Management Report

The Hollywood Partnership
For the period ended June 30, 2026

Prepared by
Lorin Lappin

Prepared on
July 9, 2026

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FABIO VASCO, CPA, INC. *Member: AICPA & CALCPA Society*
CPA and Business Consultant *Licensed by the CA Board of Accountancy*

To Management of
To the Board of Directors of
HOLLYWOOD PROPERTY OWNERS ALLIANCE
Hollywood, CA 90028

Management is responsible for the accompanying financial statements of the Hollywood Property Owners Alliance (a 501(c)(6) nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2026, the related statement of activities and cash flows for the six (6) months then ended in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in the Accounts Receivable Aging Summary schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to my compilation engagement. I have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

FVasco.
Certified Public Accountant
July 10, 2026

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The Hollywood Partnership

Statement of Financial Position

As of June 30, 2026

	TOTAL
ASSETS	
Current Assets	
Cash and Cash Equivalents - Restricted Cash Accounts	
101 CNB Checking HED 19-28 (6560)	75,000
102 CNB Checking HED 19-28 Sweep (6560)	5,705,298
103 CNB Line of Credit HED 19-28 LC (6056)	2,602
104 CNB Petty Cash HED 19-28 (7200)	1,560
105 CNB MM HED 09-18 (7073)	97,500
110 Bill.com Money In Clearing	(2)
Total Cash and Cash Equivalents - Restricted Cash Accounts	**$5,881,958**
Accounts Receivable	
120 Accounts Receivable	
120.1 Accounts Receivable - General	540,013
120.2 Accounts Receivable - Alley	2,015
120.7 Accounts Receivable - TDOZ	8,757
121.1 Accounts Receivable - General Prior Years	1,052,732
121.2 Accounts Receivable - Alley Prior Years	976
121.3 Accounts Receivable - Direct Billing Prior Years	4,974
121.5 Accounts Receivable - TDOZ Prior Years	8,757
122.1 Allowance for Doubtful Accounts	(860,616)
Total 120 Accounts Receivable	**757,609**
Total Accounts Receivable	**$757,609**
Other Current Assets	
123 Dividend Receivable	10,427
145 Prepaid Expenses	30,105
199 Bill.com Payment in transit	11,854
Total Other Current Assets	**$52,386**
Total Current Assets	**$6,691,954**

The Hollywood Partnership

Statement of Financial Position

As of June 30, 2026

	TOTAL
Fixed Assets	
150 Furniture, Fixture, & Equipment	133,825
150.1 Accumulated Depreciation - Furniture, Fixture, & Equipment	(68,695)
Total Fixed Assets	**$65,130**
Non-Current Assets	
140 Deposits	29,881
161 Right of Use Lease - Massandra Harbor Hollywood Owners LLC	
161.1 Right of Use Asset - Massandra Harbor Hollywood Owner, LLC	582,845
161.2 Accumulated Amortization - ROU Lease Liability - Massandra Harbor Hollywood Owner LLC	(582,845)
161.3 Right of Use Asset - Massandra Harbor Hollywood Owner, LLC - Apr 26-Apr 27	166,624
Total 161 Right of Use Lease - Massandra Harbor Hollywood Owners LLC	**166,624**
162 Right of Use Lease - Hollywood Studios LLC (Dispatch Center)	
162.1 Right of Use Asset - Dispatch Center Lease	259,404
162.2 Accumulated Amortization - ROU Lease Liability - Dispatch Center	(259,404)
162.3 Right of Use Asset - Dispatch Center Lease - Mar 26-Feb 29	273,020
Total 162 Right of Use Lease - Hollywood Studios LLC (Dispatch Center)	**273,020**
Total Non-Current Assets	**$469,525**
TOTAL ASSETS	**$7,226,609**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 Accounts Payable	581,588
Total Accounts Payable	**$581,588**
Credit Cards	
106 Capital One Spark Cash Plus (2173)	16,206
Total Credit Cards	**$16,206**
Other Current Liabilities	
201 Accrued Vacation	125,104
203 Accrued Expenses	500,699
212 401K - Contributions Payable	7,529
213 Payroll Deductions Liabilities	(3,108)
225 Payroll Tax Liabilities	(103)
281 Due to/from 501c3	(2,920)
Total Other Current Liabilities	**$627,201**
Total Current Liabilities	**$1,224,995**

The Hollywood Partnership

Statement of Financial Position

As of June 30, 2026

	TOTAL
Long-Term Liabilities	
207 Lease Liabilities - Massandra Harbor Hollywood Owner LLC - Apr 26-Apr 27	166,624
208 Lease Liabilities - Dispatch Center - Mar 26-Feb 29	274,480
Total Long-Term Liabilities	**$441,104**
Total Liabilities	**$1,666,099**
Equity	
300 Opening Balance Equity	1,150,768
303 Retained Earnings	(15,396)
Net Revenue	4,425,137
Total Equity	**$5,560,510**
TOTAL LIABILITIES AND EQUITY	**$7,226,609**

Note

1. Sweep Account - City National Bank Deposit Sweep Program held by different "Program-Banks" each with balances under $250,000.

2. Accounts Receivable - The amount represents outstanding receivables as of 6-30-2026.

3 Dividend Receivables - Amount includes accrued income on sweep account for 6-30-2026.

4. Prepaid Expenses - Amount includes prepaid insurance premiums for remaining 2025-2026 policy period 6922 office rent and staff parking for July 2026.

5. Accrued Expenses - Amounts includes Block by Block contract services and legal retainer for June.

6. Contributions Payables - Amount includes 401k contribution cleared in July 2026.

7. ASC 842 Right-of-Use Asset Accounting - Required lease obligation accounting for office space leases for Hollywood Studios, LLC & Massandra Harbor Hollywood Owner, LLC

The Hollywood Partnership

Statement of Cash Flows

June 2026

	TOTAL
OPERATING ACTIVITIES	**$3,833,971**
INVESTING ACTIVITIES	**$15,955**
FINANCING ACTIVITIES	**$ (23,568)**
NET CASH INCREASE FOR PERIOD	**$3,826,357**
Cash at beginning of period	2,055,601
CASH AT END OF PERIOD	**$5,881,958**

The Hollywood Partnership

Accounts Receivable Aging Summary

As of June 30, 2026

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
City of Los Angeles	550,786				0	$550,786
City of Los Angeles - Prior Years					206,824	$206,824
TOTAL	**$550,786**	**$0**	**$0**	**$0**	**$206,824**	**$757,609**

	2026	**2025**	**2024**	**2023**	**2022 & Older**	**Allowance for Doubtful Accounts**	**Total**
Govt Parcels	243,462	130,035	127,672	122,570	480,343	(860,616)	243,465
Non-Govt Parcels	296,552	100,271	76,989	8,749	6,103		488,664
Alley	2,015	766	210		-		2,991
EaCa Alley	-		-	-	-		-
TDOZ	8,757	8,757	-	-	-		17,515
Direct Billing	-	4,974	-	-	-		4,974
General Benefit	-						-
Grand Total	**550,786**	**244,803**	**204,871**	**131,319**	**486,446**	**(860,616)**	**757,609**

The Hollywood Partnership

Statement of Activities: FY26 Budget vs. Actuals

January - June, 2026

	TOTAL			
	ACTUAL	BUDGET	REMAINING	% REMAINING
Revenue				
400 General Assessment Revenue	8,313,096	8,315,339	2,243	0.00 %
401 General Benefit Revenue	278,628	278,628	0	0.00 %
403 Alley Assessment Revenue	100,392	100,392	(0)	(0.00 %)
404 General Benefit Revenue - Alley	2,574	2,574	0	0.00 %
405 EaCa Alley Assessment Revenue	44,157	44,157	(0)	(0.00 %)
406 Tourism Assessment Revenue	245,000	245,000	0	0.00 %
Total Revenue	**$8,983,847**	**$8,986,090**	**$2,243**	**0.00 %**
GROSS PROFIT	**$8,983,847**	**$8,986,090**	**$2,243**	**0.00 %**
Expenditures				
601 Goal 1	3,014,553	6,031,143	3,016,590	50.00 %
602 Goal 2	17,942	98,250	80,308	82.00 %
603 Goal 3	99,320	218,850	119,530	55.00 %
604 Goal 4	84,817	118,850	34,033	29.00 %
620.1 Alley Expenses	41,198	111,626	70,428	63.00 %
620.2 EaCa Alley Expenses	25,257	115,023	89,766	78.00 %
620.3 TDOZ Expenses	83,242	245,000	161,758	66.00 %
630 Personnel & Benefits	945,634	1,865,980	920,346	49.00 %
650 Admin & Overhead	218,198	398,801	180,603	45.00 %
670 Management	55,798	331,163	275,365	83.00 %
700 Other Expenses	38,440		(38,440)	
Total Expenditures	**$4,624,398**	**$9,534,686**	**$4,910,288**	**51.00 %**
NET OPERATING REVENUE	**$4,359,448**	**$ (548,596)**	**$ (4,908,044)**	**895.00 %**
Other Revenue				
410 Interest Income - LA City	10,003		(10,003)	
411 Interest Income - Bank	43,756		(43,756)	
413 Penalty Income - Assessments	11,929		(11,929)	
Total Other Revenue	**$65,689**	**$0**	**$ (65,689)**	**0%**
NET OTHER REVENUE	**$65,689**	**$0**	**$ (65,689)**	**0%**
NET REVENUE	**$4,425,137**	**$ (548,596)**	**$ (4,973,733)**	**907.00 %**