



**BEACON INTERFAITH
HOUSING COLLABORATIVE**

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025



BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Beacon Interfaith Housing Collaborative
Saint Paul, Minnesota

Opinion

We have audited the accompanying consolidated financial statements of Beacon Interfaith Housing Collaborative (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Beacon Interfaith Housing Collaborative, as of June 30, 2025, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Beacon Interfaith Housing Collaborative and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 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 Beacon Interfaith Housing Collaborative's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

(Continued)

Auditor's Responsibilities for the Audit of the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Beacon Interfaith Housing Collaborative'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 Beacon Interfaith Housing Collaborative'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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on that work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

(Continued)

Other Matters

Report on Summarized Comparative Information

We have previously audited Beacon Interfaith Housing Collaborative’s 2024 consolidated financial statements, and we expressed an unmodified opinion on those audited consolidated financial statements in our report dated November 15, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Consolidating and Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information shown on pages 38 to 49 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual entities. The accompanying supplementary information on pages 50 to 52 is presented for purposes of additional analysis as required by the *Audit Guide of the Minnesota Housing Finance Agency*. The information on pages 38 to 52 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 and supplementary information has been subjected to the auditing procedures applied in the audit 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 auditing standards generally accepted in the United States of America. In our opinion, the consolidating and supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

October 29, 2025

Mahoney Ulbrich
Christiansen & Russ, PA

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2025
(With Comparative Totals for 2024)

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash - undesignated	\$ 1,977,267	\$ 655,636
Cash - board designated for operating reserve	2,214,486	2,258,747
Cash - board designated - other funds	305,242	737,342
Cash - operating funds for properties	1,118,393	677,717
Cash - donor-restricted for short-term purposes	224,983	813,796
Total cash	<u>5,840,371</u>	<u>5,143,238</u>
Accounts receivable, net	699,142	1,583,285
Government grants receivable, net	1,590,552	643,505
Contributions receivable, current portion	188,464	514,039
Prepaid expenses	472,020	430,984
Total current assets	<u>8,790,549</u>	<u>8,315,051</u>
Predevelopment costs	670,367	414,527
Escrows and reserves	8,202,174	5,105,720
Contributions receivable, less current portion, net	263,765	505,907
Cash - board designated for predevelopment housing fund	1,079,962	436,285
Contributions receivable restricted for housing development	-	187,500
Property and equipment, net	166,832,315	151,914,454
Right-of-use asset, net	23,497	77,900
Tax credit fees, net	216,046	276,188
Total assets	<u>\$ 186,078,675</u>	<u>\$ 167,233,532</u>

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2025
(With Comparative Totals for 2024)

	2025	2024
LIABILITIES AND NET ASSETS		
Accounts payable - operations	\$ 1,205,591	\$ 1,469,528
Current maturities of long-term debt	1,372,942	3,321,997
Current portion of lease liability	23,960	55,052
Accrued expenses	950,930	1,166,293
Accrued interest	17,415	2,233
Tenant security deposits	407,639	310,386
Other current liabilities	20,164	18,539
Total current liabilities	3,998,641	6,344,028
Construction payables	4,236,142	4,422,839
Long-term debt, net	113,462,294	100,998,130
Long-term portion of lease liability	-	23,960
Accrued interest, long-term	1,747,759	1,547,991
Refundable advances	8,393,023	9,335,740
Total liabilities	131,837,859	122,672,688
Net assets:		
Without donor restrictions:		
Undesignated	5,795,373	3,450,755
Board designated - predevelopment housing fund	1,916,670	1,491,197
Board designated - operating reserve	2,214,486	2,258,747
Board designated - other funds	305,242	737,342
Noncontrolling interests	37,276,558	28,544,661
Total without donor restrictions	47,508,329	36,482,702
With donor restrictions	6,732,487	8,078,142
Total net assets	54,240,816	44,560,844
Total liabilities and net assets	\$ 186,078,675	\$ 167,233,532

See accompanying notes to consolidated financial statements.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATED STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

	2025		Total	2024
	Without Donor Restrictions	With Donor Restrictions		
Operating revenues and support:				
Contributions	\$ 3,028,526	\$ 608,066	\$ 3,636,592	\$ 3,516,941
Government grants	4,923,593	-	4,923,593	3,709,209
Rent and housing assistance payments	9,119,870	-	9,119,870	6,943,282
Bad debt - rents	(412,249)	-	(412,249)	(553,208)
Fee income	855,906	-	855,906	1,485,000
Interest income	332,011	-	332,011	230,171
Miscellaneous	275,631	-	275,631	128,032
Net assets released from restrictions	1,293,061	(1,293,061)	-	-
Total operating revenues and support	<u>19,416,349</u>	<u>(684,995)</u>	<u>18,731,354</u>	<u>15,459,427</u>
Operating expenses:				
Program services:				
Housing operations	9,910,517	-	9,910,517	8,715,909
Supportive services	3,542,931	-	3,542,931	3,118,945
Housing development	819,153	-	819,153	1,157,355
Policy	382,819	-	382,819	532,389
Total program services	<u>14,655,420</u>	<u>-</u>	<u>14,655,420</u>	<u>13,524,598</u>
Support services:				
Management and general	1,732,110	-	1,732,110	1,740,679
Fundraising	1,136,131	-	1,136,131	1,142,219
Total operating expenses	<u>17,523,661</u>	<u>-</u>	<u>17,523,661</u>	<u>16,407,496</u>
Operating income (loss)	1,892,688	(684,995)	1,207,693	(948,069)
Other revenues (expenses):				
Forgiveness of debt and refundable advances	792,122	-	792,122	533,924
Historic tax credits	987,260	-	987,260	-
Contributions and grants for property acquisition	-	-	-	85,000
Net assets released from restrictions				
for housing development	660,660	(660,660)	-	-
Amortization of refundable advances	812,492	-	812,492	446,249
Deferred interest - rental properties	(390,065)	-	(390,065)	(102,748)
Interest expense - finance fee amortization	(64,371)	-	(64,371)	(37,116)
Depreciation and amortization - rental properties	(5,511,556)	-	(5,511,556)	(3,945,415)
Change in allowance for contributions	(111,728)	-	(111,728)	(51,764)
Change in net assets	(932,498)	(1,345,655)	(2,278,153)	(4,019,939)
Net assets, beginning of year	36,482,702	8,078,142	44,560,844	44,302,392
Capital contributions - noncontrolling interests	11,958,125	-	11,958,125	4,326,154
Syndication costs - noncontrolling interests	-	-	-	(47,763)
Net assets, end of year	<u>\$ 47,508,329</u>	<u>\$ 6,732,487</u>	<u>\$ 54,240,816</u>	<u>\$ 44,560,844</u>

See accompanying notes to consolidated financial statements.

BEACON INTERFAITH HOUSING COLLABORATIVE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

	2025							
	Program Services			Support Services				
	Housing Operations	Supportive Services	Housing Development	Policy	Management and general	Fundraising	Total	2024
Salaries	-	\$ 634,849	\$ 579,701	\$ 281,262	\$ 863,576	\$ 754,609	\$ 3,113,997	\$ 3,524,505
Payroll taxes	-	47,462	43,339	21,027	64,561	56,415	232,804	280,870
Benefits	-	82,156	75,019	36,398	111,756	97,655	402,984	441,327
Total salaries and related	-	764,467	698,059	338,687	1,039,893	908,679	3,749,785	4,246,702
Occupancy and property expense	-	32,647	29,811	14,464	44,409	38,806	160,137	142,047
Office and staff expense	-	33,361	30,463	14,780	45,381	39,654	163,639	236,670
Professional fees	-	107,539	42,077	10,311	495,429	74,945	730,301	629,453
Meetings and events	-	70	35	4,347	65	59,836	64,353	36,028
Direct client assistance	-	1,500	-	-	-	-	1,500	9,660
Contracted program services	-	2,602,578	7,130	-	-	1,010	2,610,718	2,327,779
Miscellaneous	-	250	11,104	-	106,227	12,585	130,166	57,142
Depreciation and amortization	-	519	474	230	706	616	2,545	6,106
	-	3,542,931	819,153	382,819	1,732,110	1,136,131	7,613,144	7,691,587
Residential rental property expenses:								
Staffing	1,847,357	-	-	-	-	-	1,847,357	1,579,279
Management fees	762,669	-	-	-	-	-	762,669	743,464
Administrative	461,951	-	-	-	-	-	461,951	379,220
Professional fees	252,146	-	-	-	-	-	252,146	235,269
Utilities	1,237,700	-	-	-	-	-	1,237,700	994,073
Operating and maintenance	4,184,842	-	-	-	-	-	4,184,842	3,482,865
Insurance	562,684	-	-	-	-	-	562,684	358,684
Taxes	448,412	-	-	-	-	-	448,412	692,840
Interest	152,756	-	-	-	-	-	152,756	250,215
Total operating expenses	9,910,517	3,542,931	819,153	382,819	1,732,110	1,136,131	17,523,661	16,407,496
Deferred interest - rental properties	390,065	-	-	-	-	-	390,065	102,748
Interest expense - finance fee	64,371	-	-	-	-	-	64,371	37,116
Depreciation and amortization - rental properties	5,511,556	-	-	-	-	-	5,511,556	3,945,415
Change in allowance for contributions	-	-	-	-	-	111,728	111,728	51,764
	\$ 15,876,509	\$ 3,542,931	\$ 819,153	\$ 382,819	\$ 1,732,110	\$ 1,247,859	\$ 23,601,381	\$ 20,544,539

See accompanying notes to consolidated financial statements.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ (2,278,153)	\$ (4,019,939)
Adjustments to reconcile the change in net assets to net cash from operating activities:		
Depreciation and amortization	5,578,472	3,988,637
Bad debt	478,543	608,403
Contributions and grants for property acquisition	-	(85,000)
Change in allowance for contributions	111,728	51,764
Loss on disposal of property and equipment	-	58,200
Amortization of refundable advances	(812,492)	(446,249)
Reduction in right-of-use asset	54,403	51,749
Forgiveness of debt and refundable advances	(792,122)	(533,924)
Historic tax credits	(987,260)	-
Change in operating assets and liabilities:		
Accounts receivable	316,561	(1,158,263)
Government grants receivable	(1,013,341)	(424,127)
Contributions receivable	455,989	(4,792)
Prepaid expenses	41,456	(126,510)
Lease liability	(55,052)	(51,287)
Accounts payable and accrued expenses	(324,195)	589,817
Accrued interest	214,950	216,372
Tenant security deposits	97,253	38,603
Other current liabilities	1,625	(6,388)
Net cash from operating activities	<u>1,088,365</u>	<u>(1,252,934)</u>
Cash flows from investing activities:		
Payments for property and equipment	(20,323,993)	(38,184,146)
Change in predevelopment costs, net	(255,840)	535,359
Net cash from investing activities	<u>(20,579,833)</u>	<u>(37,648,787)</u>
Cash flows from financing activities:		
Payments of finance and tax credit fees	(85,492)	(315,624)
Proceeds from historic tax credits	987,260	-
Proceeds from issuance of long-term debt	22,812,991	35,513,014
Payments of principal on long-term debt	(12,024,044)	(3,544,935)
Refundable advances received	92,392	2,019,917
Capital contributions - noncontrolling interests	11,958,125	4,326,154
Syndication costs	-	(47,763)
Contributions and grants for property acquisition	187,500	185,000
Net cash from financing activities	<u>23,928,732</u>	<u>38,135,763</u>
Total increase (decrease)	4,437,264	(765,958)
Cash, cash equivalents and restricted cash, beginning of year	<u>10,685,243</u>	<u>11,451,201</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 15,122,507</u>	<u>\$ 10,685,243</u>
Reconciliation to the statement of financial position:		
Total cash	\$ 5,840,371	\$ 5,143,238
Escrows and reserves	8,202,174	5,105,720
Cash - board designated for predevelopment housing fund	1,079,962	436,285
	<u>\$ 15,122,507</u>	<u>\$ 10,685,243</u>
Supplemental cash flow information:		
Cash paid for interest expense	\$ 378,225	\$ 262,362
Property and equipment included in construction payables and other accrued expenses	5,976,468	5,657,230
Property and equipment rebates included in accounts receivable	380,655	344,950

See accompanying notes to consolidated financial statements.

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

1. ORGANIZATION

Beacon Interfaith Housing Collaborative (Beacon) is a 501(c)(3) nonprofit organization and the largest provider of supportive housing in Minnesota. Beacon is changing the landscape of home through the power of our collaborative of congregations that advocates to create new deeply affordable homes, invests in residents through wrap-around supportive services, and champions transformative policy solutions to ensure all people have a home. Beacon provides over 800 homes across the Twin Cities - two-thirds of which are supportive housing with on-site services - and has more than 200 homes in development.

Beacon's primary sources of revenue and support are contributions, government grants, and rents.

A summary of the properties owned, managed, or developed by Beacon follows:

Beacon wholly owns the following entities and properties:

- North Haven LLC Formed to own and operate North Haven I apartments (4 units) acquired in July 2000 and North Haven II apartments (5 units) acquired in March 2014.
- Cedar View LLC Formed to own and operate Cedar View fka Anpa Waste Numpa (10 units) acquired in February 2005.
- Hawthorne Avenue LLC Formed to own and operate Hawthorne Avenue Apartments (35 units) acquired in August 2005.
- 545 Snelling LLC Formed to own and operate Kimball Court (76 units) acquired in May 2010. At June 30, 2025, an expansion project is in process. The project will have a total of 98 units at completion.
- 352 Wacouta LLC Formed to own and operate American House (69 units) acquired in May 2010 and a rehab was completed in June 2023.
- Housing 150 LLC Formed to own and operate Abbott View (21 units) acquired in October 2006.
- Oakhaven Housing LLC Formed to own and operate Oakhaven Townhomes (10 units) acquired in December 2006.
- Clinton Avenue Townhomes LLC Formed to own and operate Clinton Avenue Townhomes, acquired in December 2011.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

1. ORGANIZATION (Continued)

- Housing 150-Nicollet LLC Formed to be the general partner in PCNF Nicollet Housing LP, and to own and operate 5,765 square feet of commercial rental space.
- Nicollet Housing LLC Formed to be the limited partner in PCNF Nicollet Housing LP. The only activity relates to the operations of Nicollet Square apartments.
- Vista 44 LLC Formed to construct, own, and operate Vista 44 apartments (50 units). Construction of the project was substantially completed in June 2024.
- Emerson Village LLC Formed to construct, own, and operate Emerson Village apartments (40 units). The project was placed into service in November 2024.
- PCNF Nicollet Housing LP General and limited partner interests in partnership formed to own and operate Nicollet Square apartments (42 units).
- Creekside Commons LLC Formed to be the general partner in PCNF Creekside Commons LP.
- Plymouth Housing LLC Formed to be the general partner in Lydia House LP. The only activity relates to the operations of Lydia House LP.
- Prior Crossing LLC The LLC is the general partner in Prior Crossing Housing Limited Partnership.
- Housing 150-Lonoke LLC Formed to be the general partner in Lonoke LP.
- 66 West LLC The LLC is the general partner in 66 West Housing LP.
- Great River Landing LLC The LLC is the general partner in Great River Landing Housing LP.
- Lydia Apartments LLC The LLC is the general partner in Lydia Apartments Housing LP.
- Cranberry Ridge LLC The LLC is the general partner in Cranberry Ridge LP.
- Bimosedaa LLC and Bimosedaa Co-GP LLC Formed to be the general partners in Bimosedaa Housing LP.
- Prairie Pointe LLC The LLC is the general partner in Prairie Pointe Housing LP.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

1. ORGANIZATION (Continued)

- Development Projects:

- Beacon Acquisition LLC Functions to acquire and hold property pending development. At June 30, 2025, held the property to be used for the planned Gladstone Crossing project.

Beacon has the following interests in consolidated partnerships:

- PCNF Creekside Commons LP General partner interest (.01%) in partnership formed to own and operate Creekside Commons (30 units).
- Lonoke LP General partner interest (.01%) in partnership formed to own and operate Franklin Garden Apartments (19 units).
- Prior Crossing Housing LP General partner interest (.01%) in partnership formed to own and operate Prior Crossing Apartments (44 units).
- 66 West Housing LP General partner interest (.01%) in partnership formed to own and operate 66 West Apartments (39 units).
- FMF 38th Street Development, LLLP Limited partner interest (.99%) in partnership formed to own and operate Third Avenue Townhomes (12 units). Acquired interest January 1, 2018.
- Great River Landing Housing LP General partner interest (.01%) in partnership formed to develop, own and operate Great River Landing (72 units).
- Cranberry Ridge Housing LP General partner interest (.01%) in partnership formed to develop, own and operate Cranberry Ridge (45 units). The project was placed into service in April 2022.
- Lydia Apartments Housing LP General partner interest (.01%) in partnership formed to develop, own and operate Lydia Apartments (80 units). The project was placed into service in October 2022.
- Bimosedaa Housing LP General partners interest (.01%) in partnership formed to develop, own and operate Bimosedaa (80 units). The project was placed into service in December 2023.
- Prairie Pointe Housing LP General partner interest (.01%) in partnership formed to develop, own and operate Prairie Pointe (42 units).

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

1. ORGANIZATION (Continued)

FMF Housing is a nonprofit organization of which Beacon is the sole member.

FMF Housing has interests in the following partnerships and companies which are consolidated:

- FMF 38th Street Development, LLLP General partner interest (.01%) in partnership formed to own and operate Third Avenue Townhomes (12 units).
- FMF Audubon, LLC Wholly owned LLC formed to represent Beacon's 50% interest in Lowry Apartments GP, LLC. The only activity relates to the operations of Audubon Crossing Apartments (Note 7).
- FMF Properties, LLC Wholly owned LLC formed to provide affordable housing and long-term transitional housing services. The LLC is currently inactive.
- FMF Development, Inc. FMF Housing is the sole shareholder of FMF Development, which was formed to facilitate future development of affordable rental housing. FMF Development is currently inactive.

FMF Housing has interests in the following partnerships and companies which are not consolidated because Beacon is not the controlling partner (Note 7):

- Lowry Apartments LP Limited partnership formed to own and operate Audubon Crossing Apartments (30 units).
- Lowry Apartments GP, LLC LLC formed to be the general partner (.01%) in Lowry Apartments, LP. FMF Audubon is the co-member of the LLC with MetroPlains Partners LLC (an unrelated entity).
- Lowry Apartments Developer, LLC FMF Housing has a 50% membership interest along with MetroPlains, LLC (unrelated entity) in Lowry Apartments Developer, LLC, which was formed to facilitate the development of Audubon Crossing Apartments.

Riverview Apartments Senior Housing (Riverview) is a nonprofit organization formed to own and operate a 42-unit senior apartment complex. Beacon can appoint four members of the eight-member board of directors. Upon dissolution of Riverview, all assets and property will be distributed to Beacon. Accordingly, Riverview is consolidated.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidation Policy – The consolidated financial statements include the accounts of Beacon, nonprofit entities in which Beacon has both an economic interest and control, the wholly owned subsidiaries, and the limited partnerships in which Beacon is a general partner and exercises control. All material intra-entity transactions have been eliminated with the exception of developer fees. Only developer fee revenue from related entities recognized in excess of development expenses incurred by Beacon is eliminated in the consolidated financial statements. The limited partners' equity in consolidated partnerships is reported as a component of net assets without donor restrictions as noncontrolling interests.

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

Comparative Total Column – The financial statements include certain prior-year summarized comparative information in total but not by net asset class or functional expense. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Financial Statement Presentation – Revenues and support are classified based on the presence or absence of donor restrictions and reported in the following net asset categories:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve, a predevelopment housing fund, and other designated funds.
- *Net Assets With Donor Restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed 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 donor stipulates 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.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Beacon has presented noncash revenues and expenses including amortization of refundable advances, forgiveness of debt, deferred interest expense, depreciation and amortization for rental properties, as well as capital acquisition grants and contributions in the other revenues (expenses) section on the Statement of Activities. Beacon believes the presentation will assist users in analyzing operating results.

Cash and Cash Equivalents – For purposes of the Statement of Cash Flows, Beacon considers all highly liquid instruments purchased with an original maturity of three months or less to be cash. Restricted escrows and reserves and cash restricted for long-term purposes are also included. Cash restricted for long-term purposes consists of cash restricted by donors for certain development projects of Beacon.

Credit Risk – Beacon maintains accounts at several financial institutions which are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. Although at times the amount on deposit in these accounts may exceed the federally insured limit, Beacon has never experienced any losses. At June 30, 2025 and 2024, deposits exceeded the insured limit by approximately \$4,584,000 and \$2,108,000.

Accounts Receivable – Accounts receivable are stated at the amount management expects to collect from outstanding balances and are noninterest bearing. Management periodically assesses the collectability of accounts receivable and establishes allowances for accounts deemed to be uncollectible based on historical experience, relevant economic conditions, and the financial stability of the tenants. Changes to the allowances are charged to bad debts, which is presented as an adjustment of rental revenue when related to rent receivable. Other bad debts are presented as an operating expense. The allowance was \$116,101 and is \$157,716 at June 30, 2025 and 2024, respectively.

For development receivables, management reviews receivable balances at year end and establishes an allowance for doubtful accounts based on expected collections. Receivables are written off as a charge to the allowance when, in management's estimation, it is probable that the receivable is worthless. An allowance of 5% - 10% is used for receivables due with the next five years and an allowance of 60% – 100% is used for receivables past due.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Predevelopment Costs – Predevelopment costs represent costs incurred on projects under development. The costs are expected to be recovered when financing for the project is secured; the project is sold to an unrelated entity; or the project is transferred to an entity formed by Beacon. Costs include acquisition, legal, architectural, and construction costs incurred to date.

Property and Equipment – Property and equipment are carried at cost, with the exception of donated items which are recorded at fair market value at date of gift. Costs incurred to develop projects for interest, property taxes and insurance are capitalized only during periods in which activities necessary to prepare the property for its intended use are in progress. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Maintenance and repairs are expensed as incurred. Major renewals or betterments that extend the lives of property and equipment are capitalized. Asset impairment is evaluated whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Absent explicit donor restrictions regarding how long donated assets must be maintained, Beacon reports expiration of donor restrictions when the donated or acquired assets are placed in service.

Leases – Beacon assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. Beacon currently has one lease, which is classified as an operating lease.

Right-of-use (ROU) assets represent Beacon's right to use an underlying asset for the lease term, and lease liabilities represent Beacon's obligation to make lease payments. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Beacon uses the implicit rate when it is readily determinable. Management uses a risk-free rate to determine the present value of lease payments when a lease does not provide an implicit rate.

Lease expense is recognized on a straight-line basis over the lease term.

Tax Credit Fees – Tax credit fees are amortized over 10 - 15 years using the straight-line method.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Finance Fees – Finance fees are deferred and amortized over the term of the related debt using the straight-line method. Unamortized finance fees related to funded debt are reported on the statement of financial position as a deduction from the face amount of the related debt. Finance fees related to debt which has not yet been funded are reported as prepaid expenses.

Construction Payables – Construction payables consist of costs incurred on development projects which have not been paid. Construction payables will be paid with proceeds of debt and capital contributions.

Grants, Contracts, and Contributions – Beacon recognizes contributions when cash, securities or other assets or an unconditional promise to give are received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Contributions are recorded when received as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. Upon expiration of the time restriction or when purpose restrictions have been met, they are reclassified to net assets without donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

A portion of Beacon's revenue is derived from cost-reimbursable government contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Beacon has incurred expenditures in compliance with specific contract or grant provisions.

Revenues under government grants and contracts are subject to review by the granting authority. If, as a result of such a review, expenditures are determined to be unallowable, or services performed not in compliance, the disallowance will be recorded at the time the assessment for refund is made.

Capital advances received from the Department of Housing and Urban Development (HUD) under the Section 202 program were recorded as donor restricted revenue when received. These grants are subject to a number of requirements, including that the property be used as affordable housing for 40 years. These grants continue to be reported as net assets with donor restrictions and released to net assets without donor restrictions upon expiration of the grant requirements based on the accounting guidance applicable when the grants were awarded.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Contributions and grants receivable are stated at the amount management expects to collect from outstanding balances. Contributions receivable expected to be collected in greater than one year are recorded at the present value of the amount expected to be collected, using risk free rates applicable to the years in which the promises are to be received. Grants receivable represent expenditures made in accordance with the terms of the awards not yet reimbursed in cash or services performed but not paid. Operating funding received in advance of the incurrence of project expenditures or performance of required services is recorded as a refundable advance and included in other current liabilities. Management provides for probable uncollectible amounts through a charge to expense and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants or contributions receivable.

Contributed Goods and Services – Donated items are recorded as contributions at their estimated fair value in the period received. Donated services are recorded as contributions at their estimated fair value only if the services create or enhance a nonfinancial asset or if the services require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Fair value is estimated by management by reference to the appropriate market and type of goods and services donated. Beacon utilizes donated goods and services in its programs and operations or according to any donor restrictions.

Beacon regularly receives donated services from many volunteers. However, no amounts have been recognized for these services because they do not meet the criteria described above.

Special Events – Revenues from special events consist of donations and are included in contributions.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fee Income – The following is a description of principal activities from which Beacon generates its fee income. The services, as well as the nature and timing of satisfaction of performance obligations and significant payment terms are as follows:

- **Asset management and related fees** – Revenue is recognized at a point in time when the other contractual requirements are met and the risk around the collectability of the fee is low. Payment is generally due annually. Asset management and related fees earned from affiliated entities consolidated in these financials are eliminated in the consolidated financial statements.
- **Developer fees** – Revenue is recognized over time when requirements for the performance obligation are met and the risk around the collectability of the fee is low. Customers are invoiced periodically as part of the construction draw process when the other contractual requirements are met. The compensation for the performance obligation is variable depending on the timing of completion and the amounts of total construction costs and credits delivered. Variable consideration is estimated at the most likely amount that is expected to be earned. Changes to estimates are recorded in the period determined. Developer fee revenue from related entities recognized in excess of development expenses incurred by Beacon is eliminated in the consolidated financial statements ratably as the developer fee is recognized.
- **Miscellaneous income** – Miscellaneous income is earned from various other services, none of which are individually significant. Revenue is recognized in the period service is provided. Customers are invoiced upon the service being provided. Payment is typically due within thirty days of receipt of invoice. Any material other income from affiliated entities is eliminated in the consolidated financial statements.

Rents – Revenue from commercial and residential leases, including housing assistance payments, is recorded over the term to which it relates. Residential leases are for periods of up to one year. Commercial leases are for periods up to ten years. Other rents result from fees charged to tenants, including late fees, forfeited security deposits, laundry facilities, cleaning, and damage charges and are recorded when earned.

Functional Expenses – The costs of providing programs and Beacon’s supporting services have been reported on a functional basis. The majority of expenses can be directly identified with the program or supporting services to which they relate and are charged accordingly. Other expenses have been allocated among program and supporting services based on management’s estimates of employee time and effort.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes – Beacon, FMF Housing and Riverview are exempt from income taxes under Internal Revenue Code Section 501(c)(3) and applicable Minnesota Statutes, except to the extent they have taxable income from activities that are not related to their exempt purpose. Activities generating unrelated business income consist of income from commercial leasing. No significant unrelated business income taxes were paid in 2025 or 2024 related to the commercial leasing. The wholly owned LLCs and the limited partnerships are not taxable entities. Income or losses are passed through to the partners or members. Management believes Beacon and related entities do not have any uncertain income tax positions.

Reclassifications – Certain reclassifications have been made to the June 30, 2024 financial statements in order for them to conform to the June 30, 2025 presentation. These reclassifications had no effect on total net assets.

3. CONTRIBUTIONS RECEIVABLE

Contributions receivable are due in the following years ending June 30:

2026	\$	365,544
2027		147,100
2028		67,321
2029		62,773
2030		18,455
Thereafter		28,315
		<u>689,508</u>
Less discounts to net present value (2%)		(12,184)
Less allowance (5 - 100%)		<u>(225,095)</u>
		452,229
Less current portion		<u>(188,464)</u>
Contributions receivable, long-term portion	\$	<u><u>263,765</u></u>

4. ESCROWS AND RESERVES

Certain partnership and debt agreements place restrictions on and require that cash be escrowed for payment of real estate taxes, insurance, replacement reserves, operating reserves, development cost escrows and other reserves.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

4. ESCROWS AND RESERVES (Continued)

Escrows and reserves consist of the following:

	<u>2025</u>	<u>2024</u>
Security deposits	\$ 413,286	\$ 297,888
Tax and insurance escrows	544,060	464,242
Replacement reserves	1,673,158	1,371,062
Operating reserves	3,015,445	1,712,970
Revenue deficit reserves	644,976	636,254
Debt service reserve	913,722	375,658
Service coordination reserve	584,170	31,360
Other reserves	413,357	216,286
	<u>\$ 8,202,174</u>	<u>\$ 5,105,720</u>

Any escrows and reserves held by Minnesota Housing Finance Agency (MN Housing) are in a common pool primarily invested in cash, cash equivalents, and U.S. government agency securities and cannot be released without their approval. MHFA escrows and reserves are carried at cost plus investment income credited by MHFA.

5. PREDEVELOPMENT COSTS

Predevelopment costs relate to the following projects:

	<u>2025</u>	<u>2024</u>
Northview	\$ 149,528	\$ 57,730
Aster Commons	282,974	290,221
Aragon	237,865	65,476
Other	-	1,100
	<u>\$ 670,367</u>	<u>\$ 414,527</u>

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

6. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2025</u>	<u>2024</u>	<u>Estimated useful lives (years)</u>
Land	\$ 15,885,335	\$ 14,951,805	-
Buildings and improvements	161,509,177	143,807,105	20-40
Land improvements	3,821,383	2,836,161	5-20
Leasehold improvements	259,076	259,076	6-10
Equipment	5,059,589	4,252,341	3-9
Construction in progress	12,471,105	12,501,091	-
	<u>199,005,665</u>	<u>178,607,579</u>	
Less accumulated depreciation	<u>(32,173,350)</u>	<u>(26,693,125)</u>	
	<u>\$ 166,832,315</u>	<u>\$ 151,914,454</u>	

Depreciation expense charged to operations was \$5,480,225 in 2025 and \$3,923,596 in 2024.

Construction in progress consists of projects in the development phase as follows:

	<u>2025</u>	<u>2024</u>
Prairie Pointe	\$ 7,702,547	\$ 700,376
Kimball Court / 545 Snelling	4,047,610	1,311,221
Emerson Village	-	9,943,514
North Haven	-	280,669
Gladstone Crossing	720,948	265,311
	<u>\$ 12,471,105</u>	<u>\$ 12,501,091</u>

Amortization of \$46,392 was capitalized in 2024. No amortization was capitalized in 2025. Interest of \$50,354 and \$145,177 was capitalized in 2025 and 2024.

7. INVESTMENT IN UNCONSOLIDATED LIMITED PARTNERSHIP

FMF Housing is the sole member of FMF Audubon, LLC which has a 50% membership interest along with MetroPlains Partners LLC in Lowry Apartments GP, LLC. Lowry Apartments GP, LLC, is the General Partner in Lowry Apartments LP which owns Audubon Crossing, a 30 unit low income housing tax credit apartment building. FMF Housing's investment in FMF Audubon, LLC is recorded using the cost method (\$0).

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

7. INVESTMENT IN UNCONSOLIDATED LIMITED PARTNERSHIP (Continued)

FMF Housing has no responsibility for tax credit guarantees or operating deficits. FMF Housing has a right of first refusal to purchase Audubon Crossing from the partnership at the completion of the tax credit compliance period in 2025.

FMF Audubon, LLC has the overall responsibility to provide and supervise the provision of the supportive services. FMF Housing is responsible for marketing the four “long term homeless” units to eligible families and has an agreement to provide the supportive services to those families. Funding has been established in a Social Service Reserve to ensure available funding for services during the tax credit compliance period.

A summary of the financial position and results of operations for Lowry Apartments LP as of and for the year ended December 31, 2024 follows:

BALANCE SHEET

Property and equipment, net	\$	4,164,223
Cash		49,670
Reserves and escrows		161,330
Receivables and prepaid expenses		23,906
Other assets, net		1,074
		<hr/>
	\$	4,400,203
		<hr/>
Debt, net	\$	2,684,099
Accounts payable and accrued expenses		176,457
Other liabilities		40,334
		<hr/>
		2,900,890
Partners' equity		<hr/>
		1,499,313
		<hr/>
	\$	4,400,203
		<hr/>

STATEMENT OF OPERATIONS

Operating revenue	\$	429,342
Operating expenses		(409,357)
Depreciation and amortization		(220,930)
		<hr/>
Net loss	\$	(200,945)
		<hr/>

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

8. DEBT

Debt consists of the following:

	<u>2025</u>	<u>2024</u>
Beacon		
Bethlehem Lutheran Church Foundation – Note with 2% interest until January 1, 2024 when interest increased to 3%. Repaid in December 31, 2024.	\$ -	\$ 200,000
Otto Bremer Trust – Note with 1.5% interest. Repaid January 14, 2025.	-	2,000,000
Otto Bremer Trust – Note with 3.5% interest, due March 31, 2028. \$800,000 remains available to draw.	1,200,000	-
Development Projects:		
Bremer Bank* - Mortgage with 7.75% interest, due in monthly installments of interest through March 2025 (Prairie Pointe Development).	-	476,800
Bremer Bank* - Mortgage with 7.75% interest, due in monthly installments of interest through August 2024 (Kimball Court Development).	-	481,000
Bremer Bank* - Mortgage with interest at the US Prime Rate less .75% (7.75% at June 30, 2024), due in monthly installments of interest through the earlier of closing or October 2026 (Gladstone Crossing Development).	364,000	364,000
North Haven LLC		
MHFA – Mortgage without interest, due in August 2038.	161,700	161,700
City of Minneapolis – Mortgage with 1% interest, due in August 2038.	171,814	171,814
MHFA – Mortgage without interest due in March 2044.	238,396	238,396
City of Minneapolis – Mortgage with 1% interest, due in March 2044.	212,184	212,184
Hennepin County HRA – Mortgage with 1% interest, due in December 2053.	300,000	167,332
Cedar View LLC		
MHFA – Two mortgages without interest, due in November 2035.	518,000	518,000
City of Minneapolis – Mortgage with 1% interest, due in November 2035.	433,746	433,746

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

8. DEBT (Continued)

	2025	2024
Hawthorne Avenue LLC		
Hennepin County – Mortgage with 1% interest, due in August 2035.	\$ 115,000	\$ 115,000
MHFA – Two mortgages without interest, due in August 2035.	883,610	883,610
City of Minneapolis – Two mortgages with 1% interest, due in August 2025 and August 2035.	525,000	525,000
American National Bank – Mortgage with 5.38% interest, due in monthly installments of \$1,570 through September 2027.	147,461	158,199
545 Snelling LLC		
MHFA – Three mortgages without interest, due in May 2040.	1,750,818	2,150,818
Saint Paul HRA – Two mortgages without interest, due in May 2040.	523,527	523,527
Ramsey County – Two mortgages without interest due February 2057.	3,249,000	-
City of Saint Paul – Mortgage without interest due February 2057. \$2,076,772 remains to be drawn.	1,273,228	-
352 Wacouta LLC		
Saint Paul HRA – Four mortgages without interest, due in November 2032 and May 2040.	560,524	560,524
Ramsey County HRA – Mortgage without interest, due in November 2032.	250,000	250,000
Family Housing Fund – Mortgage without interest, due in November 2032.	200,000	200,000
MHFA – Two mortgages without interest, due in May 2040.	1,888,046	1,888,046
Saint Paul CDBG – Two mortgages without interest, due in April 2052.	1,020,000	750,000
MHFA – Two mortgages without interest, due in April 2052.	2,413,000	2,377,420
Oakhaven Housing LLC		
MHFA – Mortgage with 3% interest, due in monthly installments of \$2,909 through February 2043.	478,257	498,488

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

8. **DEBT (Continued)**

	<u>2025</u>	<u>2024</u>
Housing 150 LLC		
MHFA – Mortgage with .5% interest, due in monthly installments of \$4,384 through November 2039.	\$ 731,551	\$ 780,366
City of Minneapolis – Mortgage with 1% interest, due in March 2039.	530,000	530,000
Clinton Avenue Townhomes LLC		
MHFA – Mortgage without interest, due in monthly installments of \$1,566 through September 2052.	512,140	530,935
PCNF Nicollet Housing Limited Partnership		
City of Minneapolis – Mortgage with 1% interest, due in December 2039.	977,584	977,584
MHFA – Mortgage without interest, due in February 2040.	882,774	882,774
Hennepin County HRA – Mortgage with 1% interest, due in February 2040.	200,000	200,000
Family Housing Fund – Mortgage with 1% interest, due in February 2040.	100,000	100,000
Vista 44 LLC		
MHFA – Mortgage in the amount up to \$14,118,000 without interest, due in March 2054.	13,718,000	12,976,030
MHFA – Mortgage without interest, due in March 2054.	400,000	400,000
Hennepin County HRA – Mortgage with 1% simple interest, due in December 2054.	250,000	250,000
Hennepin County HRA – Mortgage without interest, due in December 2054.	100,000	100,000
Hennepin County HOME – Mortgage with 1% simple interest, due in March 2054.	4,630,000	4,630,000
Emerson Village LLC		
MHFA – Two mortgages in the amount up to \$14,503,506 without interest, due in October 2054.	14,084,931	4,093,017
Hennepin County HRA – Two mortgages without interest, due in December 2055.	2,000,000	2,000,000
City of Minneapolis – Mortgage with 1% interest, principal and interest due August 2055.	1,138,539	-

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

8. **DEBT (Continued)**

	2025	2024
FMF 38th Street Development, LLLP		
MHFA – Mortgage with 6.5% interest due in varying monthly installments through January 2034.	\$ 210,626	\$ 228,386
MHFA – Mortgage with 1% interest, due in July 2033.	525,000	525,000
Hennepin County HRA – Mortgage with 1% interest, due in July 2033.	118,500	118,500
PCNF Creekside Commons LP		
City of Minneapolis – Three mortgages with 1% interest, due in November 2039.	2,149,104	2,149,104
MHFA – Mortgage with 1% interest, due in November 2039.	247,260	247,260
Lonoke Limited Partnership		
City of Minneapolis – Mortgage with 1% interest, due in April 2045.	432,523	432,523
MHFA – Mortgage with 1% interest, due in April 2045.	645,454	645,454
Hennepin County HRA – Mortgage without interest, due in April 2045.	225,000	225,000
Prior Crossing Housing Limited Partnership		
MHFA – Mortgage in the amount up to \$5,625,954 without interest, due in August 2045.	5,225,954	5,225,954
St. Paul HRA – Two mortgages without interest, due in August 2045.	1,101,000	1,101,000
City of St. Paul – Mortgage without interest, due in August 2045.	927,015	927,015
Riverview Apartments Senior Housing		
City of Minneapolis – Mortgage with 1% interest, due in December 2051.	1,634,602	1,634,602
MHFA – Mortgage without interest, due in December 2051.	200,000	200,000
66 West Housing LP		
MHFA – Housing Infrastructure Bonds without interest, due in July 2046.	5,008,303	5,008,303
City of Edina – 2 mortgages without interest, due in June 2046.	1,300,000	1,300,000

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

8. DEBT (Continued)

	2025	2024
Hennepin County – 2 mortgages with 1% interest, due in July 2046.	\$ 800,000	\$ 800,000
Family Housing Fund – Mortgage without interest, due in July 2046.	227,000	227,000
Great River Landing Housing LP		
Minneapolis AHTF – Mortgage with interest at 1%, due in June 2063.	1,800,000	1,800,000
MHFA – Mortgage without interest, due in June 2063.	1,193,462	1,193,462
City of Minneapolis – 2 mortgages without interest, due in June 2063.	1,325,700	1,325,700
Hennepin County – Mortgage without interest, due in June 2063.	375,000	375,000
Cranberry Ridge Housing LP		
Hennepin County – Mortgage with interest at 1%, due in May 2051.	1,050,000	1,050,000
City of Plymouth – Mortgage without interest, due in December 2051.	527,000	527,000
Greater Minnesota Housing Fund – Mortgage with interest at 4.30% due in monthly installments of \$13,362, and all outstanding principal is due in February 2047.	2,583,461	2,631,582
Lydia Apartments Housing LP		
MHFA – Housing Infrastructure Bonds without interest due in June 2061. In 2024, \$3,374,000 was repaid upon receipt of the third capital installment.	4,226,000	4,266,000
City of Minneapolis – Three mortgages without interest, due in December 2061.	2,900,000	2,900,000
MHFA – Two mortgages without interest, due in June 2061.	529,584	529,584
Family Housing Fund – Mortgage without interest, due in December 2061.	328,000	328,000
Hennepin County – Three mortgages without interest, due in December 2061.	1,077,544	1,077,544

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

8. **DEBT (Continued)**

	<u>2025</u>	<u>2024</u>
Bimosedaa Housing LP		
City of Minneapolis – Mortgage with 1% simple interest, due in August 2050. In March 2022, this was modified to 2.14% compounded interest, due in March 2062.	\$ 1,000,000	\$ 1,000,000
Hennepin County – Two mortgages without interest, due March 2062.	1,624,814	500,000
City of Minneapolis – Two mortgages with no interest due in March 2062.	2,435,000	1,928,127
MHFA – Mortgage with no interest, in the amended amount of \$14,290,000, with \$4,567,000 due in December 2024. Payments of \$1,004,000 are due in December for the next four years. The remaining balance is due in March 2062.	9,723,000	14,290,000
MHFA – Mortgage without interest, due in March 2062.	37,250	-
Bremer Bank – Construction loan in the original amount of \$4,870,518, with monthly interest payments through October 15, 2028 (the maturity date), at the one-month term SOFR plus 2.15% per annum (7.48% at June 30, 2024), with a floor at 3.50%. The full loan was repaid in November 2024.	-	4,134,784
Prairie Pointe Housing LP		
MHFA – Three mortgages without interest due July 2056.	2,261,154	-
Scott County CDA – Two mortgages without interest due December 2056.	850,000	-
	<u>115,957,140</u>	<u>105,568,194</u>
Less current maturities of debt	(1,372,942)	(3,321,997)
Less unamortized finance fees	<u>(1,121,904)</u>	<u>(1,248,067)</u>
	<u>\$ 113,462,294</u>	<u>\$ 100,998,130</u>

*Loans with recourse

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

8. DEBT (Continued)

Maturities of debt for the years ending June 30 are as follows:

2026	\$ 1,372,942
2027	1,541,913
2028	2,495,501
2029	1,175,551
2030	176,543
Thereafter	<u>109,194,690</u>
	<u>\$ 115,957,140</u>

9. REFUNDABLE ADVANCES

PCNF Nicollet Housing Limited Partnership was awarded a government grant under the Section 1602 Grants to States for Low-Income Housing Projects in Lieu of Low-Income Housing Credits for 2009 Program in the amount of \$6,093,729. This grant program was administered by MN Housing and required that the project be used as low-income housing for a 15 year compliance period plus the extended use period. The grant was not required to be repaid unless there was a recapture event during the 15 year compliance period. A recapture event would take place any time the project did not comply with applicable occupancy requirements. The grant was forgiven in 2025.

	<u>2025</u>	<u>2024</u>
	\$ -	\$ 812,492

Ten grants from Federal Home Loan Bank for the rehabilitation of the Lydia; Abbott View; Riverview; Nokoma; Prior Crossing; 66 West; Great River Landing; Bimosedaa, and Vista 44 properties. Recoveries from excess cash generated by property operations must be repaid to the Federal Home Loan Bank. The grants will be forgiven on dates between 2032 and 2040 provided the properties maintain compliance with the low-income housing requirements of the grant agreements.

	5,208,331	5,208,331
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(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

9. **REFUNDABLE ADVANCES (Continued)**

	<u>2025</u>	<u>2024</u>
Three grants from Hennepin County for the renovation of the North Haven and Abbott View properties. The grants will be forgiven on dates between 2033 and 2039 provided the properties maintain compliance with the low-income housing requirements of the grant agreements. The entire grants are due in full on demand in the event of a default with the grant agreements.	\$ 745,000	\$ 745,000
Two grants from Hennepin County for the construction of the Vista 44 project. The grants were forgiven in 2025 since the project was completed within two years of the execution of the grant agreements.	-	130,000
Two forgivable loans from the City of Hopkins without interest. The loans will be forgiven after a fifteen-year affordability period. (Vista 44 Development).	1,672,300	1,672,300
Two grants from the City of Minneapolis for the Emerson Village project. One grant (\$92,617) was forgiven in 2025 since the project was completed within two years of the execution of the grant agreement. One grant (\$750,000) will be forgiven at the end of the affordability period.	750,000	767,617
One forgivable loan from Ramsey County without interest for the construction of the 545 Snelling project. The grant will be forgiven at construction completion.	<u>17,392</u>	<u>-</u>
	<u>\$ 8,393,023</u>	<u>\$ 9,335,740</u>

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

10. **BOARD DESIGNATED NET ASSETS WITHOUT DONOR RESTRICTIONS**

Beacon’s Board of Directors has designated portions of the net assets without donor restrictions as an operating reserve for Beacon, to provide funds for purchasing property and predevelopment costs, and other designations the board decides on in the future to further its mission. The board has the objective of setting funds aside at a level that would cover at least 3 months of general operating expenses. In addition, the board considers the supportive services costs paid for by partners and reserves for these costs to the level anticipated that would be continued in the event of the partners’ inability or unwillingness to deliver or fund the services.

11. **NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following:

	<u>2025</u>	<u>2024</u>
Not subject to appropriation or expenditure:		
HUD capital advance - Riverview	\$ 6,056,900	\$ 6,056,900
Expendable for specified purposes:		
Housing supportive services	113,188	322,857
Housing development	75,321	442,426
Other	63,769	48,513
Subject to the passage of time	<u>423,309</u>	<u>1,207,446</u>
	<u>\$ 6,732,487</u>	<u>\$ 8,078,142</u>

Net assets with donor restrictions consist of cash of \$224,983, contributions receivable of \$450,604, and property and equipment of \$6,056,900 as of June 30, 2025.

Net assets with donor restrictions consist of cash of \$813,796, contributions receivable of \$1,207,446, and property and equipment of \$6,056,900 as of June 30, 2024.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

12. NONCONTROLLING INTERESTS

Changes in net assets attributed to controlling and noncontrolling interests for the years ended June 30, 2025 and 2024 follows:

	<u>Total</u>	<u>Controlling</u>	<u>Noncontrolling</u>
Net assets, June 30, 2023	\$ 44,302,392	\$ 16,343,287	\$ 27,959,105
Capital contributions	4,326,154	-	4,326,154
Syndication costs	(47,763)	-	(47,763)
Change in net assets	<u>(4,019,939)</u>	<u>(327,104)</u>	<u>(3,692,835)</u>
Net assets, June 30, 2024	44,560,844	16,016,183	28,544,661
Capital contributions	11,958,125	-	11,958,125
Change in net assets	<u>(2,278,153)</u>	<u>948,075</u>	<u>(3,226,228)</u>
Net assets, June 30, 2025	<u>\$ 54,240,816</u>	<u>\$ 16,964,258</u>	<u>\$ 37,276,558</u>

13. LEASES

Beacon leases 4,450 square feet of office space under an operating lease agreement with monthly payments starting at \$4,647, increasing \$93/month annually, plus a pro-rata share of operating expenses through November 30, 2025. The variable lease expense under the lease for 2025 and 2024 was \$54,001 and \$50,953. Fixed lease expense for 2025 and 2024 was \$57,250 and \$56,407. The discount rate used in the calculations was 5.00%.

Future minimum lease payments for the year ended June 30, 2026 are \$23,690.

14. MINIMUM FUTURE RENTAL RECEIPTS

Housing 150-Nicollet LLC leases commercial space in Nicollet Square apartments to three tenants under long-term lease agreements with initial terms of five to ten years. The leases are classified as operating leases. In addition to minimum rental payments, the tenants pay certain operating costs.

The following is a schedule of future minimum rental receipts for the years ending June 30:

2026	\$ 84,600
2027	78,080
2028	<u>2,960</u>
	<u>\$ 165,640</u>

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

15. RETIREMENT PLAN

Beacon offers a 403(b) retirement plan to all permanent staff. Beacon contributes 2% of the employee's salary for all eligible employees. Beacon will also match 2% up to 4% of staff contributions. All Beacon contributions are subject to a 2-year vesting period. Retirement expense was \$130,509 and \$150,339 for 2025 and 2024.

16. RELATED PARTY TRANSACTIONS

Fee income includes uneliminated development fees of \$87,210 from Vista 44 LLC, \$417,690 from Emerson Village LLC, \$249,390 from Prairie Pointe LLC, and \$62,000 from 545 Snelling LLC in 2025. Fee income includes uneliminated development fees of \$423,900 from Vista 44 LLC, \$295,792 from Bimosedaa Housing LP, and \$653,310 from Emerson Village LLC in 2024.

17. HISTORIC TAX CREDITS

Bimosedaa Housing Limited Partnership (the Partnership) qualifies for Minnesota state historic tax credits in the amount of \$4,936,302. In accordance with the Limited Partnership Agreement, the Partnership has elected to pass the state historic tax credits through to the Corporation. 1/5th of the state historic tax credits are expected to be utilized annually over five years. In 2025, \$987,261 of state historic tax credits for 2024 were received. State historic tax credits of \$987,261 are expected to be received annually through 2029.

18. CONTINGENCIES AND COMMITMENTS

The rental units of the following properties are all eligible to receive housing assistance payments (HAP) under the Section 8 Program of the National Housing Act or a Project Rental Assistance Contract with HUD. The expiration dates of the HAP contracts and the rental revenues provided under the HAP contracts are shown below. No assurance can be provided that these contracts will be renewed upon their expiration or if renewed, at what terms.

	2025	Expiration date
	rental revenues	
Lydia Apartments	\$ 728,194	June 2041
Creekside Commons	185,182	October 2025
FMF 38 th Street	155,419	July 2028
Housing 150 LLC	181,515	June 2027
Oakhaven Housing LLC	47,729	January 2033
Clinton Avenue Townhomes LLC	51,797	August 2026
Riverview Apartments Senior Housing	215,987	November 2025
Prior Crossing	388,611	September 2031

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

18. CONTINGENCIES AND COMMITMENTS (Continued)

Great River Landing entered into a Housing Assistance Payments Contract with Minneapolis Public Housing Authority (MPHA) for 40 efficiency apartment units with an expiration date of August 1, 2026. Great River Landing received housing assistance payments of \$530,068 and \$378,675 in 2025 and 2024.

Cedar View entered into a Sponsor-Based Assistance Payment Agreement with Minneapolis Public Housing Authority (MPHA) for a flat subsidy set at \$788 per participant occupied unit per month. MPHA agrees to provide financial assistance on an annual basis for up to 5 years. Cedar View received housing assistance payments of \$83,313 and \$63,075 in 2025 and 2024.

PCNF Nicollet Housing entered into a Sponsor-Based Assistance Payment Agreement with Minneapolis Public Housing Authority (MPHA) for a flat subsidy set at \$780 per participant occupied unit per month. MPHA agrees to provide financial assistance on an annual basis for up to 5 years. PCNF Nicollet Housing LP received housing assistance payments of \$365,124 and \$266,633 in 2025 and 2024.

Prior Crossing entered into a Section 8 HAP contract for 32 of the 44 units with a term of 15 years, expiring September 15, 2031. Beacon has also entered into a Housing Support Contract with the State of Minnesota and Ramsey County which provides for the payment of rent for 12 units, expiring June 30, 2026.

Vista 44 entered into a Housing Assistance Payments Contract with Metropolitan Housing and Redevelopment Authority for 50 apartment units with an expiration date of July 2, 2044. Vista 44 received housing assistance payments of \$594,296 in 2025.

Emerson Village entered into a Housing Assistance Payments Contract with Minneapolis Public Housing Authority (MPHA) for 40 apartment units with an expiration date of December 12, 2044. Emerson Village received housing assistance payments of \$218,955 in 2025.

Riverview is subject to restrictive covenants imposed by HUD and MHFA. Among other requirements, the agreements require that all units be rented to qualified tenants. The HUD Capital Advance Agreement terminates in 2051.

FMF Housing has entered into an agreement with Lowry Apartments LP to provide social services to residents of Audubon Crossing. Under the terms, Lowry Apartments LP will establish a Social Services Reserve of \$100,000. From the reserve, Lowry Apartments LP will pay an annual social services fee of \$10,000 increasing 3% each year to FMF Housing for providing the social services. Beginning October 1, 2012, FMF Housing transferred this agreement to Beacon. The agreement expires in 2025. The reserve was fully used in a prior year.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

18. CONTINGENCIES AND COMMITMENTS (Continued)

Beacon has signed a service agreement for the Great River Landing development committing \$200,000 annually for 15 years commencing on January 3, 2020, the date Great River Landing was issued a certificate of occupancy.

The Bimosedaa development project has been awarded approximately \$2.2 million in grants, \$12 million in equity, and \$26.5 million in loan commitments. Funds remaining to be received from all sources total approximately \$119,000.

Vista 44 development project has been awarded approximately \$900,000 in grants, \$300,000 in equity, and \$20.5 million in loan commitments. Funds remaining to be received total approximately \$800,000.

Emerson Village LLC has obtained grants, loans, and equity commitments for the development of the property totaling approximately \$20 million. Funds remaining to be received total approximately \$800,000. The property also entered into a construction contract totaling \$16.9 million of which approximately \$260,000 remains to be completed.

Prairie Pointe Housing LLC has been awarded approximately \$1.2 million in grants, \$14.4 million in loan commitments, and \$14.1 million in equity. Funds remaining to be received from all sources total approximately \$21.5 million. The property also entered into a construction contract totaling \$12.3 million of which \$7.3 million remains to be completed.

545 Snelling LLC expansion has been awarded \$136,500 in grants and approximately \$18 million in loan commitments. Funds remaining to be received total approximately \$13.6 million. The property also entered into a construction contract totaling \$12.8 million of which \$10.8 million remains to be completed.

Beacon development and predevelopment projects have obtained approximately \$23.5 million in grants and loan commitments.

On March 5, 2024, Beacon entered into a purchase agreement to acquire vacant land for the amount of \$1,350,000 or \$1,300,000 if certain conditions specified in the agreement are met. Upon execution of the agreement and additional amendments, Beacon paid the seller \$70,000 as specified in the agreement. This amount will be credited to the final sales price at the closing date.

Beacon's employees are represented by The NewsGuild-CWA (the Union). The Union represents approximately 78% of all employees. The union contract was ratified with an effective date of May 11, 2022, and includes, among other things, a new pay scale. The contract expires February 28, 2026.

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

18. CONTINGENCIES AND COMMITMENTS (Continued)

Beacon has several government grants that contain donor conditions (primarily that funds be expended before they are earned or received). Since these grants represent conditional promises to give, they are not recorded as contribution revenue until donor conditions are met. Beacon has unearned conditional contributions for Housing services of \$388,076 at June 30, 2025.

Beacon entered into a consulting contract on March 1, 2025. The agreement is for services not to exceed \$360,000 through February 2029. Beacon has the right to terminate the agreement at any time with prior written notice.

During the course of operations, Beacon is a party to various legal actions. Management of the Organization does not anticipate that any of these legal actions will have a material effect on its financial position or changes in net assets.

As part of its development work at Prairie Pointe, Beacon provides a letter of credit to the City of Shakopee to ensure its performance. Beacon has received a commitment from a financial institution to issue a letter of credit up to \$256,834. At June 30, 2025, the full amount of the letter of credit has been issued. The letter of credit expires on March 28, 2026 unless renewed.

19. LIQUIDITY AND AVAILABILITY

At June 30, 2025, resources available for general expenditures within one year of the statement of financial position date are as follows:

	2025	2024
Cash – undesignated	\$ 1,977,267	\$ 655,636
Cash – operating funds for properties	1,118,393	677,717
Cash – donor restricted (short-term)	224,983	709,633
Cash – other board designated (short-term)	305,242	737,342
Accounts receivable, net	699,142	1,583,285
Government grants receivable, net	1,590,552	643,505
Contributions receivable, current portion	188,464	326,539
Financial assets available to meet general expenditures over the next twelve months	\$ 6,104,043	\$ 5,333,657

(Continued)

BEACON INTERFAITH HOUSING COLLABORATIVE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for 2024)

19. LIQUIDITY AND AVAILABILITY (Continued)

Cash balances are monitored at least weekly in anticipation of needs for general expenditures, predevelopment needs, liabilities, and other obligations that come due. Reports are used by management monthly and the Board quarterly to monitor liquidity relative to budgets and projections. Cash is kept in accounts that offer quick access and low risk and are spread to multiple financial institutions to spread risk. Beacon's Board of Directors has designated portions of the net assets without donor restrictions in an operating reserve at a level that would cover at least three months of general expenditures, totaling \$2,214,486. While Beacon does not plan to spend the funds other than the intended purposes, the amounts could be made available for current operations, if necessary.

Many of the gifts Beacon receives are restricted to specific projects, programs and/or purposes – these are restricted until spent for their intended purposes. In addition, the rental properties restrict funds in reserve and escrow accounts to be available to pay periodic expenses such as insurance and real estate taxes, replace fixed assets and for protection in case of operational shortfalls. Many of these practices are required by lenders and funders of the properties. These funds are not considered available for general expenditures unless Beacon expects to meet the related restriction in the next year.

The purchase of potential housing sites, investment in related predevelopment costs and construction are not considered to be general expenditures and are planned for separately. These are managed using multi-year projections (updated at least quarterly) given the longer-term nature of these projects. Secured loans are arranged with banks to fund the acquisition of potential housing sites and Beacon has donor-restricted and board-designated funds committed to related predevelopment costs. At times, Beacon will arrange lines of credit to fund predevelopment costs. None were in place or outstanding as of June 30, 2025.

20. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 29, 2025, the date on which the financial statements were available for issue, and identified no further significant events or transactions to disclose.

**CONSOLIDATING FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2025

	Beacon	Wholly owned		Eliminations	Subtotal	Affiliates		Eliminations	Total
		Entities				FMF Housing	Housing Entities		
ASSETS									
Cash	\$ 4,721,978	\$ 546,723	\$ -	\$ (75,683)	\$ 5,268,701	\$ 12,747	\$ 558,923	\$ -	\$ 5,840,371
Accounts receivable, net	146,788	510,411	-	(75,683)	581,516	-	169,715	(52,089)	699,142
Government grants receivable, net	1,590,552	-	-	-	1,590,552	-	-	-	1,590,552
Contributions receivable, current portion	188,464	-	-	-	188,464	-	-	-	188,464
Prepaid expenses	247,543	531,001	(393,918)	-	384,626	-	158,394	(71,000)	472,020
Total current assets	6,895,325	1,588,135	(469,601)	-	8,013,859	12,747	887,032	(123,089)	8,790,549
Investment in subsidiaries	33,000	-	(33,000)	-	-	33,551	-	(33,551)	-
Notes and other receivables, net	11,762,927	-	(3,906,660)	-	7,856,267	456,000	-	(8,312,267)	-
Predevelopment costs	3,535,220	-	(2,053,554)	-	1,481,666	-	-	(811,299)	670,367
Interest receivable	49,128	-	(19,352)	-	29,776	269,462	-	(299,238)	-
Escrows and reserves	-	2,606,166	-	-	2,606,166	-	5,596,008	-	8,202,174
Contributions receivable, less current portion	263,765	-	-	-	263,765	-	-	-	263,765
Cash - board designated for predevelopment housing fund	1,079,962	-	-	-	1,079,962	-	-	-	1,079,962
Property and equipment, net	-	64,608,009	(1,413,595)	-	63,194,414	-	106,044,417	(2,406,516)	166,832,315
Right-of-use asset, net	23,497	-	-	-	23,497	-	-	-	23,497
Tax credit fees, net	-	-	-	-	-	-	216,046	-	216,046
Total assets	\$ 23,642,824	\$ 68,802,310	\$ (7,895,762)	\$ -	\$ 84,549,372	\$ 771,760	\$ 112,743,503	\$ (11,985,960)	\$ 186,078,675
LIABILITIES AND NET ASSETS									
Accounts payable - operations	\$ 423,097	\$ 150,080	\$ -	\$ -	\$ 573,177	\$ 33,799	\$ 632,414	\$ (33,799)	\$ 1,205,591
Current maturities of long-term debt	-	318,710	-	-	318,710	-	1,054,232	-	1,372,942
Current portion of lease liability	23,960	-	-	-	23,960	-	-	-	23,960
Accrued expenses	206,300	330,849	(19,253)	-	517,896	-	657,363	(224,329)	950,930
Accrued interest	1,496	6,574	-	-	8,070	-	9,345	-	17,415
Tenant security deposits	-	159,050	-	-	159,050	-	248,589	-	407,639
Other current liabilities	485,082	91,164	(393,918)	-	182,328	-	-	(71,000)	20,164
Total current liabilities	1,139,935	965,263	(413,171)	-	1,692,027	33,799	2,601,943	(329,128)	3,998,641
Deferred developer fee	-	1,342,326	(1,342,326)	-	-	-	522,372	(522,372)	-
Construction payable	-	1,309,892	-	-	1,309,892	-	2,926,250	-	4,236,142
Due to Beacon	-	4,551,773	(4,551,773)	-	-	-	8,068,709	(8,068,709)	-
Long-term debt, net	1,200,000	58,530,093	-	-	59,730,093	-	54,203,201	(471,000)	113,462,294
Accrued interest, long-term	-	1,089,687	(19,352)	-	1,070,335	-	976,662	(299,238)	1,747,759
Refundable advances	3,498,331	4,684,692	-	-	8,183,023	-	-	210,000	8,393,023
Total liabilities	5,838,266	72,473,726	(6,326,622)	-	71,985,370	33,799	69,299,137	(9,480,447)	131,837,859
Net assets:									
Without donor restrictions:									
Undesignated	12,692,573	(3,671,416)	(1,569,140)	-	7,452,017	737,961	(99,092)	(2,295,513)	5,795,373
Designated	4,436,398	-	-	-	4,436,398	-	37,276,558	-	4,436,398
Non-controlling interests	-	-	-	-	-	-	-	-	37,276,558
Total without donor restrictions	17,128,971	(3,671,416)	(1,569,140)	-	11,888,415	737,961	37,177,466	(2,295,513)	47,508,329
With donor restrictions	675,587	-	-	-	675,587	-	6,266,900	(210,000)	6,732,487
Total net assets	17,804,558	(3,671,416)	(1,569,140)	-	12,564,002	737,961	43,444,366	(2,505,513)	54,240,816
Total liabilities and net assets	\$ 23,642,824	\$ 68,802,310	\$ (7,895,762)	\$ -	\$ 84,549,372	\$ 771,760	\$ 112,743,503	\$ (11,985,960)	\$ 186,078,675

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

	Beacon	Wholly owned		Eliminations	Beacon Subtotal	Affiliates			Total
		Entities				FMIF Housing	Housing Entities	Eliminations	
Operating revenues and support:									
Contributions	\$ 3,636,592	\$ -	\$ -	\$ -	\$ 3,636,592	\$ -	\$ -	\$ -	\$ 3,636,592
Government grants	4,085,631	648,033	-	-	4,733,664	-	189,929	-	4,923,593
Rent and housing assistance payments	-	4,093,804	-	-	4,093,804	-	5,026,066	-	9,119,870
Bad debt - rents	-	(196,571)	-	-	(196,571)	-	(215,678)	-	(412,249)
Fee income	1,460,098	-	(500,023)	-	960,075	16,281	-	(120,450)	855,906
Management fees	162,850	-	(18,496)	-	144,354	-	-	(144,354)	-
Interest income	117,341	89,193	(28,533)	-	178,001	27,497	-	(5,974)	332,011
Miscellaneous	6,786	109,475	-	-	116,261	-	159,370	-	275,631
Total operating revenues and support	9,469,298	4,743,934	(547,052)	-	13,666,180	43,778	5,292,174	(270,778)	18,731,354
Operating expenses	7,607,200	5,184,904	(18,496)	-	12,773,608	22,225	4,847,664	(119,836)	17,523,661
Operating income (loss)	1,862,098	(440,970)	(528,556)	-	892,572	21,553	444,510	(150,942)	1,207,693
Forgiveness of debt and refundable advances	169,505	622,617	-	-	792,122	-	-	-	792,122
Historic tax credits	987,260	-	-	-	987,260	-	-	-	987,260
Amortization of refundable advances	-	812,492	-	-	812,492	-	-	-	812,492
Deferred interest - rental properties	-	(122,213)	28,533	-	(93,680)	-	(302,359)	5,974	(390,065)
Interest expense - finance fee amortization	-	(20,767)	-	-	(20,767)	-	(43,604)	-	(64,371)
Depreciation and amortization - rental properties	-	(2,112,879)	38,295	-	(2,074,584)	-	(3,522,994)	86,022	(5,511,556)
Change in allowance for contributions	(111,728)	-	-	-	(111,728)	-	-	-	(111,728)
Change in net assets before investment activity	2,907,135	(1,261,720)	(461,728)	-	1,183,687	21,553	(3,424,447)	(58,946)	(2,278,153)
Contributions - noncontrolling interests	-	-	-	-	-	-	11,958,125	-	11,958,125
Interfund transfers	(1,467,535)	(18,065)	-	-	(1,485,600)	-	1,485,600	-	-
Change in net assets	1,439,600	(1,279,785)	(461,728)	-	(301,913)	21,553	10,019,278	(58,946)	9,679,972
Net assets, beginning of year	16,364,958	(2,391,631)	(1,107,412)	-	12,865,915	716,408	33,425,088	(2,446,567)	44,560,844
Net assets, end of year	\$ 17,804,558	\$ (3,671,416)	\$ (1,569,140)	-	\$ 12,564,002	\$ 737,961	\$ 43,444,366	\$ (2,505,513)	\$ 54,240,816

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2025

	Beacon	Wholly Owned Entities	FMF Housing	Affiliates Housing Entities	Eliminations	Total
Cash flows from operating activities:						
Change in net assets	\$ 2,907,135	\$ (1,261,720)	\$ 21,553	\$ (3,424,447)	\$ (520,674)	\$ (2,278,153)
Adjustments to reconcile the change in net assets to net cash from operating activities:						
Depreciation and amortization	2,545	2,133,646	-	3,566,598	(124,317)	5,578,472
Bad debt	66,294	196,571	-	215,678	-	478,543
Change in allowance for contributions	111,728	-	-	-	-	111,728
Amortization of refundable advances	-	(812,492)	-	-	-	(812,492)
Reduction in right-of-use asset	54,403	-	-	-	-	54,403
Forgiveness of debt and refundable advances	(169,505)	(622,617)	-	-	-	(792,122)
Historic tax credits	(987,260)	-	-	-	-	(987,260)
Changes in operating assets and liabilities:						
Accounts receivable	62,916	1,083,183	-	67,882	(897,420)	316,561
Government grants receivable	(1,013,341)	-	-	-	-	(1,013,341)
Contributions receivable	455,989	-	-	-	-	455,989
Prepaid expenses	99,812	(52,313)	-	(97,043)	91,000	41,456
Lease liability	(55,052)	-	-	-	-	(55,052)
Interest receivable	(7,121)	-	(27,360)	-	34,481	-
Accounts payable and accrued expenses	(173,739)	(66,597)	(82,078)	(136,567)	134,786	(324,195)
Accrued interest	(9,004)	121,930	-	136,505	(34,481)	214,950
Tenant security deposits	-	49,004	-	48,249	-	97,253
Other current liabilities	466,543	-	-	-	(464,918)	1,625
Net cash from operating activities	<u>1,812,343</u>	<u>768,595</u>	<u>(87,885)</u>	<u>376,855</u>	<u>(1,781,543)</u>	<u>1,088,365</u>
Cash flows from investing activities:						
Payments for property and equipment	(733,264)	(15,840,319)	-	(5,739,954)	1,989,544	(20,323,993)
Change in predevelopment costs, net	2,187,913	-	-	-	(2,443,753)	(255,840)
Notes and other receivable	(1,074,083)	-	-	-	1,074,083	-
Net cash from investing activities	<u>380,566</u>	<u>(15,840,319)</u>	<u>-</u>	<u>(5,739,954)</u>	<u>619,874</u>	<u>(20,579,833)</u>
Cash flows from financing activities:						
Payments of finance and tax credit fees	-	(85,492)	-	-	-	(85,492)
Proceeds from historic tax credits	987,260	-	-	-	-	987,260
Proceeds from issuance of debt	1,200,000	16,832,900	-	4,780,091	-	22,812,991
Payments of principal on long-term debt	(2,200,000)	(597,338)	-	(9,226,706)	-	(12,024,044)
Refundable advances received	-	92,392	-	-	-	92,392
Due to Beacon	-	280,566	-	(1,442,235)	1,161,669	-
Capital contributions - noncontrolling interests	-	-	-	11,958,125	-	11,958,125
Interfund transfers	(1,467,535)	(18,065)	-	1,485,600	-	-
Contributions and grants for property acquisition	187,500	-	-	-	-	187,500
Net cash from financing activities	<u>(1,292,775)</u>	<u>16,504,963</u>	<u>-</u>	<u>7,554,875</u>	<u>1,161,669</u>	<u>23,928,732</u>
Total increase (decrease)	<u>900,134</u>	<u>1,433,239</u>	<u>(87,885)</u>	<u>2,191,776</u>	<u>-</u>	<u>4,437,264</u>
Cash, cash equivalents and restricted cash, beginning of year	4,901,806	1,719,650	100,632	3,963,155	-	10,685,243
Cash, cash equivalents and restricted cash, end of year	<u>\$ 5,801,940</u>	<u>\$ 3,152,889</u>	<u>\$ 12,747</u>	<u>\$ 6,154,931</u>	<u>\$ -</u>	<u>\$ 15,122,507</u>
Cash	\$ 4,721,978	\$ 546,723	\$ 12,747	\$ 558,923	\$ -	\$ 5,840,371
Escrows and reserves	-	2,606,166	-	5,596,008	-	8,202,174
Cash - board designated	1,079,962	-	-	-	-	1,079,962
	<u>\$ 5,801,940</u>	<u>\$ 3,152,889</u>	<u>\$ 12,747</u>	<u>\$ 6,154,931</u>	<u>\$ -</u>	<u>\$ 15,122,507</u>

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - WHOLLY OWNED ENTITIES

June 30, 2025

	North Haven LLC	Cedar View LLC	Hawthorne Avenue LLC	545 Snelling LLC	352 Wacouta LLC	Housing 150 LLC	Oakhaven Housing LLC
ASSETS							
Cash	\$ 75	\$ 9,776	\$ 13,227	\$ 23,492	\$ 37,401	\$ 1,297	\$ 26,414
Accounts receivable, net	2,093	5,800	22,058	6,827	3,864	6,928	7,906
Prepaid expenses	-	-	-	465,410	6,000	-	-
Total current assets	2,168	15,576	35,285	495,729	47,265	8,225	34,320
Escrows and reserves	27,383	40,129	41,795	1,106,684	515,223	118,487	156,531
Property and equipment, net	853,716	463,768	881,328	5,752,681	4,949,363	1,297,494	396,393
Total assets	\$ 883,267	\$ 519,473	\$ 958,408	\$ 7,355,094	\$ 5,511,851	\$ 1,424,206	\$ 587,244
LIABILITIES AND NET ASSETS							
Accounts payable - operations	\$ 7,204	\$ 1,072	\$ 234	\$ 2,049	\$ 898	\$ 7,430	\$ 3,431
Current maturities of long-term debt	-	-	211,063	-	-	49,059	20,845
Accrued expenses	8,154	5,243	14,717	44,729	25,502	1,392	2,108
Accrued interest	-	-	640	-	-	305	1,196
Tenant security deposits	6,956	4,041	19,142	14,866	17,245	5,745	8,373
Total current liabilities	22,314	10,356	245,796	61,644	43,645	63,931	35,953
Deferred developer fee	-	-	33,000	-	-	-	-
Construction payables	-	-	-	981,221	-	-	-
Due to Beacon	64,992	93,910	83,300	2,061,044	754,348	123,131	2,800
Long-term debt, net	1,081,190	945,258	1,455,615	6,791,040	6,278,498	1,212,492	457,412
Accrued interest, long-term	52,798	84,990	126,948	-	-	104,149	-
Refundable advances	225,000	-	-	17,392	-	520,000	-
Total liabilities	1,446,294	1,134,514	1,944,659	9,912,341	7,076,491	2,023,703	496,165
Net assets:							
Without donor restrictions	(563,027)	(615,041)	(986,251)	(2,557,247)	(1,564,640)	(599,497)	91,079
Total liabilities and net assets	\$ 883,267	\$ 519,473	\$ 958,408	\$ 7,355,094	\$ 5,511,851	\$ 1,424,206	\$ 587,244

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - WHOLLY OWNED ENTITIES

June 30, 2025

	Clinton Avenue Townhomes LLC	Housing 150- Nicollet LLC	FMF 38th Street	PCNF Nicollet LP	Vista 44 LLC	Emerson Village LLC	Development Projects	Total
ASSETS								
Cash	\$ 7,026	\$ 154,639	\$ 24,067	\$ -	\$ 235,618	\$ 13,691	\$ -	\$ 546,723
Accounts receivable, net	3,275	5,128	5,023	21,872	12,559	407,078	-	510,411
Prepaid expenses	-	-	-	32,433	2,014	25,144	-	531,001
Total current assets	10,301	159,767	29,090	54,305	250,191	445,913	-	1,588,135
Escrows and reserves	38,819	-	60,635	29,664	330,738	95,078	45,000	2,606,166
Property and equipment, net	464,847	668,017	1,441,139	5,325,092	21,508,663	19,429,560	1,175,948	64,608,009
Total assets	\$ 513,967	\$ 827,784	\$ 1,530,864	\$ 5,409,061	\$ 22,089,592	\$ 19,970,551	\$ 1,220,948	\$ 68,802,310
LIABILITIES AND NET ASSETS								
Accounts payable - operations	\$ 67	\$ 7,378	\$ 24,610	\$ 63,482	\$ 6,723	\$ 25,502	\$ -	\$ 150,080
Current maturities of long-term debt	18,794	-	18,949	-	-	-	-	318,710
Accrued expenses	6,989	-	35,751	158,333	26,153	1,778	-	330,849
Accrued interest	-	-	1,141	-	-	3,292	-	6,574
Tenant security deposits	3,806	6,743	8,631	20,444	23,000	20,058	-	159,050
Total current liabilities	29,656	14,121	89,082	242,259	55,876	50,630	-	965,263
Deferred developer fee	-	-	-	-	544,326	765,000	-	1,342,326
Construction payables	-	-	-	-	58,064	270,607	-	1,309,892
Due to Beacon	43,700	36,033	122,850	123,007	15,683	170,027	856,948	4,551,773
Long-term debt, net	478,766	-	1,269,402	2,127,854	18,952,767	17,115,799	364,000	58,530,093
Accrued interest, long-term	-	-	413,451	195,988	111,363	-	-	1,089,687
Refundable advances	-	-	-	-	2,422,300	1,500,000	-	4,684,692
Total liabilities	552,122	50,154	1,894,785	2,689,108	22,160,379	19,872,063	1,220,948	72,473,726
Net assets:								
Without donor restrictions	(38,155)	777,630	(363,921)	2,719,953	(70,787)	98,488	-	(3,671,416)
Total liabilities and net assets	\$ 513,967	\$ 827,784	\$ 1,530,864	\$ 5,409,061	\$ 22,089,592	\$ 19,970,551	\$ 1,220,948	\$ 68,802,310

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF ACTIVITIES - WHOLLY OWNED ENTITIES

For the Year Ended June 30, 2025

	North Haven LLC	Cedar View LLC	Hawthorne Avenue LLC	545 Snelling LLC	352 Wacouta LLC	Housing 150 LLC	Oakhaven Housing LLC
Operating revenues and support:							
Government grants	\$ -	\$ 55,000	\$ -	\$ 129,228	\$ 192,500	\$ -	\$ -
Rent and housing assistance payments, net	108,673	104,911	264,248	592,706	769,075	248,085	176,888
Bad debt - rents	-	(4,439)	(36,033)	(48,777)	(34,247)	(5,433)	-
Interest income	726	1,304	1,235	20,965	28,887	5,293	6,768
Miscellaneous	981	3,130	25,514	25,391	26,602	1,768	95
Total operating revenues and support	<u>110,380</u>	<u>159,906</u>	<u>254,964</u>	<u>719,513</u>	<u>982,817</u>	<u>249,713</u>	<u>183,751</u>
Operating expenses	193,091	140,349	281,896	1,029,384	1,014,713	205,852	125,571
Operating income (loss)	<u>(82,711)</u>	<u>19,557</u>	<u>(26,932)</u>	<u>(309,871)</u>	<u>(31,896)</u>	<u>43,861</u>	<u>58,180</u>
Forgiveness of debt and refundable advances	-	-	-	400,000	-	-	-
Amortization of refundable advances	-	-	-	-	-	-	-
Deferred interest - rental properties	(3,840)	(4,337)	(6,400)	-	-	(6,473)	-
Interest expense - finance fee amortization	(155)	(608)	(418)	(373)	(2,181)	-	-
Depreciation and amortization - rental properties	<u>(27,028)</u>	<u>(40,608)</u>	<u>(65,868)</u>	<u>(108,245)</u>	<u>(255,114)</u>	<u>(98,074)</u>	<u>(24,652)</u>
Change in net assets before investment activity	(113,734)	(25,996)	(99,618)	(18,489)	(289,191)	(60,686)	33,528
Interfund transfers	-	-	-	-	-	-	(18,065)
Change in net assets	(113,734)	(25,996)	(99,618)	(18,489)	(289,191)	(60,686)	15,463
Net assets, beginning of year	<u>(449,293)</u>	<u>(589,045)</u>	<u>(886,633)</u>	<u>(2,538,758)</u>	<u>(1,275,449)</u>	<u>(538,811)</u>	<u>75,616</u>
Net assets, end of year	<u>\$ (563,027)</u>	<u>\$ (615,041)</u>	<u>\$ (986,251)</u>	<u>\$ (2,557,247)</u>	<u>\$ (1,564,640)</u>	<u>\$ (599,497)</u>	<u>\$ 91,079</u>

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF ACTIVITIES - WHOLLY OWNED ENTITIES

For the Year Ended June 30, 2025

	Clinton Avenue Townhomes LLC	Housing 150- Nicollet LLC	FMF 38th Street	PCNF Nicollet LP	Vista 44 LLC	Emerson Village LLC	Development Projects	Total
Operating revenues and support:								
Government grants	\$ -	\$ -	-	\$ 271,305	\$ -	\$ -	\$ -	\$ 648,033
Rent and housing assistance payments, net	112,898	105,972	197,123	448,681	699,521	265,023	-	4,093,804
Bad debt - rents	(7,057)	-	(8,613)	(34,052)	(17,920)	-	-	(196,571)
Interest income	2,037	333	3,857	1,211	14,246	2,331	-	89,193
Miscellaneous	7,337	-	4,071	1,010	12,135	1,441	-	109,475
Total operating revenues and support	<u>115,215</u>	<u>106,305</u>	<u>196,438</u>	<u>688,155</u>	<u>707,982</u>	<u>268,795</u>	<u>-</u>	<u>4,743,934</u>
Operating expenses	<u>165,069</u>	<u>55,276</u>	<u>259,169</u>	<u>751,858</u>	<u>584,983</u>	<u>377,693</u>	<u>-</u>	<u>5,184,904</u>
Operating income (loss)	<u>(49,854)</u>	<u>51,029</u>	<u>(62,731)</u>	<u>(63,703)</u>	<u>122,999</u>	<u>(108,898)</u>	<u>-</u>	<u>(440,970)</u>
Forgiveness of debt and refundable advances	-	-	-	-	130,000	92,617	-	622,617
Amortization of refundable advances	-	-	-	812,492	-	-	-	812,492
Deferred interest - rental properties	-	-	(33,795)	(12,776)	(51,300)	(3,292)	-	(122,213)
Interest expense - finance fee amortization	(535)	-	(2,723)	(2,217)	(5,051)	(6,506)	-	(20,767)
Depreciation and amortization - rental properties	<u>(25,956)</u>	<u>(26,404)</u>	<u>(50,736)</u>	<u>(169,168)</u>	<u>(729,353)</u>	<u>(491,673)</u>	<u>-</u>	<u>(2,112,879)</u>
Change in net assets before investment activity	<u>(76,345)</u>	<u>24,625</u>	<u>(149,985)</u>	<u>564,628</u>	<u>(532,705)</u>	<u>(517,752)</u>	<u>-</u>	<u>(1,261,720)</u>
Interfund transfers	-	-	-	-	-	-	-	(18,065)
Change in net assets	<u>(76,345)</u>	<u>24,625</u>	<u>(149,985)</u>	<u>564,628</u>	<u>(532,705)</u>	<u>(517,752)</u>	<u>-</u>	<u>(1,279,785)</u>
Net assets, beginning of year	<u>38,190</u>	<u>753,005</u>	<u>(213,936)</u>	<u>2,155,325</u>	<u>461,918</u>	<u>616,240</u>	<u>-</u>	<u>(2,391,631)</u>
Net assets, end of year	<u><u>\$ (38,155)</u></u>	<u><u>\$ 777,630</u></u>	<u><u>\$ (363,921)</u></u>	<u><u>\$ 2,719,953</u></u>	<u><u>\$ (70,787)</u></u>	<u><u>\$ 98,488</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (3,671,416)</u></u>

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF CASH FLOWS - WHOLLY OWNED ENTITIES

For the Year Ended June 30, 2025

	North Haven LLC	Cedar View LLC	Hawthorne Avenue LLC	545 Snelling LLC	352 Wacouta LLC	Housing 150 LLC	Oakhaven Housing LLC
Cash flows from operating activities:							
Change in net assets	\$ (113,734)	\$ (25,996)	\$ (99,618)	\$ (18,489)	\$ (289,191)	\$ (60,686)	\$ 33,528
Adjustments to reconcile the change in net assets to net cash from operating activities:							
Depreciation and amortization	27,183	41,216	66,286	108,618	257,295	98,074	24,652
Bad debt	-	4,439	36,033	48,777	34,247	5,433	-
Amortization of refundable advances	-	-	-	(400,000)	-	-	-
Forgiveness of debt and refundable advances	-	-	-	-	-	-	-
Changes in operating assets and liabilities:							
Accounts receivable	124,009	(8,921)	(43,966)	(37,711)	(182)	(10,116)	(5,406)
Prepaid expenses	-	-	(3,000)	(6,000)	(6,000)	-	-
Accounts payable and accrued expenses	1,393	(3,545)	(2,404)	12,892	(1,048)	(6,700)	432
Accrued interest	3,840	4,338	6,378	-	-	6,454	(50)
Tenant security deposits	(54)	256	2,044	(1,741)	371	274	77
Net cash from operating activities	42,637	11,787	(38,247)	(293,654)	(4,508)	32,733	53,233
Cash flows from investing activities:							
Payments for property and equipment	(199,278)	-	-	(2,129,086)	(302,467)	-	(5,204)
Net cash from investing activities	(199,278)	-	-	(2,129,086)	(302,467)	-	(5,204)
Cash flows from financing activities:							
Payments of finance and tax credit fees	-	-	-	(85,492)	-	-	-
Proceeds from issuance of debt	132,668	-	-	4,522,228	305,580	-	-
Payments of principal on long-term debt	-	-	(10,738)	-	-	(48,815)	(20,231)
Receipts from refundable advances	-	-	-	17,392	-	-	-
Due to Beacon	27,892	1,800	30,500	(476,274)	25,456	-	2,800
Interfund transfers	-	-	-	(486,200)	-	-	(18,065)
Net cash from financing activities	160,560	1,800	19,762	3,491,654	331,036	(48,815)	(35,496)
Total increase (decrease)	3,919	13,587	(18,485)	1,068,914	24,061	(16,082)	12,533
Cash, cash equivalents and restricted cash, beginning of year	23,539	36,318	73,507	61,262	528,563	135,866	170,412
Cash, cash equivalents and restricted cash, end of year	\$ 27,458	\$ 49,905	\$ 55,022	\$ 1,130,176	\$ 552,624	\$ 119,784	\$ 182,945
Reconciliation to the statement of financial position:							
Cash	\$ 75	\$ 9,776	\$ 13,227	\$ 23,492	\$ 37,401	\$ 1,297	\$ 26,414
Escrows and reserves	27,383	40,129	41,795	1,106,684	515,223	118,487	156,531
	\$ 27,458	\$ 49,905	\$ 55,022	\$ 1,130,176	\$ 552,624	\$ 119,784	\$ 182,945

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF CASH FLOWS - WHOLLY OWNED ENTITIES

For the Year Ended June 30, 2025

	Clinton Avenue Townhomes LLC	Housing 150-Nicollet LLC	FMF 38th Street	PCNF Nicollet LP	Vista 44 LLC	Emerson Village LLC	Development Projects	Total
Cash flows from operating activities:								
Change in net assets	\$ (76,345)	\$ 24,625	\$ (149,985)	\$ 564,628	\$ (532,705)	\$ (517,752)	\$ -	\$ (1,261,720)
Adjustments to reconcile the change in net assets to net cash from operating activities:								
Depreciation and amortization	26,491	26,404	53,459	171,385	734,404	498,179	-	2,133,646
Bad debt	7,057	-	8,613	34,052	17,920	-	-	196,571
Amortization of refundable advances	-	-	-	(812,492)	-	-	-	(812,492)
Forgiveness of debt and refundable advances	-	-	-	-	(130,000)	(92,617)	-	(622,617)
Changes in operating assets and liabilities:								
Accounts receivable	(9,444)	(5,128)	151,450	(43,617)	442,676	529,539	-	1,083,183
Prepaid expenses	-	-	-	(10,512)	(1,657)	(25,144)	-	(52,313)
Accounts payable and accrued expenses	(6,466)	7,354	(98,253)	(19,076)	26,744	27,280	(5,200)	(66,597)
Accrued interest	-	-	33,697	12,681	51,300	3,292	-	121,930
Tenant security deposits	1,039	-	2,081	1,599	23,000	20,058	-	49,004
Net cash from operating activities	<u>(57,668)</u>	<u>53,255</u>	<u>1,062</u>	<u>(101,352)</u>	<u>631,682</u>	<u>442,835</u>	<u>(5,200)</u>	<u>768,595</u>
Cash flows from investing activities:								
Payments for property and equipment	-	-	-	-	(1,109,671)	(11,638,976)	(455,637)	(15,840,319)
Net cash from investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,109,671)</u>	<u>(11,638,976)</u>	<u>(455,637)</u>	<u>(15,840,319)</u>
Cash flows from financing activities:								
Payments of finance and tax credit fees	-	-	-	-	-	-	-	(85,492)
Proceeds from issuance of debt	-	-	-	-	741,970	11,130,454	-	16,832,900
Payments of principal on long-term debt	(18,794)	-	(17,760)	-	-	-	(481,000)	(597,338)
Receipts from refundable advances	-	-	-	-	-	75,000	-	92,392
Due to Beacon	43,700	16,554	67,850	11,995	14,928	57,728	455,637	280,566
Interfund transfers	-	-	-	-	-	-	486,200	(18,065)
Net cash from financing activities	<u>24,906</u>	<u>16,554</u>	<u>50,090</u>	<u>11,995</u>	<u>756,898</u>	<u>11,263,182</u>	<u>460,837</u>	<u>16,504,963</u>
Total increase (decrease)	<u>(32,762)</u>	<u>69,809</u>	<u>51,152</u>	<u>(89,357)</u>	<u>278,909</u>	<u>67,041</u>	<u>-</u>	<u>1,433,239</u>
Cash, cash equivalents and restricted cash, beginning of year	<u>78,607</u>	<u>84,830</u>	<u>33,550</u>	<u>119,021</u>	<u>287,447</u>	<u>41,728</u>	<u>45,000</u>	<u>1,719,650</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 45,845</u>	<u>\$ 154,639</u>	<u>\$ 84,702</u>	<u>\$ 29,664</u>	<u>\$ 566,356</u>	<u>\$ 108,769</u>	<u>\$ 45,000</u>	<u>\$ 3,152,889</u>
Reconciliation to the statement of financial position:								
Cash	\$ 7,026	\$ 154,639	\$ 24,067	\$ -	\$ 235,618	\$ 13,691	\$ -	\$ 546,723
Escrows and reserves	<u>38,819</u>	<u>-</u>	<u>60,635</u>	<u>29,664</u>	<u>330,738</u>	<u>95,078</u>	<u>45,000</u>	<u>2,606,166</u>
	<u>\$ 45,845</u>	<u>\$ 154,639</u>	<u>\$ 84,702</u>	<u>\$ 29,664</u>	<u>\$ 566,356</u>	<u>\$ 108,769</u>	<u>\$ 45,000</u>	<u>\$ 3,152,889</u>

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - AFFILIATED HOUSING ENTITIES

June 30, 2025

ASSETS

	PCNF Creekside Commons LP	Lonoke LP	Prior Crossing Housing LP	Riverview Apartments Senior Housing	66 West Housing LP	Great River Landing Housing LP	Cranberry Ridge Housing LP	Lydia Apartments Housing LP	Bimosedaa Housing LP	Prairie Pointe Housing LP	Total
Cash	\$ 53,120	\$ 147,119	\$ 17,753	\$ 15,174	\$ 116,209	\$ 67,380	\$ 47,817	\$ 30,256	\$ 64,095	\$ -	\$ 558,923
Accounts receivable, net	9,133	9,851	22,292	14,028	8,611	62,589	18,587	10,832	13,792	-	169,715
Prepaid expenses	13,097	3,000	6,001	27,310	8,347	12,000	33,617	20,000	35,022	-	158,394
Total current assets	75,350	159,970	46,046	56,512	133,167	141,969	100,021	61,088	112,909	-	887,032
Escrows and reserves	940,215	94,258	172,418	196,057	510,331	496,267	461,560	747,988	557,957	1,418,957	5,596,008
Property and equipment, net	4,962,092	2,082,294	8,232,256	5,728,335	8,449,951	14,593,938	13,844,928	13,375,928	26,532,148	8,242,547	106,044,417
Tax credit fees, net	-	11,881	13,657	-	14,122	24,925	64,175	39,049	48,237	-	216,046
Total assets	\$ 5,977,657	\$ 2,348,403	\$ 8,464,377	\$ 5,980,904	\$ 9,107,571	\$ 15,257,099	\$ 14,470,684	\$ 14,224,053	\$ 27,251,251	\$ 9,661,504	\$ 112,743,503

LIABILITIES AND NET ASSETS

Accounts payable - operations	\$ 29,772	\$ 161,338	\$ 2,549	\$ 413,531	\$ 5,424	\$ 9,615	\$ 1,461	\$ 3,656	\$ 5,068	\$ -	\$ 632,414
Current maturities of long-term debt	-	-	-	-	-	-	50,232	-	1,004,000	-	1,054,232
Accrued expenses	44,784	139,951	65,343	4,291	39,964	77,838	113,839	140,305	31,048	-	657,363
Accrued interest	-	-	-	-	-	-	9,345	-	-	-	9,345
Tenant security deposits	18,980	9,076	18,755	15,926	17,901	22,503	64,689	34,543	46,216	-	248,589
Total current liabilities	93,536	310,365	86,647	433,748	63,289	109,956	239,566	178,504	1,086,332	-	2,601,943
Deferred developer fee	-	-	-	-	-	-	23,127	89,340	1,905	408,000	522,372
Construction payables	-	-	-	-	-	-	-	-	2,926,250	2,926,250	2,926,250
Due to Beacon	21,057	859,668	460,169	-	1,038,734	1,054,035	701,600	1,299,552	2,347,332	286,562	8,068,709
Long-term debt, net	2,370,404	1,297,842	7,231,623	1,834,602	7,251,586	4,626,414	4,055,354	8,927,220	13,497,002	3,111,154	54,203,201
Accrued interest, long-term	372,974	147,073	-	218,211	71,892	-	42,875	15,914	107,723	-	976,662
Total liabilities	2,857,971	2,614,948	7,778,439	2,486,561	8,425,501	5,790,405	5,062,522	10,510,530	17,040,294	6,731,966	69,299,137

Net assets:

Without donor restrictions:											
Undesignated	729,809	53,399	33,417	(2,772,557)	(130,233)	(369)	2,285	371,250	99,830	1,514,077	(99,092)
Noncontrolling interests	2,389,877	(319,944)	652,521	-	812,303	9,467,063	9,405,877	3,342,273	10,111,127	1,415,461	37,276,558
Total without donor restrictions	3,119,686	(266,545)	685,938	(2,772,557)	682,070	9,466,694	9,408,162	3,713,523	10,210,957	2,929,538	37,177,466
With donor restrictions	-	-	-	6,266,900	-	-	-	-	-	-	6,266,900
Total net assets	3,119,686	(266,545)	685,938	3,494,343	682,070	9,466,694	9,408,162	3,713,523	10,210,957	2,929,538	43,444,366
Total liabilities and net assets	\$ 5,977,657	\$ 2,348,403	\$ 8,464,377	\$ 5,980,904	\$ 9,107,571	\$ 15,257,099	\$ 14,470,684	\$ 14,224,053	\$ 27,251,251	\$ 9,661,504	\$ 112,743,503

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF ACTIVITIES - AFFILIATED HOUSING ENTITIES

For the Year Ended June 30, 2025

	PCNF Creekside Commons, LP	Lonoke LP	Prior Crossing Housing LP	Riverview Apartments Senior Housing	66 West Housing LP	Great River Landing Housing LP	Cranberry Ridge Housing LP	Lydia Apartments Housing LP	Bimosadaa Housing LP	Prairie Pointe Housing LP	Total
Operating revenues and support:											
Government grants	\$ -	\$ -	\$ 189,929	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189,929
Rent and housing assistance payments, net	443,666	147,699	478,904	446,845	534,768	733,877	797,305	898,711	544,291	-	5,026,066
Bad debt - rents	(10,700)	(13,427)	(67,038)	-	(30,648)	(52,219)	(7,836)	(16,869)	(16,941)	-	(215,678)
Interest income - operations	775	7,284	6,034	3,262	17,561	18,200	17,269	25,450	8,175	28,477	132,487
Miscellaneous	7,758	11,532	11,074	1,079	1,812	46,162	17,166	27,287	95,500	-	159,370
Total operating revenues and support	441,499	153,088	618,903	451,186	523,493	746,020	823,904	934,579	571,025	28,477	5,292,174
Operating expenses	397,561	372,680	524,219	455,627	405,241	622,981	698,167	882,732	488,456	-	4,847,664
Operating income (loss)	43,938	(219,592)	94,684	(4,441)	118,252	123,039	125,737	51,847	82,569	28,477	444,510
Deferred interest - rental properties	(23,964)	(14,926)	-	(16,346)	(8,000)	-	(10,500)	(4,078)	(24,545)	-	(302,359)
Interest expense - finance fee amortization	(2,840)	(260)	(1,108)	-	(3,987)	(1,785)	(2,172)	(3,669)	(27,783)	-	(43,604)
Depreciation and amortization - rental properties	(193,260)	(100,389)	(235,610)	(205,586)	(235,778)	(423,435)	(564,792)	(600,559)	(963,585)	-	(3,522,994)
Change in net assets before investment activity	(176,126)	(335,167)	(142,034)	(226,373)	(129,513)	(302,181)	(451,727)	(556,459)	(1,133,344)	28,477	(3,424,447)
Contributions - noncontrolling interests	-	-	-	-	-	-	-	213,296	10,329,368	1,415,461	11,958,125
Interfund transfers	-	-	-	-	-	-	-	-	-	1,485,600	1,485,600
Change in net assets	(176,126)	(335,167)	(142,034)	(226,373)	(129,513)	(302,181)	(451,727)	(343,163)	9,196,024	2,929,538	10,019,278
Net assets, beginning of year	3,295,812	68,622	827,972	3,720,716	811,583	9,768,875	9,859,889	4,056,686	1,014,933	-	33,425,088
Net assets, end of year	\$ 3,119,686	\$ (266,545)	\$ 685,938	\$ 3,494,343	\$ 682,070	\$ 9,466,694	\$ 9,408,162	\$ 3,713,523	\$ 10,210,957	\$ 2,929,538	\$ 43,444,366

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

CONSOLIDATING STATEMENT OF CASH FLOWS - AFFILIATED HOUSING ENTITIES

For the Year Ended June 30, 2025

	PCNF Creekside Commons, LP	Lonoke LP	Prior Crossing Housing LP	Riverview Apartment Senior Housing	66 West Housing LP	Great River Landing Housing LP	Cranberry Ridge Housing LP	Lydia Apartments Housing LP	Bimosedaa Housing LP	Prairie Pointe Housing LP	Total
Cash flows from operating activities:											
Change in net assets	\$ (176,126)	\$ (335,167)	\$ (142,034)	\$ (226,373)	\$ (129,513)	\$ (302,181)	\$ (451,727)	\$ (556,459)	\$ (1,133,344)	\$ 28,477	\$ (3,424,447)
Adjustments to reconcile the change in net assets to net cash from operating activities:											
Depreciation and amortization	196,100	100,649	236,718	205,586	239,765	425,220	566,964	604,228	991,368	-	3,566,598
Bad debt	10,700	13,427	67,038	-	30,648	52,219	7,836	16,869	16,941	-	215,678
Changes in operating assets and liabilities:											
Accounts receivable	5,417	1,305	14,160	(7,644)	5,304	(64,729)	(19,786)	(12,814)	146,669	-	67,882
Prepaid expenses	(13,097)	(2,689)	(5,221)	(4,544)	(7,037)	(10,652)	(30,786)	(20,000)	(3,017)	-	(97,043)
Accounts payable and accrued expenses	(20,420)	166,271	(107,614)	78,732	(126,172)	(33,834)	(19,772)	(26,790)	(46,968)	-	(136,567)
Accrued interest	23,965	14,926	-	16,346	8,000	-	10,332	4,078	58,858	-	136,505
Tenant security deposits	1,206	2,503	3,875	(411)	3,565	(19,357)	4,868	7,971	44,029	-	48,249
Net cash from operating activities	27,745	(38,775)	66,922	61,692	24,560	46,686	67,929	17,083	74,536	28,477	376,855
Cash flows from investing activities:											
Payments for property and equipment	-	-	-	-	-	-	-	(57,506)	(2,014,527)	(3,667,921)	(5,739,954)
Net cash from investing activities	-	-	-	-	-	-	-	(57,506)	(2,014,527)	(3,667,921)	(5,739,954)
Cash flows from financing activities:											
Proceeds from issuance of debt	-	-	-	-	-	-	-	-	1,668,937	3,111,154	4,780,091
Payments of principal on long-term debt	-	-	(5,221)	-	-	-	(48,122)	-	(8,701,784)	(476,800)	(9,226,706)
Due to Beacon	(694)	182,950	(86,429)	-	79,599	-	1,600	52,670	(1,194,917)	(477,014)	(1,442,235)
Capital contributions - noncontrolling interests	-	-	-	-	-	-	-	213,296	10,329,368	1,415,461	11,958,125
Interfund transfers	-	-	-	-	-	-	-	-	-	1,485,600	1,485,600
Net cash from financing activities	(694)	182,950	(86,429)	-	79,599	-	(46,532)	265,966	2,101,604	5,058,401	7,554,875
Total increase (decrease)	27,051	144,175	(19,507)	61,692	104,159	46,686	21,407	225,543	161,613	1,418,957	2,191,776
Cash, cash equivalents and restricted cash, beginning of year	966,284	97,202	209,678	149,539	522,381	516,961	487,970	552,701	460,439	-	3,963,155
Cash, cash equivalents and restricted cash, end of year	\$ 993,335	\$ 241,377	\$ 190,171	\$ 211,231	\$ 626,540	\$ 563,647	\$ 509,377	\$ 778,244	\$ 622,052	\$ 1,418,957	\$ 6,154,931
Reconciliation to the statement of financial position:											
Cash	\$ 53,120	\$ 147,119	\$ 17,753	\$ 15,174	\$ 116,209	\$ 67,380	\$ 47,817	\$ 30,256	\$ 64,095	\$ -	\$ 558,923
Escrows and reserves	940,215	94,258	172,418	196,057	510,331	496,267	461,560	747,988	557,957	1,418,957	5,596,008
	\$ 993,335	\$ 241,377	\$ 190,171	\$ 211,231	\$ 626,540	\$ 563,647	\$ 509,377	\$ 778,244	\$ 622,052	\$ 1,418,957	\$ 6,154,931

See independent auditor's report.

**Computation of Surplus Cash,
Distribution and Residual
Receipts**

**Minnesota Housing
Multifamily Department
Asset Management**

Project Name:	Abbott View (aka Stevens Court)	Fiscal Period Ended:	Loan #
Location:	Minneapolis, MN	06/30/2025	1264408

A. ALLOWABLE DISTRIBUTION

1 Partnership Initial Equity	_____
2 Rate of return on Equity	_____
3 Maximum Distribution (<i>per legal agreement</i>)	<u>\$ 67,731</u>
4 Allowable Distribution from Operations	_____
5 Interest Earned on Development Cost Escrow	_____
6 Allowable Distribution for Fiscal Year	<u>(7,830)</u>

B. COMPUTATION OF SURPLUS CASH

Cash	
7 Operating Cash Balance	<u>\$ 1,297</u>
8 Tenant Subsidy Receivable (Payable)	<u>-</u>
9 Interest Earned on Development Cost Escrow	<u>-</u>
10 Deposits to Residual Receipts	<u>-</u>
11 Deposits to FAF/DS savings	<u>-</u>
12 Other (describe): _____	<u>-</u>
(a) Cash Available to Meet Obligations (add lines 7 thru 12)	<u>1,297</u>
Current Obligations	
13 Accounts Payable Balance, trade	<u>7,430</u>
14 Accrued Interest on Amort. Mortgages	<u>305</u>
15 Accrued MHFA Annual Fee	<u>-</u>
16 Accrued FAF/FA Monthly Escrow	<u>-</u>
17 Prepaid rents	<u>-</u>
18 Other (describe): <u>Accrued expenses</u>	<u>1,392</u>
(b) Surplus Cash/(Deficiency) (line (a) minus Lines 13 thru 18)	<u>\$ (7,830)</u>
19 Amount Available for Distribution	<u>\$ -</u>
20 Net Amount to be Deposited to Residual Receipts	<u>\$ (7,830)</u>

C. COMPUTATION OF RESIDUAL RECEIPTS TRANSFER

21 Required Deposit (From Sec. B) (line 20)	<u>\$ (7,830)</u>
22 Less: Interest Earned on Development Cost Escrow	<u>-</u>
23 Deposits to Residual Receipts	<u>-</u>
24 Deposits to FAF/DS savings	<u>-</u>
25 Deposit required to Residual Receipts	<u>\$ -</u>
26 Transfer from Res. Receipts or FAF/DS to operations	<u>\$ 7,830</u>

Was the Partnership in full compliance with all provisions of the "Distribution of Income and Assets" section of the first mortgage Regulatory Agreement with Minnesota Housing?

YES	NO
X	

If NO, please list below the noncompliance findings:

See independent auditor's report.

**Computation of Surplus Cash,
Distribution and Residual
Receipts**

**Minnesota Housing
Multifamily Department
Asset Management**

Project Name:	Oakhaven	Fiscal Period Ended:	Loan #
Location:	Minneapolis, MN	06/30/2025	1266209

A. ALLOWABLE DISTRIBUTION

1 Partnership Initial Equity	120,433
2 Rate of return on Equity	15%
3 Maximum Distribution (per legal agreement)	<u>\$ 18,065</u>
4 Allowable Distribution from Operations	<u>18,065</u>
5 Interest Earned on Development Cost Escrow	-
6 Allowable Distribution for Fiscal Year	<u>18,065</u>

B. COMPUTATION OF SURPLUS CASH

Cash	
7 Operating Cash Balance	\$ 26,414
8 Tenant Subsidy Receivable (Payable)	-
9 Interest Earned on Development Cost Escrow	-
10 Deposits to Residual Receipts	-
11 Deposits to FAF/DS savings	-
12 Other (describe): _____	-
	-
(a) Cash Available to Meet Obligations (add lines 7 thru 12)	<u>26,414</u>
Current Obligations	
13 Accounts Payable Balance, trade	3,431
14 Accrued Interest on Amort. Mortgages	1,196
15 Accrued MHFA Annual Fee	-
16 Accrued FAF/FA Monthly Escrow	-
17 Prepaid rents	-
18 Other (describe): <u>Accrued expenses</u>	2,108
	-
(b) Surplus Cash/(Deficiency) (line (a) minus Lines 13 thru 18)	<u>\$ 19,679</u>
19 Amount Available for Distribution	<u>\$ 18,065</u>
20 Net Amount to be Deposited to Residual Receipts	<u>\$ 1,614</u>

C. COMPUTATION OF RESIDUAL RECEIPTS TRANSFER

21 Required Deposit (From Sec. B) (line 20)	\$ 1,614
22 Less: Interest Earned on Development Cost Escrow	-
23 Deposits to Residual Receipts	-
24 Deposits to FAF/DS savings	-
25 Deposit required to Residual Receipts	<u>\$ 1,614</u>
26 Transfer from Res. Receipts or FAF/DS to operations	<u>\$ -</u>

Was the Partnership in full compliance with all provisions of the "Distribution of Income and Assets" section of the first mortgage Regulatory Agreement with Minnesota Housing?

YES	NO
X	

If NO, please list below the noncompliance findings:

See independent auditor's report.

**Computation of Surplus Cash,
Distribution and Residual
Receipts**

**Minnesota Housing
Multifamily Department
Asset Management**

Project Name: Vista 44	Fiscal Period Ended: 06/30/2025	Loan # 1270382
Location: Hopkins, MN		

A. ALLOWABLE DISTRIBUTION

1 Partnership Initial Equity	301,000
2 Rate of return on Equity	15%
3 Maximum Distribution (per legal agreement)	<u>\$ 45,150</u>
4 Allowable Distribution from Operations	<u>45,150</u>
5 Interest Earned on Development Cost Escrow	-
6 Allowable Distribution for Fiscal Year	<u>45,150</u>

B. COMPUTATION OF SURPLUS CASH

Cash	
7 Operating Cash Balance	\$ 235,618
8 Tenant Subsidy Receivable (Payable)	-
9 Interest Earned on Development Cost Escrow	-
10 Deposits to Residual Receipts	-
11 Deposits to FAF/DS savings	-
12 Other (describe): _____	-
	-
(a) Cash Available to Meet Obligations (add lines 7 thru 12)	<u>235,618</u>
Current Obligations	
13 Accounts Payable Balance, trade	6,723
14 Accrued Interest on Amort. Mortgages	-
15 Accrued MHFA Annual Fee	-
16 Accrued FAF/FA Monthly Escrow	-
17 Prepaid rents	-
18 Other (describe): <u>Accrued expenses</u>	26,153
	-
(b) Surplus Cash/(Deficiency) (line (a) minus Lines 13 thru 18)	<u>\$ 202,742</u>
19 Amount Available for Distribution	<u>\$ 45,150</u>
20 Net Amount to be Deposited to Residual Receipts	<u>\$ 157,592</u>

C. COMPUTATION OF RESIDUAL RECEIPTS TRANSFER

21 Required Deposit (From Sec. B) (line 20)	\$ -
22 Less: Interest Earned on Development Cost Escrow	-
23 Deposits to Residual Receipts	-
24 Deposits to FAF/DS savings	-
25 Deposit required to Residual Receipts	<u>\$ -</u>
26 Transfer from Res. Receipts or FAF/DS to operations	<u>\$ -</u>

Was the Partnership in full compliance with all provisions of the "Distribution of Income and Assets" section of the first mortgage Regulatory Agreement with Minnesota Housing?

YES	NO
X	

If NO, please list below the noncompliance findings:

See independent auditor's report.

BEACON INTERFAITH HOUSING COLLABORATIVE

MANAGEMENT CERTIFICATION

For the Year Ended June 30, 2025

We hereby certify that we have examined the accompanying consolidated financial statements, notes and supplementary information of Beacon Interfaith Housing Collaborative and, to the best of our knowledge and belief, the same is complete and accurate.

By:  _____

Date: 11/10/2025 _____

Title: President & CEO _____