretionary control.

Net Assets with Donor Restrictions - Net assets with donor restrictions are subject to donor-imposed stipulations that (a) may be fulfilled by actions of API to meet the stipulations, (b) may become unrestricted at the date specified by the donor or (c) are subject to donor-imposed stipulations that they be retained and invested permanently by API.

There were no net assets classified as with donor restrictions as of June 30, 2019 and 2018.

Measure of Operations

API’s measure of operations as presented in the statement of activities includes rental income from properties, management fee income from affiliates, and other miscellaneous revenues. Operating expenses are reported on the statement of activities by natural classification.

Liquidity and Availability

API’s financial assets available within one year of the balance sheet date for general expenditure as of June 30, 2019 and 2018 are as follows:

<i>(in thousands)</i>	2019	2018
Total assets at year-end	\$ 29,305,381	\$ 27,095,937
Less: non-financial and financial assets not available within one year		
Prepaid expenses and other assets	(147,887)	-
Tenants' escrow accounts	(189,148)	(196,033)
Deferred charges, net	(57,862)	-
Rental property and equipment, net	(18,200,099)	(16,213,001)
Financial assets available at year-end for current use	\$ 10,710,385	\$ 10,686,903

API has \$10,710,385 of financial assets that are available within one year of the balance sheet date to meet cash needs for general expenditure. In addition to these available financial assets, a significant portion of API’s annual expenditures will be funded by current year operating revenues including rental income from properties, management fee income from affiliates, and other miscellaneous revenues. API structures its financial assets to be available as general expenditures, liabilities and other obligations come due.

Academic Properties, Inc.
Notes to Financial Statements
June 30, 2019 and 2018

Cash

Cash and cash equivalents represent demand deposits and other investments with an initial maturity date not exceeding 90 days. At June 30, 2019 and 2018, API had cash balances in financial institutions, which exceed federal depository insurance limits. Management believes the credit risks related to these deposits to be minimal. Cash and cash equivalents are carried at cost, which approximates fair value.

Expenses

All API expenses are in support of one program, which is managing Drexel's properties.

Rental Property and Equipment, Net

Land, building and equipment are stated at cost or the original purchased cost transferred from Drexel. The Company recognizes depreciation over the useful lives of the depreciable assets on a straight-line basis. Useful lives range from 3 to 20 years.

Deferred Charges

Deferred charges represent rent revenues recognized on a straight-line basis over the term of the Company's lease agreements that have not been billed as of year-end.

Deferred Revenue

Deferred revenue represents cash paid in advance for future rent.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Asset Retirement Obligation/Asset

The Company determined there were legal obligations to perform certain asset retirement activities associated with certain fire doors, carpeting and storage tanks. The total asset retirement cost and obligation recognized was \$8,784 and \$176,706, respectively, for 2019 and \$10,083 and \$167,591, respectively, for 2018 and is included in rental property and equipment, net and accrued expenses, respectively.

Academic Properties, Inc.

Notes to Financial Statements

June 30, 2019 and 2018

Recently Adopted Accounting Pronouncements

Beginning in May 2014, the FASB issued several Accounting Standard Updates which established a new framework for *Revenue from Contracts with Customers (Topic 606)*. The core principle is that revenue is recognized in manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be compensated in exchange for those goods or services. The guidance is effective for annual fiscal periods beginning after December 15, 2017. API has adopted the standard by applying the retrospective transition method. The impact of the adoption was immaterial and the impact of applying the standard retrospectively had no impact on total revenues, total changes in net assets or the presentation of financial statements.

In August 2016, the FASB issued ASU No. 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*, which revises the not-for-profit financial reporting model. ASU No. 2016-14 is meant to reduce the complexity of and add clarity to net asset reporting, add additional disclosure regarding nature of self-imposed limits on net assets without donor restrictions and net assets with donor restrictions, and add reporting requirements related to nature of expenses. ASU No. 2016-14 is effective for fiscal years beginning after December 15, 2017. API has adopted this new guidance retrospectively, and grouped the three-category (unrestricted, temporarily restricted, and permanently restricted) classification of net assets into two categories: with donor restrictions and without donor restrictions. In addition, API has included expanded disclosures relating to: (1) the liquidity of financial assets and (2) expenses by both their natural and functional classification in the financial statements.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which is meant to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The guidance is effective for annual fiscal periods beginning after December 15, 2018. In July 2018, FASB issued ASU No. 2018-11 which amends the transition methods contained in ASU No. 2016-02. API is in the process of finalizing calculations under ASC 842, but expects that the adoption will be material to financial statements. The future lease rental collections included in the ASC 842 adoption calculations are expected to be materially consistent with footnote 4.

In August 2018, the FASB issued ASU No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*. The ASU aligns the accounting for costs incurred to implement a cloud computing arrangement that is a service arrangement with the guidance on capitalizing costs associated with developing or obtaining internal-use software. ASU No. 2018-15 is effective for annual periods beginning after December 15, 2020, with early adoption permitted. Entities can apply the guidance prospectively or retrospectively. API is currently evaluating the standard to determine the impact it will have on its financial statements.

In November 2018, the FASB issued ASU No. 2018-18, *Collaborative Arrangements (Topic 808) – Clarifying the Interaction between Topic 808 and Topic 606*, which seeks to clarify that certain transaction between collaborative arrangement participants should be accounted for as revenue and apply all relevant guidance under Topic 606 to these revenues. In addition this ASU provides more comparability in the presentation of revenue for certain transaction between collaborative arrangement participants. ASU No. 2018-18 is effective for annual periods beginning after December 15, 2020 API does not expect the standard to have a material on its financial statements.

Academic Properties, Inc.
Notes to Financial Statements
June 30, 2019 and 2018

3. Rental Property and Equipment

At June 30, 2019 and 2018, rental property and equipment consisted of the following:

	2019	2018
Land	\$ 4,427,655	\$ 4,427,655
Buildings and building improvements:		
One Drexel Plaza	2,033,814	2,033,814
Leasehold improvements	24,742,985	22,027,461
All other properties	6,557,844	6,557,844
Total buildings and building improvements	33,334,644	30,619,119
Furniture, fixtures, and equipment:		
Furniture and fixtures	187,596	187,596
Equipment	47,259	47,259
Total furniture, fixtures, and equipment	234,855	234,855
Total rental property and equipment, gross	37,997,154	35,281,630
Less: Accumulated depreciation	(19,797,055)	(19,068,629)
Total rental property and equipment, net	\$ 18,200,099	\$ 16,213,001

The values related to One Drexel Plaza included in rental property and equipment, net amounted to \$5,729,344 and \$3,982,768 at June 30, 2019 and 2018, respectively.

4. Lease Rentals

The Company leases space to tenants under leases that are accounted for as operating leases. Lease periods range from six months to one year on student leases and from two to fifteen years on commercial leases. The estimated future rent receivable on non-cancelable leases is as follows:

	Minimum Lease Payments
June 30,	
2020	4,580,897
2021	2,702,293
2022	2,781,821
2023	2,854,780
2024	2,938,681
Thereafter	15,672,986
Total	\$ 31,531,458

For its operating leases, the Company records rent revenue on a straight-line basis over the term of the lease agreements based on fixed and scheduled minimum rent increases. The difference between actual rent and straight-line rent for the fiscal year ending June 30, 2019 and 2018 was (\$73,357) and \$138,087, respectively. As of June 30, 2019, and 2018, the deferred rent asset amounted to \$57,862 and \$0, respectively and the deferred rent liability amounted to \$0 and \$15,495, respectively.

Academic Properties, Inc.
Notes to Financial Statements
June 30, 2019 and 2018

5. Functional and Natural Classification of Expenses

Expenses are presented by functional classification in accordance with the overall service mission of API. Each functional classification displays all expenses related to the underlying operations by natural classification. Depreciation is allocated based on the square footage occupancy. Plant operations and maintenance represent space related costs which are allocated to the functional categories directly and/or based on the square footage occupancy.

Expenses by functional classification for the year ended June 30, 2019 consist of the following:

(in thousands)

	2019		
	Program Services	Management and General	Total
Salaries and wages	\$ 551,550	\$ -	\$ 551,550
Employee benefits	292,791	-	292,791
Depreciation and amortization	737,541	-	737,541
Other operating expenses	3,028,547	24,300	3,052,847
Total expenses	\$ 4,610,429	\$ 24,300	\$ 4,634,729

Expenses by functional classification for the year ended June 30, 2018 consist of the following:

(in thousands)

	2018		
	Program Services	Management and General	Total
Salaries and wages	\$ 685,666	\$ -	\$ 685,666
Employee benefits	342,281	-	342,281
Depreciation and amortization	1,015,467	-	1,015,467
Other operating expenses	3,624,079	9,500	3,633,579
Total expenses	\$ 5,667,493	\$ 9,500	\$ 5,676,993

6. Related-Party Transactions

Drexel rents approximately 102,761 square feet of space at One Drexel Plaza from the Company. These leases are for a ten-year period and the monthly base rent was approximately \$214,061 during the years ended June 30, 2019.

The Company also received \$151,537 and \$200,400 from Drexel for services rendered in managing properties owned by Drexel during the years ended June 30, 2019 and 2018, respectively.

All of the buildings and improvements for the Company were designated by the Drexel Board of Trustees as quasi-endowment assets of the Drexel University in February 2011. Accordingly, the distribution to endowment of \$1,541,000 and \$3,401,159 for the years ended June 30, 2019 and 2018, respectively, represent a payout to the Drexel endowment.

Academic Properties, Inc.

Notes to Financial Statements

June 30, 2019 and 2018

Schuylkill Yards

On May 9, 2016, the University entered into a master development agreement (the “Development Agreement”) with Brandywine Realty Trust (“BRT”), the sole general partner of Brandywine Operating Partnership, LP. As the master developer, BRT is provided certain rights and obligations, for a multi-phase, multi-component development on approximately 10.11 acres of University owned land (the “Drexel Site”) adjacent to the University’s main campus in the University City section of Philadelphia. The project’s master planned area includes the Drexel Site and up to four additional adjacent acres owned separately by the University and BRT, to be branded as “Schuylkill Yards.”

Schuylkill Yards is contemplated to be developed in six phases over approximately 20 years, excluding extension options, and will consist of approximately 5.0 million square feet of floor area ratio (FAR) of commercial, office, educational, research, residential, and related facilities, as well as accessory green space uses. Approximately 50% of the total FAR value will consist of office, educational and research space, and the balance in residential, retail, hospitality and parking uses.

BRT intends to fund costs to develop each phase of Schuylkill Yards through a combination of cash on hand, capital raised through one or more joint venture formations, proceeds from the sale of other assets or debt financing, including project-specific leasehold mortgage financing. Terms of the Development Agreement were determined through arm’s-length negotiation between the University and BRT.

On October 13, 2017, the University completed the initial conveyance for the Schuylkill Yards project involving the transfer of 3001 and 3025 Market Street to Brandywine Realty Trust (“BRT”), the sole general partner of Brandywine Operating Partnership, LP. The two Market Street properties are removed from the Academic Properties Inc. (API) Statement of Financial Position rental property and equipment net line item without any recognition for the proceeds received under the conveyance. The conveyance transaction results in a non-operating loss of \$5,894,896 which is reflected on the API Statement of Activities. In addition to the conveyance transactions BRT provided \$370,000 for access to the property management staff at API to assist with the repositioning and re-tenanting of the 3025 Market Street property. The proceeds from the conveyance were invested in the Drexel University endowment portfolio replacing the real estate investment values for 3001 and 3025 Market Street parcels in the portfolio.

At least one structure on the John F. Kennedy Boulevard parcels is expected to begin construction in 2020.

7. Legal Contingencies

As of June 30, 2019, API recorded \$100,000 of legal reserves within Accounts Payable and Accrued Liabilities, with a corresponding \$100,000 of insurance recoverables within Prepaid Expenses and Other Assets. This relates to pending litigation, which is covered by external insurance policies.

Academic Properties, Inc.
Notes to Financial Statements
June 30, 2019 and 2018

8. Subsequent Events

On December 13, 2019 Drexel University and Tower Health, as a joint venture, made a successful bid on St. Christopher's Hospital for Children in bankruptcy court. Drexel used \$5,450,000 of API, Inc.'s cash as a source of funds for the purchase.

API evaluated events subsequent from June 30, 2019 through the date of the report. No other subsequent events were identified.

Supplemental Schedules

Academic Properties, Inc.
Supplemental Schedule of Revenue and Expenses by Property Category
Year Ended June 30, 2019

	One Drexel Plaza	201 Cheswold Street	All Other Properties	Total
Operating				
Revenues:				
Rents				
Minimum lease payment, net	\$ 3,937,747	\$ -	\$ 1,801,070	\$ 5,738,817
Common area expense and utilities	2,228,231	-	6,295	2,234,526
Interest	-	-	15,970	15,970
Management fee income, affiliate	-	-	151,537	151,537
Miscellaneous	405,463	-	135,846	541,309
Total revenues	6,571,441	-	2,110,718	8,682,159
Expenses:				
Depreciation and amortization	203,024	-	534,517	737,541
Dues and licenses	2,630	-	8,350	10,980
Payroll and payroll taxes	431,214	48,022	130,234	609,470
Employee benefits	182,616	7,124	45,130	234,870
Insurance	120,713	-	46,502	167,215
Office	8,323	-	11,193	19,516
Professional development	4,976	-	702	5,678
Professional fees	91,528	-	14,982	106,510
Property taxes	188,745	-	2,146	190,891
Repairs and maintenance	885,922	-	473,820	1,359,742
Security	308,301	-	31,891	340,192
Taxes other	7,948	-	31,168	39,116
Telephone	13,934	-	22,425	36,359
Trash removal	16,180	-	57,540	73,720
Utilities	435,184	-	244,170	679,354
Miscellaneous	8,638	-	14,937	23,575
Intercompany overhead charges*	25,221	-	(25,221)	-
Total expenses	2,935,097	55,146	1,644,486	4,634,729
Increase / (decrease) in net assets from operating activities	3,636,344	(55,146)	466,232	4,047,430
Non-operating				
Transfers to Drexel Endowment	(1,290,588)	-	(250,412)	(1,541,000)
Decrease in net assets from non-operating activities	(1,290,588)	-	(250,412)	(1,541,000)
Total increase / (decrease) in net assets	\$ 2,345,756	\$ (55,146)	\$ 215,820	\$ 2,506,430
Net assets, beginning of year	28,178,424	(474,331)	(1,735,375)	25,968,719
Net assets, end of year	\$ 30,524,180	\$ (529,477)	\$ (1,519,555)	\$ 28,475,149

* Amounts have been allocated to One Drexel Plaza from all other properties for report purposes.

Academic Properties, Inc.
Supplemental Schedule of Revenue and Expenses by Property Category
Year Ended June 30, 2018

	One Drexel Plaza	201 Cheswold Street	All Other Properties	Total
Operating				
Revenues:				
Rents				
Minimum lease payment, net	\$ 3,269,400	\$ -	\$ 1,813,941	\$ 5,083,341
Common area expense and utilities	3,687,672	-	7,553	3,695,225
Interest	-	-	12,643	12,643
Management fee income, affiliate	-	-	200,400	200,400
Miscellaneous	449,545	-	133,842	583,387
Total revenues	7,406,617	-	2,168,379	9,574,996
Expenses:				
Depreciation and amortization	360,299	-	655,168	1,015,467
Dues and licenses	1,563	-	3,473	5,036
Payroll and payroll taxes	564,696	48,247	134,170	747,113
Employee benefits	241,619	4,032	35,183	280,834
Insurance	138,212	-	44,391	182,603
Office	10,642	-	18,859	29,501
Professional development	19,247	-	2,482	21,729
Professional fees	49,922	-	2,592	52,514
Property taxes	120,090	-	-	120,090
Repairs and maintenance	1,440,312	-	521,340	1,961,652
Security	367,614	-	28,519	396,133
Taxes other	28,681	-	25,991	54,672
Telephone	21,459	-	23,533	44,992
Trash removal	17,512	-	59,616	77,128
Utilities	464,320	-	215,346	679,666
Miscellaneous	(3,686)	-	11,549	7,863
Intercompany overhead charges*	31,146	-	(31,146)	-
Total expenses	3,873,648	52,279	1,751,066	5,676,993
Increase / (decrease) in net assets from operating activities	3,532,969	(52,279)	417,313	3,898,003
Non-operating				
Transfers to Drexel Endowment	(703,500)	-	(209,601)	(913,101)
Transfers to Community Center	-	-	(2,488,058)	(2,488,058)
(Loss) on Disposal of Schuykill Yards Properties	(5,894,896)	-	-	(5,894,896)
Decrease in net assets from non-operating activities	(6,598,396)	-	(2,697,659)	(9,296,055)
Total decrease in net assets	\$ (3,065,427)	\$ (52,279)	\$ (2,280,346)	\$ (5,398,052)
Net assets, beginning of year	31,243,851	(422,052)	544,971	31,366,771
Net assets, end of year	\$ 28,178,424	\$ (474,331)	\$ (1,735,375)	\$ 25,968,719

* Amounts have been allocated to One Drexel Plaza from all other properties for report purposes.

Academic Properties, Inc.
Notes to the Supplement Schedules of Revenue and Expenses by Property Category
June 30, 2019 and 2018

1. Notes to the Supplemental Schedule of Revenue and Expenses by Property Category

The accompanying supplemental information includes the information related to certain properties owned by the Company as of June 30, 2019 and 2018 and the related statements of activities for the years then ended. It has been prepared in a manner consistent with generally accepted accounting principles and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplemental combining information is presented only for purposes of additional analysis and not as a presentation of the statement of activities.