COMMUNITY SOLUTIONS INTERNATIONAL, INC.
AND SUBSIDIARIES
D/B/A COMMUNITY SOLUTIONS, INC.

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

For the Years Ended December 31, 2025 and 2024

COMMUNITY SOLUTIONS INTERNATIONAL, INC.
AND SUBSIDIARIES
D/B/A COMMUNITY SOLUTIONS, INC.

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CBIZ CPAs P.C.

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Independent Auditors' Report

To the Board of Directors of
Community Solutions International, Inc. and Subsidiaries
d/b/a Community Solutions, Inc.

Opinion

We have audited the consolidated financial statements of Community Solutions International, Inc. and Subsidiaries d/b/a Community Solutions, Inc. (the "Organization"), which comprise the consolidated statements of financial position 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 consolidated financial statements.

In our opinion, based on our audits and the reports of the other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Swift Factory, LLC and Swift Factory Master Tenant LLC, which statements reflect total assets of $56,797,425 (32%) as of December 31, 2025, and total revenues of $10,739,276 (37%) for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Swift Factory, LLC and Swift Factory Master Tenant LLC, is based solely on the reports of the other auditors. For the year ended December 31, 2024, we did not audit the financial statements of Swift Factory, LLC and Swift Factory Master Tenant LLC, which statements reflect total assets of $56,257,104 (27%) and total revenues of $2,166,840 (8%) for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Swift Factory, LLC and Swift Factory Master Tenant LLC, is based solely on the reports of the other auditors.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of the Organization 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.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Organization'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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of individual analysis of the consolidated financial statements rather than to present the financial position and results of operations of individual entities 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the consolidating information, which insofar as it relates to Swift Factory, LLC and Swift Factory Master Tenant LLC as of and for the years ended December 31, 2025 and December 31, 2024, is based on the reports of other auditors, is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CBIZ CPAs P.C.

New York, New York
August 20, 2026

COMMUNITY SOLUTIONS INTERNATIONAL, INC. AND SUBSIDIARIES
D/B/A COMMUNITY SOLUTIONS, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 7,079,300	$ 12,381,600
Contributions receivable, net	14,406,132	32,128,863
Rent receivable, net of allowance for uncollectible receivables of $133,641 and $25,325 in 2025 and 2024, respectively	261,644	175,277
Other receivables, net of allowance for uncollectible receivables of $82,350 in 2025 and 2024	856,625	875,518
Restricted cash	--	418,442
Escrow reserves	368,463	393,345
Investments	54,747,760	49,049,643
Prepaid expenses and other assets	502,347	505,496
Due from related parties	10,123,401	6,123,943
Loans receivable	11,948,993	27,373,368
Investment in CS Large Cities Housing Fund LP	14,000,000	14,000,000
Investment in 2929 Justina Road Holdings, LLC	6,947,401	7,593,500
Deferred rent receivable	99,471	91,949
Deferred leasing costs, net	25,083	26,051
Right-of-use asset, net of accumulated amortization	4,533,496	4,666,904
Property and equipment, net	53,224,946	53,141,314
Total Assets	$ 179,125,062	$ 208,945,213
Liabilities and Net Assets/Members' Equity		
Liabilities		
Accounts payable and accrued expenses	$ 3,304,867	$ 3,033,196
Security deposits payable	279,190	307,970
Due to related parties	666,408	415,833
Deferred revenue	1,454,808	29,050
Deferred rent	27,057	54,225
Loans payable, net	54,207,510	73,811,399
Total Liabilities	59,939,840	77,651,673
Commitments and Contingencies		
Net Assets/Members' Equity		
Without donor restrictions	74,952,145	67,377,212
Non-controlling members' interests in consolidated subsidiaries	--	673,276
Total without donor restrictions	74,952,145	68,050,488
With donor restrictions	44,233,077	63,243,052
Total Net Assets/Members' Equity	119,185,222	131,293,540
Total Liabilities and Net Assets/Members' Equity	$ 179,125,062	$ 208,945,213

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

COMMUNITY SOLUTIONS INTERNATIONAL, INC. AND SUBSIDIARIES
D/B/A COMMUNITY SOLUTIONS, INC.

CONSOLIDATED STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2025 and 2024

	For the Year Ended December 31, 2025			For the Year Ended December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support						
Governmental grants	$ --	$ --	$ --	$ 42,639	$ --	$ 42,639
Contributions	1,333,218	5,338,970	6,672,188	832,099	8,884,764	9,716,863
Consulting income	398,542	--	398,542	318,580	--	318,580
Development and management fees	5,762,187	--	5,762,187	7,097,240	--	7,097,240
Rental income	4,647,720	--	4,647,720	4,971,374	--	4,971,374
Insurance proceeds	--	--	--	17,802	--	17,802
Other income and gains	1,296,959	--	1,296,959	1,430,497	--	1,430,497
Investment activity	3,772,753	--	3,772,753	3,155,069	--	3,155,069
Net assets released from donor restrictions	24,348,945	(24,348,945)	--	28,780,669	(28,780,669)	--
Total Revenues, Gains and Other Support	41,560,324	(19,009,975)	22,550,349	46,645,969	(19,895,905)	26,750,064
Expenses						
Program services:						
Built For Zero	20,493,960	--	20,493,960	23,153,737	--	23,153,737
Real estate projects	14,351,091	--	14,351,091	12,935,317	--	12,935,317
Total program services	34,845,051	--	34,845,051	36,089,054	--	36,089,054
Supporting services:						
Management and general	5,009,955	--	5,009,955	4,831,745	--	4,831,745
Fundraising	666,013	--	666,013	612,749	--	612,749
Total supporting services	5,675,968	--	5,675,968	5,444,494	--	5,444,494
Total Expenses	$ 40,521,019	$ --	$ 40,521,019	$ 41,533,548	$ --	$ 41,533,548
Non-Operating Activity						
Gain on equity transaction	7,181,725	--	7,181,725	--	--	--
Share of loss on equity investments	(646,097)	--	(646,097)	(406,500)	--	(406,500)
Change in Net Assets	7,574,933	(19,009,975)	(11,435,042)	4,705,921	(19,895,905)	(15,189,984)
Non-controlling members' interests in consolidated subsidiaries - beginning of year	673,276	--	673,276	1,149,312	--	1,149,312
Non-controlling members' interests in net loss of consolidated subsidiaries	(673,276)	--	(673,276)	(476,036)	--	(476,036)
Non-controlling members' interests in consolidated subsidiaries - end of year	--	--	--	673,276	--	673,276
Net Assets/Members' Equity - Beginning of Year	68,050,488	63,243,052	131,293,540	63,344,567	83,138,957	146,483,524
Net Assets/Members' Equity - End of Year	$ 74,952,145	$ 44,233,077	$ 119,185,222	$ 68,050,488	$ 63,243,052	$ 131,293,540

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

COMMUNITY SOLUTIONS INTERNATIONAL, INC. AND SUBSIDIARIES
D/B/A COMMUNITY SOLUTIONS, INC.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2025

	Program Services			Supporting Services			
	Built For Zero	Real Estate Projects	Total Program Services	Management and General	Fundraising	Total Supporting Services	2025 Total Expenses
Salaries	$ 6,839,170	$ --	$ 6,839,170	$ 2,251,629	$ 361,484	$ 2,613,113	$ 9,452,283
Payroll taxes and employee benefits	1,448,684	--	1,448,684	478,317	76,648	554,965	2,003,649
Salaries and Related Costs	8,287,854	--	8,287,854	2,729,946	438,132	3,168,078	11,455,932
Professional services	5,880,985	6,557,891	12,438,876	1,192,478	120,647	1,313,125	13,752,001
Occupancy	31,518	2,098,970	2,130,488	10,518	2,385	12,903	2,143,391
Travel and conference	720,274	5,874	726,148	38,050	56,980	95,030	821,178
Program expenses	926,735	88,051	1,014,786	--	--	--	1,014,786
Communication	211,769	30,301	242,070	56,806	15,058	71,864	313,934
Insurance	98,851	345,521	444,372	32,986	7,479	40,465	484,837
Office supplies and expenses	44,657	196,110	240,767	12,801	4,417	17,218	257,985
Printing and postage	5,110	486	5,596	1,141	6,032	7,173	12,769
Equipment purchases and rental	35,713	1,191	36,904	11,917	2,702	14,619	51,523
Real estate tax	--	212,723	212,723	--	--	--	212,723
Staff training and development	54,120	25	54,145	17,445	4,853	22,298	76,443
Depreciation and amortization	--	2,353,393	2,353,393	285,134	--	285,134	2,638,527
Interest	--	2,195,389	2,195,389	--	--	--	2,195,389
Subcontract expenses	4,188,836	200,000	4,388,836	--	--	--	4,388,836
Bad debts expense	--	--	--	489,939	--	489,939	489,939
Miscellaneous expenses	7,538	65,166	72,704	130,794	7,328	138,122	210,826
Total Expenses - 2025	$ 20,493,960	$ 14,351,091	$ 34,845,051	$ 5,009,955	$ 666,013	$ 5,675,968	$ 40,521,019

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

COMMUNITY SOLUTIONS INTERNATIONAL, INC. AND SUBSIDIARIES
D/B/A COMMUNITY SOLUTIONS, INC.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2024

	Program Services			Supporting Services			
	Built For Zero	Real Estate Projects	Total Program Services	Management and General	Fundraising	Total Supporting Services	2024 Total Expenses
Salaries	$ 7,446,483	$ --	$ 7,446,483	$ 2,307,616	$ 322,237	$ 2,629,853	$ 10,076,336
Payroll taxes and employee benefits	1,865,736	--	1,865,736	578,179	80,737	658,916	2,524,652
Salaries and Related Costs	9,312,219	--	9,312,219	2,885,795	402,974	3,288,769	12,600,988
Professional services	5,067,877	6,852,060	11,919,937	955,048	81,568	1,036,616	12,956,553
Occupancy	429,220	783,074	1,212,294	100,062	23,345	123,407	1,335,701
Travel and conference	840,057	1,085	841,142	30,962	48,525	79,487	920,629
Program expenses	1,322,803	3,604	1,326,407	--	--	--	1,326,407
Communication	202,673	29,699	232,372	36,147	10,773	46,920	279,292
Insurance	67,454	473,570	541,024	15,764	3,678	19,442	560,466
Office supplies and expenses	37,241	185,375	222,616	7,660	2,560	10,220	232,836
Printing and postage	6,741	1,578	8,319	419	5,384	5,803	14,122
Equipment purchases and rental	30,031	1,502	31,533	7,018	1,637	8,655	40,188
Real estate tax	--	322,169	322,169	--	--	--	322,169
Staff training and development	242,978	119	243,097	56,211	14,804	71,015	314,112
Depreciation and amortization	--	1,797,950	1,797,950	298,499	--	298,499	2,096,449
Interest	--	2,394,563	2,394,563	--	--	--	2,394,563
Subcontract expenses	5,578,927	25,000	5,603,927	--	--	--	5,603,927
Bad debts expense	--	--	--	365,605	--	365,605	365,605
Miscellaneous expenses	15,516	63,969	79,485	72,555	17,501	90,056	169,541
Total Expenses - 2024	$ 23,153,737	$ 12,935,317	$ 36,089,054	$ 4,831,745	$ 612,749	$ 5,444,494	$ 41,533,548

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

COMMUNITY SOLUTIONS INTERNATIONAL, INC. AND SUBSIDIARIES
D/B/A COMMUNITY SOLUTIONS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	$ (11,435,042)	$ (15,189,984)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	2,504,151	1,962,073
Amortization - right-of-use asset	133,408	133,408
Amortization of lease acquisition costs	968	968
Unrealized gain on investments	(2,110,411)	(1,160,984)
Decrease in discount to net present value on contributions receivable	(289,826)	(383,811)
Bad debt expense	489,939	365,605
Amortization of loan closing costs	375,288	159,063
Share of loss on equity investments	646,097	406,500
Net income attributable to noncontrolling interest	218,185	--
Gain on equity transaction	(7,181,725)	--
Changes in operating assets and liabilities:		
Contributions receivable	17,522,618	22,045,385
Rent receivable	(86,367)	(6,163)
Other receivables	18,893	(242,439)
Prepaid expenses and other assets	3,149	(127,366)
Due to/from related parties	(3,748,883)	(1,386,138)
Deferred rent receivable	(7,522)	(91,949)
Accounts payable and accrued expenses	271,671	42,282
Security deposits payable	(28,780)	(1,679)
Deferred rent	(27,168)	54,225
Deferred revenue	1,425,758	21,160
Net Cash (Used in) Provided by Operating Activities	(1,305,599)	6,600,156
Cash Flows from Investing Activities		
Proceeds from sale of investments	27,797,938	34,006,799
Purchases of property and equipment	(2,587,783)	(1,165,038)
Purchases of investments	(31,385,644)	(64,175,520)
Transfer of noncontrolling interest	(507,946)	--
Disbursements of loans receivable	(1,446,916)	--
Repayments on loans receivable	48,017	21,907
Net Cash Used in Investing Activities	$ (8,082,334)	$ (31,311,852)
Cash Flows from Financing Activities		
Proceeds from loans payable	$ 4,343,733	$ 7,398,617
Repayments on loans payable	(317,911)	(5,327,829)
Distribution to noncontrolling interest	(383,513)	--
Payments of loan issuance costs	--	(192,046)
Net Cash Provided by Financing Activities	3,642,309	1,878,742
Net Decrease in Cash and Cash Equivalents and Restricted Cash	(5,745,624)	(22,832,954)
Cash and Cash Equivalents and Restricted Cash - Beginning of Year	13,193,387	36,026,341
Cash and Cash Equivalents and Restricted Cash - End of Year	$ 7,447,763	$ 13,193,387
Reconciliation to Consolidated Statements of Financial Position:		
Cash and cash equivalents	$ 7,079,300	$ 12,381,600
Restricted cash	--	418,442
Escrow reserves	368,463	393,345
	7,447,763	13,193,387
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest, including capitalized interest	$ 2,024,320	$ 1,857,714
Noncash investing and financing transactions:		
Loans payable eliminated due to change in ownership	$ 24,004,999	$ --

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

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Community Solutions International, Inc. d/b/a Community Solutions, Inc. ("CSI") is a not-for-profit organization formed in 2011 with the primary mission of strengthening communities in an effort to end homelessness by building partnerships, sharing innovations and connecting vulnerable people to homes and support. CSI is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code ("IRC").

The accompanying consolidated financial statements include the accounts of CSI itself and its consolidated subsidiaries (collectively, the "Organization") and related parties as listed below:

- Community Solutions 519 Rockaway Ave, Inc. ("CS Rockaway"), a wholly-owned subsidiary of CSI formed in 2014, consists of a 14,000 square-foot building and lot and is a rental facility of space to tenants. CS Rockaway is exempt from income tax under Section 501(c)(2) of the IRC.

- CS Swift, LLC ("CS Swift"), a Connecticut limited liability company, was formed on October 17, 2014 and organized with CSI as its sole member. CS Swift holds a controlling, 90% interest in Swift Factory, LLC ("Swift Factory"). During 2025, CS Swift assigned its 1% non-controlling interest in Swift Factory Master Tenant, LLC to CSI, which holds 10% interest in Swift Factory.

- Swift Factory, LLC, a Connecticut limited liability company, was formed on October 17, 2014 for the purpose of rehabilitating, maintaining, leasing, and selling or otherwise disposing of its leasehold interest in four historic buildings located at 10 & 60 Love Lane, Hartford, Connecticut, commonly known as the Swift Factory (the "Property"). The Property is being renovated as a historic rehabilitation project to generate federal historic tax credits ("HTCs") and State of Connecticut historic tax credits ("State HTCs," and collectively with the HTCs, the "Tax Credits") in accordance with Sections 47 and 50 of the IRC and Section 10-416c of the Connecticut General Statutes, respectively. Swift Factory is further intended to qualify as a qualified active low-income community business pursuant to the New Markets Tax Credit ("NMTC") Program under Section 45D of the IRC.

On May 4, 2018, Swift Factory, LLC as the lessor, and Master Tenant as the lessee, executed an Amended and Restated Master Lease Agreement (the "Master Lease"), pursuant to which Swift Factory elected under Section 50 of the IRC to pass-through to Master Tenant the HTCs to which Swift Factory is otherwise entitled because of the rehabilitation of the Property.

The Property was formerly held by a related party, North Hartford Partnership Inc. and Affiliates ("NHP"). During 2015, the properties were transferred to Swift Factory, LLC by NHP (see Note 16A), and the rehabilitation of the Property commenced in 2018.

- Master Tenant, a Connecticut limited liability company, was formed on December 22, 2017. The primary purpose of Master Tenant is to lease the Property, and to maintain, operate and sell or otherwise dispose of its leasehold interest in the Property in accordance with Sections 47 and 50 of the IRC and Section 10-416c of the Connecticut General Statutes, respectively.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (CONTINUED)

- CS North Capitol Commons LLC ("CSNCC"), with CSI as the sole member, holds a non-controlling, 51% interest in North Capitol Commons GP, LLC ("NCC GP"), which holds a .009% interest in North Capitol Commons LP (the "North Capitol Project"). CSNCC is a disregarded entity of CSI for federal and state income tax purposes, therefore the activities of CSNCC are included in the CSI column in the accompanying supplementary consolidating information. The consolidated financial statements reflect the activity of CSNCC; however, the North Capitol Project does not meet the requirements for consolidation. CSNCC's interest in NCC GP is not material to the consolidated financial statements. See Note 16B for further discussion regarding the North Capitol Project.

- CS Abrigo Management LLC ("CS Abrigo") was incorporated as a wholly owned subsidiary of CSI. As of March 21, 2018, CSI became an ordinary member and owns 10% of Vesta CO LLC d/b/a Abrigo Apartments ("Vesta"). CS Abrigo was dissolved in January 2024.

- 12170 East 30th Avenue LLC (The "Abrigo Apartments"), a wholly owned entity of CSI, was formed in 2023 to acquire a real estate property in Colorado. The property reserves two-thirds of its 66 units for veterans exiting homelessness. Abrigo Apartments is a disregarded entity of CSI for federal and state income tax purposes.

- Vincent's Legacy, LLC ("Vincent's Legacy"), a New Mexico limited liability company, was formed on December 1, 2020 and organized with CSI as its sole member, to own, develop, lease, sell, finance, manage and operate the real property it owns, located on South St. Francis Drive, Santa Fe, New Mexico. Vincent's Legacy is a disregarded entity of CSI for federal and state income tax purposes, therefore the activities of Vincent's Legacy are included in the CSI column in the accompanying supplementary consolidating information.

- Vesta Atlanta LLC ("Vesta Atlanta"), a Georgia limited liability company, was formed on December 22, 2020 with CSI as its sole member, to acquire certain real property located in Fulton County, Georgia. The property, consisting of land and all improvements and related amenities known as "Centra Villa Apartments," was purchased in February 2021, for a purchase price of $10,560,000. Vesta Atlanta is a disregarded entity of CSI for federal and state income tax purposes, therefore the activities of Vesta Atlanta are included in the CSI column in the accompanying supplementary consolidated information.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (CONTINUED)

- Swift Incubator LLC ("Swift Incubator"), a New York limited liability company, was formed on November 16, 2021 with CSI as its sole member. The Swift Food Business Incubator is a 4,500 square foot facility that consists of ten health department certified food production spaces available for rent. The Swift Share Office Space has 10,000 square feet that offers affordable shared office and community space for local entrepreneurs and like-minded organizations. Swift Incubator LLC is a disregarded entity of CSI for federal and state income tax purposes, therefore the activities of Swift Incubator are included in the CSI column in the accompanying supplementary consolidated information.

- CS Large Cities Housing Fund, L.P. ("CSLCHF") (the "Partnership") was formed as a Delaware Limited Partnership on December 14, 2021 and began operations on March 2, 2022. The stated investment objective of the Partnership is to acquire individual Class B/C multi-family real estate assets and hotels for the purpose of conversion into multi-family housing within designated large cities.

- CS Veterans Housing GP, LLC is the general partner (the "General Partner") of the Partnership. The General Partner was incorporated in Delaware in December 2021 and is a wholly-owned subsidiary of CSI (the "Sponsor"), a non-profit organization working to end homelessness.

The Organization is a Class A member, and the Partnership is a Class B member of 2929 Justina Road Holdings, LLC, (collectively the Jacksonville properties), located in Jacksonville, Florida.

During December 2023 and March 2022, the Organization contributed $4,000,000 and $10,000,000 in cash, respectively, to the Partnership as paid-in capital. The Organization follows the cost method of accounting for its investment in the partnership and the balance as of December 2025 approximates the balance in the Partnership's books.

According to the operating agreements dated February 24, 2023, CSI contributed $8,000,000 as paid-in capital to the Jacksonville properties and holds a non-managing membership interest in 2929 Justina Road Holdings, LLC. This amount is reflected as investments in equity, under the equity method, in the accompanying consolidated statements of financial position as of December 2025. Per the operating agreements, the Jacksonville properties do not meet the requirements for consolidation.

- On November 19, 2025, CSI acquired the entire membership interest in Twain Investment Fund 298, LLC (the "Fund") for $1,000 and became its sole member. In connection with the acquisition, CSI recognized a gain of approximately $7.1 million. Accordingly, the Fund's accounts are included in the accompanying supplementary consolidating information. As of December 31, 2025, all significant intercompany balances have been eliminated in consolidation.

- During 2025, three entities were established, namely CS Veterans Housing GP II LLC, 1001 Tyvola CSLC GP LLC, and 699 14th Street CSLC GP LLC. There were no activities for the year ended December 31, 2025.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING, USE OF ESTIMATES AND PRINCIPLES OF CONSOLIDATION

The Organization's consolidated financial statements have been prepared on the accrual basis of accounting. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

In the preparation of the accompanying consolidated financial statements, all intercompany accounts and transactions have been eliminated.

BASIS OF PRESENTATION

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Net Assets Without Donor Restrictions – represents resources available for support of the Organization's operations over which the Board of Directors (the "Board") has discretionary control and not subject to donor (or certain grantor) restrictions.

  Non-controlling members' interests in consolidated subsidiaries are shown as a component of net assets without donor restrictions and members' equity in the consolidated statements of financial position. The share of the income or loss of the consolidated subsidiaries attributed to the non-controlling members' interest is shown as a component of the change in net assets without donor restrictions in the consolidated statements of activities. Acquisition of noncontrolling interest was adjusted directly to net assets/ members' equity as of December 31, 2025.

- Net Assets With Donor Restrictions – represents net assets subject to donor-imposed restrictions. Some donor-restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donors stipulate that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

As of December 31, 2025 and 2024, the Organization's net assets with donor restrictions did not include any amounts that must remain intact in perpetuity.

CASH EQUIVALENTS

The Organization considers all highly liquid investments with maturities of three months or less to be cash equivalents, except for cash and cash equivalents held as part of the Organization's investment portfolio.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONTRIBUTIONS

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional contributions and promises to give, those with a measurable performance or other barrier and a right of return, are not recognized as support until the conditions on which they depend are substantially met.

ALLOWANCE FOR CREDIT LOSSES

The Organization determines whether an allowance should be provided for rent, loans and other receivables. The Organization adopted measurement of credit losses on financial instruments and the measurement is based on management's assessment of the aged basis of its accounts and current economic conditions. Accounts receivable are written off against the allowance for credit losses when all reasonable collection efforts have been exhausted. As of December 31, 2025 and 2024, there was an allowance for credit losses for rent receivables and other receivables recorded of $215,991 and $107,675, respectively. There were write offs in the amount of $381,623 and $108,869 for the years ended December 31, 2025 and 2024, respectively.

	2025	2024
Balance – Beginning of Year	$ 107,675	$ 83,437
Written off	(381,623)	(108,869)
Bad debt expense	489,939	133,107
Balance – End of Year	$ 215,991	$ 107,675

PROPERTY AND EQUIPMENT, NET

Property and equipment are recorded at cost, net of accumulated depreciation and impairment in value, if any. Major renewals and improvements in excess of $5,000 are capitalized, while replacements, maintenance and repairs that do not extend the lives of the assets are charged directly to expense as incurred. Upon disposition or retirement of property and equipment, the cost and related accumulated depreciation are eliminated from the respective accounts and the resulting gains and losses are included in the consolidated statements of activities.

Depreciation is computed using the straight-line method based on the estimated useful lives of the assets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IMPAIRMENT OF LONG-LIVED ASSETS

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. There were no impairment losses recognized during the years ended December 31, 2025 and 2024.

RENTAL INCOME

Rental income is recognized on a straight-line basis over the terms of the leases. Advance receipts of rental income are deferred and classified as liabilities until earned.

GOVERNMENT GRANTS AND CONTRACTS

Government grants and contracts are not recognized as support until the conditions on which they depend, a measurable performance barrier and right of return, are substantially met. Grant and contract receipts in excess of revenue recognized are presented as refundable advances.

CONSULTING INCOME AND MANAGEMENT FEES

Consulting income and management fees are recognized as the related performance obligations are satisfied, typically over-time. Performance obligations related to consulting income are considered one distinct obligation within the context of the contract. Management fees are recognized as the service is performed ratably over the life of the contract. The transaction price is the amount agreed upon in the related contracts. The terms of payments are specific to each contract.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel services, occupancy, office supplies and expenses, printing and postage, rent, communication, insurance and staff training and development. Such expenses are allocated on the basis of estimates of time and effort.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LOANS RECEIVABLE

Loans receivable are stated at unpaid principal balances, less an allowance for credit losses and net of deferred loan origination fees and unearned discounts, as applicable.

Loan origination and commitment fees, as well as certain direct origination costs, are deferred and recognized into income ratably over the term of the loan. Amortization of deferred loan fees is discontinued when a loan is placed on nonaccrual status.

The Organization considers a loan impaired when, based on current information or factors, it is probable that the Organization will not collect the principal and interest payments according to the loan agreement. Management considers many factors in determining whether a loan is impaired, such as payment history and value of collateral. Loans that are contractually delinquent less than 90 days are generally not considered impaired, unless the borrower has claimed bankruptcy, or the Organization has received specific information concerning the loan impairment. The Organization reviews delinquent loans to determine impaired accounts. The Organization measures impairment on a loan-by-loan basis by either using the fair value of collateral or the present value of expected cash flows.

The Organization’s key credit quality indicator is a loan's performance status, defined as accruing or non-accruing. Performing loans are considered to have a lower risk of loss, while nonaccrual loans are those which the Organization believes have a higher risk of loss. Loans that are 90 days or more past due, based on the contractual terms of the loan, are classified on nonaccrual status.

Loans may also be placed on nonaccrual status when management believes, after considering economic conditions, business conditions, and collection efforts, that the loans are impaired, or collection of interest is doubtful. Uncollectible interest previously accrued is charged off, or an allowance is established by a charge to interest income. Interest income on nonaccrual loans is recognized only to the extent cash payments are received and the principal balance is believed to be collectible. There were no loans on nonaccrual status at December 31, 2025 and 2024.

A loan previously classified on nonaccrual status will resume accruing interest based on the contractual terms of the loan when payments on the loan become current. Loans may also resume accruing interest if management no longer believes a loan is impaired or the collection of principal and interest is no longer in doubt. As of December 31, 2025 and 2024, management believes that the Organization’s loans receivable are fully collectible and as such, the allowance for credit loss is zero.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS

Investments are carried at fair value. Changes in the fair value of investments are recorded as unrealized gains or losses and are reflected in the consolidated statements of activities. Program related investments are accounted for using the cost or equity methods as appropriate. Distributions received accounted for under the equity method are classified as cumulative earnings approach. Distributions received are considered returns on investment and classified as cash inflows from operating activities. As of December 31, 2025 and 2024, investments accounted for under the equity method which are reported as Investment in 2929 Justina Road Holdings, LLC amounted to $6,947,401 and $7,593,500, respectively.

FAIR VALUE MEASUREMENTS

Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as reported in Note 8.

LOAN CLOSING COSTS

Loan closing costs are legal fees and other costs incurred in obtaining financing that are amortized on a straight-line basis over the term of the related debt. Loan closing costs are presented as a direct deduction of the carrying amount of the debt. Loan closing costs are being amortized to interest expense over the terms of the loans.

LEASES

The Organization determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of an asset to obtain substantially all of the economic benefits from the use of an asset for a period of time in exchange for consideration.

The Organization records a right-of-use asset at the commencement date based on the present value of lease payments. There are no future lease payments due on the Ground Lease.

The finance lease right-of-use asset does not include any lease incentives. The Ground Lease does not have options to extend or terminate the lease. The Ground Lease does not contain any material residual value guarantees or material restrictive covenants. The right-of-use asset is amortized straight-line over the estimated useful life of 32 years.

RECLASSIFICATION

Certain line items in the December 31, 2024 consolidated financial statements were reclassified to conform to the December 31, 2025 presentation. These changes had no impact on the change in net assets for the year ended December 31, 2024.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprised the following as of December 31:

	2025	2024
Cash and cash equivalents	$ 6,765,655	$ 12,381,600
Contributions receivable, net	14,406,132	19,003,126
Rent receivable, net	261,644	175,277
Other receivables, net	856,625	875,518
Investments	54,747,760	49,049,643
Less: donor-restricted net assets not available for general expenditure	(28,100,666)	(39,441,135)
Total Financial Assets	$ 48,937,150	$ 42,044,029

The Organization regularly monitors liquidity required to meet its operating needs and other obligations as they become due, while also striving to maximize the investment of its available funds.

NOTE 4 – RESTRICTED CASH AND ESCROW RESERVES

The Organization is required to maintain certain accounts which are restricted as to their use by certain loan agreements. A description of restricted cash and escrow reserves is shown below.

FEE RESERVES

Pursuant to the QLICI Loan Agreement, Swift Factory was required to establish and fund a fee reserve account in the amount of $482,500, pledged to MHIC NE CDE II Subsidiary 47 LLC (“MHIC”) (the “MHIC Fee Reserve Account”). Withdrawals from the MHIC Fee Reserve Account are permitted to be made to pay asset management fees and operating expense reimbursements to MHIC. The balance in the MHIC Fee Reserve Account was $0 and $26,757 as of December 31, 2025 and 2024, respectively.

Pursuant to the QLICI Loan Agreement, Swift Factory was required to establish and fund a fee reserve account in the amount of $210,000, pledged to NTCIC-Swift, LLC (“NTCIC”) (the “NTCIC Fee Reserve Account”). Withdrawals from the NTCIC Fee Reserve Account are permitted to be made to pay asset management fees, loan servicing fees and operating expense reimbursements to NTCIC. The balance in the NTCIC Fee Reserve Account was $0 and $78,100 as of December 31, 2025 and 2024, respectively.

NOTE 4 – RESTRICTED CASH AND ESCROW RESERVES (CONTINUED)

During 2025, the restriction on Fee Reserves were removed as a result of Community Solutions acquiring the Investor Member's interest of Master Tenant. Accordingly, the Fee Reserves was no longer subject to contractual restrictions and the balance had been reclassified to cash and cash equivalents.

OPERATING RESERVE ACCOUNT

Pursuant to the Operating Agreement, Master Tenant was required to fund $300,000 to an operating reserve from (the "Operating Reserve") from proceeds of the Investor Member contributions. The Operating Reserve is restricted to fund Operating Expenses to the extent of an Operating Deficit and Permitted Project Tenant Expenses, as defined in the Account Pledge and Control Agreement dated May 4, 2018.

During 2025, the restriction on the Operating Reserve was removed as a result of CSI acquiring the Investor Member's interest of Master Tenant. Accordingly, the Operating Reserve was no longer subject to contractual restrictions and the balance had been reclassified to cash and cash equivalents.

The balance of the Operating Reserve account as of December 31, 2025 and 2024 was $300,232 and $300,172, respectively.

REPLACEMENT RESERVE ACCOUNT

Pursuant to the Operating Agreement, Master Tenant is required to fund a replacement reserve beginning upon placement in service of the Property in the amount of 7% of gross revenue of the Property (the "Replacement Reserve"). The Replacement Reserve shall be used exclusively for replacement expenditures for the Property approved by the Investor Member.

During 2025, the restriction on the Replacement Reserve was removed as a result of CSI acquiring the Investor Member's interest of Master Tenant. Accordingly, the Replacement Reserve is no longer subject to contractual restrictions and the balance has been reclassified to cash and cash equivalents. At both December 31, 2025 and 2024, the balance of the Replacement Reserve account was $13,413.

ESCROW RESERVES

The Organization entered into a loan agreement in February 2021 (further described in Note 10), which requires monthly deposits for taxes and insurance, and monthly deposits to a replacement reserve account. The deposits are placed in an escrow account and are restricted for use by the lender. The balance in the escrow reserve account was $368,463 and $393,345 as of December 31, 2025 and 2024, respectively.

NOTE 5 – CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable, net, consisted of the following as of December 31:

	2025	2024
Less than one year	$ 14,906,620	$ 19,503,614
One to five years	-	13,415,563
	14,906,620	32,919,177
Less: allowance for uncollectible accounts	(500,488)	(500,488)
Less: discount to net present value	-	(289,826)
Total	$ 14,406,132	$ 32,128,863

Contributions receivable as of December 31, 2024 to be collected in more than one year were discounted using risk-adjusted discount rates ranging from 0.89% to 4.35%.

Amortization of the discount is included in contribution revenue in the accompanying consolidated statements of activities. Management has determined that an allowance for uncollectible accounts for contributions receivable of $500,488 was necessary as of both December 31, 2025 and 2024. Such estimate is based on management's assessments of the creditworthiness of its donors, the aged basis of its receivables, as well as current economic conditions and historical information.

During 2025, the Organization wrote off contributions and other receivables of $381,623, reported within bad debts expense in the consolidated statement of functional expenses.

NOTE 6 – PROPERTY AND EQUIPMENT, NET AND LEASE

Property and equipment, net, consisted of the following at December 31:

	2025	2024	Estimated Useful Lives
Land	$ 2,455,791	$ 2,455,791	
Building and improvements	58,536,521	55,948,738	33.5-39 Years
Sitework	2,051,747	2,051,747	15 Years
Software	595,062	595,062	2 Years
Computer and equipment	130,787	130,787	3-5 Years
	63,769,908	61,182,125	
Less accumulated depreciation	(10,544,962)	(8,040,811)	
Property and Equipment, Net	$ 53,224,946	$ 53,141,314	

NOTE 6 – PROPERTY AND EQUIPMENT, NET AND LEASE (CONTINUED)

Depreciation expense was $2,504,151 and $1,962,073 for the years ended December 31, 2025 and 2024, respectively.

In December 2020, the Organization purchased a property in Santa Fe, NM. A portion of the funding for this purchase requires that 40 units on the property be restricted for use to provide supportive housing for individuals or families experiencing homelessness. The Santa Fe property restriction expires on December 30, 2030.

In 2021, the Organization entered into an agreement with Partners for HOME (a nonprofit Organization) that provided $2.6 million in grant funding to renovate 66 units for specific use in their Atlanta project. The grant funds required the Organization to record a restrictive covenant that requires the 66 units to be used primarily for tenants, identified by the Atlanta Homeless Continuum of Care, experiencing, or potentially experiencing homelessness. The restrictive covenant remains in effect until 2051.

On December 21, 2024, CSI was reimbursed $2,057,080 related to the pre-development costs of the Livonia 4 Site C2 project.

Ground lease

On December 27, 2017 and as amended on May 4, 2018, the Organization entered into a Ground Lease of the Property with North Hartford Partnership ("NHP") for the purpose of leasing, renovating, and holding, maintaining, operating and assigning or subleasing its leasehold interest in the Property ("Ground Lease").

The term of the Ground Lease is 98 years and the Company is required to pay $98 as base rent and $5,202,947 as additional base rent for the entire lease term. The Company shall pay the additional base rent in installments as NHP's portion of the renovation work progresses. The Organization considers the land and improvements as a single unit and the lease is considered a finance lease under Financial Accounting Standards Board Accounting Standards Codification 842, Leases, ("FASB ASC 842"). As of December 31, 2025 and 2024, the additional base rent has been paid in full and capitalized to the Property and right-of-use asset. There is no additional rent due for the Ground Lease.

Pursuant to FASB ASC 842, the additional base rent is classified as a right-of-use asset on the accompanying consolidated statement of financial position. As of December 31, 2025 and 2024, the accumulated amortization of the right-of-use asset was $669,451 and $536,043, respectively. Amortization expense for the years ended December 31, 2025 and 2024 recognized on the right-of-use asset was $133,408 and was included in amortization expense on the accompanying statements of activities.

NOTE 7 – LOANS RECEIVABLE

Loans receivable consisted of the following as of December 31:

	2025	2024
In August 2014, CSI entered into a loan agreement with North Capitol Commons LP, a related party, as a lender of $9,120,000 (2nd sponsor loan as discussed in Note 16B). The loan became receivable once the North Capitol Project was completed in 2017. The loan bears interest at 0.50% annually and matures on August 28, 2059.	$ 9,120,000	$ 9,120,000
In October 2014, CSI entered into a loan agreement with North Capitol Commons LP, a related party, as the lender of $500,000. These funds were remitted from the Federal Home Loan Bank of Pittsburgh's Community Investment Department to CSI, who remitted the funds to the project. The loan became receivable once the North Capitol Project was completed in 2017. As of December 31, 2025 and 2024, there was no formal repayment plan.	500,000	500,000
In August 2014, CSI entered into a loan agreement with North Capitol Commons LP, a related party, as a lender of $150,000 (1st sponsor loan as discussed in Note 16B). The loan became receivable once the North Capitol Project was completed in 2017. The loan bears interest at the greater of the long-term Applicable Federal Rate, or 3.09% annually, and matures on August 28, 2064.	150,000	150,000
In September 2025, CSI entered into a $2,893,833 loan agreement with North Capitol Commons GP LP, a related party as a lender. As of December 31, 2025, CSI had advanced $1,446,916 per the loan agreement. The loan does not bear interest and matures on May 1, 2075.	1,446,916	-
In May 2018, CSI executed a fund loan agreement with Twain Investment Fund 298 LLC, as a lender of $16,792,275. The principal balance of the loan shall accrue interest of 1.3962% per annum. Commencing June 15, 2018, quarterly installments of interest are due through June 15, 2028. Commencing June 15, 2028, quarterly installments of principal and interest equal to $199,221 shall be due to fully amortize the loan through maturity on May 4, 2053. On November 19, 2025, the Organization acquired the entire membership interest in the Fund. As a result of this acquisition, the outstanding loan balance was eliminated upon consolidation.	-	16,792,275

NOTE 7 – LOANS RECEIVABLE (CONTINUED)

	2025	2024
On April 1, 2023, CSI entered into a loan agreement with Detroit Rescue Mission Ministries, as a lender of $833,000. The principal balance of the loan shall accrue interest 3.00% per annum. Commencing April 1, 2023, monthly installments of principal and interest shall be due to fully amortize the loan through maturity on April 1, 2033. During 2025 and 2024, principal repayments totaling $48,017 and $21,907, respectively, were made.	$ 732,077	$ 811,093
Total Loans Receivable	$11,948,993	$27,373,368

Interest income recognized on the loans receivable totaled $73,655 and $309,945 for the years ended December 31, 2025 and 2024, respectively.

NOTE 8 – INVESTMENTS

Investments consist of the following as of December 31:

	2025	2024
Cash and money market funds	$ 14,413,277	$ 20,301,330
Treasury notes	4,440,163	2,128,442
Equities	15,107	-
Exchange traded funds	20,422,681	14,051,316
Mutual funds	15,456,532	12,568,555
Total	$ 54,747,760	$ 49,049,643

Investments are subject to market volatility that could substantially change their fair values in the near term.

NOTE 8 – INVESTMENTS (CONTINUED)

Investment income, net is included in the consolidated statements of activities and consists of the following for the years ended December 31:

	2025	2024
Dividends and interest	$ 1,736,980	$ 2,039,767
Unrealized gain	2,110,411	1,160,984
Less: investment fees	(74,638)	(45,682)
Total	$ 3,772,753	$ 3,155,069

U.S. GAAP establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). In determining fair value, CSI utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value. These inputs also form the basis of the fair value hierarchy which is used to categorize a fair value measurement into one of three levels as follows:

- Level 1 - Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

- Level 2 - Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets for identical assets or liabilities; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

- Level 3 - Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Investments in certificate of deposit, treasury, exchange traded funds, equities and mutual funds are valued using market prices in active markets or have publicly available net asset values at closing (Level 1). Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

NOTE 8 – INVESTMENTS (CONTINUED)

Financial assets carried at fair value consisted of the following and were all classified as Level 1 investments in the fair value hierarchy as of December 31:

	2025	2024
Investments, at Fair Value		
Equities	$ 15,107	$ -
Treasury notes	4,440,163	2,128,442
Exchange traded funds	20,422,681	14,051,316
Mutual funds	15,456,532	12,568,555
Total Investments, at Fair Value	$ 40,334,483	$ 28,748,313

NOTE 9 – LINE OF CREDIT

On May 4, 2018, CSI entered into a revolving line of credit agreement with Boston Community Loan Fund ("BCLF") for up to $350,000. The line of credit bears interest at 5% and has a maturity date of May 4, 2026. Borrowings were secured by CSI's rights to the loan receivable from Twain Investment Fund 298 LLC. There were no borrowings from this line of credit that are outstanding as of December 31, 2025 and 2024.

NOTE 10 – LOANS PAYABLE, NET

Loans payable, net, all of which were uncollateralized, consist of the following as of December 31:

	2025	2024
On May 4, 2018, CSI entered into a loan agreement with BCLF. The loan bears interest at 5.00%, and the maturity date of the loan is November 4, 2026. Commencing on July 1, 2018, and thereafter on the 1st day of each third succeeding calendar month up to April 1, 2019, interest on the unpaid principal then outstanding shall be paid in arrears; commencing on July 1, 2019, and thereafter on the 1st day of each third succeeding calendar month up to the maturity date, interest on the unpaid principal then outstanding and principal shall be paid upon a 20-year amortization schedule; and the entire balance of principal and all accrued interest thereon, and all other fees, costs and charges, if any, shall be due and payable on or before the maturity date. Principal repayments of $105,813 and $134,198 were made in 2025 and 2024, respectively.	$ 2,856,645	$ 2,962,458
On May 4, 2018, CS Swift entered into a loan agreement with Capital Region Development Authority. CS Swift may draw down funds on this loan up to $4,300,000. The loan bears interest at 1.00% during the construction phase (2 years) and interest at 3.00% during the permanent phase (20 years). Conditions to conversion to Permanent Phase include completion of construction and issuance of certificates of occupancy and issuance of lien waivers. Payment of principal and interest will be annual and paid within 120 days of the calendar year following construction completion and will equal 70% of net cash flows. In the event of insufficient cash flows to pay all or any part of required interest payments, such amount will accrue and be due and payable, to the extent of available net cash flows on the next scheduled annual payment. All outstanding principal and interest will be due in full 20 years from the date of the conversion of the loan to the Permanent Phase. Due to insufficient cash flows, no principal repayments were made as of December 31, 2025 and 2024.	4,300,000	4,300,000

NOTE 10 – LOANS PAYABLE, NET (CONTINUED)

	2025	2024
On May 4, 2018, CS Swift entered into a loan agreement with North Hartford Partnership. The loan bears interest at 1.48%, and the maturity date of the loan is March 28, 2053. Commencing on the first day of the thirty-seventh (37th) month following the Advancement Date, August 2020, and continuing on the first day of each month thereafter, principal and interest shall be payable in equal, consecutive monthly installments in an amount determined by the lender to be sufficient to fully amortize the outstanding principal balance of this note plus all accrued and unpaid interest thereon at the interest rate then in effect over the then remaining term of this note. Unless sooner paid, the outstanding principal balance of this note, together with all accrued shall be due and payable in full on maturity date without notice or demand.	$ 2,953,564	$ 2,972,988

On May 4, 2018, Swift Factory entered into a loan agreement with (the "QLICI Loan Agreement") with NTCIC, BCC NMTC CDE XXX LLC ("BCC") and MHIC, (collectively, the "Lenders") for six loans totaling $24,005,000 (collectively, the "QLICI Loans").

A one-time principal payment of $30,000 shall be due and payable to MHIC on Note B-3 on May 4, 2025. Pursuant to the respective QLICI Loan Agreement, interest only payments began on June 30, 2018, principal payments commence on June 15, 2028. Both are due on the 15th day of each March, June, September and December in amounts sufficient to fully amortize the outstanding balance over the remaining term. Pursuant to the QLICI Loan Agreement, the QLICI Loans are secured by the leasehold mortgage on the Property. Principal payments of $19,424 were made during 2025.

NOTE 10 – LOANS PAYABLE, NET (CONTINUED)

	2025	2024
The QLICI loans consisted of the following:		
NTCIC A-1	$ -	$ 7,214,704
NTCIC B-1	-	2,785,296
BCC A-2	-	1,999,411
BCC B-2	-	850,589
MHIC A-3	-	7,578,160
MHIC B-3	-	3,576,840
Total QLICI loans	$ -	$ 24,005,000

On November 19, 2025, the Organization acquired the entire membership interest in the Fund. As a result of this acquisition, the outstanding loan balance was eliminated upon consolidation.

	2025	2024
On February 24, 2021, Vesta Atlanta entered into a loan agreement with Atlanta Affordable Housing Fund, LP amounting to $1,766,862 to finance the acquisition and construction of Central Villa Apartments located in Atlanta, Georgia. The maturity date of the loan is on August 24, 2028 and the loan has an annual interest of 5.00%.	$ 1,664,210	$ 1,662,180
On February 24, 2021, Vesta Atlanta entered into a loan agreement with Bellwether Enterprise Mortgage Investments, LLC amounting to $7,624,000 to finance the acquisition and construction of Central Villa Apartments located in Atlanta, Georgia. The term of the loan is 84 months and it has a fixed interest rate of 2.925%. Principal repayments of $177,563 and $170,617 were made during 2025 and 2024, respectively.	6,816,685	6,994,248
On November 13, 2024, Vincent's Legacy entered into a loan agreement with Bellweather Enterprise Real Estate Capital, LLC. The maturity date of the loan is December 1, 2034. The principal balance of the loan shall accrue interest at a fixed rate of 6.35%.	4,892,000	4,892,000

NOTE 10 – LOANS PAYABLE, NET (CONTINUED)

	2025	2024
On January 20, 2022, CSI entered into a loan agreement with Trinity Health Corporation. The principal balance of the loan shall accrue interest of 2.00% per annum. Interest shall be payable in arrears on the last day of the calendar quarter beginning on January 1, 2022 and continuing on the last day of each calendar quarter through maturity on December 31, 2031.	$ 1,400,000	$ 1,400,000
On November 22, 2022, CSI entered into a bond purchase agreement with The Northern Trust Company, authorizing the issuance of (1) the "First Bond" with principal amount of $5,000,000 and (2) "Subsequent Bond" to be issued at such dates to be mutually agreed by the Bond Holder and the Issuer, with all of the bonds to total the aggregate principal amount of $10,000,000. The Subsequent Bond was issued on February 1, 2023. The bonds shall bear simple interest from the date of issuance, on the unpaid principal amount, at a rate of 2.00% per annum. Interest accruing on the outstanding principal amount shall be due and payable semi-annually, commencing on the last day of June or December following the Issuance Date in each year until all accrued interest has been paid in full. The outstanding principal amount of this Bonds shall be due and payable on November 22, 2034.	10,000,000	10,000,000
During 2023, 12170 East 30th Avenue LLC, executed an unsecured promissory note with CSL CHF for a maximum amount of $11,000,000, bearing interest at a rate of 9% per annum, compounded annually. In November 2023, the Organization repaid $6,296,708. The note is set to mature July 28, 2028. The proceeds of the note were used to purchase the Abrigo Apartments, in Colorado for $7,313,185, to fund working capital expenses and a developer fee for $441,144 and $393,483, respectively. During 2025, the Organization drew down $1,326,593 to fund capital expenses and accrued interest.	4,684,315	3,357,722

NOTE 10 – LOANS PAYABLE, NET (CONTINUED)

	2025	2024
On November 28, 2023, 12170 East 30th Avenue LLC, entered into a loan agreement with Enterprise Community Loan Fund, Inc. amounting to $250,000 to finance the acquisition of Abrigo Apartments located in Denver, Colorado. Interest accruing on the outstanding principal amount shall be due and payable quarterly, commencing on the 1st of January following the closing date, until maturity. The maturity date of the loan is on November 30, 2027 and has an annual interest rate of 6.75%. On April 3, 2024, Enterprise Community Loan Fund granted a reduction in the interest rate to 0%, retroactively effective, as of January 1, 2024.	$ 250,000	$ 250,000
On November 28, 2023, 12170 East 30th Avenue LLC, entered into a loan agreement with Enterprise Community Loan Fund, Inc. amounting to $6,250,000 to finance the acquisition of Abrigo Apartments located in Denver, Colorado. Interest accruing on the outstanding principal amount shall be due and payable quarterly, commencing on the 1st of January following the closing date, until maturity. The maturity date of the loan is on November 30, 2027 and has an annual interest rate of 3.92%.	6,250,000	6,250,000
On September 7, 2023, CSI entered into a loan agreement with Wells Fargo Bank, N.A., amounting to $5,000,000 to support the financing of a real estate initiative to end homelessness. The maturity date of the loan is on September 7, 2035 and has an annual interest rate of 2.00%.	5,000,000	5,000,000
On November 21, 2024, CSI entered into a loan agreement with The Community Foundation for Northeast Florida, Inc. The maturity date of the loan is December 21, 2034. The principal balance of the loan shall accrue interest at a rate of 2%, principal and interest are payable monthly. Any accrued interest or other amount that remains unpaid will accrue interest at a rate of 3%.	1,000,000	1,000,000

NOTE 10 – LOANS PAYABLE, NET (CONTINUED)

	2025	2024
On December 1, 2025, CSI entered into a loan agreement with The Conrad N. Hilton Foundation. The maturity date of the loan is June 30, 2036. The principal balance of the loan shall accrue interest at a rate of 5% and interest is payable annually. The principal balance is due upon maturity date.	$ 3,000,000	$ -
Total loans payable	55,067,419	75,046,596
Less: unamortized loan costs	(859,909)	(1,235,197)
Loans Payable, Net	$54,207,510	$73,811,399

Principal payments due on loans payable of the Organization in each of the five subsequent years ending December 31 and thereafter are as follows:

Years Ending December 31:	Amount
2026	$ 3,123,302
2027	6,773,398
2028	8,197,354
2029	88,120
2030	89,433
Thereafter	36,795,812
Total	$ 55,067,419

Loan closing costs were as follows as of and for the years ended December 31:

	2025	2024
Loan closing costs, beginning of year	$ 1,235,197	$ 1,202,214
Additional costs incurred	-	192,046
Costs amortized into expense	(375,288)	(159,063)
Loan Closing Costs - End of Year	$ 859,909	$ 1,235,197

NOTE 10 – LOANS PAYABLE, NET (CONTINUED)

Pursuant to the QLICI Loan Agreement, Swift Factory was required to pay NTCIC an asset management fee and a loan servicing fee in an annual amount of $10,000 for each fee per each calendar year, commencing in 2018 and continuing through 2025. Swift Factory was required to reimburse NTCIC's operating and accounting expenses incurred in connection with the QLICI Loans, in the expected amount of $10,000 annually (collectively, the "NTCIC Fees"), commencing in 2018 and continuing through 2025. For the years ended December 31, 2025 and 2024, NTCIC Fees in the amounts of $28,300 and $20,000, respectively, were incurred and paid.

Pursuant to the QLICI Loan Agreement, Swift Factory was required to pay BCC an asset management fee of $30,000 per calendar year, commencing in 2018 and continuing through 2025, after which it shall be reduced to an amount equal to $30,000 multiplied by the Reimbursement Percentage (as defined in the QLICI Loan Agreement), and an audit and tax preparation fee (collectively, the "BCC Fees") of $10,000 per calendar year, commencing in 2019 and continuing through 2024. Swift Factory is required to pay an audit and tax preparation fee of $20,000 in 2025. For each of the years ended December 31, 2025 and 2024, BCC Fees in the amounts of $13,300 were incurred and paid.

Pursuant to the QLICI Loan Agreement, Swift Factory was required to pay MHIC an asset management fee in an annual amount of $57,500 prorated for partial years, commencing in 2018 and continuing through 2025, and reimburse MHIC's operating and accounting expenses incurred in connection with the QLICI Loans (collectively, the "MHIC Fees"), commencing in 2019 and continuing through 2025. For each of the years ended December 31, 2025 and 2024, MHIC Fees in the amount of $71,600 and $112,565, respectively, were incurred and paid.

Pursuant to the QLICI Loan Agreement, Swift Factory was also required to pay MHIC an exit fee in the amount of $30,000 on May 4, 2025.

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of December 31:

	2025	2024
Purpose restrictions		
Built for Zero	$ 8,775,442	$16,451,130
Real estate projects	3,702,126	3,394,743
Community Investment	15,623,098	19,595,262
Time restrictions	16,132,411	23,801,917
Total Net Assets With Donor Restrictions	$44,233,077	$63,243,052

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors during the years ended December 31 as follows:

	2025	2024
Purpose restrictions		
Built for Zero	$11,599,616	$13,751,584
Real estate projects	492,616	140,331
Community Investment	4,103,461	5,528,450
Time restrictions	8,153,252	9,360,304
Total Net Assets Released from Donor Restrictions	$24,348,945	$28,780,669

NOTE 12 – MEMBERS' CAPITAL AND DISTRIBUTIONS

Pursuant to the Operating Agreement, the investor member is entitled to receive annual distributions equal to their tax liability generated from taxable income passed through from Master Tenant ("Special Tax Distributions") to the investor member. As of December 31, 2025, in connection with the transfer of its membership interest to CSI, the Investor Member agreed to waive any outstanding and all future Special Tax Distributions to which it would otherwise be entitled. As of December 31, 2024, the calculated cumulative Special Tax Distributions amounted to approximately $460,000. Pursuant to the Operating Agreement, the investor member shall receive a cumulative, annual distribution of net cash flows in an amount equal to 2% of its paid-in capital contributions, payable in arrears on or before each January 31 for the previous year. As of December 31, 2024, the Priority Return Payable amounted to $237,675.

NOTE 13 – EMPLOYEE BENEFIT PLAN

The Organization maintains a defined contribution retirement plan that is available to all full-time employees who have attained age 21. The plan provides for voluntary employee contributions, and the Organization may elect to match 100% of employee contributions up to 5% of their gross salary after a minimum of one year of service. The Organization's contributions to the plan totaled $226,667 and $430,831 for the years ended December 31, 2025 and 2024, respectively.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

UNCERTAINTY IN INCOME TAXES

The Organization believes it had no uncertain income tax positions as of December 31, 2025 and 2024, in accordance with FASB ASC Topic 740 "Income Taxes", which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 15 – LEASE INCOME

In 2025 and 2024, the Organization recognized rental income of $4,439,059 and $4,739,963, respectively, from its wholly-owned real estate properties (See note 1).

The Organization entered into an agreement as the lessor with a nonprofit organization ("Tenant 1") to lease space at their 519 Rockaway Avenue location. Starting in 2024, they have been paying on a month-to-month basis. The monthly lease payments were $8,049 and $3,160 in 2025 and 2024, respectively. Rental income was $37,923 and $96,590 for the years ended December 31, 2025 and 2024, respectively.

The Organization entered into an agreement as the lessor with a nonprofit organization ("Tenant 2") to lease space at their 519 Rockaway Avenue location for a term that expired in December 2025. The lease requires escalating monthly payments ranging from $6,233 to $7,015 over the term of the lease. In 2025, they have been paying on a month-to-month basis.

Rental income recognized on a straight-line basis over the respective lease term of the underlying agreement amounted to $84,177 and $81,725 for the years ended December 31, 2025 and 2024, respectively.

The Organization entered into an agreement as the lessor with a nonprofit organization ("Tenant 3") to lease space at their 519 Rockaway Avenue location for a term that expired in June 2026. The lease requires escalating monthly payments ranging from $5,336 to $9,196 over the term of the lease. Rental income recognized on a straight-line basis over the respective lease term of the underlying agreement amounted to $75,597 and $98,759 for the years ended December 31, 2025 and 2024, respectively.

NOTE 15 – LEASE INCOME (CONTINUED)

Future annual lease income of the Organization in each of the subsequent years ending December 31 is as follows:

Years Ending December 31:	Amount
2026	$ 228,039
2027	83,493
2028	82,762
2029	84,831
2030	86,951
Thereafter	796,338
Total	$ 1,362,414

NOTE 16 – RELATED-PARTY TRANSACTIONS

Due from and due to related parties consisted of the following as of December 31:

	2025	2024
Due From Related Parties		
North Hartford Partnership (A)	$ 2,208,767	$ 1,886,033
North Capitol Project (B)	24,388	11,315
Brownsville Partnership, Inc. (C)	2,748,685	2,605,638
CS Large Cities Housing Fund, L.P. and Housing Fund Properties (D)	5,141,561	1,620,957
Total Due from Related Parties	$ 10,123,401	$ 6,123,943
Due to Related Parties		
Brownsville Partnership, Inc. (C)	$ 666,408	$ 415,833
Total Due to Related Parties	$ 666,408	$ 415,833

A. NORTH HARTFORD PARTNERSHIP

During the years ended December 31, 2025 and 2024, CSI paid operating expenses for NHP. Amounts due to CSI from NHP related to these transactions were $762,594 and $585,540 as of December 31, 2025 and 2024, respectively.

NHP entered into a management agreement with CSI on January 1, 2022, for CSI to provide administrative services which include, but are not limited to, accounting and financial operations, administrative and program support, oversee capital improvement and grant administration, and general management. For both the years ended December 31, 2025 and 2024, CSI recognized management fees amounting to $89,632. The total amounts outstanding from NHP as of December 31, 2025 and 2024 were $218,620 and $128,988, respectively.

NOTE 16 – RELATED-PARTY TRANSACTIONS (CONTINUED)

A. NORTH HARTFORD PARTNERSHIP (CONTINUED)

As explained in Note 10, in January 2022, Trinity Health Corporation and CSI entered into a loan agreement for $1,400,000. The purpose of the loan was for CSI to pass through the loan to the NHCLT, a 100-unit scattered site affordable housing development in North Hartford Promise Zone. The loan proceeds shall only be used for supporting NHCLT. The amount due from this pass-through loan was $1,400,000 as of December 31, 2025 and 2024. The full principal balance is due on the maturity date of December 31, 2031.

Swift Incubator entered into a management services agreement with NHP on January 1, 2023. For the years ended December 31, 2025 and 2024, Swift Incubator incurred management fee revenue amounting to $279,078 and $294,281, respectively. The balance outstanding as of December 31, 2025 and 2024 was $172,447 and $228,495, respectively.

In addition, the President of the Organization was the Secretary of the Board of Directors of NHP as of December 31, 2025 and 2024.

B. NORTH CAPITOL PROJECT

The North Capitol Project (the "Project") is a Washington, D.C., residential project consisting of a building with a total of 124 low-income housing tax unit apartments for use by veterans of the military. The Project, with a total cost of approximately $32,650,000, was funded by the issuance of short-term tax-exempt bonds, equity investments, other federal and local government funding, and two sponsor loans from CSI in the aggregate amount of $9,270,000. The Project was completed and placed in service during the year ended December 31, 2017.

On August 28, 2014, CSI entered into two loan agreements in the amounts of $150,000 (1st Sponsor loan) and $9,120,000 (2nd Sponsor loan) to provide permanent loan proceeds of $9,270,000 to assist in funding the Project. All loan proceeds were drawn down by the Project and were recorded on the consolidated statements of financial position as loans receivable (see Note 7) as of December 31, 2025 and 2024.

In October 2014, CSI entered into a loan agreement in the amount of $500,000 to provide additional loan proceeds to assist in funding the Project. CSI received and remitted the $500,000 from Federal Home Loan Bank of Pittsburgh's Community Investment Department to the Project during the year ended December 31, 2017. This balance is recorded in the consolidated statements of financial position as loans receivable (see Note 7) as of December 31, 2025 and 2024.

As of December 31, 2025 and 2024, CSI had transferred funding in the amount of $9,770,000 to the Project in accordance with the private and public donor stipulations. Contributions with donor restrictions received for the Project were released upon the Project being placed in service.

NOTE 16 – RELATED-PARTY TRANSACTIONS (CONTINUED)

B. NORTH CAPITOL PROJECT (CONTINUED)

CSI, along with an unrelated entity, are co-developers of the Project. As such, CSI is entitled to a developer fee of $1,290,000, payable in four installments as follows: $276,235 was paid at initial closing, $300,000 was paid upon receipt of a grant from the Federal Home Loan Bank of Pittsburgh under the Affordable Housing Program, $386,234 will be paid upon satisfaction of the conditions to the payment of the Limited Partner of its Third Capital Contribution, $15,361 will be paid upon satisfaction of the conditions to the payment of the Limited Partner of its Fourth Capital Contribution, and the last payment of $312,170 will be paid upon satisfaction of the conditions to the payment of the Limited Partner of its Fifth Capital Contribution, of which $237,531 is anticipated to be deferred and payable out of net cash flow pursuant to the partnership agreement.

During the years ended December 31, 2025 and 2024, no balance of such developer fees was recognized. Since the inception of the Project, CSI has recognized $984,293 of developer fees under this agreement.

On August 28, 2014, CSI entered into a Purchase Option and Right of First Refusal Agreement with North Capitol Commons LP and other unrelated parties.

GRANT OF OPTION

North Capitol Commons LP granted to CSI an option to purchase the real estate, fixtures and personal property comprising the Project or associated with the physical operations thereof, owned by North Capitol Commons LP at the time of purchase, after the close of the 15-year compliance period for the low-income housing tax credit for the Project (the “Compliance Period”), on the terms and conditions set forth in the agreement.

RIGHT OF FIRST REFUSAL

In the event that North Capitol Commons LP receives a bona fide offer to purchase the Project, CSI shall have a right of first refusal to purchase the Property (the “Refusal Right”) after the close of the Compliance Period, on the terms and conditions set forth in the agreement.

On August 28, 2014, CSI entered into a Leasehold Deed of Trust, Security Agreement and Assignment of Leases and Rents with North Capitol Commons LP. Under the terms of said agreement, North Capitol Commons LP (the “Borrower”) irrevocably conveyed its right, title and interest in the leases of said property to CSI as collateral for the guaranteed performance by North Capitol Commons LP.

C. BROWNSVILLE PARTNERSHIP, INC.

Brownsville Partnership, Inc. (“BP”) has a management service agreement with CS Rockaway for BP to provide management services to CS Rockaway and a lease agreement with CS Rockaway (landlord). The management services fees for the years ended December 31, 2025 and 2024 were $128,006 and $247,990 respectively. As of December 31, 2025 and 2024, CS Rockaway owed BP a total of $543,839 and $415,833, respectively.

NOTE 16 – RELATED-PARTY TRANSACTIONS (CONTINUED)

C. BROWNSVILLE PARTNERSHIP, INC. (CONTINUED)

BP also has a management service agreement with CSI, for CSI to provide management services. The management services fees for the years ended December 31, 2025 and 2024 were $65,000 and $96,017, respectively.

As of December 31, 2025 and 2024, BP owed CSI a total of $2,748,685 and $2,605,638, respectively, mainly representing payments made directly by CSI to BP's vendors, with the expectation to collect developer fees for projects managed by BP that began in fiscal year 2022 or earlier, which are more than sufficient to fully extinguish the receivables. CSI will forgive the balance if the developer fees are not collected.

BP Livonia Project:
Pursuant to the guaranty agreements dated December 19, 2024 (the "Guaranties"), entered into between the Organization, BP and JP Morgan Chase Bank, N.A. (the "Lender"), the Organization has agreed to guarantee the indebtedness of BP Livonia Limited Partnership related to the financing of a new affordable housing construction project consisting of 82 residential units located in Brooklyn, New York (the "Project").

The Project is expected to have a total cost of approximately $53,353,000, and will be funded by the issuance of loans, equity investments, and local government funding. The Project is expected to be completed in 2027.

The construction loan from the Lender has available funds in the principal amount of $16,820,000. As of December 31, 2025 and 2024, there were no borrowings made that are outstanding.

Under the terms, the Organization has guaranteed the full and prompt payment when due, and the performance of all obligations and loan covenants of BP Livonia Limited Partnership.

In addition, the Organization has guaranteed all costs necessary to complete the construction of the Project.

The Organization has not accrued any liability related to the Guaranty as of December 31, 2025 and 2024.

D. CS LARGE CITIES HOUSING FUND, L.P. AND HOUSING FUND PROPERTIES

CS Veterans Housing GP, LLC (the "General Partner") receives quarterly management fees in an amount equal to 1.0% of the aggregate gross asset value of an investment. These asset management fees are handled at the property level, with the individual properties incurring and paying these expenses. During the years ended December 31, 2025 and 2024, the earned management fees balance was $2,901,037 and $2,014,014, respectively. As of December 31, 2025 and 2024, the unpaid management fee balance was $5,141,561 and $1,620,957, respectively.

NOTE 16 – RELATED-PARTY TRANSACTIONS (CONTINUED)

D. CS LARGE CITIES HOUSING FUND, L.P. AND HOUSING FUND PROPERTIES (CONTINUED)

In connection with the initial acquisition of each real estate investment property, an acquisition fee will be paid to the General Partner, which shall not exceed 4.0% of the gross contract price for the acquisition, development, tenant improvements, and other capital expenditures relating to a real estate investment property. During the years ended 2025 and 2024, the General Partner earned $2,714,674 and $4,069,992 in acquisition fees, respectively.

NOTE 17 – CONCENTRATIONS

Cash and cash equivalents that potentially subject the Organization to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. Cash accounts are insured up to $250,000 per depositor, per insured financial institution. As of December 31, 2025 and 2024, the Organization held cash at three banks that exceeded the FDIC limits by approximately $6.1 million and $10.3 million, respectively.

Cash and money market funds in the investments balance that potentially subject the Organization to a concentration of credit risk include balances held with brokerage firms that exceed the Securities Investor Protection Corporation (“SIPC”) insurance limits. SIPC coverage protects customers up to $500,000 for securities and cash held by the firm, with a limit of $250,000 for uninvested cash. As of December 31, 2025 and 2024, the Organization held cash and money market funds at two highly reputable financial institutions duly approved by the Board of Directors that exceeded the SIPC limits by approximately $13.2 million and $19.2 million, respectively.

The Organization’s contributions receivable consists of one donor who comprises approximately 67% of the balance as of both December 31, 2025 and 2024. For the year ended December 31, 2024, approximately 49% of contributions revenue was comprised of one donor.

As of December 31, 2025 and 2024, the Organization’s loans receivable consists of one and two borrowers totaling approximately $9.8 million and $26.6 million, which is approximately 82% and 97% of the total loans receivable balance, respectively.

NOTE 18 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through August 20, 2026, the date the consolidated financial statements were available to be issued.

COMMUNITY SOLUTIONS INTERNATIONAL, INC. AND SUBSIDIARIES

D/B/A COMMUNITY SOLUTIONS, INC.

SUPPLEMENTARY INFORMATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

December 31, 2025

	Community Solutions International, Inc.	Community Solutions 519 Rockaway Avenue, Inc.	CS Swift, LLC	Swift Factory, LLC	Swift Factory Master Tenant LLC	CS Veterans Housing GP, LLC	12170 East 30th Ave LLC	Twain Investment Fund	Eliminations	Consolidated Totals
Assets										
Cash and cash equivalents	$ 6,087,186	$ 18,722	$ 23,407	$ 188,165	$ 368,138	$ 171,694	$ 221,988	$ --	$ --	$ 7,079,300
Contributions receivable, net	14,406,132	--	--	--	--	--	--	--	--	14,406,132
Rent receivable, net	109,351	14,984	--	138,010	383,071	--	67,339	--	(451,111)	261,644
Other receivables, net	857,963	630,241	122,739	--	308,658	--	25,362	19,125	(1,107,463)	856,625
Escrow reserves	368,463	--	--	--	--	--	--	--	--	368,463
Investments	54,747,760	--	--	--	--	--	--	--	--	54,747,760
Prepaid expenses and other assets	432,214	585	--	--	46,232	--	23,316	--	--	502,347
Due from related parties	11,268,863	--	--	--	497,962	5,141,561	--	--	(6,784,985)	10,123,401
Loans receivable	28,891,266	--	5,203,960	--	3,418,125	--	--	16,792,275	(42,356,633)	11,948,993
Investment in Swift Factory, LLC	--	--	9,674,059	--	861,657	--	--	--	(10,535,716)	--
Investment in CS Large Cities Housing Fund LP	14,000,000	--	--	--	--	--	--	--	--	14,000,000
Investment in 2929 Justina Road Holdings, LLC	6,947,401	--	--	--	--	--	--	--	--	6,947,401
Deferred rent receivable	--	--	--	4,995,692	293,345	--	--	--	(5,189,566)	99,471
Deferred leasing costs, net	--	--	--	25,083	--	--	--	--	--	25,083
Operating lease right-of-use asset	--	--	--	4,533,496	20,542,828	--	--	--	(20,542,828)	4,533,496
Property and equipment, net	18,992,447	5,203,511	--	20,136,809	60,154	--	11,682,381	--	(2,850,356)	53,224,946
Total Assets	$ 157,109,046	$ 5,868,043	$ 15,024,165	$ 30,017,255	$ 26,780,170	$ 5,313,255	$ 12,020,386	$ 16,811,400	$ (89,818,658)	$ 179,125,062
Liabilities and Net Assets/Members' Equity										
Liabilities										
Accounts payable and accrued expenses	$ 3,116,092	$ --	$ 690,277	$ 97,464	$ 166,609	$ 196,330	$ 172,035	$ 26,702	$ (1,160,642)	$ 3,304,867
Operating lease liability	--	--	--	--	25,538,520	--	--	--	(25,538,520)	--
Security deposits payable	178,349	52,563	--	--	6,196	--	42,082	--	--	279,190
Due to related parties	671,147	3,230,564	117,642	56,249	135,750	2,212,149	--	--	(5,757,093)	666,408
Deferred revenue	1,454,808	--	--	--	--	--	--	--	--	1,454,808
Deferred rent	215,456	--	--	--	--	--	5,475	--	(193,874)	27,057
Loans payable, net	41,969,635	--	7,403,564	19,327,825	--	--	11,070,844	16,792,275	(42,356,633)	54,207,510
Total Liabilities	47,605,487	3,283,127	8,211,483	19,481,538	25,847,075	2,408,479	11,290,436	16,818,977	(75,006,762)	59,939,840
Net Assets/Members' Equity										
Without donor restrictions	65,270,482	2,584,916	6,812,682	10,535,717	933,095	2,904,776	729,950	(7,577)	(14,811,896)	74,952,145
With donor restrictions	44,233,077	--	--	--	--	--	--	--	--	44,233,077
Total Net Assets/Members' Equity	109,503,559	2,584,916	6,812,682	10,535,717	933,095	2,904,776	729,950	(7,577)	(14,811,896)	119,185,222
Total Liabilities and Net Assets/Members' Equity	$ 157,109,046	$ 5,868,043	$ 15,024,165	$ 30,017,255	$ 26,780,170	$ 5,313,255	$ 12,020,386	$ 16,811,400	$ (89,818,658)	$ 179,125,062

See independent auditors' report.

COMMUNITY SOLUTIONS INTERNATIONAL, INC. AND SUBSIDIARIES
D/B/A COMMUNITY SOLUTIONS, INC.
SUPPLEMENTARY INFORMATION
CONSOLIDATING SCHEDULE OF ACTIVITIES

For the Year Ended December 31, 2025
(With Comparative Totals for 2024)

	Community Solutions International, Inc.	Community Solutions 519 Rockaway Avenue, Inc.	CS Swift, LLC	Swift Factory, LLC	Swift Factory Master Tenant LLC	CS Veterans Housing GP, LLC	12170 East 30th Ave LLC	Twain Investment Fund	Eliminations	Consolidated Totals 2025	Consolidated Totals 2024
Change in Net Assets - Without Donor Restrictions:											
Revenues, Gains and Other Support											
Governmental grants	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ 42,639
Contributions	1,333,218	--	--	--	--	--	--	--	--	1,333,218	832,099
Consulting income	398,542	--	--	--	--	--	--	--	--	398,542	318,580
Development and management fees	1,003,676	--	--	--	--	5,615,301	--	--	(856,790)	5,762,187	7,097,240
Rental income	3,208,030	198,897	--	1,096,064	920,856	--	1,003,504	--	(1,779,631)	4,647,720	4,971,374
Insurance proceeds	--	--	--	--	--	--	--	--	--	--	17,802
Other income and gains	1,158,949	15,358	50,540	380	102,946	--	148,912	19,125	(199,251)	1,296,959	1,430,497
Investment activity	3,772,753	--	--	--	--	--	--	--	--	3,772,753	3,155,069
Equity in net income from Swift Factory, LLC	--	--	6,103,471	--	677,886	--	--	--	(6,781,357)	--	--
Net assets released from donor restrictions	24,348,945	--	--	--	--	--	--	--	--	24,348,945	28,780,669
Total Revenues, Gains and Other Support - Without Donor Restrictions	35,224,113	214,255	6,154,011	1,096,444	1,701,688	5,615,301	1,152,416	19,125	(9,617,029)	41,560,324	46,645,969
Expenses											
Program services											
Built for Zero	20,821,752	--	--	--	--	--	--	--	(327,792)	20,493,960	23,153,737
Real estate projects	5,120,546	530,733	187,432	1,500,309	1,451,868	4,914,788	2,233,992	26,702	(1,615,279)	14,351,091	12,935,317
Total program services	25,942,298	530,733	187,432	1,500,309	1,451,868	4,914,788	2,233,992	26,702	(1,943,071)	34,845,051	36,089,054
Supporting services											
Management and general	4,856,876	157,889	--	--	--	--	104,571	--	(109,381)	5,009,955	4,831,745
Fundraising	690,815	--	--	--	--	--	--	--	(24,802)	666,013	612,749
Total supporting services	5,547,691	157,889	--	--	--	--	104,571	--	(134,183)	5,675,968	5,444,494
Total Expenses	$ 31,489,989	688,622	187,432	1,500,309	1,451,868	4,914,788	2,338,563	26,702	(2,077,254)	40,521,019	41,533,548
Non-Operating Activity											
Transfer of noncontrolling interest	--	--	--	--	673,276	--	--	--	(673,276)	--	--
Share of loss on equity investments	(646,097)	--	--	--	--	--	--	--	--	(646,097)	(406,500)
Gain on equity transaction	--	--	--	--	--	--	--	7,181,725	--	7,181,725	--
Gain (loss) on debt extinguishment	--	--	--	7,182,725	--	--	--	(7,182,725)	--	--	--
Additional contribution from affiliate	--	--	745,923	758,419	--	--	--	1,000	(1,505,342)	--	--
Change in Net Assets - Without Donor Restrictions	3,088,027	(474,367)	6,712,502	7,537,279	923,096	700,513	(1,186,147)	(7,577)	(9,718,393)	7,574,933	4,705,921
Non-controlling members' interest in net income of consolidate subsidiaries	--	--	--	--	--	--	--	--	--	--	476,036
Net assets without donor restrictions, beginning of year	62,182,455	3,059,283	100,180	2,998,438	9,999	2,204,263	1,916,097	-	(5,093,503)	67,377,212	62,195,255
Net assets without donor restrictions, end of year	65,270,482	2,584,916	6,812,682	10,535,717	933,095	2,904,776	729,950	(7,577)	(14,811,896)	74,952,145	67,377,212
Change in Non-Controlling Members' Interests in Consolidated Subsidiaries	--	--	--	--	--	--	--	--	--	--	(476,036)
Non-controlling members' interests in consolidated subsidiaries - beginning of year	--	--	--	--	673,276	--	--	--	--	673,276	1,149,312
Transfer of non-controlling interest	--	--	--	--	(673,276)	--	--	--	--	(673,276)	(476,036)
Non-controlling members' interests in consolidated subsidiaries - end of year	--	--	--	--	--	--	--	--	--	--	673,276
Changes in Net Assets With Donor Restrictions:											
Revenues, Gains and Other Support											
Contributions	5,338,970	--	--	--	--	--	--	--	--	5,338,970	8,884,764
Net assets released from donor restrictions	(24,348,945)	--	--	--	--	--	--	--	--	(24,348,945)	(28,780,669)
Change in Net Assets With Donor Restrictions	(19,009,975)	--	--	--	--	--	--	--	--	(19,009,975)	(19,895,905)
Net assets with donor restrictions, beginning of year	63,243,052	--	--	--	--	--	--	--	--	63,243,052	83,138,957
Net assets with donor restrictions, end of year	44,233,077	--	--	--	--	--	--	--	--	44,233,077	63,243,052
Net assets/members' equity, beginning of year	125,425,507	3,059,283	100,180	2,998,438	683,275	2,204,263	1,916,097	--	(5,093,503)	131,293,540	146,483,524
Change in Net Assets/Members' Equity	(15,921,948)	(474,367)	6,712,502	7,537,279	249,820	700,513	(1,186,147)	(7,577)	(9,718,393)	(12,108,318)	(15,189,984)
Net Assets/Members' Equity - End of Year	$ 109,503,559	$ 2,584,916	$ 6,812,682	$ 10,535,717	$ 933,095	$ 2,904,776	$ 729,950	$ (7,577)	$ (14,811,896)	$ 119,185,222	$ 131,293,540

See independent auditors' report.