

**GREATER LOCKPORT
DEVELOPMENT CORPORATION**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2025

Table of Contents

December 31, 2025

Independent Auditors' Report

Financial Statements

Consolidated Balance Sheets
Consolidated Statements of Activities
Consolidated Statements of Functional Expenses
Consolidated Statements of Cash Flows

Notes to Consolidated Financial Statements

Supplementary Information

Consolidating Balance Sheet
Consolidating Statement of Activities

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report on Compliance with Section 2925(3)(f) of the New York State Public Authorities Law

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Greater Lockport Development Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated balance sheets of Greater Lockport Development Corporation (the Corporation) as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as of December 31, 2025 and 2024, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Substantial Doubt About the Entity's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming the Corporation will continue as a going concern. As discussed in Note 10 to the consolidated financial statements, the Corporation has a debt payment of \$2,372,000 due in November 2026. As of December 31, 2025, the Corporation does not have sufficient liquid resources available to satisfy the repayment requirement, which raises substantial doubt about the Corporation's ability to continue as a going concern. Management's plans regarding these matters are also described in Note 10. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Supplementary Information

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2026 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Lynden & McCormick, LLP". The signature is written in a cursive, flowing style.

September 21, 2026

GREATER LOCKPORT DEVELOPMENT CORPORATION

Consolidated Balance Sheets

December 31,	2025	2024
Assets		
Cash and cash equivalents	\$ 1,396,331	\$ 1,511,083
Grants, interest, and other receivables	73,319	25,784
Notes receivable (Note 2)	322,196	165,842
Prepaid expenses and other	60,176	55,603
Property, net (Note 3)	4,189,061	4,459,926
	\$ 6,041,083	\$ 6,218,238
Liabilities		
Accounts payable and accrued expenses	\$ 72,666	\$ 29,430
Refundable advances	59,629	10,667
Due to City of Lockport (Note 5)	-	75,000
Security deposits	69,949	67,162
Long-term debt (Note 6)	2,499,744	2,683,381
	2,701,988	2,865,640
Net assets		
With donor restrictions	132,859	146,782
Without donor restrictions	3,206,236	3,205,816
	3,339,095	3,352,598
	\$ 6,041,083	\$ 6,218,238

See accompanying notes.

GREATER LOCKPORT DEVELOPMENT CORPORATION

Consolidated Statements of Activities

For the years ended December 31,	2025	2024
Changes in net assets without donor restrictions:		
Revenues and support:		
Lease and occupancy income	\$ 1,095,926	\$ 1,066,024
Contributions and grants	70,854	107,814
Interest from loans	11,795	-
Other income and fees	103,470	64,228
Net assets released from restrictions	752,393	908,695
Total revenues and support	<u>2,034,438</u>	<u>2,146,761</u>
Expenses:		
Program:		
Economic development and revitalization	696,810	659,444
Lease operations	1,097,965	984,368
General and administrative	239,243	246,263
Total expenses	<u>2,034,018</u>	<u>1,890,075</u>
Change in net assets without donor restrictions	<u>420</u>	<u>256,686</u>
Changes in net assets with donor restrictions:		
Contributions	738,470	798,694
Net assets released from restrictions	(752,393)	(908,695)
Change in net assets with donor restrictions	<u>(13,923)</u>	<u>(110,001)</u>
Change in net assets	(13,503)	146,685
Net assets - beginning	<u>3,352,598</u>	<u>3,205,913</u>
Net assets - ending	\$ 3,339,095	\$ 3,352,598

See accompanying notes.

GREATER LOCKPORT DEVELOPMENT CORPORATION

Consolidated Statement of Functional Expenses

For the year ended December 31, 2025

	Program		General and Administrative	Total
	Economic Development and Revitalization	Lease Operations		
Employee wages and benefits	\$ 136,953	\$ 203,152	\$ 7,208	\$ 347,313
Grants	433,071	-	-	433,071
Property management	1,519	208,431	48,085	258,035
Repairs and maintenance	22,525	113,815	-	136,340
Property taxes	-	57,501	-	57,501
Insurance	-	68,595	7,763	76,358
Commissions	-	-	36,997	36,997
Professional fees	7,019	-	84,571	91,590
Marketing and advertising	-	-	14,133	14,133
Events	13,400	-	407	13,807
Interest	-	93,997	221	94,218
Depreciation	79,383	341,629	-	421,012
Other expenses	2,940	10,845	39,858	53,643
	\$ 696,810	\$ 1,097,965	\$ 239,243	\$ 2,034,018

See accompanying notes.

GREATER LOCKPORT DEVELOPMENT CORPORATION

Consolidated Statement of Functional Expenses

For the year ended December 31, 2024

	Program		General and Administrative	Total
	Economic Development and Revitalization	Lease Operations		
Employee wages and benefits	\$ 113,004	\$ 183,669	\$ 5,948	\$ 302,621
Grants	413,981	-	-	413,981
Property management	1,439	147,930	48,644	198,013
Repairs and maintenance	11,530	66,145	-	77,675
Property taxes	-	74,037	-	74,037
Insurance	-	57,823	5,382	63,205
Commissions	-	-	37,556	37,556
Professional fees	26,990	-	109,513	136,503
Marketing and advertising	-	-	12,599	12,599
Events	5,575	-	-	5,575
Interest	4	100,803	142	100,949
Depreciation	79,383	333,264	-	412,647
Other expenses	7,538	20,697	26,479	54,714
	<u>\$ 659,444</u>	<u>\$ 984,368</u>	<u>\$ 246,263</u>	<u>\$ 1,890,075</u>

See accompanying notes.

GREATER LOCKPORT DEVELOPMENT CORPORATION

Consolidated Statements of Cash Flows

For the years ended December 31,	2025	2024
Operating activities:		
Change in net assets	\$ (13,503)	\$ 146,685
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	421,012	412,647
Changes in other assets and liabilities:		
Grants, interest, and other receivables	(47,535)	18,730
Notes receivable	(156,354)	(64,507)
Prepaid expenses and other	(4,573)	8,260
Accounts payable and accrued expenses	43,236	(221,549)
Refundable advances	48,962	4,509
Due to City of Lockport	(75,000)	-
Security deposits	2,787	(4,566)
Net operating activities	219,032	300,209
Investing activities:		
Property expenditures	(150,147)	(202,455)
Financing activities:		
Payments on long-term debt	(183,637)	(176,831)
Net change in cash and cash equivalents	(114,752)	(79,077)
Cash and cash equivalents - beginning	1,511,083	1,590,160
Cash and cash equivalents - ending	\$ 1,396,331	\$ 1,511,083

See accompanying notes.

Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies:

Organization

Greater Lockport Development Corporation (GLDC) is a nonprofit organization and the financial statements include its related but separate entities, 210 Walnut Street, LLC (210 Walnut) and Lockport Locks Heritage District Corporation (Lockport Locks) (collectively, the Corporation). GLDC is the sole member of 210 Walnut, which was formed to own and manage industrial rental property acquired by GLDC through foreclosure proceedings. In 2014, GLDC created Lockport Locks as a nonprofit entity established to attract investment and stimulate the economic revitalization of Lockport's Erie Canal Corridor. All significant inter-entity accounts and transactions have been eliminated.

The principal purpose of the Corporation is to aid the efforts of the Economic Development Program of the City of Lockport, New York (the City). The Corporation administers loan programs to create favorable conditions for City enterprises to expand or locate businesses engaged in the manufacturing, assembling, wholesaling, or retailing of goods or services. Further, it provides financing for capital improvements, equipment, or working capital, where such financing will assist in creating employment opportunities for persons of low and moderate income or assist in the elimination of slums and/or blight in the City.

The Corporation's funding was established through grants awarded by the United States Department of Housing and Urban Development (HUD) through the Urban Development Action Grant (UDAG) and Community Development Block Grant for Small Cities (CDBG) programs. The Corporation has the right to re-use principal repayments and interest income for the furtherance of its mission.

Net Assets

The Corporation's financial position and activities are reported according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Net assets with donor restrictions are those whose use has been limited by donors to a specific time, period, or purpose, or to be maintained by the Corporation in perpetuity. At December 31, 2025 and 2024, certain contributions are restricted for investments in property, improvements, and equipment.

Cash and Cash Equivalents

Cash in financial institutions may exceed insured limits at various times during the year and subject the Corporation to concentrations of credit risk. The Corporation considers all highly liquid investments with original maturities of three months or less at the date of acquisition to be cash equivalents.

Receivables

Receivables are stated at the principal amount outstanding, net of an allowance for estimated credit losses. The allowance method is used to compute the provision for uncollectible amounts.

Determination of the balance of the allowance for estimated credit losses is based on an analysis of outstanding receivables and reflects an amount that, in management's judgment, is adequate to provide for potential losses. Amounts are written off when, in management's judgment, no legal recourse is available to collect the amount owed.

Contributions

Contributions, including government grants, are reported at fair value at the date the contribution or pledge is made. Contributions are recorded as restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions whose stipulated purpose restriction is accomplished in the same reporting period as received are reported as increases in net assets without donor restrictions.

The entities periodically receive contributions in the form of grants from State and local governments which contain various conditions. To the extent expenditures have been incurred and the conditions are met, government grant revenue is recognized. Any funding received before required conditions are met is reported as a refundable advance on the accompanying consolidated balance sheets.

Leases

The Corporation recognizes leases and occupancy income over the monthly rental periods. All leases between the Corporation and its tenants are operating leases.

Functional Expenses

The Corporation's costs of providing its services have been summarized on a functional basis in the accompanying consolidated statements of functional expenses. Accordingly, a majority of costs are specifically identified and charged to the functions they benefit with the remaining costs allocated based on employee time and effort.

Property

Property is stated at cost or fair value at date of donation, net of accumulated depreciation. Depreciation is computed by the straight-line method over estimated service lives. Maintenance and repairs are charged to operations as incurred; significant improvements are capitalized.

Certain property is known to contain asbestos. The Corporation is obligated to remediate the asbestos upon the related assets' retirement, disposal, or sale. The fair value of the liability cannot currently be estimated with reasonable certainty. Additionally, the property is expected to be maintained through repair and maintenance activities that would not involve the removal of the asbestos. The need for major renovations caused by technology changes, operational changes, or other factors has not been identified.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Income Taxes

GLDC and Lockport Locks are 501(c)(3) organizations exempt from Federal income taxes under §501(a) of the Internal Revenue Code. 210 Walnut is considered a disregarded entity for tax purposes.

Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure in the financial statements through September 21, 2026, the date the financial statements were available to be issued.

2. Notes Receivable:

In 2023, GLDC entered into a loan agreement with a commercial organization for \$734,000, including a \$367,000 term loan bearing interest at 75% of the prime rate (5.62% as of December 31, 2025) to be repaid over a seven-year term. The remaining \$367,000 is a deferred loan and will be forgiven if certain conditions are met, as set forth in the agreement. If the conditions are not met, the deferred loan becomes due and payable at the end of the seven-year term. As of December 31, 2025, \$101,335 has been disbursed to the organization and is fully reserved.

In 2024, GLDC entered into a loan agreement with a commercial organization for \$734,000, including a \$367,000 term loan bearing interest at 4% to be repaid over a five-year term. The remaining \$367,000 will be a deferred loan and will be forgivable if certain conditions are met, as set forth in the agreement. If the conditions are not met, the deferred loan becomes due and payable at the end of the five-year term. The deferred loan has an allowance of \$367,000. The net balance of loans receivable totals \$322,196 at December 31, 2025.

Principal and interest of \$81,000 is expected to be received annually through April 2030.

3. Property:

	2025	2024
Buildings and improvements	\$ 8,594,401	\$ 8,444,254
Accumulated depreciation	(4,405,340)	(3,984,328)
	<u>\$ 4,189,061</u>	<u>\$ 4,459,926</u>

4. Short-Term Borrowings:

GLDC has available a \$25,000 bank demand line of credit with interest payable at prime plus 2.25% and has available a \$175,000 working capital loan, with interest only payments for up to 12 months at prime plus 1.75%. The borrowings are secured by all assets of the Corporation. No amounts were outstanding at December 31, 2025 and 2024.

5. Due to City of Lockport:

In 2023, GLDC borrowed \$75,000, non-interest bearing, from the City of Lockport for cash flow purposes. During 2025, GLDC received grant reimbursements of \$75,000 and repaid the City.

6. Long-Term Debt:

	2025	2024
210 Walnut bank term loan with monthly payments of \$20,882 including interest at 3.7%, balloon payment of \$2,114,488 due November 2026, guaranteed by assets of the Corporation.	\$ 2,227,984	\$ 2,391,641
210 Walnut term loan through Niagara Economic Development Fund with monthly payments of \$2,254 including interest at 2.5% through October 2026 with final balloon payment of \$256,977 due November 2026, secured by a second security interest in 210 Walnut's assets.	271,760	291,740
	<u>\$ 2,499,744</u>	<u>\$ 2,683,381</u>

The bank loan agreement requires compliance with certain covenants. As of December 31, 2025, the Corporation was not in compliance with the debt service coverage ratio covenant required by the agreement (Note 10).

7. Lease Income:

210 Walnut leases space, with a net carrying value of \$2,780,000, to various companies under the terms of non-cancellable operating leases. Lease and occupancy income for 2025 and 2024, including month-to-month leases, was \$1,095,926 and \$1,066,024. Future minimum payments to be received subsequent to December 31, 2025 are:

2026	\$ 811,069
2027	246,206
2028	166,904
2029	82,176
Thereafter	57,658
	<u>\$ 1,364,013</u>

8. Cash Flows Information:

Cash flows from operating activities reflect cash payments for interest of \$94,218 in 2025 and \$100,949 in 2024.

9. Financial Resources Available for Operations:

The Corporation obtains financial assets generally through government grants and rental income. The financial assets are acquired throughout the year to meet the Corporation's cash needs for general expenditures. If necessary, the Corporation also has access to \$200,000 of bank financing (Note 4).

The Corporation's unrestricted financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consist of the following at December 31:

	2025	2024
Cash and cash equivalents	\$ 1,193,523	\$ 1,297,139
Grants, interest, and other receivables	73,319	32,044
	<u>\$ 1,266,842</u>	<u>\$ 1,329,183</u>

10. Financial Outlook:

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America which contemplate the realization of assets and the satisfaction of liabilities and commitments in the normal course of business.

Management has entered into discussions with its lending institution regarding refinancing the bank term loan (Note 6) and expects to complete the refinancing prior to the maturity date. However, as of the date of issuance of these financial statements, the refinancing is uncertain.

The accompanying consolidated financial statements have been prepared assuming the Corporation will continue as a going concern; however, the above conditions raise substantial doubt about the Corporation's ability to do so. The consolidated financial statements do not include any adjustments to reflect the future effects on the recoverability and classification of assets or amounts and classifications of liabilities that may result should the Corporation be unable to continue as a going concern.

GREATER LOCKPORT DEVELOPMENT CORPORATION

Supplementary Information
Consolidating Balance Sheet

December 31, 2025

	GLDC	210 Walnut	Lockport Locks	Eliminations	Consolidated
Assets					
Cash and cash equivalents	\$ 73,747	\$ 1,056,155	\$ 266,429	\$ -	\$ 1,396,331
Grants, interest, and other receivables	59,436	13,787	96	-	73,319
Notes receivable	322,196	-	-	-	322,196
Prepaid expenses and other	-	57,043	3,133	-	60,176
Loan receivable	618,348	-	-	(618,348)	-
Property, net	-	2,875,005	1,314,056	-	4,189,061
	<u>\$ 1,073,727</u>	<u>\$ 4,001,990</u>	<u>\$ 1,583,714</u>	<u>\$ (618,348)</u>	<u>\$ 6,041,083</u>
Liabilities:					
Accounts payable and accrued expenses	\$ 67,210	\$ 1,360	\$ 4,096	\$ -	\$ 72,666
Refundable advances	-	59,629	-	-	59,629
Security deposits	-	69,949	-	-	69,949
Long-term debt	-	3,118,092	-	(618,348)	2,499,744
	<u>67,210</u>	<u>3,249,030</u>	<u>4,096</u>	<u>(618,348)</u>	<u>2,701,988</u>
Net assets:					
With donor restrictions	-	-	132,859	-	132,859
Without donor restrictions	1,006,517	752,960	1,446,759	-	3,206,236
	<u>1,006,517</u>	<u>752,960</u>	<u>1,579,618</u>	<u>-</u>	<u>3,339,095</u>
	<u>\$ 1,073,727</u>	<u>\$ 4,001,990</u>	<u>\$ 1,583,714</u>	<u>\$ (618,348)</u>	<u>\$ 6,041,083</u>

GREATER LOCKPORT DEVELOPMENT CORPORATION

Supplementary Information
Consolidating Statement of Activities

For the year ended December 31, 2025

	GLDC	210 Walnut	Lockport Locks	Eliminations	Consolidated
Changes in net assets without donor restrictions:					
Revenues and support:					
Lease and occupancy income	\$ (306)	\$ 1,096,232	\$ -	\$ -	\$ 1,095,926
Contributions and grants	-	-	70,854	-	70,854
Interest from loans	36,529	-	-	(24,734)	11,795
Other income and fees	73,664	15,659	36,147	(22,000)	103,470
Net assets released from restrictions	694,016	-	58,377	-	752,393
Total revenues and support	803,903	1,111,891	165,378	(46,734)	2,034,438
Expenses:					
Program:					
Economic development and revitalization	593,973	-	112,837	(10,000)	696,810
Lease operations	-	1,097,965	-	-	1,097,965
General and administrative	112,318	115,664	47,995	(36,734)	239,243
Total expenses	706,291	1,213,629	160,832	(46,734)	2,034,018
Change in net assets without donor restrictions	97,612	(101,738)	4,546	-	420
Change in net assets with donor restrictions:					
Contributions	694,016	-	44,454	-	738,470
Net assets released from restrictions	(694,016)	-	(58,377)	-	(752,393)
Change in net assets with donor restrictions	-	-	(13,923)	-	(13,923)
Change in net assets	97,612	(101,738)	(9,377)	-	(13,503)
Net assets - beginning	908,905	854,698	1,588,995	-	3,352,598
Net assets - ending	\$ 1,006,517	\$ 752,960	\$ 1,579,618	\$ -	\$ 3,339,095

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Directors
Greater Lockport Development Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated balance sheet of Greater Lockport Development Corporation (the Corporation), a nonprofit organization, as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 21, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Lynden & McCormick, LLP". The signature is written in a cursive, flowing style.

September 21, 2026

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SECTION 2925(3)(f) OF THE NEW YORK STATE PUBLIC AUTHORITIES LAW

The Board of Directors
Greater Lockport Development Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of Greater Lockport Development Corporation (the Corporation), a nonprofit organization, as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated September 21, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the Corporation failed to comply with §2925(3)(f) of the New York State Public Authorities Law regarding investment guidelines during the year ended December 31, 2025. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Corporation's noncompliance with the above rules and regulations.

The purpose of this report is solely to describe the scope and results of our testing. This communication is not suitable for any other purpose.



September 21, 2026