BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION
Board of Directors Meeting
2039 Forest Avenue
Chico, CA 95928

MEETING AGENDA

August 20, 2026
2:00 p.m.

Due to COVID-19 and California State Assembly Bill 361 that amends the Ralph M. Brown Act to include new authorization for remote meetings, including remote public comment for all local agencies. California State Assembly Bill 361 extends the provision of Governor Newsom's Executive Order N-29-20 and N-35-20 until January 2024. The meeting will be a hybrid meeting both in person at this Housing Authority office and remotely. Members of the Board of Directors and HACB staff will be participating either in person or remotely. The Board of Directors welcomes and encourages public participation in the Board meetings either in person or remotely from a safe location.

Members of the public may be heard on any items on the Directors' agenda. A person addressing the Directors will be limited to 5 minutes unless the Chairperson grants a longer period of time. Comments by members of the public on any item on the agenda will only be allowed during consideration of the item by the Directors. Members of the public desiring to be heard on matters under jurisdiction of the Directors, but not on the agenda, may address the Directors during agenda item 6.

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Please join my meeting from your computer, tablet or smartphone.
https://meet.goto.com/592458069
You can also dial in using your phone.
Access Code:
592-458-069
United States (Toll Free):
1 866 899 4679
United States:
+1 (571) 317-3116

If you have any trouble accessing the meeting agenda, or attachments; or if you are disabled and need special assistance to participate in this meeting, please email marysolp@butte-housing.com or call 530-895-4474 x.210.
Notification at least 24 hours prior to the meeting will enable the Housing Authority to make a reasonable attempt to assist you.

NEXT RESOLUTION NO. 26-4C

ITEMS OF BUSINESS

1. ROLL CALL

2. AGENDA AMENDMENTS

3. CONSENT CALENDAR

3.1 Minutes of Meeting on May 21, 2026

3.2 BCAHDC Financial Report

3.3 BCAHDC Properties – Status Report

3.3.1 Prospect View Apartments (CA-2021-142) Compliance File Inspection: July 16, 2026

3.4 BCAHDC MGP Audits FY2025

3.4.1 Chico Pacific Associates II, LP (Deer Creek I Apartments, Chico)

3.4.2 Chico PSH Associates, a California Limited Partnership (Oleander Community Housing Apartments, Chico)

3.4.3 Paradise Senior Associates, a California Limited Partnership (Northwind Senior Apartments, Paradise)

4. CORRESPONDENCE

5. REPORTS FROM PRESIDENT

6. MEETING OPEN FOR PUBLIC DISCUSSION

7. MATTERS CONTINUED FOR DISCUSSION

8. SPECIAL REPORTS

9. REPORTS FROM DIRECTORS

10. MATTERS INITIATED BY DIRECTORS

11. EXECUTIVE SESSION

12. DIRECTORS' CALENDAR

- **Next meeting – November 19, 2026**

13. ADJOURNMENT

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

Board of Directors Meeting
2039 Forest Avenue
Chico, CA 95928

MEETING MINUTES

May 21, 2026

President Guanzon called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 2:14 p.m.

The meeting was conducted via teleconference, web-conference and in person, as noticed.

1. ROLL CALL

Present for the Directors: Bob Crowe, David Pittman, Sarah Richter, Jean Snow, Laurel Faulk, and Tim Merrill; all attended in person.

Others Present: President Larry Guanzon, Tamra Young, Angie Little, Juan Meza, Taylor Gonzalez, Marco Cruz, Tiffany Lee, and Theresa Volk (member of the public); all attended in person.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

3.2 Marco Cruz reviewed the quarterly financial statements. Other Income consists of pass-through fees from Walker Commons LP and 1200 Park Avenue LP to HACB, as well as higher than expected development fees from LIHTC properties. Expenses include those pass-through fees and corporates services (for portion of HACB employee salaries who does the work for BCAHDC), which were lower than expected. There is $1.955M in cash and assets. President Guanzon noted that we can use that cash for future developments, if elected to do so by the Board.

3.3 There are two projects under construction: Lincoln Senior Apartments, Oroville (61 units, seniors), estimated completion winter 2026; and Orchard View II, Gridley

(36 units, family) estimated completion spring 2027. There is potential for BCAHDC to be part of the Villabona Courtyard Apartments, Chico (31 units, seniors). There will be a presentation to the Board, if/when a proposal has been hashed out.

3.3.1 The California Tax Credit Allocation Committee (CTCAC) conducted a compliance inspection of Riverbend Family Apartments, Oroville. The close out letter from CTCAC affirming compliance was received on June 4, 2025.

3.4 BCAHDC MGP Audits – Nineteen (19) of the twenty-four (24) audited financial statements, for the year ended December 31, 2025, for which BCAHDC serves as MGP, were presented for informational purposes only. For each audited property, the MGP maintains material participation duties to satisfy California welfare tax exemption requirements.

Director Pittman moved to accept the Consent Calendar as presented. Director Crowe seconded the motion. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

None.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM BOARD MEMBERS

Chair Pittman shared findings related to bus service issues from the BCAG meetings. He recommended that BCAHDC consider transit turnaround areas related to any future development projects that we may become involved with.

10. MATTERS INITIATED BY BOARD MEMBERS

None.

11. EXECUTIVE SESSION

None.

12. DIRECTOR'S CALENDAR

- **Next Meeting – August 20, 2026.**

13. ADJOURNMENT

The meeting was adjourned at 2:35 p.m.

Dated: May 21, 2026.

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Lawrence C. Guanzon, President

ATTEST:

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Marysol Perez, Secretary

August 20, 2026

MEMO

To: Butte County Affordable Housing Development Corporation's Board of Directors

From: Larry Guanzon, President
Marco Cruz, CFO Consultant

Subject: June 30, 2026 Quarterly Financial Report

Background:

Butte County Affordable Housing Development Corporation (BCAHDC) is a non-profit instrumentality of the Housing Authority of the County of Butte (HACB) and is 1.0% partner of Walker Commons, LP, and 0.01% partner of 1200 Park Avenue, LP. It is also the Managing General Partner (MGP) of various Low Income Housing Tax Credit (LIHTC) projects developed in the County of Butte. Revenue streams are management fees, ownership draws, and development fees from the LIHTC projects. Its expenses are primarily management fees to HACB and salary charges (corporate services) from HACB. BCAHDC's fiscal year begins October 1st and ends September 30th.

Quarterly Activity:

Quarterly development fees were higher than budget. Development fees are based on LIHTC developmental and operational milestones and timing of inflows are difficult to predict. Quarterly expenses are lower than budget due to less corporate services. Budgeted consulting and legal expenses for development are on hold.

Year to Date Activity:

Revenues are higher than expected due to higher LIHTC development fees. Expenses are lower due to less corporate services charged to BCAHDC from HACB.

Balance Sheet Activity:

BCAHDC's cash increased Year to Date by $184,000. Other Assets and Liabilities are unchanged.

Butte County Affordable Housing Dev Corp (bcahdc)
Balance Sheet (With Period Change)

Period = Oct 2025-Jun 2026

		Balance Current Period	Beginning Balance	Net Change	
0999-99-000	All				
1000-00-000	**ASSETS**				
1100-00-000	CASH				
1111-99-000	Total Unrestricted Cash	2,074,382.96	1,889,928.41	184,454.55	
1119-00-000	TOTAL CASH	2,074,382.96	1,889,928.41	184,454.55	
1160-00-000	OTHER CURRENT ASSETS				
1299-00-000	TOTAL OTHER CURRENT ASSETS	775,221.82	775,221.82	0.00	(1)
1999-00-000	TOTAL ASSETS	2,849,604.78	2,665,150.23	184,454.55	
2000-00-000	LIABILITIES & EQUITY				
2001-00-000	LIABILITIES:				
2299-00-000	CURRENT LIABILITIES	1,400.00	0.00	1,400.00	
2499-00-000	TOTAL LIABILITIES	1,400.00	0.00	1,400.00	
2800-00-000	EQUITY				
2805-99-000	CONTRIBUTED CAPITAL	-110.00	0.00	-110.00	
2809-99-000	RETAINED EARNINGS:	2,848,314.78	2,665,150.23	183,164.55	
2899-00-000	TOTAL EQUITY	2,848,204.78	2,665,150.23	183,054.55	
2999-00-000	TOTAL LIABILITIES AND EQUITY	2,849,604.78	2,665,150.23	184,454.55	
9999-99-000	TOTAL OF ALL	0.00	0.00	0.00	

NOTES:
(1) Investments in certificates of deposits

Butte County Affordable Housing Dev Corp (bcahdc)
Budget Comparison

Period = Apr 2026-Jun 2026

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	
2999-99-999	Revenue & Expenses									
3000-00-000	INCOME									
3699-00-000	OTHER INCOME	188,608.89	10,101.00	178,507.89	1,767.23	382,343.38	80,303.00	302,040.38	376.13	(1)
3999-00-000	TOTAL INCOME	188,608.89	10,101.00	178,507.89	1,767.23	382,343.38	80,303.00	302,040.38	376.13	
4000-00-000	EXPENSES									
4199-00-000	ADMINISTRATIVE EXPENSES	69,905.28	75,425.00	5,519.72	7.32	198,027.47	222,275.00	24,247.53	10.91	(2)
4499-00-000	MAINTENANCE AND OPERATIONAL EXPENSES	951.36	15,000.00	14,048.64	93.66	951.36	15,000.00	14,048.64	93.66	(3)
4599-00-000	GENERAL EXPENSES	0.00	249.00	249.00	100.00	200.00	747.00	547.00	73.23	
5999-00-000	NON-OPERATING ITEMS	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A	
8000-00-000	TOTAL EXPENSES	70,856.64	90,674.00	19,817.36	21.86	199,178.83	238,022.00	38,843.17	16.32	
9000-00-000	NET INCOME	117,752.25	-80,573.00	198,325.25	246.14	183,164.55	-157,719.00	340,883.55	216.13	

Notes:
1. Developer fees from Park, Eaglepoint, & Gridley Orchard developments.
2. Corp expenses from HACB lower than expected.
3. Consulting and legal expenses for new developments on hold.

August 14, 2026

Memo

To: BCAHDC Board of Directors

From: Larry Guanzon, Executive Director
Taylor Gonzalez, Project Manager

Subject: BCAHDC Properties – Status Report

This memo details the status of the **twenty-eight LIHTC Partnerships** in which **BCAHDC** is **Managing General Partner**, including:

- Twenty-Four (24) properties leased and under management,
- Two (2) development under construction,
- Two (2) developments seeking financing to complete their funding packages.

In Service:

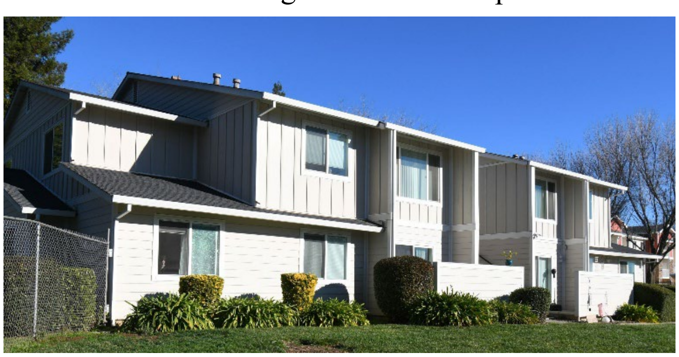
1996 **- Walker Commons Apartments**, Chico (56 units, LIHTC, Senior & Disabled, MGP: BCAHDC, PM: AWI) – The property has two (2) vacancies as of this memo. This unit has since been re-rented with the 2nd unit being turned over. There are two (2) additional 30-day notices to vacate. Residents and staff have continued to partner to create monthly activities supporting all residents, such as donut and ice cream socials, resident birthday cake celebrations, monthly bingo nights, and weekly card games. YTD income is less than budget by approximately $785 at $334,083 with overall YTD expenses lower than anticipated by $22,125 at $233,593. This brought the property's Net Operating Income to $21,341 more than budget, at $100,490. With Capital Replacements Reserves and Administrative GP Fees the NOI came to a positive $64,265. Tree Trimming & Path-Lighting underground wiring is also being planned. Exterior fascia repairs, gutter replacement and exterior painting of wood areas, as well as window replacement are being performed, as needed. The property is subject to repositioning, involving refinance, capital improvements and replacements. Rebecca Meyer is the new on-site manager and continues to excel where the former on-site left off. The property generates significant cash, which will help with anticipated renovations. Please find the AWI monthly owners report following.

Walker Commons Apartments, Buttonwillow Lane, Chico

2006 – **1200 Park Avenue Apartments**, Chico (107 units, LIHTC, Senior, MGP: BCAHDC, PM: AWI) – There are five (5) vacancies as of this memo. AWI reviews the turnover and market ready status of these 5 units in their report, following. There is (1) additional 30-day notice as reiterated in AWI's narrative, as this is a transfer to another unit within the complex. Any unpaid rents are also being collected. AWI is processing applications and preparing the units for lease. Marketing efforts, including flyers have increased due to vacancies; many extremely low, fixed income applicants on the waiting lists have insufficient income to pay the 50-60% AMI rents. Pressure Washing, Exterior Window Cleaning, Facia Repairs-Painting & Landscaping needs are being addressed. Roofing repairs, common area flooring, are also being bid and planned. CAA Food Distribution is on-going. North Valley Catholic Social Services and others are continuing to be contacted to provide activities for property residents. The residents and AWI staff continue to calendar events - monthly bingo and birthdays are celebrated. Butte County Library continues to serve property residents. Total YTD income is lower by $39,562, at $679,028. Gross rents collected have been less contributing to the decrease in projected income, as well as vacancy loss being more than budgeted. Total YTD expenses come in at $471,489 or $9,400 less than budget. This brought the YTD NOI to $207,539 or 30,162 less than budget. The property is subject to repositioning, involving refinancing and capital improvements. Please find AWI's monthly financials following.


1200 Park Avenue Apartments, Park Avenue, Chico

2012 – **Gridley Springs I Apartments**, Gridley (32 units, LIHTC, Family, MGP: BCAHDC, PM: Arrowhead Housing) – There is one (1) vacancy as of this memo. Third Party Property Management continues to be Arrowhead Housing. Total YTD income comes in below budget by $14,610 at $223,701. Gross Rents collected YTD and Vacancy Loss attributed to the decrease in income YTD. Total YTD expenses are $114 more than budget at $164,114. NOI is approximately $14,725 less than budget at a $59,472. With Debt Service, Capital Expenditures, Net Income came to $23,948 or $14,280 more than anticipated. New mailboxes were installed. Parking lot repairs have been completed. The annual preventive maintenance inspections have been completed. Tree Trimming and Gutter Cleaning have been completed. Exterior Painting of handrails and trash enclosure repairs are being bid out. Please find Arrowhead Housing Inc. Owner's report and narrative, following.




Gridley Springs I Apartments, Ford Avenue, Gridley

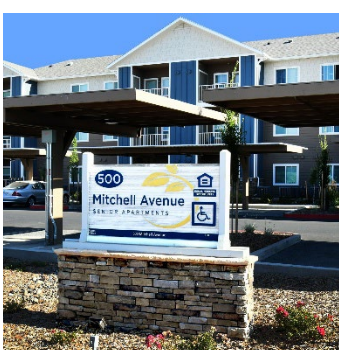
2013 - **Harvest Park Apartments**, Chico (90 units, LIHTC, Family, MGP: BCAHDC, PM Winn Residential) – Harvest Park currently has zero (0) vacancies. There are zero (0) additional 30-day notices to vacate. There are unpaid rents in various units and WINN residential is in the process of collecting. A new resident manager has been retained. Total YTD income is up by $20,076 at $739,027. Total YTD expenses are $17,964 less than projection, at $391,001 bringing NOI to $348,026 or $38,040 more than budgeted. Please find WINN Residential's Owner's Report following.


Harvest Park Apartments, 75 Harvest Park Court, Chico

2022 - **Ford Oaks Apts, Gridley** (36 units, family, The Pacific Companies/BCAHDC. Lender: Umpqua Bank. LIHTC Investor: CREA) The project is complete and leased. BCAHDC is coordinating with partner, The Pacific Companies, to generate monthly and quarterly financial and management reporting.


Ford Oaks Apartments, Ford Avenue, Gridley

2022/2023 - **Mitchell Ave Apts I & II, Oroville** (36/35 units, seniors, The Pacific Companies/BCAHDC. Lender: Pacific Western Bank. LIHTC Investor: Phase I, Redstone; Phase II, The Richman Group) Leased, BCAHDC is coordinating with partner, The Pacific Companies, to generate monthly and quarterly financial and management reporting.



Mitchell Avenue Apartments I & II, Mitchell Avenue, Oroville

2023/2024 - **North Creek Crossings Apts I & II, Chico** (106 units, family, CCHC/BCAHDC. Lender: Wells Fargo/Berkadia. LIHTC Investor: R4 Capital) – located in Meriam Park, both phases are complete and leased. Thirty-nine Section 8 vouchers are project-based at the property. Coordination with the AGP and property manager Winn Residential is underway to delivery property management reporting.

North Creek Crossings Apartments I & II, Meriam Park, Chico

2023 - **Sunrise Village Apts, Gridley** (37 units, seniors, The Pacific Companies/BCAHDC) Construction and lease-up are complete. Section 8 Vouchers serve the low-income occupants. Property management reporting protocols are being established with the AGP and the property manager, Cambridge Real Estate.

Sunrise Village Apartments, 1460 Hwy 99, Gridley

2023 - **Riverbend Apts I & II, Oroville** (120 units (72/48), family, The Pacific Companies/BCAHDC. Lender: Union Bank. LIHTC Investor: CREA) Both Phases are complete and leased. Property management reporting is being established with the AGP and property manager, Cambridge Real Estate.

Riverbend Apartments I & II, Nelson and Table Mountain Boulevards, Oroville

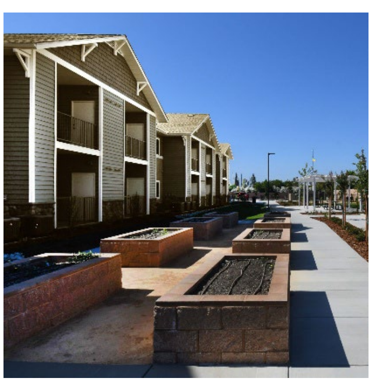
2024 - **Prospect View Apts, Oroville** (40 units, formerly homeless singles, 15 NPLH units, The Pacific Companies/BCAHDC. Lender: Pacific Western Bank. LIHTC investor: Boston Financial) HACB committed 39 Section 8 Vouchers to the project. It is fully occupied and in service.

Prospect View Apartments, 145 Nelson Avenue, Oroville

2024 - **Woodward Apts, Orland** (36 units, family, The Pacific Companies/BCAHDC. Lender: Pacific Western Bank, LIHTC investor: Redstone) – The project is complete and leased. HACB committed 25 Section 8 project-based vouchers to this family project in Glenn County.

Woodward Family Apartments, 207 East Swift Street, Orland

Liberty Bell Apts, Orland (32 units, seniors, The Pacific Companies/BCAHDC. Lender: Pacific Western Bank, LIHTC investor: Redstone) – The project is complete and leased. Thirty-one Section 8 Vouchers have been committed to support the low-income seniors.



Liberty Bell Apartments, North 6^{th} Street, Orland

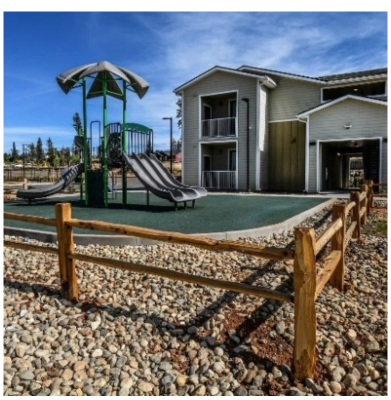
The Foundation Apts, Chico (1297 Park Ave) (59 units, formerly homeless singles, Jamboree & BCAHDC. Lender: Banner Bank. LIHTC Investor, CREA) – The project is complete and leased. Forty-three (43) Section 8 vouchers are committed to this supportive housing project.

The Foundation Apartments, 1297 Park Avenue, Chico

Deer Creek Apts I and II, Chico (204 units, families, The Pacific Companies/BCAHDC. Lender: Bank of America/CitiBank. LIHTC Investor: Bank of America) – The project is complete and leased.

Deer Creek Apartments I & II, Highway 32, Chico

Eaglepointe Apartments, Paradise (43 units, family, The Pacific Companies/BCAHDC. Lender and LIHTC investor: KeyBank) – The project is complete and leased.

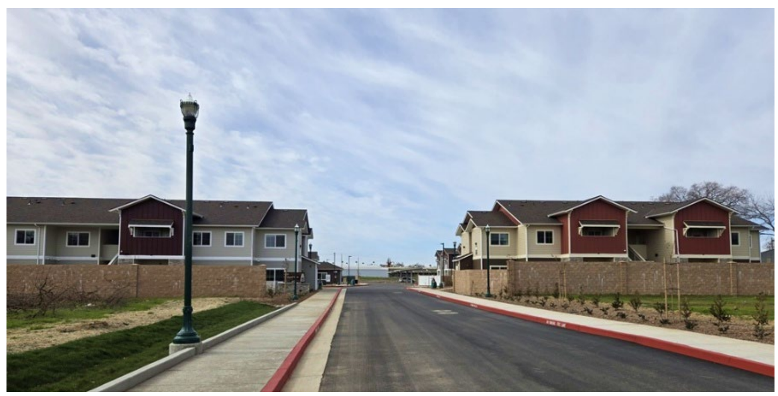


Eaglepointe Apartments, 5975 Maxwell Drive, Paradise

Lincoln Family Apartments, Oroville (61 units, family, The Richman Group & BCAHDC. Lender: Merchant Bank. LIHTC investor: The Richman Group) – The project is complete and leased. Twenty-five (25) Section 8 vouchers are committed to this project.

Lincoln Family Apartments, 3300 Lincoln Boulevard, Oroville

Orchard View Apartments I, Gridley (48 units, family, The Pacific Companies & BCAHDC. Lender: KeyBank, LIHTC investor: Merritt Capital.) – The project is complete and leased.



Orchard View Apartments I, 1445 State Hwy 99, Gridley

Northwind Senior Apartments, Paradise (21 units, seniors, Pacific Companies / BCAHDC, Lender: Banner Bank, LIHTC investor: Merritt Capital) – The project is complete and leased. Twenty-one (21) Section 8 vouchers are committed to this project.

Northwind Senior Apartments, 6983 Pentz Road

Oleander Community Housing Apartments, Chico (38-units, special needs homeless, Pacific Companies/BCAHDC. Lender and LIHTC investor unknown at this time.) – The project is complete and leased. Thirty-seven (37) Section 8 vouchers are committed to this supportive housing project.

Oleander Community Housing Apartments, 2324 Esplanade, Chico

Bar Triangle Apartments, Chico – (70 units, family, CCHC/BCAHDC. Lender: Wells Fargo & Berkadia. LIHTC investor: R4 Capital) – 25 Section 8 Vouchers have been committed for use by very-low income family occupants. The project is complete and leased.

Bar Triangle Apartments, 2225 Bar Triangle Street, Chico

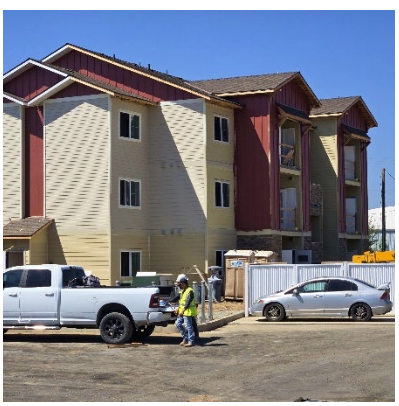
Continued on next page

Under Construction:

Lincoln Senior Apartments, Oroville – (61 units, seniors, TRG/BCAHDC) The project utilizes CDBG-DR MHP funds (DR18 and DR20), Infill Infrastructure Grant Program funds (IIG), funds from the City of Oroville and 9% LIHTC to complete the funding package. 25 Section 8 Vouchers have been committed for use by very-low income senior occupants. Construction is progressing with completion expected Winter 2026.


Lincoln Senior Apartments, 3300 Lincoln Boulevard, Oroville – Construction underway

Orchard View Apartments II, Gridley – (36 units, family, The Pacific Companies/BCAHDC) The project utilizes CDBG-DR MHP funds, Infill Infrastructure Grant Program funds (IIG), HOME funds from the City of Gridley and 9% LIHTC to complete the funding package. Construction is progressing with completion expected in early 2027.




Orchard View Apartments II, 1445 State Hwy 99, Gridley – Construction underway

Seeking Funding:

Villabona Courtyards Apartments, Chico – BCAHDC has entered into a development agreement with the Pacific Companies to develop a 31-unit affordable housing project for seniors on the north Esplanade. CDBG-DR monies will be sought from the State, and 9% LIHTC's.

Nelson Pointe Apartments, Oroville - BCAHDC has entered into a development agreement with The Pacific Companies (TPC) to develop a 72-unit affordable housing project for families on Nelson Avenue, located between the Prospect View Apartments and Hamman Park Public Housing sites. CDBG-DR monies will be sought from the State, and 9% LIHTC's.

Management Corporation

Walker Commons

July 2026

2 units available • 1 Move-in • 1 Move-out

Vacancy Advertising

- The site is not currently running advertising.
- Working off a healthy waiting list when needed.

Current Staffing

Staffing

Manager: Rebbeca Meyer
Maintenance: Gregory Ramirez

Vacancy Overview

CURRENT

#30 (60%): (Medical) - ***Rent Ready,*** Applicant in compliance review.

#42 (50%) (Medical) – Minor repairs needed. Working up applicants

UPCOMING

#12 (50%): (Medical) – Moving to assisted Living.

#33 (50%): (Medical)

Capital Projects

Budgeted Items planned for 2026

Windows: Replace as needed

Siding: Several facia repairs are needed around the site

Painting: ~~Full complex painting~~

Gutter Replacement: Continue the replacement of the front of the site

Current Status

Windows: Replace as needed

Siding: Identifying the areas that need replaced in more detail.

Painting: ~~Per HA this is on hold until further notice.~~

Gutter Replacement: Bids on hand, Narrowing the scope of work to necessary areas. Two additional vendors requested for facia/gutter repairs per HA.

Community Events

ONGOING

Monthly Bingo Games

Wednesday the community holds card games

HIGHLIGHT

No events scheduled for April

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Additional Notes

Management Corporation

Walker Commons (p0550)

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
4000-03	**INCOME**									
4110-00	Market/Contract Rent	37,411	49,723	-12,312	-25	292,495	348,063	-55,568	-16	596,679
4190-00	Gain/Loss to Lease	10,545	0	10,545	N/A	45,560	0	45,560	N/A	0
4999-99	GROSS POTENTIAL RENT	47,956	49,723	-1,767	-4	338,055	348,063	-10,008	-3	596,679
5000-00	INCOME ADJUSTMENTS									
5110-00	Vacancy Loss	-2,059	-1,243	-816	-66	-5,260	-8,702	3,442	40	-14,917
5120-00	Admin Unit-Non Rev	-906	-933	27	3	-6,342	-6,532	190	3	-11,198
5150-00	Concessions-Move In Special	-245	0	-245	N/A	0	0	0	N/A	0
5190-00	Bad Debt Expense	-268	0	-268	N/A	-1,049	0	-1,049	N/A	0
5199-98	TOTAL INCOME ADJUSTMENTS	-3,478	-2,176	-1,302	-60	-12,651	-15,234	2,583	17	-26,115
5199-99	NET RENTAL INCOME	44,478	47,547	-3,069	-6	325,404	332,829	-7,425	-2	570,564
5500-00	OTHER INCOME									
5510-00	Laundry Income	0	272	-272	-100	2,309	1,903	406	21	3,262
5520-00	Late Charges	-77	4	-81	-1,947	-38	29	-67	-230	50
5590-00	Other Tenant Income	250	9	241	2,626	596	64	532	828	110
5600-00	Interest Income	280	6	274	4,503	1,969	43	1,927	4,527	73
5610-00	Interest Income-Restricted Reserve	514	0	514	N/A	3,843	0	3,843	N/A	0
5999-98	TOTAL OTHER INCOME	966	291	675	232	8,679	2,039	6,640	326	3,495
5999-99	**TOTAL INCOME**	**45,444**	**47,838**	**-2,394**	**-5**	**334,083**	**334,868**	**-785**	**0**	**574,059**
6000-00	**OPERATING EXPENSES**									
6000-01	NON-CONTROLLABLE EXPENSES									
6000-02	TAXES AND INSURANCE									
6100-10	Real Estate Taxes-Special Assessments	0	12	12	100	83	88	5	5	150
6120-00	Other Taxes/Fees/Permits	0	296	296	100	45	2,071	2,026	98	3,551
6120-10	Other Taxes/Fees/Permits-FTB Fee	0	0	0	N/A	800	0	-800	N/A	0
6150-00	Property Insurance-GL	2,102	2,604	502	19	14,715	18,227	3,513	19	31,247
6170-00	Bond Premiums	0	29	29	100	0	204	204	100	350
6199-99	TOTAL TAXES AND INSURANCE	2,102	2,942	839	29	15,643	20,591	4,948	24	35,298
6200-00	UTILITIES									
6210-00	Electricity-Common Areas	0	819	819	100	4,373	5,735	1,362	24	9,832
6210-10	Electricity-Units	742	0	-742	N/A	1,648	0	-1,648	N/A	0
6220-00	Water-Domestic	1,555	775	-780	-101	8,866	5,425	-3,441	-63	9,300
6230-00	Sewer-Standard Billing	904	1,000	96	10	7,248	7,000	-248	-4	12,000
6240-00	Gas/Heating Fuel-Units	112	387	274	71	273	2,706	2,433	90	4,639
6240-10	Gas/Heating Fuel-Common Areas	0	0	0	N/A	832	0	-832	N/A	0
6250-00	Trash-Standard Pickup	57	760	703	93	2,870	5,322	2,451	46	9,123
6250-10	Trash-Bulk Pickup	0	0	0	N/A	2,980	0	-2,980	N/A	0
6299-99	TOTAL UTILITIES	3,371	3,741	371	10	29,090	26,188	-2,901	-11	44,894

Walker Commons (p0550)

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6300-00	PROPERTY MANAGEMENT FEES									
6320-00	Management Fees	3,246	3,246	0	0	22,720	22,720	0	0	38,949
6399-98	TOTAL PROPERTY MANAGEMENT FEES	3,246	3,246	0	0	22,720	22,720	0	0	38,949
6399-99	TOTAL NON-CONTROLLABLE EXPENSES	8,718	9,928	1,210	12	67,452	69,499	2,046	3	119,141
6400-00	CONTROLLABLE EXPENSES									
6400-01	PROFESSIONAL FEES									
6410-00	Audit Fees	1,042	1,042	0	0	7,292	7,292	0	0	12,500
6430-00	Legal-Evictions	0	171	171	100	176	1,198	1,022	85	2,053
6440-00	Professional Fees	25	0	-25	N/A	25	0	-25	N/A	0
6499-99	TOTAL PROFESSIONAL FEES	1,067	1,213	146	12	7,493	8,489	997	12	14,553
6500-00	PERSONNEL COSTS									
6510-00	Maintenance Wages-Base	3,648	5,033	1,384	28	21,563	35,229	13,667	39	60,393
6510-10	Maintenance Wages-Overtime	12	0	-12	N/A	87	0	-87	N/A	0
6510-30	Maintenance Wages-Vacation	111	0	-111	N/A	2,175	0	-2,175	N/A	0
6510-40	Maintenance Wages-PTO	227	0	-227	N/A	1,868	0	-1,868	N/A	0
6520-00	Manager Wages-Base	3,931	6,614	2,684	41	25,148	46,302	21,154	46	79,374
6520-10	Manager Wages-Overtime	140	0	-140	N/A	1,826	0	-1,826	N/A	0
6520-30	Manager Wages-Vacation	113	0	-113	N/A	2,014	0	-2,014	N/A	0
6520-40	Manager Wages-PTO	230	0	-230	N/A	2,703	0	-2,703	N/A	0
6540-00	Employer Social Security	490	1,129	639	57	3,282	7,903	4,621	58	13,548
6540-10	Employer Medicare	115	0	-115	N/A	768	0	-768	N/A	0
6540-20	FUTA (Federal Unemployment)	0	0	0	N/A	78	0	-78	N/A	0
6540-30	SUTA (State Unemployment)	0	0	0	N/A	572	0	-572	N/A	0
6540-40	401(k) Match (Employer)	1	0	-1	N/A	3	0	-3	N/A	0
6550-00	Workers Comp Insurance	443	502	59	12	3,160	3,515	354	10	6,025
6555-00	Personnel Medical Insurance	721	2,715	1,994	73	4,498	19,007	14,510	76	32,584
6560-00	Life Insurance	4	0	-4	N/A	25	0	-25	N/A	0
6599-99	TOTAL PERSONNEL COSTS	10,186	15,994	5,807	36	69,769	111,956	42,187	38	191,924
6600-00	MARKETING AND LEASING COSTS									
6610-00	Advertising	0	17	17	100	0	117	117	100	200
6620-00	Credit Checking	38	42	4	9	38	292	254	87	500
6699-99	TOTAL MARKETING AND LEASING COSTS	38	58	20	35	38	408	370	91	700
6700-00	GENERAL AND ADMINISTRATIVE									
6700-01	CONTRACT/RECURRING G/A									
6700-10	P/M IT	295	0	-295	N/A	591	0	-591	N/A	0
6700-20	P/M Software	0	0	0	N/A	1,014	0	-1,014	N/A	0
6700-30	P/M Software-Yardi	802	0	-802	N/A	5,312	0	-5,312	N/A	0
6710-00	Telephone	272	273	0	0	2,557	1,909	-648	-34	3,273
6710-10	Internet	109	100	-9	-9	1,202	700	-502	-72	1,200
6710-20	Cell Phone Reimbursement	120	0	-120	N/A	765	0	-765	N/A	0
6715-30	Toner/Copier Expense	0	110	110	100	537	772	235	30	1,324

Walker Commons (p0550)

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6720-00	Postage/Freight	152	81	-71	-88	495	567	72	13	972
6730-00	Office Supplies/Expense	136	350	214	61	2,002	2,450	448	18	4,200
6740-00	Water/Coffee Service	112	67	-45	-67	966	470	-496	-106	805
6820-00	Tenant Services-General	0	200	200	100	0	1,400	1,400	100	2,400
6820-30	Tenant Services-Other	53	0	-53	N/A	684	0	-684	N/A	0
6880-00	Pest Control-Svc Contract	230	333	103	31	1,920	2,333	413	18	4,000
6890-00	Fire/Alarm-Svc Contract	0	277	277	100	330	1,937	1,607	83	3,321
6895-00	Cable-Internet/TV Service	144	130	-14	-11	1,009	911	-98	-11	1,562
6899-99	TOTAL CONTRACT/RECURRING G/A	2,425	1,921	-504	-26	19,384	13,450	-5,934	-44	23,057
6900-00	OTHER G/A									
6910-00	Other Admin-General	0	1,117	1,117	100	170	7,820	7,651	98	13,406
6910-20	Other Admin-Bank Fee	40	0	-40	N/A	280	0	-280	N/A	0
6930-00	Mileage	39	0	-39	N/A	730	0	-730	N/A	0
6940-00	Travel and Promotion	0	67	67	100	1,086	467	-619	-133	800
6950-00	Training Expense	0	58	58	100	318	408	90	22	700
6999-98	TOTAL OTHER G/A	79	1,242	1,163	94	2,584	8,695	6,111	70	14,906
6999-99	TOTAL GENERAL AND ADMINISTRATIVE	2,504	3,164	659	21	21,968	22,145	177	1	37,963
7000-00	REPAIRS AND MAINTENANCE									
7000-01	CONTRACT/RECURRING R/M									
7010-00	R/M Contract-General	140	1,300	1,160	89	35,010	9,099	-25,912	-285	15,598
7015-00	R/M Contract-Plumbing	0	309	309	100	492	2,161	1,669	77	3,705
7025-00	R/M Contract-HVAC	99	200	101	50	3,196	1,400	-1,796	-128	2,400
7030-00	R/M Contract-Carpet Cleaning-Non Unit Turn	150	75	-75	-100	150	525	375	71	900
7035-00	R/M Contract-Appliances	191	0	-191	N/A	191	0	-191	N/A	0
7045-00	R/M Contract-Hauling	0	0	0	N/A	356	0	-356	N/A	0
7065-00	Grounds-Svc Contract	2,430	2,099	-331	-16	14,435	14,691	256	2	25,184
7065-20	Grounds-Repairs	0	0	0	N/A	70	0	-70	N/A	0
7099-99	TOTAL CONTRACT/RECURRING R/M	3,010	3,982	973	24	53,900	27,876	-26,025	-93	47,787
7100-00	OTHER R/M									
7110-00	Janitorial Supplies	0	255	255	100	396	1,787	1,391	78	3,063
7115-00	Painting and Decorating	0	301	301	100	218	2,109	1,891	90	3,615
7120-00	R/M Supplies-General	666	1,636	969	59	10,516	11,450	934	8	19,629
7130-00	R/M Supplies-Electrical	0	0	0	N/A	26	0	-26	N/A	0
7140-00	R/M Supplies-Flooring	119	0	-119	N/A	119	0	-119	N/A	0
7160-00	R/M Supplies-Other	0	0	0	N/A	437	0	-437	N/A	0
7199-99	TOTAL OTHER R/M	786	2,192	1,407	64	11,713	15,346	3,633	24	26,307
7200-00	TURNOVER R/M									
7210-00	Unit Turn-Carpet Cleaning-1Bed	0	0	0	N/A	150	0	-150	N/A	0
7220-00	Unit Turn-Unit Cleaning-Vendor	0	0	0	N/A	1,110	0	-1,110	N/A	0
7299-98	TOTAL TURNOVER R/M	0	0	0	N/A	1,260	0	-1,260	N/A	0
7299-99	TOTAL REPAIRS AND MAINTENANCE	3,795	6,174	2,379	39	66,873	43,222	-23,652	-55	74,094

Walker Commons (p0550)

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
7399-97	TOTAL CONTROLLABLE EXPENSES	17,591	26,603	9,012	34	166,141	186,220	20,079	11	319,234
7399-98	**TOTAL OPERATING EXPENSES**	**26,309**	**36,531**	**10,222**	**28**	**233,593**	**255,719**	**22,125**	**9**	**438,375**
7399-99	**NET OPERATING INCOME**	**19,135**	**11,307**	**7,828**	**69**	**100,490**	**79,149**	**21,341**	**27**	**135,684**
7500-00	REPLACEMENT COSTS/OTHER									
7500-01	REPLACEMENT COSTS - OPERATING									
7500-02	TURNOVER REPLACEMENT COSTS									
7510-00	R/M Replacement-General	0	2,071	2,071	100	455	14,496	14,041	97	24,850
7515-00	R/M Replacement-Plumbing	0	56	56	100	34	394	360	91	675
7520-00	R/M Replacement-Electrical	0	0	0	N/A	34	0	-34	N/A	0
7525-00	R/M Replacement-Door	68	67	-1	-1	232	467	235	50	800
7530-00	R/M Replacement-Window	106	1,042	935	90	106	7,292	7,185	99	12,500
7535-00	R/M Replacement-Cabinet	1,837	0	-1,837	N/A	2,978	0	-2,978	N/A	0
7540-00	R/M Replacement-Other	0	0	0	N/A	29	0	-29	N/A	0
7545-10	R/M Flooring Replacement-1Bed	5,428	1,125	-4,303	-383	6,630	7,875	1,245	16	13,500
7550-00	R/M Replacement-Refrigerator	0	396	396	100	3,136	2,771	-366	-13	4,750
7560-00	R/M Replacement-Range	0	333	333	100	3,085	2,333	-751	-32	4,000
7570-00	R/M Replacement-HVAC Unit	0	583	583	100	6,381	4,083	-2,298	-56	7,000
7580-00	R/M Replacement-Water Heater	0	667	667	100	0	4,667	4,667	100	8,000
7599-97	TOTAL TURNOVER REPLACEMENT COSTS	7,439	6,340	-1,100	-17	23,100	44,377	21,277	48	76,075
7799-99	TOTAL REPLACEMENT COSTS - OPERATING	7,439	6,340	-1,100	-17	23,100	44,377	21,277	48	76,075
7800-00	OTHER NON-OPERATING COSTS									
7810-00	Managing General Partner Fees	1,250	1,250	0	0	8,750	8,750	0	0	15,000
7815-00	Administrative General Partner Fees	625	625	0	0	4,375	4,375	0	0	7,500
7899-98	TOTAL OTHER NON-OPERATING COSTS	1,875	1,875	0	0	13,125	13,125	0	0	22,500
7899-99	TOTAL REPLACEMENT COSTS/OTHER	9,314	8,215	-1,100	-13	36,225	57,502	21,277	37	98,575
7999-99	**NET INCOME (LOSS) BEFORE CAPEX**	**9,821**	**3,092**	**6,728**	**218**	**64,265**	**21,647**	**42,618**	**197**	**37,109**
8000-00	CAPEX/REPLACEMENT RESERVE									
8100-00	Authorized Reserve-Other	0	13,750	13,750	100	0	96,250	96,250	100	165,000
8999-99	TOTAL CAPEX/REPLACEMENT RESERVE	0	13,750	13,750	100	0	96,250	96,250	100	165,000
9999-98	**NET INCOME (LOSS)**	**9,821**	**-10,658**	**20,478**	**192**	**64,265**	**-74,603**	**138,868**	**186**	**-127,891**

1200 Park Avenue

July 2026

4 units available • 1 Move-in • 1 Move-out

Vacancy Advertising

- The property is offering move-in specials and referral incentives to attract qualified applicants
- Staff has been coordinating with the Housing Authorities and VA to encourage Section 8 move-ins
- Flyers have been placed in heavily trafficked areas
- Banners and balloons are displayed on the grounds to increase visibility
- Staff have redistributed resident referrals

Current Staffing

Staffing

Manager: Cindi Weber
Assistant Manager: Crystal Bickford
Maintenance: John Rainger
Assistant Maintenance: Sergio Valdez

Vacancy Overview

CURRENT

#239 (60%): (Eviction) - File in compliance. M/I scheduled for 8/21/26

#245 (45%): (Transfer) - **Rent Ready**: Applicant in progress

#246 (45%): (Relocating) - Transferring from unit #109, M/I on 9/1/26

#334 (60%): (Eviction) - Heavy turn in progress, looking for applicants

UPCOMING

#109 (60%): (Transfer) – Planning to transfer to 246 on 9/1/26

Capital Projects

Budgeted Items planned for 2026

Roofing: Identify roofing that needs replacement/repairs.

Stucco Repairs (Office Exterior Wall): Gather updated bids for the siding.

Painting: Gather bids to follow the office repairs.

Trash Chute Cleaning: Semi-Annually

Dryer Vent Cleaning: Semi-Annually

Current Status

Roofing: 1 Bid on hand, Pending other quotes

Stucco Repairs (Office Exterior Wall): Updated bids on hand.

Painting: 1 Bid on hand for the facia painting, Total is $8920.00

Trash Chute Cleaning: ~~March~~ & September unless more is needed

Dryer Vent Cleaning: ~~March~~ & September unless more is needed

Stairway carpet: ~~Completed~~

Community Events

ONGOING

- **Monthly Bingo Games**
- **Birthday Cake Celebrations**

HIGHLIGHT

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Additional Notes

Park Avenue (p0569)

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
4000-03	**INCOME**									
4110-00	Market/Contract Rent	78,577	106,457	-27,880	-26	666,926	745,201	-78,275	-11	1,277,487
4190-00	Gain/Loss to Lease	21,303	0	21,303	N/A	44,486	0	44,486	N/A	0
4999-99	GROSS POTENTIAL RENT	99,880	106,457	-6,577	-6	711,412	745,201	-33,789	-5	1,277,487
5000-00	INCOME ADJUSTMENTS									
5110-00	Vacancy Loss	-1,684	-3,726	2,042	55	-30,147	-26,082	-4,065	-16	-44,712
5120-00	Admin Unit-Non Rev	-1,197	-1,196	-1	0	-8,379	-8,372	-7	0	-14,352
5150-00	Concessions-Move In Special	-10	0	-10	N/A	-10	0	-10	N/A	0
5190-00	Bad Debt Expense	-988	0	-988	N/A	-874	0	-874	N/A	0
5199-98	TOTAL INCOME ADJUSTMENTS	-3,879	-4,922	1,043	21	-39,410	-34,454	-4,956	-14	-59,064
5199-99	NET RENTAL INCOME	96,001	101,535	-5,534	-5	672,002	710,747	-38,744	-5	1,218,423
5500-00	OTHER INCOME									
5510-00	Laundry Income	0	667	-667	-100	4,000	4,667	-667	-14	8,000
5520-00	Late Charges	0	68	-68	-100	65	480	-414	-86	822
5530-00	Application Fees	0	14	-14	-100	0	97	-97	-100	167
5590-00	Other Tenant Income	609	333	276	83	2,119	2,333	-215	-9	4,000
5600-00	Interest Income	64	18	46	253	423	127	295	232	218
5610-00	Interest Income-Restricted Reserve	18	0	18	N/A	135	0	135	N/A	0
5690-00	Miscellaneous Income	0	20	-20	-100	284	139	146	105	238
5999-98	TOTAL OTHER INCOME	691	1,120	-429	-38	7,026	7,843	-817	-10	13,445
5999-99	**TOTAL INCOME**	**96,693**	**102,656**	**-5,963**	**-6**	**679,028**	**718,590**	**-39,562**	**-6**	**1,231,868**
6000-00	**OPERATING EXPENSES**									
6000-01	NON-CONTROLLABLE EXPENSES									
6000-02	TAXES AND INSURANCE									
6100-10	Real Estate Taxes-Special Assessments	0	28	28	100	198	194	-4	-2	333
6120-00	Other Taxes/Fees/Permits	0	167	167	100	100	1,167	1,066	91	2,000
6120-10	Other Taxes/Fees/Permits-FTB Fee	0	67	67	100	1,600	467	-1,133	-243	800
6150-00	Property Insurance-GL	7,112	6,947	-165	-2	49,785	48,628	-1,157	-2	83,362
6150-20	Property Insurance-Flood	157	300	143	48	1,101	2,099	998	48	3,599
6170-00	Bond Premiums	0	58	58	100	0	408	408	100	700
6199-99	TOTAL TAXES AND INSURANCE	7,269	7,566	297	4	52,784	52,963	179	0	90,794
6200-00	UTILITIES									
6210-00	Electricity-Common Areas	4,048	7,060	3,012	43	27,299	49,424	22,125	45	84,726
6210-10	Electricity-Units	375	0	-375	N/A	1,407	0	-1,407	N/A	0
6220-00	Water-Domestic	1,042	1,522	479	31	9,430	10,651	1,221	11	18,259
6220-10	Water-Irrigation	464	0	-464	N/A	602	0	-602	N/A	0
6230-00	Sewer-Standard Billing	2,043	1,964	-80	-4	16,254	13,745	-2,509	-18	23,563
6240-00	Gas/Heating Fuel-Units	68	629	561	89	377	4,401	4,024	91	7,545
6240-10	Gas/Heating Fuel-Common Areas	152	0	-152	N/A	4,946	0	-4,946	N/A	0

Park Avenue (p0569)

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6250-00	Trash-Standard Pickup	801	1,129	328	29	4,295	7,902	3,606	46	13,546
6250-10	Trash-Bulk Pickup	0	0	0	N/A	1,875	0	-1,875	N/A	0
6299-99	TOTAL UTILITIES	8,994	12,303	3,309	27	66,486	86,123	19,637	23	147,639
6300-00	PROPERTY MANAGEMENT FEES									
6320-00	Management Fees	6,202	6,202	0	0	43,412	43,412	0	0	74,421
6399-98	TOTAL PROPERTY MANAGEMENT FEES	6,202	6,202	0	0	43,412	43,412	0	0	74,421
6399-99	TOTAL NON-CONTROLLABLE EXPENSES	22,465	26,071	3,606	14	162,682	182,498	19,816	11	312,854
6400-00	CONTROLLABLE EXPENSES									
6400-01	PROFESSIONAL FEES									
6410-00	Audit Fees	1,042	1,042	0	0	7,292	7,292	0	0	12,500
6430-00	Legal-Evictions	1,371	407	-964	-237	14,551	2,850	-11,701	-411	4,886
6440-00	Professional Fees	49	0	-49	N/A	49	0	-49	N/A	0
6499-99	TOTAL PROFESSIONAL FEES	2,461	1,449	-1,012	-70	21,891	10,142	-11,750	-116	17,386
6500-00	PERSONNEL COSTS									
6510-00	Maintenance Wages-Base	7,597	10,683	3,087	29	44,655	74,783	30,128	40	128,200
6510-10	Maintenance Wages-Overtime	427	0	-427	N/A	2,254	0	-2,254	N/A	0
6510-30	Maintenance Wages-Vacation	111	0	-111	N/A	4,213	0	-4,213	N/A	0
6510-40	Maintenance Wages-PTO	227	0	-227	N/A	4,123	0	-4,123	N/A	0
6510-90	Maintenance Wages-Other	0	0	0	N/A	164	0	-164	N/A	0
6520-00	Manager Wages-Base	6,643	9,018	2,375	26	45,572	63,126	17,554	28	108,216
6520-10	Manager Wages-Overtime	144	0	-144	N/A	1,086	0	-1,086	N/A	0
6520-30	Manager Wages-Vacation	113	0	-113	N/A	3,284	0	-3,284	N/A	0
6520-40	Manager Wages-PTO	230	0	-230	N/A	5,040	0	-5,040	N/A	0
6540-00	Employer Social Security	1,019	1,916	897	47	6,304	13,414	7,110	53	22,996
6540-10	Employer Medicare	238	0	-238	N/A	1,474	0	-1,474	N/A	0
6540-20	FUTA (Federal Unemployment)	26	0	-26	N/A	222	0	-222	N/A	0
6540-30	SUTA (State Unemployment)	189	0	-189	N/A	1,624	0	-1,624	N/A	0
6540-40	401(k) Match (Employer)	7	0	-7	N/A	50	0	-50	N/A	0
6550-00	Workers Comp Insurance	824	839	15	2	5,352	5,873	522	9	10,068
6555-00	Personnel Medical Insurance	2,296	1,667	-630	-38	13,341	11,667	-1,675	-14	20,000
6560-00	Life Insurance	6	0	-6	N/A	43	0	-43	N/A	0
6599-99	TOTAL PERSONNEL COSTS	20,098	24,123	4,025	17	138,799	168,863	30,064	18	289,480
6600-00	MARKETING AND LEASING COSTS									
6610-00	Advertising	0	40	40	100	124	278	154	55	477
6620-00	Credit Checking	57	29	-28	-95	57	204	147	72	350
6699-99	TOTAL MARKETING AND LEASING COSTS	57	69	12	17	181	482	302	63	827
6700-00	GENERAL AND ADMINISTRATIVE									
6700-01	CONTRACT/RECURRING G/A									
6700-10	P/M IT	607	227	-379	-167	1,075	1,591	516	32	2,728
6700-20	P/M Software	0	102	102	100	2,043	711	-1,332	-187	1,219

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6700-30	P/M Software-Yardi	1,532	1,776	245	14	10,150	12,433	2,283	18	21,314
6710-00	Telephone	1,394	713	-681	-96	9,118	4,990	-4,128	-83	8,555
6710-10	Internet	301	625	324	52	2,136	4,374	2,238	51	7,498
6710-20	Cell Phone Reimbursement	300	164	-136	-83	1,440	1,150	-290	-25	1,971
6715-10	Copier Expenses	0	0	0	N/A	-220	0	220	N/A	0
6715-30	Toner/Copier Expense	38	125	87	69	1,895	875	-1,020	-117	1,500
6720-00	Postage/Freight	16	88	71	81	483	614	130	21	1,052
6730-00	Office Supplies/Expense	638	505	-133	-26	3,586	3,538	-48	-1	6,065
6735-00	Office Furniture and Equipment	0	0	0	N/A	-87	0	87	N/A	0
6740-00	Water/Coffee Service	200	111	-89	-80	874	779	-96	-12	1,335
6820-00	Tenant Services-General	0	127	127	100	0	890	890	100	1,525
6820-20	Tenant Services-Retention	254	0	-254	N/A	254	0	-254	N/A	0
6820-30	Tenant Services-Other	217	0	-217	N/A	2,927	0	-2,927	N/A	0
6830-00	Resident Services-Supplies	0	0	0	N/A	665	0	-665	N/A	0
6855-00	Resident Services-Other	0	0	0	N/A	168	0	-168	N/A	0
6860-00	Security-Svc Contract	666	711	45	6	6,281	4,977	-1,304	-26	8,532
6870-00	Elevator-Svc Contract	0	1,188	1,188	100	7,994	8,314	320	4	14,253
6870-20	Elevator-Fees	0	0	0	N/A	450	0	-450	N/A	0
6880-00	Pest Control-Svc Contract	2,440	1,182	-1,258	-106	2,300	8,275	5,975	72	14,185
6890-00	Fire/Alarm-Svc Contract	1,472	1,524	52	3	5,858	10,667	4,809	45	18,287
6890-30	Fire/Alarm-Repairs	1,012	0	-1,012	N/A	1,012	0	-1,012	N/A	0
6899-99	TOTAL CONTRACT/RECURRING G/A	11,086	9,168	-1,918	-21	60,404	64,178	3,774	6	110,019
6900-00	OTHER G/A									
6910-00	Other Admin-General	122	156	34	22	597	1,090	492	45	1,868
6910-20	Other Admin-Bank Fee	40	0	-40	N/A	280	0	-280	N/A	0
6930-00	Mileage	205	0	-205	N/A	997	0	-997	N/A	0
6940-00	Travel and Promotion	117	144	28	19	672	1,011	339	34	1,733
6950-00	Training Expense	0	64	64	100	967	447	-519	-116	767
6955-00	Employee Meals	0	8	8	100	0	58	58	100	100
6999-98	TOTAL OTHER G/A	483	372	-111	-30	3,513	2,606	-907	-35	4,468
6999-99	TOTAL GENERAL AND ADMINISTRATIVE	11,569	9,541	-2,029	-21	63,917	66,784	2,867	4	114,487
7000-00	REPAIRS AND MAINTENANCE									
7000-01	CONTRACT/RECURRING R/M									
7010-00	R/M Contract-General	4,785	2,250	-2,535	-113	44,187	15,750	-28,437	-181	27,000
7015-00	R/M Contract-Plumbing	220	220	0	0	5,329	1,538	-3,790	-246	2,637
7020-00	R/M Contract-Electrical	289	0	-289	N/A	1,523	0	-1,523	N/A	0
7025-00	R/M Contract-HVAC	0	167	167	100	782	1,167	385	33	2,000
7030-00	R/M Contract-Carpet Cleaning-Non Unit Turn	0	688	688	100	998	4,814	3,816	79	8,252
7035-00	R/M Contract-Appliances	0	0	0	N/A	360	0	-360	N/A	0
7045-00	R/M Contract-Hauling	175	0	-175	N/A	175	0	-175	N/A	0
7060-00	Repairs/Maintenance-Corp	86	0	-86	N/A	86	0	-86	N/A	0
7065-00	Grounds-Svc Contract	0	2,032	2,032	100	15,510	14,222	-1,288	-9	24,380
7099-99	TOTAL CONTRACT/RECURRING R/M	5,556	5,356	-200	-4	68,950	37,490	-31,459	-84	64,269

Park Avenue (p0569)

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
7100-00	OTHER R/M									
7110-00	Janitorial Supplies	70	318	248	78	1,189	2,228	1,039	47	3,819
7115-00	Painting and Decorating	0	224	224	100	2,091	1,567	-524	-33	2,686
7120-00	R/M Supplies-General	872	1,548	676	44	6,011	10,834	4,823	45	18,573
7135-00	R/M Supplies-HVAC	476	0	-476	N/A	1,481	0	-1,481	N/A	0
7199-99	TOTAL OTHER R/M	1,419	2,090	671	32	10,773	14,629	3,856	26	25,078
7200-00	TURNOVER R/M									
7210-90	Unit Turn-Carpet Cleaning-Other	0	0	0	N/A	573	0	-573	N/A	0
7220-00	Unit Turn-Unit Cleaning-Vendor	0	0	0	N/A	3,723	0	-3,723	N/A	0
7299-98	TOTAL TURNOVER R/M	0	0	0	N/A	4,296	0	-4,296	N/A	0
7299-99	TOTAL REPAIRS AND MAINTENANCE	6,974	7,446	471	6	84,018	52,119	-31,899	-61	89,347
7399-97	TOTAL CONTROLLABLE EXPENSES	41,160	42,627	1,467	3	308,807	298,391	-10,416	-3	511,527
7399-98	**TOTAL OPERATING EXPENSES**	**63,625**	**68,698**	**5,073**	**7**	**471,489**	**480,889**	**9,400**	**2**	**824,381**
7399-99	**NET OPERATING INCOME**	**33,068**	**33,957**	**-890**	**-3**	**207,539**	**237,701**	**-30,162**	**-13**	**407,487**
7400-00	DEBT SERVICE									
7411-00	Interest-Perm Loan 1	8,261	8,463	202	2	58,677	59,241	564	1	101,556
7430-00	Interest-Local Agency	6,125	8,189	2,064	25	42,875	57,324	14,449	25	98,269
7435-00	Interest-Other	2,917	2,917	0	0	20,419	20,417	-2	0	35,000
7499-99	TOTAL DEBT SERVICE	17,303	19,569	2,265	12	121,971	136,981	15,010	11	234,825
7500-00	REPLACEMENT COSTS/OTHER									
7500-01	REPLACEMENT COSTS - OPERATING									
7500-02	TURNOVER REPLACEMENT COSTS									
7510-00	R/M Replacement-General	0	3,043	3,043	100	3,498	21,303	17,806	84	36,520
7525-00	R/M Replacement-Door	0	217	217	100	313	1,517	1,204	79	2,600
7530-00	R/M Replacement-Window	285	0	-285	N/A	651	0	-651	N/A	0
7535-00	R/M Replacement-Cabinet	0	0	0	N/A	16,232	0	-16,232	N/A	0
7545-10	R/M Flooring Replacement-1Bed	0	0	0	N/A	38,593	0	-38,593	N/A	0
7545-20	R/M Flooring Replacement-2Bed	0	0	0	N/A	5,675	0	-5,675	N/A	0
7545-30	R/M Flooring Replacement-3Bed	0	0	0	N/A	2,747	0	-2,747	N/A	0
7545-90	R/M Flooring Replacement-Other	15,803	0	-15,803	N/A	16,113	0	-16,113	N/A	0
7550-00	R/M Replacement-Refrigerator	0	275	275	100	4,372	1,925	-2,447	-127	3,300
7560-00	R/M Replacement-Range	0	225	225	100	771	1,575	804	51	2,700
7560-10	R/M Replacement-Range Hood	0	8	8	100	0	58	58	100	100
7570-00	R/M Replacement-HVAC Unit	10,753	0	-10,753	N/A	12,762	0	-12,762	N/A	0
7580-00	R/M Replacement-Water Heater	0	0	0	N/A	1,678	0	-1,678	N/A	0
7599-97	TOTAL TURNOVER REPLACEMENT COSTS	26,841	3,768	-23,072	-612	103,405	26,378	-77,026	-292	45,220
7799-99	TOTAL REPLACEMENT COSTS - OPERATING	26,841	3,768	-23,072	-612	103,405	26,378	-77,026	-292	45,220
7800-00	OTHER NON-OPERATING COSTS									
7810-00	Managing General Partner Fees	1,086	1,106	20	2	7,598	7,738	140	2	13,266

Park Avenue (p0569)

Budget Comparison

Period = Jul 2026

Book = Accrual ; Tree = ysi_is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
7899-98	TOTAL OTHER NON-OPERATING COSTS	1,086	1,106	20	2	7,598	7,738	140	2	13,266
7899-99	TOTAL REPLACEMENT COSTS/OTHER	27,926	4,874	-23,052	-473	111,003	34,117	-76,886	-225	58,486
7999-99	**NET INCOME (LOSS) BEFORE CAPEX**	**-12,162**	**9,515**	**-21,676**	**-228**	**-25,435**	**66,603**	**-92,038**	**-138**	**114,176**
8000-00	CAPEX/REPLACEMENT RESERVE									
8100-00	Authorized Reserve-Other	0	15,550	15,550	100	0	108,850	108,850	100	186,600
8110-00	Authorized Reserve-Flooring	0	5,175	5,175	100	0	36,225	36,225	100	62,100
8130-00	Authorized Reserve-HVAC	0	800	800	100	0	5,600	5,600	100	9,600
8140-00	Authorized Reserve-Water Heaters	0	333	333	100	0	2,333	2,333	100	4,000
8999-99	TOTAL CAPEX/REPLACEMENT RESERVE	0	21,858	21,858	100	0	153,008	153,008	100	262,300
9999-98	**NET INCOME (LOSS)**	**-12,162**	**-12,344**	**182**	**1**	**-25,435**	**-86,406**	**60,970**	**71**	**-148,124**

Property Update – August 1, 2026

Gridley Springs 1 (GS1)

Occupancy 96.88%

Move-Ins

Maintenance

- Preventative maintenance painting handrails.
- Pending bids for trash enclosure repairs

Gridley Springs 2 (GS2)

Occupancy 100%

Move-Ins

Maintenance

- Preventative maintenance painting handrails
    - Wash Laundry contract review – updated washer/dryers needed

Regional Manager
Lisa Macdonald in Place
Community Manager
Michelle Vargas in Place
Maintenance Tech
Taylor Mader in Place

Gridley Springs 1
Budget Comparison
July 31, 2026

	Month Ending 07/31/2026				Year to Date 07/31/2026			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Rental Income								
5120 - Rent Revenue -- Gross Potential	11,030.00	34,361.00	(23,331.00)	(67.89)	64,945.00	240,527.00	(175,582.00)	(72.99)
5121 - Tenant Assistance Payments	22,977.00	(0.00)	22,977.00	100.00	167,920.00	(0.00)	167,920.00	100.00
Total Rental Income	**34,007.00**	**34,361.00**	**(354.00)**	**(1.03)**	**232,865.00**	**240,527.00**	**(7,662.00)**	**(3.18)**
Vacancy, Losses & Concessions								
5220 - Vacancy Loss - Apartments	(1,028.00)	(689.50)	(338.50)	(49.09)	(7,888.00)	(4,826.50)	(3,061.50)	(63.43)
Total Vacancy, Losses & Concessions	**(1,028.00)**	**(689.50)**	**(338.50)**	**(49.09)**	**(7,888.00)**	**(4,826.50)**	**(3,061.50)**	**(63.43)**
Net Rental Income	**32,979.00**	**33,671.50**	**(692.50)**	**(2.05)**	**224,977.00**	**235,700.50**	**(10,723.50)**	**(4.54)**
Financial Income								
5410 - Interest Revenue	87.69	53.00	34.69	65.45	550.17	371.00	179.17	48.29
Total Financial Income	**87.69**	**53.00**	**34.69**	**65.45**	**550.17**	**371.00**	**179.17**	**48.29**
Other Income								
5910 - Laundry Revenue	906.20	266.00	640.20	240.67	3,515.10	1,862.00	1,653.10	88.78
5920 - Tenant Charges (Late Fees, Damages)	0.00	54.00	(54.00)	(100.00)	738.00	378.00	360.00	95.23
6331 - Admin Rent Free Unit	(870.00)	(0.00)	(870.00)	(100.00)	(6,079.00)	(0.00)	(6,079.00)	(100.00)
Total Other Income	**36.20**	**320.00**	**(283.80)**	**(88.68)**	**(1,825.90)**	**2,240.00**	**(4,065.90)**	**(181.51)**
Total Income	**33,102.89**	**34,044.50**	**(941.61)**	**(2.76)**	**223,701.27**	**238,311.50**	**(14,610.23)**	**(6.13)**
Expenses								
Administrative Expenses								
6308 - Training	31.04	141.00	109.96	77.98	217.28	987.00	769.72	77.98
6311 - Office Supplies	557.01	105.00	(452.01)	(430.48)	2,814.73	735.00	(2,079.73)	(282.95)
6315 - Software Expenses	80.23	0.00	(80.23)	(100.00)	1,256.96	0.00	(1,256.96)	(100.00)
6318 - Computer Licenses, Maint (IT services) and Supplies	360.00	0.00	(360.00)	(100.00)	960.00	0.00	(960.00)	(100.00)
6320 - Management Fee Expense	2,860.00	3,100.00	240.00	7.74	20,270.00	21,700.00	1,430.00	6.58
6337 - Compliance Fees Expense	343.30	0.00	(343.30)	(100.00)	2,403.10	0.00	(2,403.10)	(100.00)
6340 - Legal Expense - Project	0.00	143.75	143.75	100.00	685.00	1,006.25	321.25	31.92
6350 - Audit Expense	0.00	1,100.00	1,100.00	100.00	13,000.00	7,700.00	(5,300.00)	(68.83)
6360 - Telephone Expense	(159.99)	83.25	243.24	292.18	495.72	582.75	87.03	14.93
6390 - Misc. Administrative Expenses	1,155.28	637.00	(518.28)	(81.36)	1,936.44	4,435.00	2,498.56	56.33
6630 - Overages/Surcharges (RD)	0.00	0.00	0.00	0.00	2,930.00	0.00	(2,930.00)	(100.00)
Total Administrative Expenses	**5,226.87**	**5,310.00**	**83.13**	**1.56**	**46,969.23**	**37,146.00**	**(9,823.23)**	**(26.44)**
Marketing Expenses								
6210 - Advertising and Marketing	0.00	8.25	8.25	100.00	0.00	57.75	57.75	100.00
Total Marketing Expenses	**0.00**	**8.25**	**8.25**	**100.00**	**0.00**	**57.75**	**57.75**	**100.00**
Payroll Expenses								
6310 - Office Salaries	2,520.55	2,857.08	336.53	11.77	14,838.90	19,999.56	5,160.66	25.80
6330 - Manager Salaries	0.00	0.00	0.00	0.00	5,511.64	0.00	(5,511.64)	(100.00)
6512 - Maintenance Salaries	2,461.28	2,839.83	378.55	13.33	18,702.54	19,878.81	1,176.27	5.91
6711 - Payroll Taxes	378.05	600.00	221.95	36.99	3,486.13	4,200.00	713.87	16.99
6722 - Workers Compensation Ins	474.99	456.92	(18.07)	(3.95)	3,696.88	3,198.44	(498.44)	(15.58)
6723 - Health Insurance and Other Employee Benefits	227.35	1,410.83	1,183.48	83.88	1,776.89	9,875.81	8,098.92	82.00
Total Payroll Expenses	**6,062.22**	**8,164.66**	**2,102.44**	**25.75**	**48,012.98**	**57,152.62**	**9,139.64**	**15.99**
Utilities								

Gridley Springs 1
Budget Comparison
July 31, 2026

	Month Ending 07/31/2026				Year to Date 07/31/2026			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
6449 - Utilities - Vacant	0.00	0.00	0.00	0.00	226.11	0.00	(226.11)	(100.00)
6450 - Electricity	1,167.00	743.00	(424.00)	(57.06)	5,620.14	5,201.00	(419.14)	(8.05)
6451 - Water	595.90	413.75	(182.15)	(44.02)	2,398.00	2,896.25	498.25	17.20
6452 - Gas	0.00	124.00	124.00	100.00	1,326.80	868.00	(458.80)	(52.85)
6453 - Sewer	1,234.49	1,283.00	48.51	3.78	8,486.88	8,981.00	494.12	5.50
6525 - Garbage & Trash Removal	506.10	628.92	122.82	19.52	3,542.70	4,402.44	859.74	19.52
Total Utilities	**3,503.49**	**3,192.67**	**(310.82)**	**(9.73)**	**21,600.63**	**22,348.69**	**748.06**	**3.34**
Operating & Maintenance Expenses								
6515 - Supplies - Maint. & Repairs	342.31	645.08	302.77	46.93	5,078.39	4,515.56	(562.83)	(12.46)
6516 - Cleaning Supplies	0.00	0.00	0.00	0.00	36.66	0.00	(36.66)	(100.00)
6520 - Contracts - Maint. & Repairs	150.00	685.00	535.00	78.10	4,001.14	4,795.00	793.86	16.55
6534 - Uniforms	0.00	0.00	0.00	0.00	50.60	0.00	(50.60)	(100.00)
6537 - Grounds Contracts	6,764.95	1,446.61	(5,318.34)	(367.64)	10,691.63	10,126.27	(565.36)	(5.58)
6538 - Services Contracts	0.00	753.00	753.00	100.00	420.33	5,271.00	4,850.67	92.02
6542 - Repairs - Electrical	0.00	0.00	0.00	0.00	51.03	0.00	(51.03)	(100.00)
6546 - Repairs - HVAC Repairs & Maintenance	605.02	0.00	(605.02)	(100.00)	605.02	0.00	(605.02)	(100.00)
6547 - Repairs - Keys/Locks	0.00	0.00	0.00	0.00	71.37	0.00	(71.37)	(100.00)
6555 - Repairs - Lights/Fans/Fixtures	0.00	0.00	0.00	0.00	36.37	0.00	(36.37)	(100.00)
6560 - Interior Paint Contract	0.00	400.00	400.00	100.00	500.00	2,800.00	2,300.00	82.14
6561 - Painting Supplies	0.00	58.00	58.00	100.00	1,141.78	410.00	(731.78)	(178.48)
Total Operating & Maintenance Expenses	**7,862.28**	**3,987.69**	**(3,874.59)**	**(97.16)**	**22,684.32**	**27,917.83**	**5,233.51**	**18.74**
Taxes & Insurance								
6598 - Income Taxes -- State	0.00	0.00	0.00	0.00	800.00	0.00	(800.00)	(100.00)
6710 - Real Estate Taxes	0.00	158.25	158.25	100.00	1,481.04	1,107.75	(373.29)	(33.69)
6720 - Property & Liability Insurance (Hazard)	0.00	2,456.00	2,456.00	100.00	22,680.60	17,192.00	(5,488.60)	(31.92)
6721 - Fidelity Bond Insurance	0.00	20.25	20.25	100.00	0.00	141.75	141.75	100.00
6790 - Miscellaneous Taxes / Licenses / Permits / Insurance	0.00	150.00	150.00	100.00	0.00	1,050.00	1,050.00	100.00
Total Taxes & Insurance	**0.00**	**2,784.50**	**2,784.50**	**100.00**	**24,961.64**	**19,491.50**	**(5,470.14)**	**(28.06)**
Total Expenses	**22,654.86**	**23,447.77**	**792.91**	**3.38**	**164,228.80**	**164,114.39**	**(114.41)**	**(0.06)**
Net Operating Income (Loss)	**10,448.03**	**10,596.73**	**(148.70)**	**(1.40)**	**59,472.47**	**74,197.11**	**(14,724.64)**	**(19.84)**
Non-Operating Expenses								
Capital Expenditures								
7340 - Plumbing Replacement	0.00	350.00	350.00	100.00	0.00	2,450.00	2,450.00	100.00
7350 - Carpet/Floor Replacement	0.00	800.00	800.00	100.00	5,059.33	5,608.30	548.97	9.78
7370 - Heating/AC Replacement	0.00	916.66	916.66	100.00	3,025.00	6,416.62	3,391.62	52.85
7380 - Appliance Replacement	323.67	237.00	(86.67)	(36.56)	1,845.20	1,659.00	(186.20)	(11.22)
7385 - Drapery and Blind Replacement	112.13	87.50	(24.63)	(28.14)	808.44	612.50	(195.94)	(31.99)
7390 - Other Capital Expenses	0.00	166.66	166.66	100.00	0.00	1,166.62	1,166.62	100.00
Total Capital Expenditures	**435.80**	**2,557.82**	**2,122.02**	**82.96**	**10,737.97**	**17,913.04**	**7,175.07**	**40.05**
Debt Services								
6820 - Interest on Mortgage Payable - 1st	1,184.08	0.00	(1,184.08)	(100.00)	8,322.65	0.00	(8,322.65)	(100.00)
6830 - Mortgage Payment - USDA	2,351.98	2,352.00	0.02	0.00	16,463.86	16,464.00	0.14	0.00
6835 - Mortgage Payment - Conv	0.00	1,607.41	1,607.41	100.00	0.00	11,251.87	11,251.87	100.00
Total Debt Services	**3,536.06**	**3,959.41**	**423.35**	**10.69**	**24,786.51**	**27,715.87**	**2,929.36**	**10.56**

Gridley Springs 1
Budget Comparison
July 31, 2026

	Month Ending 07/31/2026				Year to Date 07/31/2026			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Other Non-Operating Expenses								
8140 - Return to Owner	0.00	2,700.00	2,700.00	100.00	0.00	18,900.00	18,900.00	100.00
Total Other Non-Operating Expenses	**0.00**	**2,700.00**	**2,700.00**	**100.00**	**0.00**	**18,900.00**	**18,900.00**	**100.00**
Total Non-Operating Expenses	**3,971.86**	**9,217.23**	**5,245.37**	**56.90**	**35,524.48**	**64,528.91**	**29,004.43**	**44.94**
Net Income (Loss)	**6,476.17**	**1,379.50**	**5,096.67**	**369.45**	**23,947.99**	**9,668.20**	**14,279.79**	**147.69**

WinnResidential

Monthly Property Summary Report

75 Harvest Park Court

July 2026

HARVEST
PARK

CHICO, CA.
90 UNITS
TAX CREDIT

Telephone: 559-435-3434
5200 N Palm Avenue, Suite 109, Fresno, CA 93704 www.winnco.com

MONTHLY PROPERTY SUMMARY REPORT

INCOME AND EXPENSE SUMMARY

- Total Operating Income Actual/Month: **$104,915.86** **3,773.86** **3.73%**
- Total Operating Income Budget/Month: **$101,142.00**
- Total Operating Income Actual/YTD: **$739,026.71** **20,075.71** **2.79%**
- Total Operating Income Budget/YTD: **$718,951.00**
- Total Operating Expenses Actual/Month: **$58,529.23** **-10,270.58** **-21.28%**
- Total Operating Expenses Budget/Month: **$48,258.65**
- Total Operating Expenses Actual/YTD: **$391,001.03** **$17,963.86** **4.39%**
- Total Operating Expenses Budget/YTD: **$408,964.89**
- Total Net Operating Income Actual/Month: **$46,386.63** **-6,496.35** **-12.28%**
- Total Net Operating Income Budget/Month: **$52,883.35**
- Total Net Operating Income Actual/YTD: **$348,025.68** **38,039.57** **12.27%**
- Total Net Operating Income Budget/YTD: **$309,986.11**

BUDGET VARIANCE REPORT

(Line-Item Variance Report: Expenses Exceeding 10% of budget or $500 minimum variance.)

July 2026 Financials – Expense Variances					
	Month Ending 4/30/2026				
GL / Description	Actual	Budget	Variance	%	Comments:
5220-0000 Vacancies Apartments	($829.00)	($2,051.00)	$1,222.00	59.58%	#125 vacancy
6370-0000 Bad Debt	($2,739.80)	($4,000.00)	$1,260.20	31.50%	#220 rent write off
6451-0000 Water and Sewer	$6,946.17	$6,157.00	($789.17)	-12.81%	Excessive heat required additional watering
6330-0000 Managers Payroll	$3,343.99	$4,869.00	$1,525.01	31.32%	Manager providing support to another property
6525-0000 Repairs Contract General	$0.00	$515.00	$515.00	100.00%	Not required this period
6547-0000 Repairs Contract HVAC	$2,249.00	$250.00	($1,999.00)	-799.60%	#226 Thermostatic expansion valve and freon, #216 service call
6991-0000 Pool Supplies	$888.65	$185.00	($703.65)	-380.35%	extreme heat and useage required extra chemicals
6311-0000 Office Expences	$1,566.75	$593.00	($973.75)	-164.20%	Purchased previously budgeted Ipad
6312-0000 Copy Machine	$1,465.51	$261.00	($1,204.51)	-461.49%	Annual Contract base reate payments
6350-0000 Auditing	$3,622.50	$0.00	($3,662.50)	-100.00%	Previously budgeted audit
6360-0000 Telephone	$1,629.82	$785.00	($844.82)	-107.62%	Gross RS fee from Comcast, reimbursement corrections
6385-0000 Dues and Subscriptions	$667.50	$4.00	($663.50)	-16587.50%	NVPOA dues budgeted for August
1440-0001 Carpet/Flooring R/R	$950.00	$4,600.00	$3,650.00	79.34%	One one vinyl needed for period (#101)
1486-0001 Appliance R/R	$1,952.31	$650.00	($1,302.31)	-200.35%	#241 washer, #235 refrigerator, #214 range

RESIDENT DELINQUENT RENT STATUS

(Table below sorted by "total" highest to lowest delinquency)

Bldg/Unit	Resident Name	Status	Balance	Comments
06-231		Current Resident	6835.00	File sent to PKS
04-225		Current Resident	2534.60	File sent to PKS
03-218		Current Resident	2221.00	File sent to PKS
01-207		Current Resident	1596.00	3/30 day notice served
03-115		Current Resident	1391.00	3/30 day notice served
01-104		Current Resident	397.00	Paying $500 per week
08-245		Current Resident	346.63	Balance due notice served
07-138		Current Resident	121.00	LHA Change
08-242		Current Resident	50.00	Small balance notice served
02-108		Current Resident	50.00	Small balance notice served
07-237		Current Resident	48.00	Small balance notice served
01-103		Current Resident	46.99	Small balance notice served
06-237		Current Resident	20.00	Small balance notice served
08-144		Current Resident	10.00	Small balance notice served

SUMMARY OF CAPITAL EXPENSES AND IMPROVEMENTS

2026 Capital Expenditures: None

- YTD Actual Capital Improvements Completed $0.00
- YTD Budgeted Capital Improvements Budgeted $0.00

GENERAL PROPERTY ISSUES and HIGHLIGHTS

We ended the month with (0) Vacant Units; (0) Units On-Notice. 100% leased & 100% occupied.

Harvest Park - 1649
Budget Comparison
July 31, 2026

	Month Ending 07/31/2026				Year to Date 07/31/2026				Annual
	Actual	Budget	Variance	%	Actual	Budget	Variance	%	Budget
INCOME									
RENTAL INCOME									
5120-0000 - Rental Income	78,713.00	79,989.00	(1,276.00)	(1.59)	552,112.00	559,923.00	(7,811.00)	(1.39)	959,868.00
5150-0000 - Rental Assistance	24,181.00	21,904.00	2,277.00	10.39	168,319.00	153,328.00	14,991.00	9.77	262,848.00
5221-0000 - Gain/(Loss) to Lease	6,145.00	5,181.00	964.00	18.60	40,310.00	36,267.00	4,043.00	11.14	62,172.00
TOTAL RENTAL INCOME	**109,039.00**	**107,074.00**	**1,965.00**	**1.83**	**760,741.00**	**749,518.00**	**11,223.00**	**1.49**	**1,284,888.00**
MISC. INCOME									
5330-0000 - Tenant Services	25.00	(0.00)	25.00	100.00	300.00	50.00	250.00	500.00	75.00
5332-0000 - Application Fees	0.00	225.00	(225.00)	(100.00)	1,215.00	1,575.00	(360.00)	(22.85)	2,700.00
5385-0000 - Late/Term Fees	400.00	800.00	(400.00)	(50.00)	3,850.00	4,800.00	(950.00)	(19.79)	8,000.00
5390-0002 - Damages	1,585.35	1,500.00	85.35	5.69	6,396.96	10,500.00	(4,103.04)	(39.07)	18,000.00
5341-0000 - Cable Revenue	0.00	(0.00)	0.00	0.00	2,235.78	2,115.00	120.78	5.71	4,345.00
5341-0001 - Contra Cable Revenue	0.00	(0.00)	0.00	0.00	0.00	(408.00)	408.00	100.00	(816.00)
TOTAL MISC. INCOME	**2,010.35**	**2,525.00**	**(514.65)**	**(20.38)**	**13,997.74**	**18,632.00**	**(4,634.26)**	**(24.87)**	**32,304.00**
OTHER INCOME									
5491-0000 - Interest on Security Deposits	105.09	133.00	(27.91)	(20.98)	694.11	931.00	(236.89)	(25.44)	1,596.00
TOTAL OTHER INCOME	**105.09**	**133.00**	**(27.91)**	**(20.98)**	**694.11**	**931.00**	**(236.89)**	**(25.44)**	**1,596.00**
VACANCY LOSS/RENTAL LOSS/BAD DEBT									
5220-0000 - Vacancies Apartment	(829.00)	(2,051.00)	1,222.00	59.58	(8,298.00)	(14,357.00)	6,059.00	42.20	(24,612.00)
6370-0000 - Bad Debt	(2,739.80)	(4,000.00)	1,260.20	31.50	(14,491.80)	(18,000.00)	3,508.20	19.49	(30,000.00)
6370-0004 - Bad Debt - Miscellaneous	(1,407.35)	(1,192.00)	(215.35)	(18.06)	(4,923.57)	(8,344.00)	3,420.43	40.99	(14,304.00)
6371-0000 - Bad Debt Recovery - Resident Rent	85.57	(0.00)	85.57	100.00	743.23	(0.00)	743.23	100.00	(0.00)
6539-0002 - Maintenance Staff Rent Free Unit	(1,348.00)	(1,347.00)	(1.00)	(0.07)	(9,436.00)	(9,429.00)	(7.00)	(0.07)	(16,164.00)
TOTAL VACANCY	**(6,238.58)**	**(8,590.00)**	**2,351.42**	**27.37**	**(36,406.14)**	**(50,130.00)**	**13,723.86**	**27.37**	**(85,080.00)**
TOTAL INCOME	**104,915.86**	**101,142.00**	**3,773.86**	**3.73**	**739,026.71**	**718,951.00**	**20,075.71**	**2.79**	**1,233,708.00**
EXPENSES									
MANAGEMENT FEES									
6320-0000 - Management Fees	6,411.75	4,982.00	(1,429.75)	(28.69)	37,688.68	35,334.00	(2,354.68)	(6.66)	60,604.00
TOTAL MANAGEMENT FEES	**6,411.75**	**4,982.00**	**(1,429.75)**	**(28.69)**	**37,688.68**	**35,334.00**	**(2,354.68)**	**(6.66)**	**60,604.00**
REAL ESTATE TAXES									
6710-0000 - Taxes Real Estate	144.09	18.00	(126.09)	(700.50)	232.14	120.00	(112.14)	(93.45)	210.00
6712-0000 - Taxes Other	0.00	0.00	0.00	0.00	402.00	327.00	(75.00)	(22.93)	327.00
TOTAL REAL ESTATE TAXES	**144.09**	**18.00**	**(126.09)**	**(700.50)**	**634.14**	**447.00**	**(187.14)**	**(41.86)**	**537.00**
INSURANCE									
6720-0000 - Insurance Property	5,417.50	5,380.15	(37.35)	(0.69)	51,957.91	37,661.05	(14,296.86)	(37.96)	64,561.80
6720-0002 - Franchise Tax - Calif Pnps	0.00	0.00	0.00	0.00	800.00	800.00	0.00	0.00	800.00

Harvest Park - 1649
Budget Comparison
July 31, 2026

	Month Ending 07/31/2026				Year to Date 07/31/2026				Annual
	Actual	Budget	Variance	%	Actual	Budget	Variance	%	Budget
TOTAL INSURANCE	**5,417.50**	**5,380.15**	**(37.35)**	**(0.69)**	**52,757.91**	**38,461.05**	**(14,296.86)**	**(37.17)**	**65,361.80**
UTILITIES EXPENSES									
6430-0000 - Electricity Vacant	4.80	56.00	51.20	91.42	110.00	392.00	282.00	71.93	672.00
6430-0001 - Employee Unit Utility	96.00	118.00	22.00	18.64	720.00	826.00	106.00	12.83	1,416.00
6440-0000 - Gas/Oil Heat Vacant	(24.81)	0.00	24.81	100.00	(30.56)	0.00	30.56	100.00	0.00
6450-0000 - Electricity	1,666.11	1,875.00	208.89	11.14	8,273.89	11,858.00	3,584.11	30.22	19,086.00
6451-0000 - Water and Sewer	6,946.17	6,157.00	(789.17)	(12.81)	41,047.44	39,239.00	(1,808.44)	(4.60)	70,429.00
6452-0000 - Natural Gas Heat	20.09	30.00	9.91	33.03	716.11	2,054.00	1,337.89	65.13	3,999.96
6470-0000 - Rubbish Removal	1,249.65	1,222.00	(27.65)	(2.26)	8,403.51	8,554.00	150.49	1.75	14,664.00
6470-0001 - Rubbish Removal - Bulk	200.00	250.00	50.00	20.00	740.00	1,000.00	260.00	26.00	1,950.00
6454-0000 - Utility Processing	111.45	74.00	(37.45)	(50.60)	941.01	724.00	(217.01)	(29.97)	1,094.00
TOTAL UTILITY EXPENSES	**10,269.46**	**9,782.00**	**(487.46)**	**(4.98)**	**60,921.40**	**64,647.00**	**3,725.60**	**5.76**	**113,310.96**
PAYROLL									
6310-0000 - Office Payroll	0.00	86.00	86.00	100.00	256.13	602.00	345.87	57.45	1,132.00
6330-0000 - Managers Payroll	3,343.99	4,869.00	1,525.01	31.32	30,305.31	40,849.00	10,543.69	25.81	69,731.00
6539-0000 - Maintenance Payroll General	5,126.52	5,133.00	6.48	0.12	36,245.57	37,952.00	1,706.43	4.49	66,383.00
6539-0010 - Maintenance Payroll - Temp Labor	0.00	0.00	0.00	0.00	3,344.99	0.00	(3,344.99)	(100.00)	0.00
6714-0001 - Taxes-Payroll Administrative	257.55	374.00	116.45	31.13	2,578.93	3,465.00	886.07	25.57	5,680.00
6714-0002 - Taxes-Payroll Maintenance	355.12	393.00	37.88	9.63	2,801.82	3,221.00	419.18	13.01	5,396.00
6724-0001 - Workers Comp. - Payroll Admin	298.43	366.00	67.57	18.46	2,089.01	3,065.00	975.99	31.84	5,235.00
6724-0002 - Workers Compensation-Payroll Maintenance	275.47	385.00	109.53	28.44	1,928.29	2,851.00	922.71	32.36	4,985.00
6726-0001 - Health Ins. & Benefits-Payroll Admin	862.22	1,655.00	792.78	47.90	8,306.19	11,848.00	3,541.81	29.89	20,324.00
6726-0002 - Health Ins. & Benefits-Payroll Maint.	2,766.47	1,543.00	(1,223.47)	(79.29)	16,415.24	10,925.00	(5,490.24)	(50.25)	18,841.00
TOTAL PAYROLL	**13,285.77**	**14,804.00**	**1,518.23**	**10.25**	**104,271.48**	**114,778.00**	**10,506.52**	**9.15**	**197,707.00**
OPERATING & MAINTENANCE EXPENSE									
6462-0000 - Exterminating Contract	412.00	378.00	(34.00)	(8.99)	3,685.00	3,641.00	(44.00)	(1.20)	5,531.00
6511-0000 - Security Contract and Repairs	142.30	150.00	7.70	5.13	892.33	1,050.00	157.67	15.01	1,800.00
6521-0000 - Grounds Supplies	225.00	250.00	25.00	10.00	4,385.00	10,790.00	6,405.00	59.36	12,565.00
6522-0000 - Grounds Contract	2,765.00	2,765.00	0.00	0.00	19,355.00	19,355.00	0.00	0.00	33,180.00
6522-0001 - Landscaping	0.00	0.00	0.00	0.00	9,985.00	10,000.00	15.00	0.15	13,950.00
6541-0000 - Maintenance Supplies	2,209.10	1,990.00	(219.10)	(11.01)	18,889.17	23,852.24	4,963.07	20.80	33,802.24
6545-0000 - Repairs Contract General	0.00	515.00	515.00	100.00	4,519.00	12,583.00	8,064.00	64.08	15,158.00
6546-0000 - Repairs Contract Electric	0.00	0.00	0.00	0.00	0.00	400.00	400.00	100.00	600.00
6547-0000 - Repairs - Contract - HVAC	2,249.00	250.00	(1,999.00)	(799.60)	5,930.00	1,750.00	(4,180.00)	(238.85)	3,000.00
6548-0000 - Repairs - Contract - Plumbing	881.00	500.00	(381.00)	(76.20)	6,480.00	4,700.00	(1,780.00)	(37.87)	7,200.00
6552-0000 - Uniforms	0.00	0.00	0.00	0.00	0.00	750.00	750.00	100.00	750.00
6581-0000 - Appliance Repair	0.00	0.00	0.00	0.00	0.00	1,500.00	1,500.00	100.00	2,250.00
6582-0000 - Lock and Key Expense	0.00	0.00	0.00	0.00	0.00	250.00	250.00	100.00	500.00
6583-0000 - Window Expense	0.00	0.00	0.00	0.00	0.00	750.00	750.00	100.00	1,500.00
6586-0000 - Fire and Safety Systems	315.00	0.00	(315.00)	(100.00)	2,548.00	4,930.00	2,382.00	48.31	11,361.00
6991-0000 - Pool Supplies	888.65	185.00	(703.65)	(380.35)	2,094.69	1,295.00	(799.69)	(61.75)	2,220.00

Harvest Park - 1649
Budget Comparison
July 31, 2026

	Month Ending 07/31/2026				Year to Date 07/31/2026				Annual
	Actual	Budget	Variance	%	Actual	Budget	Variance	%	Budget
6992-0000 - Pool Contract	393.75	404.00	10.25	2.53	2,605.65	2,828.00	222.35	7.86	4,848.00
TOTAL OPERATING & MAINT. EXPS.	**10,480.80**	**7,387.00**	**(3,093.80)**	**(41.88)**	**81,368.84**	**100,424.24**	**19,055.40**	**18.97**	**150,215.24**
TURNOVER COSTS									
6532-0000 - Cleaning Contract	738.00	938.00	200.00	21.32	4,640.00	8,366.00	3,726.00	44.53	14,706.00
6561-0000 - Decorator Supplies	0.00	295.00	295.00	100.00	601.43	2,065.00	1,463.57	70.87	3,540.00
TOTAL TURNOVER COSTS	**738.00**	**1,233.00**	**495.00**	**40.14**	**5,241.43**	**10,431.00**	**5,189.57**	**49.75**	**18,246.00**
MARKETING									
6210-0006 - Signs/Exhibit/Display	0.00	250.00	250.00	100.00	0.00	500.00	500.00	100.00	500.00
6212-0000 - Collateral Materials/Brand Identity	65.70	133.00	67.30	50.60	1,235.54	1,504.00	268.46	17.84	2,169.00
6290-0000 - Miscellaneous Renting Expense	122.50	300.50	178.00	59.23	1,179.87	1,293.50	113.63	8.78	1,986.00
6981-0000 - Resident Supplies	50.08	92.00	41.92	45.56	426.95	644.00	217.05	33.70	1,504.00
TOTAL MARKETING	**238.28**	**775.50**	**537.22**	**69.27**	**2,842.36**	**3,941.50**	**1,099.14**	**27.88**	**6,159.00**
ADMINISTRATIVE EXPENSES									
6280-0000 - Credit Reports and Fees	46.95	74.00	27.05	36.55	1,319.85	518.00	(801.85)	(154.79)	888.00
6311-0000 - Office Expenses	1,566.75	593.00	(973.75)	(164.20)	6,419.41	6,652.10	232.69	3.49	9,647.10
6312-0000 - Copy Machine	1,465.51	261.00	(1,204.51)	(461.49)	2,430.02	1,827.00	(603.02)	(33.00)	4,181.00
6313-0000 - Postage	103.86	65.00	(38.86)	(59.78)	559.92	455.00	(104.92)	(23.05)	780.00
6316-0000 - Travel/Mileage	170.32	126.00	(44.32)	(35.17)	694.36	834.00	139.64	16.74	3,326.00
6316-0003 - Training	0.00	0.00	0.00	0.00	1,237.59	995.00	(242.59)	(24.38)	2,398.00
6340-0000 - Legal Expense	2,133.38	1,849.00	(284.38)	(15.38)	7,006.15	5,547.00	(1,459.15)	(26.30)	7,396.00
6350-0000 - Auditing	3,622.50	0.00	(3,622.50)	(100.00)	16,560.50	16,561.00	0.50	0.00	16,561.00
6355-0001 - Administrative Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,781.00
6360-0000 - Telephone	1,629.82	785.00	(844.82)	(107.62)	6,692.48	5,495.00	(1,197.48)	(21.79)	9,420.00
6385-0000 - Dues and Memberships	667.50	4.00	(663.50)	(16,587.50)	667.50	241.00	(426.50)	(176.97)	1,255.00
6390-0000 - Miscellaneous	0.00	0.00	0.00	0.00	55.72	56.00	0.28	0.50	56.00
6392-0000 - Bank Charges	132.05	136.00	3.95	2.90	964.12	952.00	(12.12)	(1.27)	1,632.00
6392-0001 - RP Transaction Fees	101.60	79.00	(22.60)	(28.60)	849.93	553.00	(296.93)	(53.69)	948.00
6392-0002 - Paymode Rebates	(96.66)	(75.00)	21.66	28.88	(182.76)	(185.00)	(2.24)	(1.21)	(267.00)
TOTAL ADMINISTRATIVE EXPENSES	**11,543.58**	**3,897.00**	**(7,646.58)**	**(196.21)**	**45,274.79**	**40,501.10**	**(4,773.69)**	**(11.78)**	**61,002.10**
TOTAL EXPENSES	**58,529.23**	**48,258.65**	**(10,270.58)**	**(21.28)**	**391,001.03**	**408,964.89**	**17,963.86**	**4.39**	**673,143.10**
NET OPERATING INCOME	**46,386.63**	**52,883.35**	**(6,496.72)**	**(12.28)**	**348,025.68**	**309,986.11**	**38,039.57**	**12.27**	**560,564.90**
REPLACEMENT RESERVE/OTHER ESCROWS									
1316-0000 - Escrow - Replacement Reserve	2,332.50	2,333.00	0.50	0.02	16,327.50	16,331.00	3.50	0.02	27,996.00
TOTAL REPLACEMENT RESERVE/OTHER ESCROWS	**2,332.50**	**2,333.00**	**0.50**	**0.02**	**16,327.50**	**16,331.00**	**3.50**	**0.02**	**27,996.00**
DEBT SERVICE									
2320-0000 - Mortgage Payable - Wells Fargo	6,666.67	6,667.00	0.33	0.00	46,666.69	46,669.00	2.31	0.00	80,004.00
6820-0000 - Interest Expense - Wells Fargo	9,968.75	10,079.00	110.25	1.09	70,441.25	70,553.00	111.75	0.15	120,948.00

Harvest Park - 1649
Budget Comparison
July 31, 2026

	Month Ending 07/31/2026				Year to Date 07/31/2026				Annual
	Actual	Budget	Variance	%	Actual	Budget	Variance	%	Budget
6824-0000 - Interest Expense - HACB	1,904.57	1,905.00	0.43	0.02	13,331.99	13,335.00	3.01	0.02	22,860.00
6828-0000 - Service Fee	5,407.29	5,503.00	95.71	1.73	38,120.70	38,647.00	526.30	1.36	66,087.00
TOTAL DEBT SERVICE	**23,947.28**	**24,154.00**	**206.72**	**0.85**	**168,560.63**	**169,204.00**	**643.37**	**0.38**	**289,899.00**
MISCELLANEOUS									
6845-0000 - Security Deposit Interest Exp	0.37	0.00	(0.37)	(100.00)	0.37	0.00	(0.37)	(100.00)	0.00
6890-0000 - Miscellaneous Financial Exp	416.67	417.00	0.33	0.07	2,916.69	4,169.00	1,252.31	30.03	7,504.00
6892-0000 - Trustee Fees	325.00	283.00	(42.00)	(14.84)	2,275.00	1,981.00	(294.00)	(14.84)	7,413.00
TOTAL MISCELLANEOUS	**742.04**	**700.00**	**(42.04)**	**(6.00)**	**5,192.06**	**6,150.00**	**957.94**	**15.57**	**14,917.00**
CAPITAL EXPENDITURES									
1431-0002 - Building Improvements	0.00	0.00	0.00	0.00	18,064.59	0.00	(18,064.59)	(100.00)	0.00
1440-0001 - Carpet/Flooring R/R	950.00	4,600.00	3,650.00	79.34	8,752.38	25,200.00	16,447.62	65.26	37,200.00
1461-0002 - Furniture & Fixtures	0.00	0.00	0.00	0.00	0.00	0.40	0.40	100.00	0.40
1486-0001 - Appliances - R/R	1,952.31	650.00	(1,302.31)	(200.35)	7,323.53	8,166.00	842.47	10.31	14,774.00
TOTAL CAPITAL EXPENDITURES	**2,902.31**	**5,250.00**	**2,347.69**	**44.71**	**34,140.50**	**33,366.40**	**(774.10)**	**(2.31)**	**51,974.40**
MORTGAGOR EXPENSES									
7115-0000 - Non Profit Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,703.00
7135-0000 - Asset Management Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,687.00
7153-0000 - Administration Fee Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,114.00
TOTAL MORTGAGOR EXPENSES	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**43,504.00**
PROFIT/LOSS	**16,462.50**	**20,446.35**	**(3,983.85)**	**(19.48)**	**123,804.99**	**84,934.71**	**38,870.28**	**45.76**	**132,274.50**
Additional Adjustments to Cash Flow									
Cash Other	**(34,485.00)**	**(0.00)**	**(34,485.00)**	**(100.00)**	**40,673.13**	**(0.00)**	**40,673.13**	**(100.00)**	**(0.00)**
Accounts Payable	**1,013.66**	**(0.00)**	**1,013.66**	**(100.00)**	**1,038.52**	**(0.00)**	**1,038.52**	**(100.00)**	**(0.00)**
Resident Acounts Receivable	**(974.81)**	**(0.00)**	**(974.81)**	**(100.00)**	**602.28**	**(0.00)**	**602.28**	**(100.00)**	**(0.00)**
Subsidy Accounts Receivable	**0.00**	**(0.00)**	**0.00**	**0.00**	**399.00**	**(0.00)**	**399.00**	**(100.00)**	**(0.00)**
Other Accounts Receivable	**0.00**	**(0.00)**	**0.00**	**0.00**	**(0.01)**	**(0.00)**	**(0.01)**	**(100.00)**	**(0.00)**
Prepaid Expenses	**6,009.00**	**(0.00)**	**6,009.00**	**(100.00)**	**(11,217.26)**	**(0.00)**	**(11,217.26)**	**(100.00)**	**(0.00)**
Prepaid Rent	**3,832.16**	**(0.00)**	**3,832.16**	**(100.00)**	**22,842.30**	**(0.00)**	**22,842.30**	**(100.00)**	**(0.00)**
Net Accruals	**0.00**	**(0.00)**	**0.00**	**0.00**	**(15,156.26)**	**(0.00)**	**(15,156.26)**	**(100.00)**	**(0.00)**
Security Deposits	**(5.00)**	**(0.00)**	**(5.00)**	**(100.00)**	**993.43**	**(0.00)**	**993.43**	**(100.00)**	**(0.00)**
Accrued Interest on Deferred Loans	**1,904.57**	**(1,905.00)**	**3,809.57**	**199.97**	**13,331.99**	**(13,335.00)**	**26,666.99**	**199.97**	**(22,860.00)**
Distributions to Owners	**0.00**	**(0.00)**	**0.00**	**0.00**	**(204,435.00)**	**(0.00)**	**(204,435.00)**	**(100.00)**	**(0.00)**
Escrow Tax	**(17.96)**	**(18.00)**	**0.04**	**0.22**	**(14.07)**	**(120.00)**	**105.93**	**88.27**	**(210.00)**
Escrow Insurance	**(9,324.75)**	**(5,146.00)**	**(4,178.75)**	**(81.20)**	**26,210.91**	**(34,618.00)**	**60,828.91**	**175.71**	**(60,348.00)**
Total Additional Adjustments to Cash Flow	**(32,048.13)**	**(7,069.00)**	**(24,979.13)**	**(353.36)**	**(124,731.04)**	**(48,073.00)**	**(76,658.04)**	**(159.46)**	**(83,418.00)**

Harvest Park - 1649
Budget Comparison
July 31, 2026

	Month Ending 07/31/2026				Year to Date 07/31/2026				Annual
	Actual	Budget	Variance	%	Actual	Budget	Variance	%	Budget
Total Net Adjusted Cash Flow	(15,585.63)	13,377.35	(28,962.98)	(216.50)	(926.05)	36,861.71	(37,787.76)	(102.51)	48,856.50
Net Change in Cash from TB	(15,585.63)	0.00	(15,585.63)	100.00	(926.05)	0.00	(926.05)	100.00	0.00
Variance	0.00	(13,377.35)	13,377.35	100.00	0.00	(36,861.71)	36,861.71	100.00	(48,856.50)

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

901 P Street, Room #213A
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
www.treasurer.ca.gov/ctcac

August 14, 2026

Lawrence C. Guanzon
Oroville PSH Pacific Associates, a California Limited Partnership
2039 Forest Avenue
Chico, CA 95928

RE: Prospect View Apartments (CA-2021-142)
Compliance File Inspection: July 16, 2026

The California Tax Credit Allocation Committee (CTCAC) has received and reviewed your documentation dated August 10, 2026, regarding correction of all the deficiencies reported by staff during the File Only Audit.

This completes the audit with respect to the File Only Audit.

<u>This property is scheduled for a physical onsite inspection to be conducted by CA Dept of Housing and Community Development (HCD). A separate Close Out Letter will be sent when the physical onsite inspection has been completed and all deficiencies resolved.</u>

If you have any questions, please contact me at eric.turlak@treasurer.ca.gov.

Sincerely,

Eric Turlak for

Frank Harper
CTCAC Compliance Analyst

cc: Stephany Reyes – John Stewart Company
Phyllis Blanton – CTCAC Compliance Program Manager

Chico Pacific Associates II, LP

Financial Statements and Independent Auditor's Report

For the Year Ended December 31, 2025 and For the Period Beginning December 30, 2021 and Ending December 31, 2024

Chico Pacific Associates II, LP

December 31, 2025 and 2024

CONTENTS

Independent Auditors' Report

To the Partners
Chico Pacific Associates II, LP

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Chico Pacific Associates II, LP, a limited partnership, which comprise the balance sheets as of December 31, 2025 and 2024 and the related statements of income, changes in partners' capital, and cash flows for the periods then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chico Pacific Associates II, LP as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the periods 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Chico Pacific Associates II, LP and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

4487 N. Dresden Place, Suite 101 - Boise, Idaho 83714 - Phone (208) 375-6490 - Fax (208) 375-6593 - cpas@grbaccounting.com

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Chico Pacific Associates II, LP 's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Chico Pacific Associates II, LP's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

The accompanying supplementary information referenced in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the financial statements as a whole.

Grigg, Bratton & Brash

Grigg, Bratton & Brash, P.C.
Certified Public Accountants

Boise, ID
April 24, 2026

Chico Pacific Associates II, LP

Balance Sheets

December 31, 2025 and 2024

	2025	2024
Assets		
Cash and Cash Equivalents	**$ 448,086**	$ 27,579
Accounts Receivable, net	**36,141**	15,056
Prepaid Expenses	**5,453**	75,772
Restricted Cash:		
Tenant Security Deposits	**104,955**	37,051
Escrow Deposits	**30,791**	-
Other Reserves	**585,827**	-
Rental Property, net	**49,915,328**	51,930,999
Other Assets	**261,734**	281,867
Total Assets	**$ 51,388,315**	$ 52,368,324
Liabilities and Partners' Capital		
Liabilities		
Accounts Payable	**$ 6,610**	$ 157,327
Accrued Expenses	**374**	-
Accrued Interest Payable	**-**	75,032
Security Deposits Liability	**111,686**	42,878
Prepaid Rent	**6,107**	121
Related Party Payables	**2,759,793**	5,667,377
Long-Term Debt, net	**11,849,213**	12,748,265
Total Liabilities	**14,733,783**	18,691,000
Partners' Capital		
Partners' Capital	**36,654,532**	33,677,324
Total Liabilities and Partners' Capital	**$ 51,388,315**	$ 52,368,324

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

Chico Pacific Associates II, LP

Statements of Income

For the Year Ended December 31, 2025 and For the Period Beginning December 30, 2021 and Ending December 31, 2024

	2025	2024
Operating Revenue		
Gross Rental Income	**$ 1,828,895**	$ 421,619
Less: Vacancy Loss	**(351,304)**	(339,986)
Less: Rental Concessions	**(61,371)**	(17,797)
Net Rental Income	**1,416,220**	63,836
Miscellaneous Income	**20,679**	12,540
Total Operating Revenue	**1,436,899**	76,376
Operating Expenses		
Administrative Expenses	**413,412**	186,119
Utilities	**121,485**	6,449
Operating and Maintenance Expenses	**235,755**	10,898
Taxes and Insurance	**183,769**	51,338
Total Operating Expenses	**954,421**	254,804
Net Operating Income	**482,478**	(178,428)
Non-Operating Income (Expenses)		
Interest Income	**2,189**	3,268
Interest Expense	**(988,947)**	(796,892)
Depreciation Expense	**(1,575,352)**	(396,590)
Amortization Expense	**(20,133)**	(20,133)
Lease-Up and Marketing Expenses	**(17,185)**	(8,402)
MGP Startup Fee	**-**	(10,000)
Total Non-Operating Income (Expenses)	**(2,599,428)**	(1,228,749)
Net Loss	**$(2,116,950)**	$(1,407,177)

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

Chico Pacific Associates II, LP

Statements of Changes in Partners' Capital

For the Year Ended December 31, 2025 and For the Period Beginning December 30, 2021 and Ending December 31, 2024

	Butte County Affordable Housing Development Corporation (0.005%)	TPC Holdings IX, LLC (0.005%)	Bank of America N.A. (99.99%)	Bank of America CDC Special Holding Company Inc (0.00%)	Total (100.00%)
Prior Period Activity					
Balance, December 30, 2021	$ -	$ -	$ -	$ -	$ -
Capital Contributed	-	-	35,084,501	-	35,084,501
Net loss for the period	(70)	(71)	(1,407,036)	-	(1,407,177)
Balance, December 31, 2024	(70)	(71)	33,677,465	-	33,677,324
Current Year Activity					
Capital Contributed	-	-	5,094,158	-	5,094,158
Net loss for the period	(106)	(106)	(2,116,738)	-	(2,116,950)
Balance, December 31, 2025	$ (176)	$ (177)	$ 36,654,885	$ -	$ 36,654,532

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

Chico Pacific Associates II, LP

Statements of Cash Flows

For the Year Ended December 31, 2025 and For the Period Beginning December 30, 2021 and Ending December 31, 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Receipts		
Rental Receipts	**$ 1,400,621**	$ 49,401
Interest Receipts	**2,189**	3,268
Other Operating Receipts	**21,179**	12,040
Tenant Security Deposits	**68,808**	42,878
Total Receipts	**1,492,797**	107,587
Disbursements		
Administrative	**(507,074)**	(15,429)
Management Fee	**(56,805)**	(19,613)
Utilities	**(121,485)**	(6,449)
Operating and Maintenance	**(235,381)**	(10,898)
Real Estate Taxes	**(1,532)**	(6,406)
Property Insurance	**(21,821)**	(90,801)
Taxes and Insurance	**(78,750)**	(29,903)
Interest on Mortgage and Notes Payable	**(39,800)**	-
Total Disbursements	**(1,062,648)**	(179,499)
NET CASH FLOWS PROVIDED BY (USED BY) OPERATING ACTIVITIES	**430,149**	(71,912)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net Purchase of Fixed Assets	**-**	(46,653,962)
Tax Credit Fees	**-**	(302,000)
NET CASH PROVIDED BY (USED BY) INVESTING ACTIVITIES	**-**	(46,955,962)

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

Chico Pacific Associates II, LP

Statements of Cash Flows

For the Year Ended December 31, 2025 and For the Period Beginning December 30, 2021 and Ending December 31, 2024

	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal Borrowings - Mortgages, Loans, or Notes Payable	**373,691**	41,356,328
Principal Payments - Mortgages and Notes Payable	**(13,160,756)**	(28,569,263)
Payment of Post Completion Construction Loan Interest	**(921,858)**	(683,060)
Principal Proceeds - PWB Loan Payable	**-**	1,650,000
Principal Payments - PWB Loan Payable	**-**	(1,650,000)
Principal Payments on Construction Contract Loans or Notes Payable	**(2,478,612)**	-
Capital Contributions	**5,094,158**	35,084,501
Debt Issuance Costs Paid by Development	**(151,629)**	(77,600)
MGP Start Up Fees Paid by Development	**-**	(10,000)
Payment of Related Party Loan Interest	**(62,679)**	-
Principal Payments - Construction Costs Payable	**(250)**	-
Marketing and Operating Expense Paid by Development	**(17,185)**	(8,402)
Principal Borrowings - Perm Loan	**12,000,000**	-
NET CASH PROVIDED BY (USED BY) FINANCING ACTIVITIES	**674,880**	47,092,504
Net change in cash, cash equivalents, and restricted cash	**1,105,029**	64,630
Cash, cash equivalents, and restricted cash at beginning of year	**64,630**	-
Cash, cash equivalents, and restricted cash at end of year	**$ 1,169,659**	$ 64,630

Cash, cash equivalents, and restricted cash consist of the following:

	2025	2024
Cash and Cash Equivalents	**$ 443,081**	$ 13,450
Construction Cash Account	**5,005**	14,129
Tenant Security Deposits	**104,955**	37,051
Escrow Deposits	**30,791**	-
Other Reserves	**585,827**	-
	$ 1,169,659	$ 64,630

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

Chico Pacific Associates II, LP

Statements of Cash Flows

For the Year Ended December 31, 2025 and For the Period Beginning December 30, 2021 and Ending December 31, 2024

	2025	2024
Reconciliation of Net Income to Net Cash Flow Provided By (Used By) Operating Activities		
Net Loss	**(2,116,950)**	(1,407,177)
Adjustments to reconcile net loss to net cash provided by (used by) operating activities		
Depreciation	**1,575,352**	396,590
Amortization	**20,133**	20,133
Amortization/Interest Debt Issuance Costs	**39,642**	38,800
Other Financing Activities: Payments of Construction Loan Interest	**921,858**	683,060
Other Financing Activities: MGP Start Up Fees	**-**	10,000
Other Financing Activities: Marketing and Operating Expenses	**17,185**	8,402
Other Financing Activities: Payments of Related Party Loan Interest	**62,679**	-
(Increase) decrease in assets		
Accounts Receivable, net	**(21,085)**	(15,056)
Prepaid Expenses	**70,319**	(75,772)
Increase (decrease) in liabilities		
Accounts Payable	**(150,093)**	151,077
Accrued Interest Payable	**(75,032)**	75,032
Security Deposits Liability	**68,808**	42,878
Prepaid Rent	**5,986**	121
Related Party Payables	**11,347**	-
Net cash provided by (used by) operating activities	**$ 430,149**	$ (71,912)

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

1. Organization

a. Partnership

The financial statements reflect the accounts of Chico Pacific Associates II, LP (a California Limited Partnership) only and consequently, do not include all assets, liabilities, income and expenses of the partners. The partnership was formed October 20, 2020. The General Partners are: TPC Holdings IX, LLC (0.005%)(Administrative General Partner), and Butte County Affordable Housing Development Corporation, (0.005%)(Managing General Partner). The Limited Partner is Bank of America N.A. (99.99%) and the Special Limited partner is Bank of America CDC Special Holding Company Inc (0.00%). The partnership was formed for the purpose of acquiring, owning, operating, managing and selling or otherwise disposing of a 156-unit apartment complex project in Chico, California known as Deer Creek Apartments. The project construction was completed September 26, 2024, when rental operations also began. The project operates in accordance with a regulatory agreement signed with the California Tax Credit Allocation Committee (CTCAC) intended to keep the project in compliance with Section 42 of the Internal Revenue Code and qualify for the Federal Low Income Housing Tax Credit. Each building of the project must meet the provisions of these regulations (occupant eligibility and unit gross rent) in order to remain qualified to receive the credits.

2. Significant Accounting Policies

a. Accounting Method

The financial statements are prepared in accordance with generally accepted accounting principles in the United States of America. Under the accrual basis of accounting, income is recognized as earned and expenses as incurred, regardless of timing of payment.

b. Use of Estimates

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

c. Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents includes short-term investments and highly liquid investments in money market instruments which are carried at the lower of cost and market value with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value.

Restricted cash is not considered cash and cash equivalents, and includes cash held with financial institutions for refunds of tenant security deposits, funding of operating deficits, and repairs or improvements to the buildings which extend their useful lives.

2. Significant Accounting Policies

d. Rental Property

Property, plant and equipment is carried at cost. Depreciation is calculated using the straight-line method over estimated useful lives ranging from 10 to 40 years. Depreciation expense for December 31, 2025 was $ 1,575,352 (2024 - $ 396,590).

e. Impairment of Long Lived Assets

The partnership reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than their carrying amounts, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended December 31, 2025 and for the period beginning December 30, 2021 and ending December 31, 2024.

f. Other Assets - Deferred Fees

Other assets include tax credit agency fees of $302,000 related to obtaining the application and allocation of low income housing tax credits from the state agency. Other assets are amortized on a straight-line basis over the life of the 15 year compliance period. Accumulated amortization totaled $40,266 and $20,133 as of December 31, 2025 and 2024, respectively.

g. Debt Issuance Costs

Unamortized debt issuance costs of $150,787 and $38,800 at December 31, 2025 and 2024 is reported as a direct reduction of the obligation to which such costs relate. Amortization of debt issuance costs of $39,642 is reported as a component of interest expense and is computed using the straight-line method which is not significantly different than the effective interest method.

h. Revenue Recognition - Rental Revenue and Receivable

The partnership's primary revenue stream is rent charges for residential units under leases with durations of less than one year. The partnership records revenue for such leases at gross potential rent. Rental revenue is recognized as rentals become due, net of provisions for uncollectible amounts. Rental payments received in advance are deferred until earned. The rental value of vacancies and other concessions are stated separately to present net rental income on the accrual basis. Subsidy revenue for certain low-income eligible tenants is provided under a section 8 voucher. Revenue streams include: tenant reimbursement of consumption-based costs paid by the partnership on behalf of the tenant, such as utilities and other monthly fees. Additional revenue includes laundry, vending, pet and parking fees as well as damages. Such fees are ancillary to the lease process and are recognized as revenue at the point in time such fees are incurred.

The partnership provides an allowance for losses on tenant receivables based on a review of the current status of existing receivables and managements evaluation of periodic aging of accounts. As of December 31, 2025 and 2024, the balance of allowance for doubtful accounts was $65,429 and $1,105, respectively.

2. Significant Accounting Policies

i. Advertising Costs

Advertising and marketing costs are expensed as incurred. For the year ended December 31, 2025 and for the period beginning December 30, 2021 and ending December 31, 2024, advertising and marketing costs totaled $24,094 and $19,984, respectively.

j. Income Taxes

Under the provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes; the results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements. While no income tax returns are currently being examined by the Internal Revenue Service, tax years dating back three years remain open.

k. Economic Concentrations and Contingencies

The partnership operates on property located in Chico, California. Future operations could be affected by changes in the economy or other conditions in that geographical area or by changes in federal low-income housing subsidies or the demand for such housing. The project's low-income housing tax credits and regulatory agreement require compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits plus interest. In addition, such potential non-compliance may require an adjustment to the contributed capital of the limited partner.

l. Financial instruments

The partnership has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

3. Related Party Transactions

a. Partner Fees

Asset Management Fee

The partnership shall pay to the Asset Manager an annual fee of $7,500 per year, earned on an annual basis, beginning on the first day of the first month following Permanent Mortgage Commencement (with a pro-rata share of such fee earned for any partial calendar year) and increasing annually at a rate of 3%. The Asset Management Fee is payable solely from available Cash Flow and Capital Transaction Proceeds and shall accrue, without interest, until there is sufficient cash available to pay the accrued Asset Management Fee. Per the permanent loan closure on December 12, 2025, the asset management fee is scheduled to begin accruing effective January 1, 2026.

Partnership Management Fee

For services rendered, the Partnership shall pay the Managing General Partner $15,600 per year, earned on an annual basis, beginning on the first day of the first month following Permanent Mortgage Commencement (with a pro-rata share of such fee earned for any partial calendar year), without escalation. The Partnership Management Fee is payable solely from available Cash Flow and Capital Transaction Proceeds as provided in the Partnership Management Agreement, and shall accrue, without interest, until there is sufficient cash available to pay accrued Partnership Management Fee. Per the permanent loan closure on December 12, 2025, the partnership management fee is scheduled to begin accruing effective January 1, 2026.

b. Developer Fee Payable

Pacific West Communities, Inc. (the "Developer"), an affiliate of the General Partner, earned a development fee of $2,200,000 for services related to the development of the Property. The development fee will be paid from Investor Limited Partner capital contributions, as described in the Development Agreement. Any unpaid development fee will be paid from net cash flow. If the deferred development fee is not paid by the 13th anniversary of the completion date, then the Administrative General Partner shall make an additional capital contribution pursuant to the Limited Partnership Agreement and the Developer's sole recourse for nonpayment shall be against the General Partner. At December 31, 2025 and 2024, $2,200,000 and $2,200,000 remained payable.

c. Construction Contract Payable - PWB, Inc.

The partnership entered into a fixed price construction contract for the construction of the apartment complex with Pacific West Builders, Inc. ("PWB"), an affiliate of TPC Holdings IX, LLC on December 14, 2021 in the amount of $37,012,377. Any modifications to the contract will require the approval of the Special Limited Partner. As of December 31, 2024, the partnership incurred the total amount of the construction contract. Construction costs due to PWB totaling $251,446 and $3,467,377 remained payable as of December 31, 2025 and 2024, respectively.

d. Operating Cash Flow

Cash flow, which means the excess of Cash Receipts over Cash Expenditures as determined for each fiscal

3. Related Party Transactions

d. Operating Cash Flow

year or portion thereof, shall be distributed in the following order of priority as defined by the partnership agreement.

1. The payment of any unpaid adjustments to Limited Partner's Capital Contribution or Tax Credit Shortfall Payments not paid.

2. If with respect to the Fiscal Year to which such Cash Flow relates, a Limited Partner that has a tax liability with respect to the net Profits of the Partnership allocated to such Partner for such Fiscal Year, then Cash Flow will be distributed to Limited Partner up to the amount of such tax liability.

3. To the Limited Partner in payment of any interest and due principal on any loan made by Limited Partner to the Partnership.

4. To payment of Asset Management Fee to Special Limited Partner.

5. To payment of the Investor Limited Partner an amount equal to any amounts contributed by the Investor Limited Partner pursuant to Section 6.4Q(iii) of Partnership Agreement.

6. To payment of the Partnership Management Fee to the Managing General Partner.

7. To payment of any Deferred Development Fee.

8. To the repayment of any Completion Loans and Operating Expense Loans outstanding.

9. To replenish the Operating Reserve.

10. To payment of priority distribution to Administrative General Partner equal to 90% of remaining Cash Flow

11. Any balance remaining shall be distributed to the Partners in accordance with their Percentage Interest.

Notwithstanding the foregoing, if the amount distributable to the Limited Partner under this Section 10.1A of the Partnership Agreement with respect to any Fiscal Year shall be less than 10% of the total amounts paid or distributable with respect to such Fiscal Year under Clauses Sixth, Tenth and Eleventh shown above, then the amounts which would otherwise have been paid or distributed to the General Partners and their Affiliates shall be reduced in reverse priority and the amount which would otherwise have been distributed to the Investor Limited Partner shall be increased to the extent necessary to assure that the Investor Limited Partner receives its 10% share of such total payments and distributions.

e. Guarantees

Operating Deficit Guaranty - The general partners, jointly and severally, will provide funds to the partnership necessary to pay any operating deficit in the form of a Subordinated Loan to the partnership. The general partners are not obligated in excess of $585,205 outstanding at any one time. An operating reserve of

3. Related Party Transactions

e. Guarantees

$585,780 shall be established out of the proceeds of the third capital contribution of the limited partner.

Other Partner Guarantees - The general partners have also guaranteed construction completion. The completion guaranty includes paying all operating expenses in excess of income until stabilization. The general partners have promised that they will cause the partnership to fund a replacement reserve account based upon $250 per unit per year starting on the commencement date, escalating by 3% annually.

f. Development Advances Loan Payable

Pacific West Builders, Inc. ("PWB"), an affiliate of the Administrative General Partner, made short term advances of funds in the amount of $1,650,000 which have been repaid as of December 31, 2024. The loan does not have a stated maturity date and bears interest at a rate of three percent.

Pacific West Communities, Inc. ("PWC"), an affiliate of the Administrative General Partner, made short term advances of funds in the amount of $297,000 which have not been repaid as of December 31, 2025. The loan does not have a stated maturity date and does not bear interest..

g. Payments of Insurance Premiums to GP Affiliate

The partnership pays annual premiums for property and liability insurance to Pacific West Communities, Inc. ("PWC") a related party which is wholly owned by an affiliate of the general partner. PWC administers a group insurance policy that provides property and liability insurance coverage to multiple entities including the partnership. Insurance premium expenses amounted to $103,487 and $15,029 for the years ended December 31, 2025 and 2024. For the years ended December 31, 2025 and 2024 payments to PWC for insurance amounted to $21,818 and $90,168, respectively.

h. Related Party Payables

Amounts due from and due to related parties are as follows:

	2025	2024
Due to Related Parties:		
Deferred Developer Fee Payable	$ 2,200,000	$ 2,200,000
Loans Payable - General Partner	297,000	-
Construction Contract Payable	251,446	3,467,377
Related Party Payables - Insurance Payable	11,347	-
Total Related Party Payables	$ 2,759,793	$ 5,667,377

4. Property Management Fees

The property is managed by Cambridge Real Estate Services who is not affiliated with the owners. Management Fees of $56,805 and $19,613 were incurred at the greater of $2,000 per month or 4.25% of gross operating revenues during year ended December 31, 2025 and for the period beginning December 30, 2021 and ending December 31, 2024. If the budget is met there is a quarterly bonus fee of 0.25%

5. Property Tax Exemption

The limited partnership has obtained a certificate from the California Board of Equalization a low-income housing property welfare exemption from property taxes for the apartment complex and property located in Chico, California. The partnership must demonstrate the property meets the requirements of a low-income housing property and obtain the certificate for each fiscal year to remain exempt from property taxes in future years.

6. Rental Property

Rental property consists of the following:

	2025	2024
Land	$ 3,684,022	$ 3,684,022
Buildings	40,566,080	41,006,399
Land Improvements	4,050,339	4,050,339
Office Furniture and Equipment	3,586,829	3,586,829
Total cost	51,887,270	52,327,589
Accumulated Depreciation	(1,971,942)	(396,590)
Total Rental Property, net	$ 49,915,328	$ 51,930,999

7. Restricted Cash

a. Replacement Reserve Account

The partnership agreement requires the establishment of a capital replacement reserve account with contributions by the partnership of $250 per unit per year, escalating by 3% per annum, commencing on Final Closing. The deposits will be released to the partnership upon requests for capital repairs and improvements deemed necessary by the General Partners. As of December 31, 2025 the replacement reserve account had not been funded.

b. Tenant Security Deposits

Tenant security deposits are required to be maintained in separate accounts in banks insured by FDIC. As of December 31, 2025 the tenant security deposit was underfunded by $6,731.

c. Tax and Insurance Account

The partnership has set aside funds in separate accounts for the payment of property taxes and insurance.

d. Operating Reserve Account

An operating reserve shall be established in an amount equal to $585,780. The operating reserve shall be funded from the proceeds of the third installment from the capital contributions of the Investor Limited Partner. If for any reason such proceeds shall be insufficient to fully fund the Operating Reserve at such time, the General Partners shall promptly fund any such shortfall.

e. Restricted Account Activity

	Replacement Reserve	T & I Account	Other Reserves
Current Year Activity			
Deposits	$ -	$ 30,791	$ 585,780
Interest	-	-	47
Subtotal, Current Year Activity	-	30,791	585,827
Balance, End of Period	**$ -**	**$ 30,791**	**$ 585,827**

8. Long-Term Debt

a. Mortgage and Notes Payable

	2025 Interest Payable	2025 Principal	2024 Interest Payable	2024 Principal
Construction Loan - Bank of America N.A.				
The construction loan payable with Bank of America N.A. originated on December 30, 2021 in the amount of $43,516,003. The loan shall bear interest at a fluctuating rate per annum equal to the BSBY Daily Floating Rate for that day plus two hundred forty basis points. A fluctuating rate of interest per annum equal to the BSBY Screen Rate two business days prior to such day for a term of one month. If the rate is not published on such determination date then the BSBY Daily Floating Rate will be the first business day immediately prior thereto. Additionally, if the BSBY Daily Floating Rate would otherwise be less than three quarters of one percent, then the rate shall be deemed to be three quarters of one percent for purposes of this note. The interest rate as of December 31, 2024 was 6.96%. The payments on the loan are interest only. The loan has a maturity date of June 30, 2024, with the option to extend until June 30, 2025. Construction period interest of $3,757,480 was capitalized to fixed assets. Interest expense for 2025 and 2024 totaled $846,826 and $758,092, respectively.	$ -	$ -	$ 75,032	$ 12,787,065
Perm Loan - Berkadia				
The permanent loan payable with Citi Bank (now serviced through Berkadia) originated on December 12, 2025 in the amount of $12,000,000. The loan shall bear interest at a fixed rate of 5.97% annually. Starting February 1, 2026 until the amortization commencement date of January 1, 2029 interest only payments will be made monthly. Following the amortization commencement date monthly payments of interest and principal will be made in the amount of $68,181.17. The loan has a maturity date of January 1, 2041. Interest expense for 2025 totaled $39,800.	-	12,000,000	-	-
Long-Term Debt Interest and Principal	-	12,000,000	75,032	12,787,065
Less: Unamortized Debt Issuance Costs	-	(150,787)	-	(38,800)
Long-Term Debt, Net of Unamortized Debt Issuance Costs	$ -	$ 11,849,213	$ 75,032	$ 12,748,265

8. Long-Term Debt

b. Schedule of Principal Maturities

The principal payments per annum on the mortgages and notes payable are due as follows:

2026	$ -
2027	-
2028	-
2029	94,445
2030	100,323
Subsequent	11,805,232
Total	**$ 12,000,000**

9. Concentrations of Credit Risk

The partnership maintains its cash deposit accounts which, at times, may exceed federally insured limits. The partnership has not experienced any losses in such accounts. The partnership believes it is not exposed to any significant credit risk on cash and cash equivalents or restricted cash.

10. Subsequent Events

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date, require disclosure in the accompanying notes. Management evaluated the activity of the partnership through April 24, 2026 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

11. Federal Low-Income Housing Tax Credits

The partnership expects to receive low-income housing tax credits from the California Tax Credit Allocation Committee (CTCAC) amounting to $50,000,000 in federal tax credits. The 8609's have not been issued and it is estimated that for the year ended December 31, 2025 $5,000,000 federal tax credits will be utilized by the partners.

The expected availability of the remaining federal tax credits in the future are estimated as follows:

2026	**$ 5,000,000**
2027	**5,000,000**
2028	**5,000,000**
2029	**5,000,000**
2030	**5,000,000**
2031	**5,000,000**
2032	**5,000,000**
2033	**5,000,000**
2034	**4,738,901**
Total	**$ 44,738,901**

12. Commitments and Contingencies

The partnership has qualified for low-income housing tax credits which are contingent on its ability to remain in compliance with the applicable requirements of Section 42 of the Internal Revenue Code. Failure to maintain compliance with occupant eligibility, and/or unit gross rent or to correct non-compliance within a specific time period, could result in recapture of previously issued tax credits plus interest. In addition, under the terms of the Limited Partnership Agreement, such potential non-compliance could require a refund of previously contributed capital by the Investor Limited Partner.

Supplementary Information

Chico Pacific Associates II, LP

For the Year Ended December 31, 2025

Schedule of Operating Expenses

	2025	2024
Administrative Expenses		
Advertising and Marketing	**$ 24,094**	$ 19,984
Office Expenses	**37,805**	29,843
Property Management Fees	**56,805**	19,613
Manager or Superintendent Salaries	**177,770**	70,656
Administrative Rent Free Unit	**12,589**	-
Legal Expense - Project	**20,108**	35,000
Audit Expense	**7,260**	-
Bad Debts	**56,593**	-
Miscellaneous Administrative Expenses	**20,388**	11,023
Total Administrative Expenses	**413,412**	186,119
Utilities		
Electricity	**58,054**	2,366
Water	**59,272**	3,264
Gas	**4,090**	172
Sewer	**69**	647
Total Utilities	**121,485**	6,449
Operating and Maintenance		
Payroll	**37,901**	1,354
Supplies	**18,992**	2,163
Contracts	**82,207**	1,221
Garbage and Trash	**64,032**	5,080
Heating/Cooling Repairs and Maintenance	**2,089**	-
Miscellaneous Operating and Maintenance Expense	**30,534**	1,080
Total Operating and Maintenance	**235,755**	10,898
Taxes and Insurance		
Real Estate Taxes	**1,532**	6,406
Payroll Taxes	**25,675**	10,002
Property & Liability Insurance (Hazard)	**103,487**	15,029
Fidelity Bond Insurance	**1,524**	885
Workmen's Compensation	**10,438**	3,898
Health Insurance and Other Employee Benefits	**40,313**	15,118
Miscellaneous Taxes, Licences, Permits, & Ins	**800**	-
Total Taxes and Insurance	**183,769**	51,338
Total operating expenses	**$ 954,421**	$ 254,804

Chico Pacific Associates II, LP

For the Year Ended December 31, 2025

Cash Flow Available for Distribution

The calculation of cash flow available for distribution is as follows:

	2025
Net Cash Provided by Operating Activities	$ 430,149
Add:	
Payments of Perm Loan Interest Paid by Development	30,441
Deduct:	
Construction Loan Interest Paid by Property	(144,209)
Interest Earned in Development Account	(2,142)
Change in Operating Reserve Accounts	(47)
Change in Mortgage Escrow Accounts	(30,791)
Change In Tenant Security Deposit Account	(67,904)
Cash Flow Available for Distribution	$ 215,497

Distribution of Available Cash Flow (PY agreed with LPA)

Cash flow available for distribution from 2025 shall be distributed in 2026 as follows:

	2025
Deferred Developer Fee Payable	$ 215,497
Total	$ 215,497

Chico PSH Pacific Associates, LP

(A California Limited Partnership)

Financial Statements and Independent Auditor's Report

For the Period Beginning November 1, 2023 and Ending December 31, 2025

Chico PSH Pacific Associates, LP
December 31, 2025

CONTENTS

Grigg, Bratton & Brash, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Partners
Chico PSH Pacific Associates, LP

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Chico PSH Pacific Associates, LP, a limited partnership, which comprise the balance sheet as of December 31, 2025 and the related statements of income, changes in partners' capital, and cash flows for the period beginning November 1, 2023 and ended December 31, 2025, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chico PSH Pacific Associates, LP as of December 31, 2025, and the results of its operations and its cash flows for the period beginning November 1, 2023 and ended December 31, 2025 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Chico PSH Pacific Associates, LP and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4487 N. Dresden Place, Suite 101 - Boise, Idaho 83714 - Phone (208) 375-6490 - Fax (208) 375-6593 - cpas@grbaccounting.com

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Chico PSH Pacific Associates, LP 's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Chico PSH Pacific Associates, LP's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

The accompanying supplementary information referenced in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the financial statements as a whole.

GRIGG, BRATTON & BRASH

Grigg, Bratton & Brash, P.C.
Certified Public Accountants

Boise, ID
May 27, 2026

Chico PSH Pacific Associates, LP

Balance Sheet

December 31, 2025

	2025
Assets	
Cash and Cash Equivalents	$ 30,016
Accounts Receivable, net	26,791
Prepaid Expenses	5,353
Restricted Cash:	
Tenant Security Deposits	2,751
Rental Property, net	14,528,301
Other Assets	24,613
Total Assets	$ 14,617,825
Liabilities and Partners' Capital	
Liabilities	
Accounts Payable	$ 84,221
Accrued Expenses	5,951
Accrued Interest Payable	225,792
Security Deposits Liability	12,750
Prepaid Rent	553
Related Party Payables	1,880,790
Long-Term Debt, net	8,652,822
Total Liabilities	10,862,879
Partners' Capital	
Partners' Capital	3,754,946
Total Liabilities and Partners' Capital	$ 14,617,825

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

Chico PSH Pacific Associates, LP

Statement of Income

For the Period Beginning November 1, 2023 and Ending December 31, 2025

	2025
Operating Revenue	
Gross Rental Income	$ 272,296
Less: Vacancy Loss	(82,099)
Net Rental Income	190,197
Miscellaneous Income	145
Total Operating Revenue	190,342
Operating Expenses	
Administrative Expenses	140,453
Utilities	36,132
Operating and Maintenance Expenses	44,135
Taxes and Insurance	104,014
Total Operating Expenses	324,734
Net Operating Income	(134,392)
Non-Operating Income (Expenses)	
Interest Income	13,106
Interest Expense	(280,977)
Depreciation Expense	(324,859)
Amortization Expense	(996)
Lease-Up and Marketing Expenses	(37,668)
Asset Management Fee	(10,833)
MGP Start Up Fee	(10,000)
Total Non-Operating Income (Expenses)	(652,227)
Net Loss	$ (786,619)

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

Chico PSH Pacific Associates, LP

Statement of Changes in Partners' Capital

For the Period Beginning November 1, 2023 and Ending December 31, 2025

	Butte County Affordable Housing Development Corporation (0.001%)	TPC Holdings IX, LLC (0.009%)	CREA Oleander Community Housing, LP (99.989%)	CREA SLP, LLC (0.001%)	Total (100.00%)
Balance, November 1, 2023	$ -	$ -	$ -	$ -	$ -
Current Period Activity					
Capital Contributed	-	-	4,591,465	100	4,591,565
Syndication Costs	-	-	(50,000)	-	(50,000)
Net loss for the period	(8)	(70)	(786,533)	(8)	(786,619)
Balance, December 31, 2025	$ (8)	$ (70)	$ 3,754,932	$ 92	$ 3,754,946

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

Chico PSH Pacific Associates, LP

Statement of Cash Flows

For the Period Beginning November 1, 2023 and Ending December 31, 2025

	2025
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Receipts	
Rental Receipts	$ 163,959
Interest Receipts	13,106
Other Operating Receipts	145
Tenant Security Deposits	12,750
Total Receipts	189,960
Disbursements	
Administrative	(21,944)
Management Fee	(34,923)
Utilities	(36,132)
Operating and Maintenance	(38,184)
Real Estate Taxes	(77,406)
Property Insurance	(183)
Taxes and Insurance	(11,100)
Partner Fees	(5,000)
Total Disbursements	(224,872)
NET CASH FLOWS PROVIDED BY (USED BY) OPERATING ACTIVITIES	(34,912)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Net Purchase of Fixed Assets	(12,855,298)
Tax Credit Fees	(25,609)
NET CASH PROVIDED BY (USED BY) INVESTING ACTIVITIES	(12,880,907)

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

Chico PSH Pacific Associates, LP

Statement of Cash Flows

For the Period Beginning November 1, 2023 and Ending December 31, 2025

	2025
CASH FLOWS FROM FINANCING ACTIVITIES:	
Principal Borrowings - Construction Loan	7,561,015
Principal Payments - Construction Loan	(4,250,000)
Principal Borrowings - City of Chico CDBG Loan	5,419,845
Construction Loan Interest Paid from Development Sources	(169,019)
Capital Contributions	4,591,565
Debt Issuance Costs	(78,875)
Syndication Costs	(50,000)
Lease Up and Marketing Paid from Development Sources	(13,275)
Other Expenses paid from Development Sources	(52,670)
MGP Start Up Fee	(10,000)
NET CASH PROVIDED BY (USED BY) FINANCING ACTIVITIES	12,948,586
Net change in cash, cash equivalents, and restricted cash	32,767
Cash, cash equivalents, and restricted cash at end of year	$ 32,767

Cash, cash equivalents, and restricted cash consist of the following:

Cash and Cash Equivalents	$ 19,766
Construction Cash Account	10,250
Tenant Security Deposits	2,751
	$ 32,767

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

Chico PSH Pacific Associates, LP

Statement of Cash Flows

For the Period Beginning November 1, 2023 and Ending December 31, 2025

	2025
Reconciliation of Net Income to Net Cash Flow Provided By (Used By) Operating Activities	
Net Loss	(786,619)
Adjustments to reconcile net loss to net cash provided by (used by) operating activities	
Depreciation	324,859
Amortization	996
Amortization/Interest Debt Issuance Costs	837
Construction Loan Interest Paid from Development Sources	169,019
Lease Up and Marketing Paid from Development Sources	13,275
Other Expenses paid from Development Sources	52,670
MGP Start Up Fee	10,000
(Increase) decrease in assets	
Accounts Receivable, net	(26,791)
Prepaid Expenses	(5,353)
Accounts Payable	75,987
Increase (decrease) in liabilities	
Accrued Expenses	5,951
Accrued Interest Payable	111,121
Security Deposits Liability	12,750
Prepaid Rent	553
Related Party Payables	5,833
Net cash provided by (used by) operating activities	$ (34,912)

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

1. Organization

a. Partnership

The financial statements reflect the accounts of Chico PSH Pacific Associates, LP (a California Limited Partnership) only and consequently, do not include all assets, liabilities, income and expenses of the partners. The partnership was formed on May 5, 2022. The General Partners are: Butte County Affordable Housing Development Corporation (0.001%)(Managing General Partner) and TPC Holdings IX, LLC, (0.009%)(Administrative General Partner). The Limited Partner is CREA Oleander Community Housing, LP (99.989%) and the Special Limited Partner is CREA SLP, LLC (0.001%). The partnership was formed for the purpose of acquiring, owning, operating, managing and selling or otherwise disposing of a 38-unit multifamily rental housing project in Chico, California known as Oleander Community Housing. The project was completed on May 27, 2025 when rental operations began. The project operates in accordance with a regulatory agreement with the California Tax Credit Allocation Committee intended to keep the project in compliance with Section 42 of the Internal Revenue Code and qualify for the Federal Low Income Housing Tax Credit. Each building of the project must meet the provisions of these regulations (occupant eligibility and unit gross rent) in order to remain qualified to receive the credits.

2. Significant Accounting Policies

a. Accounting Method

The financial statements are prepared in accordance with generally accepted accounting principles in the United States of America. Under the accrual basis of accounting, income is recognized as earned and expenses as incurred, regardless of timing of payment.

b. Use of Estimates

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

c. Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents includes short-term investments and highly liquid investments in money market instruments which are carried at the lower of cost and market value with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value.

Restricted cash is not considered cash and cash equivalents, and includes cash held with financial institutions for refunds of tenant security deposits, funding of operating deficits, and repairs or improvements to the buildings which extend their useful lives.

2. Significant Accounting Policies

d. Rental Property

Rental property is carried at cost. Depreciation is calculated using the straight-line method over estimated useful lives ranging from 10 to 40 years. Depreciation expense for December 31, 2025, was $324,859.

e. Impairment of Long Lived Assets

In the event that facts and circumstances indicate that the partnership's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow value is required. The partnership considers that no circumstances exist that would require such an evaluation.

The partnership reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than their carrying amounts, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended December 31, 2025.

f. Other Assets - Deferred Fees

Other assets include tax credit agency fees of $25,609 related to obtaining the application and allocation of low income housing tax credits from the state agency. Other assets are amortized on a straight-line basis over the life of the 15 year compliance period). Accumulated amortization totaled $996 as of December 31, 2025.

g. Debt Issuance Costs

Unamortized debt issuance costs of $78,038 at December 31, 2025 are reported as a direct reduction of the obligation to which such costs relate. Amortization of debt issuance costs of $837 is reported as a component of interest expense and is computed using the straight-line method which is not significantly different than the effective interest method.

2. Significant Accounting Policies

h. Revenue Recognition - Rental Revenue and Receivable

The partnership's primary revenue stream is rent charges for residential units under leases with durations of less than one year. The partnership records revenue for such leases at gross potential rent. Rental revenue is recognized as rentals become due, net of provisions for uncollectible amounts. Rental payments received in advance are deferred until earned. The rental value of vacancies and other concessions are stated separately to present net rental income on the accrual basis. Subsidy revenue for certain low-income eligible tenants is provided under a Section 8 voucher. Revenue streams include: tenant reimbursement of consumption-based costs paid by the partnership on behalf of the tenant, such as utilities and other monthly fees. Additional revenue includes laundry, vending, pet and parking fees as well as damages. Such fees are ancillary to the lease process and are recognized as revenue at the point in time such fees are incurred.

Management considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts has been provided. If amounts become uncollectible, they are charged to operations in the period in which determination is made. U.S. generally accepted accounting principles ("GAAP") requires that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

i. Income Taxes

Under the provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes; the results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements. While no income tax returns are currently being examined by the Internal Revenue Service, tax years dating back three years remain open.

j. Economic Concentrations and Contingencies

The partnership operates on property located in Chico, California. Future operations could be affected by changes in the economy or other conditions in that geographical area or by changes in federal low-income housing subsidies or the demand for such housing. The project's low-income housing tax credits and regulatory agreement require compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits plus interest. In addition, such potential non-compliance may require an adjustment to the contributed capital of the limited partner.

k. Financial instruments

The partnership has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

3. Related Party Transactions

a. Partner Fees

Asset Management Fee

The Partnership shall pay to the Asset Manager an annual fee equal to (i) $50,000 payable in connection with the First Capital Contribution and (ii) $5,000 per year. The first year's asset management fee will be paid at closing and the amount payable for the second year's asset management fee will be adjusted pro-rata. The asset management fee is not covered by the operating deficit loan and shall be payable out of available cash flow. The asset management fee shall accrue, without interest, until there is sufficient cash available to pay any current and accrued Asset Management Fee. For the period beginning November 1, 2023 ended December 31, 2025, the Asset Manager earned an Asset Management Fee in the amount of $10,833 and was paid $5,000 at closing. As of December 31, 2025, the Asset Manager is owed an Asset Management Fee in the amount of $5,833. During the period beginning November 1, 2023 and ended December 31, 2025, the Asset Manager was also paid $50,000 which is shown as Syndication Costs on the Statement of Changes in Partners' Capital and treated as a direct reduction of capital.

Partnership Management Fee

For services rendered, the Partnership shall pay, from Cash Flow in accordance with Section *5.1(b)* of the Partnership Agreement, an annual fee (the “Partnership Management Fee”) equal to $3,800 to the Managing General Partner. The Partnership Management Fee shall be paid commencing the year in which the property receives the property tax exemption. As of December 31, 2025, the Partnership has not yet received the property tax exemption and therefore no Partnership Management Fees have been earned or paid as of that date.

Incentive Management Fee

In consideration of its services, the Partnership shall pay to the Administrative General Partner an annual, non-cumulative fee (the "Incentive Management Fee"). The Incentive Management Fee shall be earned and payable only to the extent of Cash Flow available for distribution pursuant to Section 4.1(a) of the Partnership Agreement; provided, however, that the Incentive Management Fee with respect to any fiscal year and any management fees payable to the Management Agent shall not exceed twelve percent (12%) of the Partnership's gross revenues for such year, less any related party fees. No Incentive Management Fee shall be earned or payable unless and until the Development Costs have been paid in full and any outstanding Credit Reduction Payments shall have been paid to the Limited Partner. For the period beginning November 1, 2023 and ended December 31, 2025, there were no Incentive Management Fees earned or paid to the Administrative General Partner.

MGP Start Up Fee

In consideration for the services provided by the Managing General Partner and as reimbursement for overhead incurred in connection with the organization of the Partnership, the Managing General Partner was paid a one time MGP Start Up Fee of $10,000 which was paid at Construction Loan Closing.

b. Developer Fee

3. Related Party Transactions

b. Developer Fee

As a fee for its services in connection with the development of the Project and the supervision of the construction of the Project, the Developer shall be paid an amount equal to $1,783,273 (the "Development Amount") and shall not exceed the amount allowed by the State Housing Finance Agency. The Development Fee shall be deemed to have been earned as follows: (i) 20% as of the date of the Limited Partnership Agreement for preconstruction development services; (ii) 50% upon commencement of construction on the Project; and (iii) 30% upon the placement in service of 100% of the Project units.

The Development Amount shall be payable to the Developer as follows: $178,036 shall be payable upon satisfaction of the conditions to payment of the Limited Partner of its Third Capital Contribution, $1,102,321 shall be payable upon satisfaction of the conditions to the payment of the Limited Partner's Fifth Capital Contribution, and $500,000 shall be payable upon satisfaction of the conditions to the payment of the Limited Partner's Sixth Capital Contribution. the amount payable is subject to adjustment (x) upward, subject to approval by any applicable Agency and the Project Lenders, to the extent development sources set forth in the Partnership Agreement are sufficient to pay additional cash fee and (y) downward by an amount equal to (i) the reductions in, or refunds of, the Limited Partner Capital Contribution pursuant to Section 2.2 of the Partnership Agreement, (ii) any cost overruns or other reductions in sources, and (iii) any other reduction required pursuant to the terms of the Partnership Agreement.

Any installment of the Development Amount not paid when otherwise due hereunder shall be deferred (“Deferred Development Fee”) without interest and shall be paid from next available Cash Flow pursuant to and in the priority set forth in Section 4.1 of the Partnership Agreement or from Net Cash from Sales and Refinancings pursuant to Section 4.2 of the Partnership Agreement; provided, however, any unpaid balance of the Development Amount shall be due and payable by the end of the fifteenth (15th) year after the date the Project is placed in service (for purposes of Section 42 of the Code), and at such time, if necessary, the Administrative General Partner shall make an additional Capital Contribution pursuant to Section 2.1(c) of the Partnership Agreement and the Developer’s sole recourse for nonpayment shall be against the Administrative General Partner. The obligation to pay the Deferred Development Fee shall be evidenced by a Deferred Development Fee Note.

3. Related Party Transactions

c. Operating Cash Flow

Cash flow, which means the excess of Cash Receipts over Cash Expenditures as determined for each fiscal year or portion thereof, shall be distributed in the following order of priority as defined by the partnership agreement.

1. To payment of the Asset Management Fee (including any accrued but unpaid Asset Management Fee);

2. To repay any unpaid loans made by the Limited Partner and the Special Limited Partner pursuant to *Section 2.6* of the Partnership Agreement. Loans made by the Limited Partner will be fully repaid prior to making any payments on loans made by the Special Limited Partner;

3. To the Limited Partner of the full amount (including interest) of any amounts owed to the Limited Partner pursuant to *Section 5.10* of the Partnership Agreement or any other amounts owed to the Limited Partner or Special Limited Partner pursuant to the Partnership Agreement, Guarantee Agreement, or the Guaranty of Completion;

4. To payment of the Partnership Management Fee;

5. For the duration of the Compliance Period (unless required beyond the Compliance Period pursuant to Project Lender or Agency Requirements), to the Operating Reserve Account until such time as such account is equal to the Operating Reserve Amount ($101,667) and then to the Replacement Reserve Account until such time as such account is equal to the required balance (such balance calculated in accordance with the required annual deposit ($500 per unit per year);

6. To payment of the Deferred Development Fee Note and any accrued interest thereon and then as a return of capital to the Administrative General Partner to the extent of any Administrative General Partner Capital Contribution made pursuant to *Section 2.1(c)* of the Partnership Agreement;

7. 50% of remaining Cash Flow to payment of the NPLH Loan in accordance with Appendix IV of the Partnership Agreement;

8. To the General Partner to repay any amounts treated as loans to the Partnership by the Administrative General Partner pursuant to *Section 2.6* of the Partnership Agreement and not yet repaid;

9. To repay on a pro rata basis any unpaid loans made by the General Partner pursuant to Sections 5.4(h), 5.4(j), 5.4(m); and;

3. Related Party Transactions

c. Operating Cash Flow

10. To the payment of any Deferred Property Management Fee, if applicable;

11(a). The balance thereof, if any, to the Administrative General Partner, first as an Incentive Management Fee (but not in excess of 12% of the gross revenues of the Partnership, less any related party fees) and, thereafter, as a distribution.

11(b). The remaining balance, to be distributed among the Partners in accordance with their ownership percentages.

Notwithstanding anything to the contrary contained herein, if the amount of the distribution to the Limited Partner under *Section 4.1(b)* of the Partnership Agreement is less than 10% of the Cash Flow, then the Limited Partner shall receive a priority distribution before any distributions under *Section 4.1(a)* of the Partnership Agreement Eleventh shown above in an amount such that, when added to the sum distributable to the Limited Partner under *Section 4.1(b)* shall equal 10% of Cash Flow.

d. Construction Contract

The partnership entered into a fixed price construction contract for the construction of the apartment complex with Pacific West Builders, Inc. ("PWB"), an affiliate of TPC Holdings IX, LLC on September 9, 2023, in the amount of $9,364,759. Any modifications to the contract will require the approval of the Special Limited Partner. As of December 31, 2025, the partnership incurred the total amount of the construction contract. Construction costs due to PWB of $91,684 remained payable as of December 31, 2025.

e. Payments of Insurance Premiums to GP Affiliate

The partnership pays annual premiums for property and liability insurance to Pacific West Communities, Inc. ("PWC") a related party which is wholly owned by an affiliate of the general partner. PWC administers a group insurance policy that provides property and liability insurance coverage to multiple entities including the partnership. Insurance premium expenses amounted to $15,508 for the period beginning November 1, 2023 and ended December 31, 2025. For the period beginning November 1, 2023 and ending December 31, 2025 payments to PWC for insurance amounted to $20,678.

Chico PSH Pacific Associates, LP

Notes to the Financial Statements

For the Period Beginning November 1, 2023 and Ending December 31, 2025

3. Related Party Transactions

f. Guarantees

Operating Deficit Guaranty - For the period beginning with Stabilized Operations and continuing for 60 months thereafter; provided, however, that the Operating Deficit Guaranty Period shall not expire at the end of such 60-month period unless all of the following conditions are satisfied: (i) the Project has operated at or above an average Expense Coverage Ratio of at least 1.10:1.00 for the preceding twelve-month period based upon financial information certified by the General Partner and reasonably acceptable to the Special Limited Partner, (ii) the Operating Reserve has been restored to its original Operating Reserve Amount and the Long Term Stability Reserve has been restored to its original Long Term Stability Reserve Amount, (iii) if applicable, any and all subsidy contracts, including the HAP Contract, are in good standing or have been renewed as required pursuant to this Agreement, and (iv) the Project is projected to maintain a Expense Coverage Ratio of at least 1.05:1.00 throughout the Compliance Period, which may take into account periodic releases of the Long-Term Stability Reserve permitted in the reasonable discretion of the Special Limited Partner, The Administrative General Partner and the Guarantor, pursuant to the Guaranty Agreement, jointly and severally, are obligated, promptly upon the reduction of the Operating Reserve Account to zero, to provide funds to the Partnership for Operating Deficits occurring during the Operating Deficit Guaranty Period; provided, however, that the Guarantor shall not be obligated to make Operating Deficit Loans under this Section 5.4(j) to the extent that, during the Operating Deficit Guaranty Period, the outstanding aggregate principal amount of such Operating Deficit Loans would exceed $305,000.

Other Partner Guarantees - The general partners have also guaranteed construction completion. The completion guaranty includes paying all operating expenses in excess of income until stabilization plus the initial funding of any Operating Reserve, Replacement Reserves, Long Term Stability Reserve, Transition Reserve, and, if applicable, Expense Coverage Reserve.

g. Related Party Payables

Amounts due from and due to related parties are as follows:

	2025
Due to Related Parties:	
Deferred Developer Fee Payable	$ 1,783,273
Asset Management Fee Payable	5,833
Construction Contract Payable - PWB	91,684
Total Related Party Payables	$ 1,880,790

Chico PSH Pacific Associates, LP

Notes to the Financial Statements

For the Period Beginning November 1, 2023 and Ending December 31, 2025

4. Property Management Fees

The property is managed by John Stewart Company who is not affiliated with the owners. Property management fees are calculated monthly based on a base management fee of $50 per unit, plus an additional bookkeeping fee of $6 per unit. At commencement of management services, a one-time property set up fee of $5,000 shall be due and payable. During the initial lease up period, there will be a one-time lease up fee $500 per unit. During the period beginning November 1, 2023 and ended December 31, 2025, property management fees, inclusive of all items detailed above, totaled $34,923.

5. Rental Property

Rental property consists of the following:

	2025
Land	$ 720,000
Buildings	10,368,138
Land Improvements	1,576,092
Office Furniture and Equipment	2,188,930
Total cost	14,853,160
Accumulated Depreciation	(324,859)
Total Rental Property, net	$ 14,528,301

Chico PSH Pacific Associates, LP

Notes to the Financial Statements

For the Period Beginning November 1, 2023 and Ending December 31, 2025

6. Restricted Cash

a. Replacement Reserve Account

The partnership agreement requires the establishment of a capital replacement reserve account with contributions by the partnership of $500 per unit per year, commencing upon the achievement of stabilized operations. On the sixth and eleventh anniversary of the construction completions date, the Special Limited Partner shall have the right to require a physical assessment of the Project to which the amount reserved on a monthly basis may be increased. The balance of the replacement reserve account as of December 31, 2025 was $0. The replacement reserve account has yet to be funded as of year end.

b. Tenant Security Deposits

Tenant security deposits are required to be maintained in separate accounts in banks insured by FDIC. The balance on December 31, 2025 was $2,751. The tenant security deposit account is materially underfunded as of that date.

c. Operating Reserve Account

An operating reserve shall be established upon receipt of the Fourth Installment of Limited Partner Capital Contributions in an amount equal to $101,667 which is estimated to be approximately three months' operating expenses and debt service. The Operating Reserve shall be held in an operating reserve account at a financial institution selected by the Special Limited Partner, which account shall be maintained during the Compliance Period. The Fourth Installment has not yet been received and therefore the account has not been funded as of December 31, 2025.

d. Long Term Stability Reserve

A long term stability reserve shall be established no later than the funding of the Fourth Installment of Limited Partner Capital Contributions in an amount equal to $833,789. In the event that the HAP Contract is terminated or expires, the long term stability reserve may be used to fund Operating Deficits prior to use of the operating reserve. The long term stability reserve. Disbursements from the long term stability reserve shall only be released for the following purposes: (a) to enable the Partnership to achieve the Expense Coverage Ratio Requirement for expenses set forth in the approved operating budget, but only if the HAP Contract is terminated or expires; or (b) for such other purposes and in such other amounts reasonably approved by the Special Limited Partner. The Fourth Installment has not yet been received and therefore the account has not been funded as of December 31, 2025.

Chico PSH Pacific Associates, LP

Notes to the Financial Statements

For the Period Beginning November 1, 2023 and Ending December 31, 2025

7. Long-Term Debt

a. Mortgage and Notes Payable

	2025 Interest Payable	2025 Principal
Tax-Exempt Bond Construction Loan - Umpqua Bank		
The construction loan payable with the California Municipal Finance Authority as assigned to Umpqua Bank, originated on November 1, 2023 in the amount of $7,800,000. The loan bears interest at a variable rate calculated based on the One-Month Term SOFR Rate plus 1.36% (5.2327% as of December 31, 2025). Beginning on December 1, 2023 and each month thereafter, monthly interest-only payments are required through the initial maturity date of November 2, 2025. The Partnership exercised an option to extend the maturity date to May 2, 2026. Interest paid during the development period of $242,532 was capitalized to rental property. Interest expense for period beginning November 1, 2023 and ended December 31, 2025 totaled $183,938.	$ 14,919	$ 3,311,015
CDBG Loan - City of Chico		
On November 1, 2024, the Partnership entered into a loan agreement with the City of Chico with a maximum loan value of $6,031,626, of which $5,419,845 has been funded as of December 31, 2025. The loan bears simple interest at a rate of 3% per annum and matures on May 27, 2080. Annual payments, if any, are based on Cash Flow and payable in the order and priority set forth in the Limited Partnership Agreement and HCD regulatory agreements. Interest incurred during the development period of $114,671 was capitalized to rental property. Interest expense for the period beginning November 1, 2023 and ended December 31, 2025 totaled $96,202.	210,873	5,419,845
HCD NPLH Loan		
The Partnership has received a loan commitment from the California Department of Housing and Community Development ("HCD") to fund a No Place Like Home ("NPLH") Loan in an amount not to exceed $3,471,998. There have been no funds received in connection with the HCD NPLH Loan as of December 31, 2025 therefore the outstanding balance is $0. The committed loan terms are simple interest at a rate of 3% per annum, annual payments based on Cash Flow, and a 55 year term.	-	-
Long-Term Debt Interest and Principal	225,792	8,730,860
Less: Unamortized Debt Issuance Costs	-	(78,038)
Long-Term Debt, Net of Unamortized Debt Issuance Costs	$ 225,792	$ 8,652,822

7. Long-Term Debt

b. Schedule of Principal Maturities

The principal payments per annum on the mortgages and notes payable are due as follows:

2026	$ 3,311,015
2027	-
2028	-
2029	-
2030	-
Subsequent	5,419,845
Total	**$ 8,730,860**

8. Subsequent Events

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date, require disclosure in the accompanying notes. Management evaluated the activity of the partnership through May 27, 2026 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Chico PSH Pacific Associates, LP

Notes to the Financial Statements

For the Period Beginning November 1, 2023 and Ending December 31, 2025

9. Federal Low-Income Housing Tax Credits

The partnership expects to receive low-income housing tax credits from the California Tax Credit Allocation Committee (CTCAC) amounting to $7,109,320 in federal tax credits. The 8609's have not been issued and it is estimated that for the year ended December 31, 2025 $284,710 federal tax credits will be utilized by the partners.

The expected availability of the remaining federal tax credits in the future are estimated as follows:

2026	**$ 710,932**
2027	**710,932**
2028	**710,932**
2029	**710,932**
2030	**710,932**
2031	**710,932**
2032	**710,932**
2033	**710,932**
2034	**710,932**
2035	**426,222**
Total	**$ 6,824,610**

10. State Low-Income Housing Tax Credits

The partnership expects to receive low-income housing tax credits from the California Tax Credit Allocation Committee (CTCAC) amounting to $875,000 in state tax credits. The 3521A's have not been issued and it is estimated that for the year ended December 31, 2025 $875,000 in state tax credits will be utilized by the partners. There will be no state tax credits available in future years.

Supplementary Information

Chico PSH Pacific Associates, LP

For the Year Ended December 31, 2025

Schedule of Operating Expenses

	2025
Administrative Expenses	
Conventions and Meetings	$ 290
Advertising and Marketing	185
Other Renting Expenses	5,072
Office Salaries	41,302
Office Expenses	14,451
Property Management Fees	34,923
Administrative Rent Free Unit	4,780
Legal Expense - Project	31,807
Bookkeeping Fees/Accounting Services	1,242
Miscellaneous Administrative Expenses	6,401
Total Administrative Expenses	140,453
Utilities	
Electricity	30,267
Water	2,856
Gas	3,009
Total Utilities	36,132
Operating and Maintenance	
Payroll	24,729
Supplies	6,208
Contracts	8,246
Garbage and Trash	3,872
Miscellaneous Operating and Maintenance Expense	1,080
Total Operating and Maintenance	44,135
Taxes and Insurance	
Real Estate Taxes	77,406
Payroll Taxes	4,431
Property & Liability Insurance (Hazard)	15,508
Workmen's Compensation	1,932
Health Insurance and Other Employee Benefits	4,737
Total Taxes and Insurance	104,014
Total Operating Expenses	$ 324,734

Chico PSH Pacific Associates, LP

For the Year Ended December 31, 2025

Cash Flow Available for Distribution

The calculation of cash flow available for distribution is as follows:

		2025
Net Cash Provided by Operating Activities	$	(34,912)
Add:		
Partner Fees Paid from Development Sources		5,000
Deduct:		
Interest Earned on Development Cash Accounts		(13,106)
Change In Tenant Security Deposit Account		(2,751)
Cash Flow Available for Distribution	**$**	**(45,769)**

Paradise Senior Associates, LP

Financial Statements and Independent Auditor's Report

For the Period Beginning April 1, 2024 and Ending December 31, 2025

Paradise Senior Associates, LP

December 31, 2025

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Grigg, Bratton & Brash, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Partners
Paradise Senior Associates, LP

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Paradise Senior Associates, LP, a limited partnership, which comprise the balance sheet as of December 31, 2025 and 2024 and the related statements of income, changes in partners' capital, and cash flows for the period beginning April 1, 2024 and ending December 31, 2025, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Paradise Senior Associates, LP as of December 31, 2025, and the results of its operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Paradise Senior Associates, LP and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Paradise Senior Associates, LP 's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Paradise Senior Associates, LP's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

The accompanying supplementary information referenced in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the financial statements as a whole.

Grigg, Bratton & Brash

Grigg, Bratton & Brash, P.C.
Certified Public Accountants

Boise, ID
April 24, 2026

4487 N. Dresden Place, Suite 101 - Boise, Idaho 83714 - Phone (208) 375-6490 - Fax (208) 375-6593 - cpas@grbaccounting.com

Paradise Senior Associates, LP

Balance Sheet

December 31, 2025

	2025
Assets	
Cash and Cash Equivalents	$ 30,896
Accounts Receivable, net	28,152
Prepaid Expenses	5,000
Restricted Cash:	
Tenant Security Deposits	4,998
Rental Property, net	9,015,196
Other Assets	42,759
Total Assets	$ 9,127,001
Liabilities and Partners' Capital	
Liabilities	
Accounts Payable	$ 10,245
Accrued Interest Payable	89,258
Security Deposits Liability	5,000
Prepaid Rent	943
Related Party Payables	441,919
Long-Term Debt, net	5,506,377
Total Liabilities	6,053,742
Partners' Capital	
Partners' Capital	3,073,259
Total Liabilities and Partners' Capital	$ 9,127,001

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

Paradise Senior Associates, LP

Statement of Income

For the Period Beginning April 1, 2024 and Ending December 31, 2025

	2025
Operating Revenue	
Gross Rental Income	$ 136,252
Less: Vacancy Loss	(31,372)
Less: Rental Concessions	(529)
Net Rental Income	104,351
Total Operating Revenue	104,576
Operating Expenses	
Administrative Expenses	33,847
Utilities	3,999
Operating and Maintenance Expenses	15,325
Taxes and Insurance	33,372
Total Operating Expenses	86,543
Net Operating Income	18,033
Non-Operating Income (Expenses)	
Interest Income	606
Interest Expense	(214,163)
Depreciation Expense	(248,919)
Amortization Expense	(2,515)
Bond Fees	(120)
Lease-Up and Marketing Expenses	(8,313)
MGP Start Up Fees	(10,000)
Other Non-Operating Expense	(20,000)
Total Non-Operating Income (Expenses)	(503,424)
Net Loss	$ (485,391)

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

Paradise Senior Associates, LP

Statement of Changes in Partners' Capital

For the Period Beginning April 1, 2024 and Ending December 31, 2025

	Butte County Affordable Housing Development Corporation (0.00001%)	TPC Holdings IX, LLC (0.00009%)	Merritt Community Capital Fund 25, L.P. (99.9999%)	Total (100.00%)
Current period activity				
Capital Contributed	$ -	$ -	$ 3,633,650	$ 3,633,650
Syndication Costs	-	-	(75,000)	(75,000)
Net loss for the period	-	-	(485,391)	(485,391)
Balance, December 31, 2025	$ -	$ -	$ 3,073,259	$ 3,073,259

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

Paradise Senior Associates, LP

Statement of Cash Flows

For the Period Beginning April 1, 2024 and Ending December 31, 2025

	2025
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Receipts	
Rental Receipts	$ 77,142
Interest Receipts	606
Other Operating Receipts	225
Tenant Security Deposits	5,000
Total Receipts	82,973
Disbursements	
Administrative	(23,469)
Management Fee	(10,133)
Utilities	(3,999)
Operating and Maintenance	(15,325)
Real Estate Taxes	(9,295)
Property Insurance	(25,078)
Taxes and Insurance	(3,999)
Bond Fees	(120)
Total Disbursements	(91,418)
NET CASH FLOWS PROVIDED BY (USED BY) OPERATING ACTIVITIES	(8,445)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Net Purchase of Fixed Assets	(8,812,196)
Tax Credit Fees	(45,274)
NET CASH PROVIDED BY (USED BY) INVESTING ACTIVITIES	(8,857,470)

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

Paradise Senior Associates, LP

Statement of Cash Flows

For the Period Beginning April 1, 2024 and Ending December 31, 2025

	2025
CASH FLOWS FROM FINANCING ACTIVITIES:	
Principal Borrowings - Mortgages and Notes Payable	7,507,787
Principal Payments - Construction Loan	(1,987,410)
Construction Loan Interest Paid by Development	(124,905)
Lease-Up & Marketing Fees	(8,313)
Capital Contributions	3,633,650
Syndication Costs	(75,000)
Payment of Debt Issuance Costs	(14,000)
Financial Advisor Fees	(20,000)
MGP Start Up Fees	(10,000)
NET CASH PROVIDED BY (USED BY) FINANCING ACTIVITIES	8,901,809
Net change in cash, cash equivalents, and restricted cash	35,894
Cash, cash equivalents, and restricted cash at end of year	$ 35,894

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

Paradise Senior Associates, LP

Statement of Cash Flows

For the Period Beginning April 1, 2024 and Ending December 31, 2025

	2025
Cash, cash equivalents, and restricted cash consist of the following:	
Cash and Cash Equivalents	$ 11,415
Construction Cash Account	19,481
Tenant Security Deposits	4,998
	$ 35,894

Reconciliation of Net Income to Net Cash Flow Provided By (Used By) Operating Activities	
Net Loss	(485,391)
Adjustments to reconcile net loss to net cash provided by (used by) operating activities	
Depreciation	248,919
Amortization	2,515
Lease-Up & Marketing Fees	8,313
MGP Fees	10,000
Financial Advisor Fees	20,000
Construction Loan Interest Paid By Development	124,905
(Increase) decrease in assets	
Accounts Receivable, net	(28,152)
Prepaid Expenses	(5,000)
Increase (decrease) in liabilities	
Accounts Payable	245
Accrued Interest Payable	89,258
Security Deposits Liability	5,000
Prepaid Rent	943
Net cash provided by (used by) operating activities	$ (8,445)

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

1. Organization

a. Partnership

The financial statements reflect the accounts of Paradise Senior Associates, LP (a California Limited Partnership) only and consequently, do not include all assets, liabilities, income and expenses of the partners. The partnership was formed on January 3, 2024 and shall continue until December 31, 2123, unless sooner terminated in accordance with Article 12 of the Partnership Agreement. The General Partners are: TPC Holdings IX, LLC (0.00009%)(Administrative General Partner) and Butte County Affordable Housing Development Corporation, (0.00001%)(Managing General Partner). The Limited Partner is Merritt Community Capital Fund 25, L.P. (99.9999%). The partnership was formed for the purpose of acquiring, owning, operating, managing and selling or otherwise disposing of a 21-unit multifamily rental housing project in Paradise, California known as Northwind Senior Apartments. The project was completed on March 6, 2025 when rental operations began. The project operates in accordance with a regulatory agreement with the California Tax Credit Allocation Committee (CTCAC), intended to keep the project in compliance with Section 42 of the Internal Revenue Code and qualify for the Federal Low Income Housing Tax Credit. Each building of the project must meet the provisions of these regulations (occupant eligibility and unit gross rent) in order to remain qualified to receive the credits.

2. Significant Accounting Policies

a. Accounting Method

The financial statements are prepared in accordance with generally accepted accounting principles in the United States of America. Under the accrual basis of accounting, income is recognized as earned and expenses as incurred, regardless of timing of payment.

b. Use of Estimates

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

c. Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents includes short-term investments and highly liquid investments in money market instruments which are carried at the lower of cost and market value with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value.

Restricted cash is not considered cash and cash equivalents, and includes cash held with financial institutions for refunds of tenant security deposits, funding of operating deficits, and repairs or improvements to the buildings which extend their useful lives.

2. Significant Accounting Policies

d. Rental Property

Rental property is carried at cost. Depreciation is calculated using the straight-line method over estimated useful lives ranging from 10 to 40 years. Depreciation expense for the period beginning April 1, 2024 and ending December 31, 2025 was $ 248,919.

e. Impairment of Long Lived Assets

The partnership reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than their carrying amounts, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended December 31, 2025.

f. Other Assets - Deferred Fees

Other assets include tax credit agency fees of $45,274 related to obtaining the application and allocation of low income housing tax credits from the state agency. Other assets are amortized on a straight-line basis over the life of the 15 year compliance period. Accumulated amortization totaled $2,515 as of December 31, 2025.

g. Revenue recognition

The partnership's primary revenue stream is rent charges for residential units under leases with durations of less than one year. The partnership records revenue for such leases at gross potential rent. Rental revenue is recognized as rentals become due, net of provisions for uncollectible amounts. Rental payments received in advance are deferred until earned. The rental value of vacancies and other concessions are stated separately to present net rental income on the accrual basis. Revenue streams include: tenant reimbursement of consumption-based costs paid by the partnership on behalf of the tenant, such as utilities and other monthly fees. Additional revenue includes laundry, vending, pet and parking fees as well as damages. Such fees are ancillary to the lease process and are recognized as revenue at the point in time such fees are incurred.

Management considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts has been provided. If amounts become uncollectible, they are charged to operations in the period in which determination is made. U.S. generally accepted accounting principles ("GAAP") requires that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

h. Advertising Costs

Advertising and marketing costs are expensed as incurred. For the period beginning April 1, 2024 and ending December 31, 2025, advertising and marketing costs totaled $2,892.

2. Significant Accounting Policies

i. Income Taxes

Under the provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes; the results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements. While no income tax returns are currently being examined by the Internal Revenue Service, tax years dating back three years remain open.

j. Economic Concentrations and Contingencies

The partnership operates on property located in Paradise, California. Future operations could be affected by changes in the economy or other conditions in that geographical area or by changes in federal low-income housing subsidies or the demand for such housing. The project's low-income housing tax credits and regulatory agreement require compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits plus interest. In addition, such potential non-compliance may require an adjustment to the contributed capital of the limited partner.

k. Financial instruments

The partnership has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

3. Related Party Transactions

a. Partner Fees

Partnership Management Fee

As compensation for the services of the Managing General Partner in connection with the management of the business of the Partnership and commencing as of funding date of the Conversion Capital Contribution (pro-rated on monthly basis), the Partnership shall pay an annual “Partnership Management Fee” to the Managing General Partner in the amount of $3,100 per annum, payable as provided in the Partnership Management Agreement, which shall be paid pursuant to Article 8 and shall accrue if not paid in any given year; provided, however, that if any portion of the Partnership Management Fee is allocated to the Limited Partner and the Limited Partner has a negative capital account balance, and the Partners are unable to agree upon another method to avoid such negative capital account balance, then at the request of the Limited Partner, the Managing General Partners shall agree that the Partnership Management Fee shall not accrue. The Conversion Capital Contribution has not been funded therefore no accrual has been recorded as of December 31, 2025.

AGP Partnership Management Fee

As compensation for the services of the Administrative General Partner in connection with the management of the business of the Partnership and commencing as of funding date of the Conversion Capital Contribution (pro-rated on a monthly basis), the Partnership shall pay an annual “AGP Partnership Management Fee” to the Administrative General Partner in the amount of $10,000 per annum, which shall be paid pursuant to Article 8 and shall accrue if not paid in any given year; provided, however, that if any portion of the AGP Partnership Management Fee is allocated to the Limited Partner and the Limited Partner has a negative capital account balance, and the Partners are unable to agree upon another method to avoid such negative capital account balance, then at the request of the Limited Partner, the Administrative General Partners shall agree that the Partnership Management Fee shall not accrue. The Conversion Capital Contribution has not been funded therefore no accrual has been recorded as of the year ended December 31, 2025.

LP Asset Management Fee

As compensation for the services of the Limited Partner in connection with their investment in the business of the Partnership and commencing as of funding date of the Conversion Capital Contribution (pro-rated on a monthly basis), the Partnership shall pay an annual “LP Asset Management Fee” to the Limited Partner in the amount of $5,000 per annum, which shall be paid pursuant to Article 8 and shall accrue if not paid in any given year. The Conversion Capital Contribution has not been funded therefore no accrual has been recorded as of the year ended December 31, 2025.

3. Related Party Transactions

b. Developer Fee Payable

For its services in connection with the development of the Apartment Complex and the supervision of the construction of the Apartment Complex, and as reimbursement for Development Advances, the Developer shall receive a fee (the “Development Fee”) in the amount of $1,091,919. The Development Fee shall be deemed to have been earned pro rata in proportion to the approximate percentage of construction of the dwelling units in the Project that have been completed. Subject to the Partnership Agreement and Project Loan Documents, the Development Fee shall be paid as follows: (i) $376,135 upon the satisfaction of the conditions for the Completion Capital Contribution, (ii) $500,000 upon the satisfaction of the conditions for the Conversion Capital Contribution, and (iii) $150,000 upon satisfaction of the conditions for the 8609 Capital Contribution. In the event that the amount of the 8609 Capital Contribution is insufficient to pay any balance owed under the Development Agreement, the Partnership shall issue a note to the Developer in the amount of such unpaid balance on terms approved by the Limited Partner. Payments of the Developer Fee Note shall be made annually from Net Cash Flow in accordance with Section 8.2 of the Partnership Agreement. If the principal balance of the Development Fee Note is not paid in full prior to the end of the Compliance Period, the Administrative General Partner shall contribute such funds to the Partnership as necessary to pay the Development Fee in full by such date. As of December 31, 2025 the developer fee payable was $341,919.

3. Related Party Transactions
c. Operating Cash Flow

Cash flow, which means the excess of Gross Receipts over Project Expenditures as determined for each fiscal year or portion thereof, shall be distributed in the following order of priority as defined by the partnership agreement.

1. To payment of the Change in Law Obligation until satisfied in full.

2. To payment of any amounts due or payable under the Indemnification Agreement.

3. To payment of any current and accrued LP Asset Management Fee until paid in full.

4. To deposits into the Operating Reserve until the amount therein equals or exceeds the Initial Operating Reserve Amount.

5. To payment of any current and accrued Partnership Management Fee.

6. To payment of any current and accrued AGP Partnership Management Fee.

7. To payment of any deferred Development Fee, until paid in full.

8. To payment of any subordinated and deferred property management fee under Section 11.1(e) of the Partnership Agreement.

9. 50% of the remainder to the payment of the City Loan and pursuant to the terms of the Loan Documents.

10. To payment of any Voluntary Loans.

11. To payment of any Operating Deficit Loans.

12. With respect to Net Cash Flow generated prior to Bank Loan Conversion only, repayment of Development Advances.

13. Then, among the Partners in accordance with their percentage interests during the Energy Credit Compliance Period, and thereafter, 89.9999% to the Administrative General Partner, 0.00001% to the Managing General Partner and 10% to the Limited Partner.

3. Related Party Transactions
d. Guarantees

Completion and Development Deficiency Guaranty - On April 1, 2024, the Developer and the Contractor entered into the Completion and Development Deficiency Guaranty Agreement with the Limited Partner. As part of the guaranty agreement, the guarantors have guaranteed: (i) the completion of the Project by no later than the Completion Date Deadline, and (ii) Payment of any Development Advances required in the event that designated proceeds are insufficient to complete construction of the Project, discharge all Partnership liabilities and obligations arising out of any casualty giving rise to insurance proceeds, and pay or provide for all requirements of the ongoing business

Operating Deficit Guaranty - If at any time an Operating Deficit exists after the application of any available Operating Reserve funds, the Administrative General Partner has guaranteed that they will make an interest-free loan to the Partnership (an "Operating Deficit Loan"), provided that the aggregate amount of Operating Deficit Loans required to be made by the Administrative General Partner shall not exceed an amount equal to nine (9) months of Project Expenditures, as Consented to by the Limited Partner as of the Conversion Capital Contribution (the "Operating Deficit Loan Limit"). Operating Deficit Loan(s) shall be non-interest bearing and repaid from Net Cash Flow in the order and priority set forth in the Limited Partnership Agreement. The Administrative General Partner's obligation to provide any Operating Deficit Loan shall terminate after five (5) consecutive years of achieving a Debt Service Coverage Ratio of 1.15, provided that (i) rental income from the Project is substantially as reflected in the Financial Projections, (ii) IRS Forms 8609 for all buildings have been received, (iii) such five-year period shall commence after Bank Loan Conversion has been achieved; and (iv) the Operating Reserve is funded in an amount no less than the Initial Operating Reserve Amount ($56,565).

Limited Partner Capital Contributions - The Limited Partner has guaranteed capital contributions amounting to $4,585,047, which are subject to increases or decreases based on the terms of the Partnership Agreement and currently projected as follows: (i) $458,830 as the Admission Date Contribution, (ii) $1,587,410 as the 90% Completion Capital Contribution, (iii) $1,587,410 as the Completion Capital Contribution, (iv) $801,397 as the Conversion Capital Contribution, and (v) $150,000 as the 8609 Capital Contribution.

Other Partner Guarantees - The Administrative General Partner has guaranteed that the Partnership will fund a replacement reserve account in an amount of no less than $10,500 annually, funded monthly, at or prior to the funding of the Conversion Contribution. The AGP has also guaranteed that the Partnership will establish an operating reserve in an amount equal to three months of project expenditures (currently estimated at $56,565), at or prior to the date of the Conversion Capital Contribution.

e. Payments of Insurance Premiums to Affiliate of General Partner

An affiliate of the General Partner, Pacific West Communities, Inc. ("PWC"), coordinates property and liability insurance coverage for the Partnership. As part of this arrangement PWC will, on occasion, administer a group insurance policy that provides coverage to multiple entities including the Partnership. When such policies are obtained, PWC will pay for the group premium in its entirety and will seek reimbursement from the covered entities for their portion. This reimbursement is treated by the Partnership in the same manner as normal operating expenses and is not given preference. During years in which coverage is not part of a group policy, the Partnership pays the insurance agency directly. For the period beginning April 1, 2024 and ending December 31, 2023 payments to PWC for insurance amounted to $24,992.

3. Related Party Transactions

f. Construction Contract

The partnership entered into a fixed price construction contract for the construction of the apartment complex with Pacific West Builders, Inc. ("PWB"), an affiliate of TPC Holdings IX, LLC on April 16, 2024, in the amount of $6,243,515. Any modifications to the contract will require the approval of the Special Limited Partner. As of December 31, 2025, the partnership incurred the total amount of the construction contract. Construction costs due to PWB totaling $0 remained payable as of December 31, 2025.

g. Development Advances Loan Payable - PWB

Pacific West Builders, Inc. ("PWB"), an affiliate of the Administrative General Partner, made short term advances of funds in the amount of $100,000 which have not been repaid as of December 31, 2025. The loan does not have a stated maturity date and does not bear interest. As of December 31, 2025, the balance of the loan was $100,000.

h. Related Party Payables

Amounts due from and due to related parties are as follows:

	2025
Due to Related Parties:	
Deferred Developer Fee Payable	$ 341,919
Related Party Payables - Due to General Partner	100,000
Total Related Party Payables	$ 441,919

4. Property Management Fees

The property is managed by Cambridge Property Management who is not affiliated with the owners. Management Fees of $10,133 were incurred equal to six percent (6%) of Gross Operating Revenues, or a minimum monthly fee of $850. The management fee is calculated with respect to the preceding calendar month and payable at the conclusion of the calendar month during which it was earned during 2025.

5. Rental Property

Rental property consists of the following:

	2025
Land	$ 525,000
Buildings	6,565,364
Land Improvements	1,656,138
Furniture and Fixtures	265,076
Solar Equipment	252,537
Total cost	9,264,115
Accumulated Depreciation	(248,919)
Total Rental Property, net	$ 9,015,196

6. Restricted Cash

a. Replacement Reserve Account

The partnership agreement requires the establishment of a replacement reserve account no later than the receipt of the Conversion Capital Contribution. Contributions are to be made monthly in the amount $875 ($500 per unit per year or $10,500 annually). The deposits will be released to the partnership upon requests for capital repairs and replacements subject to approval from the Limited Partner. The balance on December 31, 2025 was $0.

b. Tenant Security Deposits

Tenant security deposits are required to be maintained in separate accounts in banks insured by FDIC. The balance on December 31, 2025 was $4,998. The tenant security deposits account was underfunded by an immaterial amount as of December 31, 2024.

c. Operating Reserves Account

An operating reserve in the amount equal to three months of Project Expenses (currently projected at $56,565) shall be established and maintained by the Partnership at or prior to the receipt of the Conversion Capital Contribution. Funds in the Operating Reserve shall be available to fund operating deficits prior to the General Partner's obligation to provide any Operating Deficit Loans, and, if used, must be fully restored at any time that the Administrative General Partner is obligated to fund Operating Deficit Loans. All draws on the Operating Reserve shall first received consent of the Limited Partner. This account has not yet been established by the partnership as of December 31, 2025.

7. Long-Term Debt

a. Mortgage and Notes Payable

	2025 Interest Payable	2025 Principal
Construction Loan - Banner Bank		
The Partnership entered into a construction to term loan agreement with Banner Bank on April 23, 2024 in the original amount of $4,730,924. During the construction period, the loan requires monthly payments of interest only at an annual rate equal to the CME Term SOFR 1 Month Rate plus 2.15% (As of December 31, 2025 the interest rate was 5.99292%) . The construction loan has an initial maturity date of October 23, 2025, with an option to extend. Upon conversion to the permanent phase, equal monthly payments of principal and interest are required based on a maximum term loan amount of $1,400,000, fixed interest rate of 6.97% per annum, and forty year amortization. The permanent loan matures on the seventeenth (17th) anniversary of the conversion date, unless due and payable by acceleration, mandatory repayment, or otherwise. Construction period interest of $84,835 was capitalized to fixed assets. Interest expense for 2025 totaled $136,673.	$ 11,768	$ 2,280,377
CDBG-DR MHP Loan - Town of Paradise, CA		
The CDBG-DR MHP Loan with the Town of Paradise, California originated on April 23, 2024 in the amount of $3,600,000. The loan bears simple interest rate at a rate of three percent (3%) per annum and the loan matures fifty-five (55) years from the issuance of the final certificate of occupancy. Annual payments, if any, are based on Operating Cash Flow based on the order and priority set forth in the Limited Partnership Agreement and CDBG-DR Regulatory Agreement. Interest expense for 2025 totaled $77,490.	77,490	3,240,000
Long-Term Debt Interest and Principal	89,258	5,520,377
Less: Unamortized Debt Issuance Costs	-	(14,000)
Long-Term Debt, Net of Unamortized Debt Issuance Costs	$ 89,258	$ 5,506,377

7. Long-Term Debt
b. Schedule of Principal Maturities

The principal payments per annum on the mortgages and notes payable are due as follows:

2026	$ 2,280,377
2027	-
2028	-
2029	-
2030	-
Subsequent	3,240,000
Total	**$ 5,520,377**

8. Subsequent Events

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date, require disclosure in the accompanying notes. Management evaluated the activity of the partnership through April 24, 2026 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

9. Federal Low-Income Housing Tax Credits

The partnership expects to receive low-income housing tax credits from the California Tax Credit Allocation Committee (CTCAC) amounting to $5,284,240 in federal tax credits. The 8609's have not been issued and it is estimated that for the year ended December 31, 2025 $344,103 federal tax credits will be utilized by the partners.

The expected availability of the remaining federal tax credits in the future are estimated as follows:

2026	**$ 528,424**
2027	**528,424**
2028	**528,424**
2029	**528,424**
2030	**528,424**
2031	**528,424**
2032	**528,424**
2033	**528,424**
2034	**528,424**
2035	**184,321**
Total	**$ 4,940,137**

Supplementary Information

Paradise Senior Associates, LP

For the Year Ended December 31, 2025

Schedule of Operating Expenses

	2025
Administrative Expenses	
Advertising and Marketing	$ 2,892
Other Renting Expenses	2,575
Office Salaries	10,125
Office Expenses	5,865
Property Management Fees	10,133
Legal Expense - Project	277
Miscellaneous Administrative Expenses	1,980
Total Administrative Expenses	33,847
Utilities	
Electricity	1,269
Water	1,532
Sewer	1,198
Total Utilities	3,999
Operating and Maintenance	
Payroll	489
Supplies	33
Contracts	6,050
Garbage and Trash	1,123
Miscellaneous Operating and Maintenance Expense	7,630
Total Operating and Maintenance	15,325
Taxes and Insurance	
Real Estate Taxes	9,295
Payroll Taxes	1,457
Property & Liability Insurance (Hazard)	20,078
Workmen's Compensation	397
Health Insurance and Other Employee Benefits	2,145
Bond Fees	120
Total Taxes and Insurance	33,492
Total operating expenses	$ 86,663

Paradise Senior Associates, LP

For the Year Ended December 31, 2025

Cash Flow Available for Distribution

The calculation of cash flow available for distribution is as follows:

		2025
Net Cash Provided by Operating Activities	**$**	**(8,445)**
Add:		
Deduct:		
Change In Tenant Security Deposit Account		**(4,998)**
Cash Flow Available for Distribution	**$**	**(13,443)**