

JUBILEE HOUSING, INC.

CONSOLIDATED FINANCIAL STATEMENTS

Including Independent Auditors' Report

December 31, 2023

JUBILEE HOUSING, INC.

Consolidated Financial Statements

Year Ended December 31, 2023

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Independent Auditors' Report

To the Board of Directors
Jubilee Housing, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Jubilee Housing, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Jubilee Housing, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Jubilee Housing, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Jubilee Housing, Inc.'s ability to continue as a going concern within one year after the date that the consolidated 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Jubilee Housing, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Jubilee Housing, Inc.'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.

Toole Katz & Roemmersma, LLP

Arlington, Virginia
October 1, 2024

JUBILEE HOUSING, INC.

Consolidated Statement of Financial Position

December 31, 2023

Assets

Current Assets

Cash and cash equivalents	\$	2,777,005
Grant receivable		2,142,745
Promises to give		26,030
Accounts receivable		1,459,334
Deferred development fees		3,270,961
Due from affiliates		55,631
Prepaid expenses		364,149

Total current assets		10,095,855
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Property and Equipment

Land		22,730,726
Buildings and improvements		64,237,523
Furniture, equipment and vehicles		491,017
Construction in progress		8,100,639

95,559,905

Less: accumulated depreciation		(3,978,785)
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Property and equipment, net		91,581,120
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Other Assets

Restricted cash		3,604,436
Promises to give		76,611
Notes receivable		10,539,024
Accrued interest receivable		154,894
Deferred development fees		3,268,184
Other investments		3,400
Tax credit monitoring fees, net		6,664
Deposits		46,377
Other assets		22,201

Total other assets		17,721,791
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Total Assets	\$	119,398,766
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See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Financial Position - Continued

December 31, 2023

Liabilities and Net Assets

Current Liabilities

Notes payable	\$ 4,206,493
Line of credit	928,162
Accounts payable and accrued expenses	1,388,583
Tenant security deposits	261,240
Due to affiliates	191,611
Rents received in advance	310,794
Accrued interest payable	40,832
Deferred revenue	11,262
Other current liabilities	3,234

Total current liabilities	7,342,211
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Long-Term Liabilities

Notes payable, net of current portion	66,078,411
Accrued interest expense, net of current portion	2,018,952
Deficit investments in limited partnerships	768
Other liabilities	3,967

Total long-term liabilities	68,102,098
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Total liabilities	75,444,309
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Net Assets

Without donor restrictions	
Undesignated	23,859,339
Board designated Jubilee College	245,260
Board designated reserve	1,605,393
Non-controlling interest	6,941,319

Total net assets without donor restrictions	32,651,311
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With donor restrictions	11,303,146
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Total net assets	43,954,457
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Total Liabilities and Net Assets	\$ 119,398,766
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See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Activities

Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions and grants	\$ 3,574,583	\$ 2,009,505	\$ 5,584,088
In-kind contributions	33,377	9,200,000	9,233,377
Developer fee income	3,535,961	-	3,535,961
Rental income	4,711,859	-	4,711,859
Payroll reimbursements	254,347	-	254,347
Management fee income	334,521	-	334,521
Sub-allocation fee income	300,000	-	300,000
Interest income	753,343	-	753,343
Partnership loss	(968)	-	(968)
Other income	601,101	-	601,101
Net assets released from restriction	276,151	(276,151)	-
Total support and revenue	14,374,275	10,933,354	25,307,629
Expenses			
Program services			
Housing	10,069,197	-	10,069,197
Resident services	4,482,175	-	4,482,175
Supporting services			
Management and general	3,164,766	-	3,164,766
Fundraising	353,938	-	353,938
Total expenses	18,070,076	-	18,070,076
Change in Net Assets	(3,695,801)	10,933,354	7,237,553
Non-Controlling Interest	293,115	-	293,115
(Deficiency) Excess of Revenue over Expenses -			
Attributable to Jubilee Housing, Inc.	\$ (3,988,916)	\$ 10,933,354	\$ 6,944,438

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Functional Expenses

Year Ended December 31, 2023

	Program Services			Supporting Services			Total Expenses
	Housing	Resident Services	Total Program Services	Management & General	Fundraising	Total Support	
Expenses							
Payroll and related expenses							
Salaries & labor	\$ 868,339	\$ 1,783,332	\$ 2,651,671	\$ 1,465,014	\$ 188,896	\$ 1,653,910	\$ 4,305,581
Contract labor	176,873	382	177,255	10,429	-	10,429	187,684
Payroll taxes	135,510	154,394	289,904	123,339	20,448	143,787	433,691
Fringe benefits	344,913	342,107	687,020	281,042	36,237	317,279	1,004,299
Total payroll and related expenses	1,525,635	2,280,215	3,805,850	1,879,824	245,581	2,125,405	5,931,255
Other expenses							
Professional fees	316,169	239,659	555,828	649,059	16,815	665,874	1,221,702
Interest	3,449,753	396,149	3,845,902	28,379	67,821	96,200	3,942,102
Program services and events	21,402	449,085	470,487	34,723	59	34,782	505,269
Depreciation and amortization	1,302,237	652,998	1,955,235	14,766	-	14,766	1,970,001
Utilities and telephone	1,145,688	85,209	1,230,897	41,548	-	41,548	1,272,445
Software and IT support	68,510	34,104	102,614	148,556	10,268	158,824	261,438
Rent and parking	11,182	12,408	23,590	38,306	30	38,336	61,926
Repairs and maintenance	1,347,232	45,583	1,392,815	13,198	-	13,198	1,406,013
Taxes and insurance	378,052	117,154	495,206	78,070	106	78,176	573,382
Supplies	34,267	3,640	37,907	2,674	1,772	4,446	42,353
Advertising and marketing	90,076	6,923	96,999	37,632	9,135	46,767	143,766
Licenses and fees	16,627	12,619	29,246	46,983	296	47,279	76,525
Staff development	11,247	30,967	42,214	11,396	-	11,396	53,610
Travel and transportation	13,715	58,000	71,715	27,741	1,808	29,549	101,264
Printing	2,024	27	2,051	3,553	-	3,553	5,604
Mailing costs	24,588	54,343	78,931	96,633	247	96,880	175,811
Management fees	170,000	-	170,000	-	-	-	170,000
Miscellaneous expenses	140,793	3,092	143,885	11,725	-	11,725	155,610
Total Expenses	\$ 10,069,197	\$ 4,482,175	\$ 14,551,372	\$ 3,164,766	\$ 353,938	\$ 3,518,704	\$ 18,070,076

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Changes in Net Assets

Year Ended December 31, 2023

	Without Donor Restriction			With Donor Restriction	Total
	Controlling	Noncontrolling	Total		
Net assets, December 31, 2022	\$ 29,698,933	\$ 7,162,314	\$ 36,861,247	\$ 369,792	\$ 37,231,039
Contributions	-	1,790,570	1,790,570	-	1,790,570
Distributions	-	(2,304,705)	(2,304,705)	-	(2,304,705)
(Deficiency) excess of revenue over expenses	(3,988,916)	293,115	(3,695,801)	10,933,354	7,237,553
Net assets, December 31, 2023	\$ 25,710,017	\$ 6,941,294	\$ 32,651,311	\$ 11,303,146	\$ 43,954,457

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Cash Flows

Year Ended December 31, 2023

Cash Flows from Operating Activities	
Excess of revenue over expenses	\$ 7,237,553
Adjustments to reconcile change in net assets to net cash flows used in operating activities	
Depreciation	1,963,334
Amortization of deferred financing costs	43,005
Amortization of tax credit monitoring fees	6,667
Partnership loss	968
Net loss on sale of property and equipment	98,567
Donated property and equipment	(9,200,000)
Noncash operating leases	7,083
Changes in assets and liabilities	
Grant receivable	(1,466,992)
Promises to give	901
Accounts receivable	4,248
Due from affiliates	7,749
Prepaid expenses	23,072
Accrued interest receivable	29,441
Deferred development fees	(3,085,098)
Deposits	2,275
Accounts payable and accrued expenses	(41,879)
Tenant security deposits	23,282
Due to affiliates	62,340
Rents received in advance	113,224
Accrued interest payable	140,071
Deferred revenue	(125,829)
Other liabilities	(8,083)
Net cash flows used in operating activities	(4,164,101)
Cash Flows from Investing Activities	
Purchases of property and equipment	(3,460,848)
Proceeds from the sale of property and equipment	10,775,258
Issuance of notes receivable	(2,542,872)
Investments in limited partnerships	(100)
Other investments	(1,800)
Net cash flows provided by investing activities	4,769,638
Cash Flows from Financing Activities	
Deferred financing costs paid	(22,700)
Proceeds from notes payable	4,553,989
Principal payments on notes payable	(9,450,531)
Advances on line of credit	1,500,000
Principal payments on line of credit	(1,424,314)
Contributions from noncontrolling interests	1,790,570
Distributions to noncontrolling interests	(2,304,705)
Net cash flows used in financing activities	(5,357,691)
Net Change in Cash and Cash Equivalents and Restricted Cash	(4,752,154)
Cash and Cash Equivalents and Restricted Cash, beginning of year	11,133,595
Cash and Cash Equivalents and Restricted Cash, end of year	\$ 6,381,441

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Cash Flows - Continued

Year Ended December 31, 2023

Cash and Cash Equivalents and Restricted Cash as of End of Year:

Cash and cash equivalents	\$	2,777,005
Tenant security deposits		211,355
Replacement reserves		29,564
Project escrows		19,155
Debt service reserves		2,420,352
Other reserves		924,010

Cash and cash equivalents and restricted cash	\$	6,381,441
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Supplemental Disclosure of Cash Flow Information:

Cash paid for taxes	\$	8,462
Cash paid for interest	\$	3,759,026

Supplemental Disclosure of Noncash Investing Activities:

Donated property and equipment	\$	9,200,000
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See accompanying notes.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 1 - ORGANIZATION

Jubilee Housing, Inc. ("JHI") was incorporated on October 25, 1973 in the District of Columbia. JHI's mission is to build diverse, compassionate communities that create opportunities for everyone to thrive and envisions a city and a world where access to basic resources and opportunities are available to all people and where people live out these opportunities in the context of supportive community. JHI pursues its mission by developing and operating affordable housing communities and by providing a variety of programs and services for residents. JHI is supported principally by earned income from real estate development and management, as well as contributions from foundation and governmental grants, corporations and individuals.

JHI provides affordable housing through various financing programs and structures and is expanding its affordable housing portfolio to meet more of the need for affordable housing in the District of Columbia. It will engage in a variety of financing and rehabilitation activities for the new projects and acts as "developer" in partnership with other professional partners. In addition to these activities, JHI will continue to serve as managing agent and provider of social services for the resident community and is actively increasing the breadth and depth of programs and services that it offers the community in commitment to the housing programs.

As of December 31, 2023, JHI owns 100 percent of the following limited liability companies and limited partnerships:

- Jubilee Kalorama LLC ("Kalorama")
- Jubilee Euclid LLC ("Euclid")
- Jubilee Ontario II LLC ("Ontario II")
- Jubilee KEB LLC ("KEB")
- Jubilee Richman Towers, LLC ("Richman Towers")
- Jubilee Sarbin Towers, LLC ("Sarbin Towers")
- Jubilee Park Marconi, LLC ("Park Marconi")
- Jubilee Housing Limited Partnership ("JHLP")
- Jubilee Housing Limited Partnership II ("JHLP II")

Kalorama and Euclid sold their real estate holdings in 2022 and Ontario II sold its real estate holdings in 2023. KEB owns land for development located in the District of Columbia. The remaining limited liability companies and limited partnerships above own multifamily low-income rental housing projects located in the District of Columbia.

JHI also owns 100 percent of Justice Housing CMF SPE, LLC ("JH CMF"), a 0.01 percent general partner interest in Justice Housing Partners, LP ("Justice Housing") and Justice Housing Partners 2.0, LP ("Justice Housing 2.0"), a 50 percent membership interest in Jubilee Manna CDE LLC ("JM CDE"), and a 75 percent membership interest in Jubilee OP GP LLC ("JOPGP").

JH CMF was formed to serve as an Affordable Housing Fund to assist JHI with the purchase and redevelopment of affordable housing under the terms of the Capital Magnet Fund Assistance Agreement. Justice Housing and Justice Housing 2.0 were formed to lend money on a non-recourse basis to special purpose vehicles owned by JHI that will acquire and renovate/refurbish quality-family residential buildings located in select neighborhoods of the District of Columbia.

JM CDE was formed to qualify as a Community Development Entity and to engage in such activities which qualify for New Markets Tax Credit ("NMTC") allocation pursuant to Section 45D of the Internal Revenue Code. JM CDE has been certified by the U.S. Treasury's Community Development Financial Institutions Fund ("CDFI Fund") as a Community Development Entity. JM CDE's primary mission is to invest in Subsidiary Allocatees that provide loans or equity investments to qualified businesses in low-income communities. As of December 31, 2023, JM CDE was awarded a NMTC allocation of \$40,000,000 and has sub-allocated \$40,000,000 to Subsidiary Allocatees.

JM CDE is required to comply with various rules and regulations of the CDFI Fund and Section 45D of the Internal Revenue Code. Failure to comply with these or other requirements could result in the recapture of NMTCs already taken by Subsidiary Allocatees members and the loss of future NMTCs by those members. The liability of the members of JM CDE is limited to the members' total capital contributions.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 1 - ORGANIZATION - CONTINUED

JOPGP was formed to acquire a 0.01 percent general partnership interest in Jubilee Ontario Place LP ("JOPLP"). JOPLP was formed in 2023 to acquire land and an apartment complex located in the District of Columbia and to develop, operate, and sell the apartment complex.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying consolidated financial statements have been prepared on an accrual basis in accordance with the accounting principles generally accepted in the United States of America ("U.S. GAAP").

Net assets and changes in net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets are classified as either net assets without donor restriction or net assets with donor restriction. Net assets without donor restriction represent net assets which are not subject to donor-imposed stipulations and are fully available to be utilized in any of JHI's programs or supporting services. Net assets without donor restrictions include amounts designated for purposes by the JHI's Board of Directors. Net assets with donor restriction represent net assets which are subject to donor-imposed stipulations whose use is restricted by time and/or purpose.

Principles of Consolidation - The financial statements include the assets, liabilities, net assets, and financial activities of JHI, Kalorama, Euclid, Ontario II, KEB, Richman Towers, Sarbin Towers, Park Marconi, JHLP, JHLP II, JH CMF, Justice Housing, Justice Housing 2.0, JM CDE, and JOPGP (collectively, the "Organization"). All significant inter-organization balances and transactions have been eliminated in consolidation.

JHI consolidates limited partnerships or similar entities over which it has a controlling financial interest. U.S. GAAP requires consolidation of limited partnerships or similar entities by the general partner of that entity under the presumption that the general partner controls the limited partnership entity. The presumption of control by a general partner can be overcome if the limited partners are able to exercise substantive kick-out or participating rights. JHI does not consolidate limited partnerships or similar entities in which it owns a general partnership interest and the presumption of control by the general partner is able to be overcome. JHI reassesses whether it holds a controlling financial interest in limited partnerships or similar entities on an annual basis.

JHI consolidates corporations or functionally-equivalent limited liability entities which it has a controlling financial interest. U.S. GAAP requires consolidation of corporations or functionally-equivalent limited liability entities when an entity owns a majority voting interest in the corporation or functionally-equivalent limited liability company.

Recent Accounting Pronouncements Adopted - The Organization adopted Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* on January 1, 2023, which provides financial statement users with improved information about expected credit losses on financial assets, as well as improves users' ability to understand the realizability of assets held at each reporting period. The adoption of the new standard did not have a material impact on the Organization's consolidated financial statements.

Property and Equipment - Property and equipment are capitalized at cost and are depreciated using the straight-line method over their estimated useful lives. The following are the estimated useful lives used for depreciation purposes:

Assets	Estimated Useful Life
Buildings and improvements	5 - 40 years
Furniture and equipment	5 -10 years
Vehicles	5 years

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Expenditures for ordinary maintenance and repairs are expensed to operations as they are incurred. Significant renovations and betterments that improve or extend the useful life of the asset are capitalized. Construction in progress represents direct costs related to ongoing capital projects which are capitalized and upon completion are depreciated over their estimated useful lives.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donation asset to a specific purpose.

Impairment - The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment exists when the carrying amount of an asset exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. An impairment loss is recognized if the carrying amount of the asset is not recoverable and is measured based on the excess of the asset's carrying amount over its estimated fair value.

Cash and Cash Equivalents - For purposes of the statements of financial position and cash flows, the Organization considers all unrestricted highly liquid investments, with an initial maturity of three months or less, to be cash. The Organization maintains cash in certain bank deposit accounts, which at times may exceed federally insured limits. Non-interest bearing accounts are aggregated with any interest bearing deposits held at an insured institution and the combined total is guaranteed by the Federal Deposit Insurance Company up to \$250,000. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Restricted Cash - Restricted cash consists primarily of security deposits held on behalf of tenants and cash escrowed under loan agreements for debt service, real estate taxes, property insurance and capital improvements.

Notes Receivable - Notes receivable are measured at amortized cost basis and presented at the amount expected to be collected, net of deferred origination fees and unearned discounts, as applicable. The Organization records an allowance for credit losses based on losses expected to arise over the contractual term of the financial asset. Assets are written off when the Organization deems the note receivable to be uncollectable. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, which do not exceed the aggregate of previous write-offs, are included in determining the allowance account. As of December 31, 2023, management believes that the Organization's notes receivable are fully collectable and accordingly, no allowance for credit losses was deemed necessary.

In developing estimates for expected credit losses, management considers historical loss information updated for current conditions and reasonable and supportable forecasts that affect expected collectability using a loss-rate approach. Although management uses available information to recognize losses on loans, because of uncertainties associated with local economic conditions, collateral values, and future cash flows on impaired loans, it is reasonably possible that a material change could occur in the allowance for credit losses in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

Loans that are 90 days or more past due, based on the contractual terms are classified on nonaccrual status. Uncollectable interest previously accrued is charged off, or an allowance is established by a charge to interest income. Interest income on nonaccrual loans is recognized only to the extent cash payments are received and the principal balance is believed to be collectable. A loan previously classified on nonaccrual status will resume accruing interest based on the contractual terms of the loan when payments on the loan become current. There were no loans on nonaccrual status at December 31, 2023.

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

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Deficit Investments in Limited Partnerships - The Organization uses the equity method of accounting for investments in limited partnerships, when the Organization has significant influence, but does not have a controlling financial interest. Under the equity method, the Organization's investments are recorded as investments in limited partnerships on the consolidated statement of financial position and their proportionate share of earnings or losses earned by the limited partnerships in partnership income (loss) in the accompanying consolidated statement of activities. The equity method is no longer applied if an investment is reduced to zero unless the Organization has guaranteed obligations of the investee.

Other Investments - JM CDE owns a 0.01 percent interest in Jubilee Manna Sub-CDE I-V, LLC. The Organization has elected the measurement alternative whereby equity investments without readily determinable fair value that do not qualify for consolidation or equity method accounting are measured at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. The Organization periodically evaluates its other investments for impairment and records a write down if it is determined that any impairment in value exists. As of December 31, 2023, other investments totaled \$3,400. There were no impairment losses recognized for the year ended December 31, 2023. The Organization's maximum exposure to loss related to these investments is limited to the current investment balance.

Intangible Assets - Tax credit monitoring fees are being amortized over the 15-year compliance period using the straight-line method. As of December 31, 2023, accumulated amortization was \$93,336. Amortization expense for the year ended December 31, 2023 was \$6,667. Estimated tax credit monitoring fees for the year ending December 31, 2024 is \$6,664.

Asset Acquisitions - The Organization accounts for asset acquisitions at cost, including transaction costs, and estimates the fair values of acquired tangible and intangible assets based on an evaluation of information and estimates available at the date of acquisition. Based on these estimates, the Organization allocates the purchase price, including all transaction costs related to the acquisition, to the identified assets acquired based on their relative fair value.

Promises to Give - Unconditional promises to give are recognized as revenues in the period received, and as assets, or decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Promises to give are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of the promises. As of December 31, 2023, no allowance has been recorded.

Revenue Recognition - Revenue is recognized when earned. Unconditional contributions received are recorded as with or without donor restriction support depending on the existence and or nature of any donor restrictions. Conditional contributions, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction. Contributions with donor-stipulated purposes that are met in the same year as received are reported within net assets without donor restrictions.

The Organization has various grants and contracts from federal and local governments and private foundations. For grants and cost reimbursable type contracts, revenue is recognized based on expenses incurred. Grants receivable at year end represent uncollected revenue based on amounts earned.

The Organization's performance obligations associated with development services are satisfied over time. The Organization recognizes development fee income under the output method evenly over time from development commencement, which is when a project is assured of being constructed, as evidenced by the admission of an equity partner, through the substantial completion date due to the stand-ready nature of the agreements. Significant judgments impacting the amount and timing of income recognized from the Organization's development agreements include estimates of total development project costs and estimates of the period of time until substantial completion of the development project, the period of time over which the development services are required to be performed.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The Organization estimates whether it will be entitled to variable consideration under the terms of the development agreement and includes its estimate of variable consideration in the total development fee amount when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur in accordance with the accounting guidance in ASC Topic 606, *Revenue from Contracts with Customers*, on constraining estimates of variable consideration.

The cumulative amount of development fees earned over the development agreement is updated at each reporting period based on the Organization's estimate of the variable consideration using available information at the reporting date.

Leases with tenants are accounted for as operating leases. Rental income includes base rent each tenant pays in accordance with the terms of their respective lease and is reported on a straight-line basis over the non-cancellable term of the lease. Rental income also includes tenant reimbursement revenue from the recovery of certain operating expenses. Tenant reimbursements, which vary each period, are non-lease components that are not the predominant activity within the contract. The Organization accounts for lease and non-lease components as combined components. Non-lease components are recognized together with fixed base rent in rental income, as variable lease income in the same periods as the related expenses are incurred. Rental income also includes fees for late payments and laundry facilities, and are recognized when earned.

The Organization periodically evaluates the collectability of amounts due from tenants and recognizes an adjustment to rental revenue if it is not probable the Organization will collect the lease payments under the lease agreements. Any changes to the provision for lease revenue determined to be not probable of collection are included in rental income in the consolidated statement of activities. The Organization exercises judgment in assessing the probability of collection and considers payment history and current credit status in making this determination.

Payroll reimbursement and management fee income are recognized as the related services are performed.

In-Kind Contributions - The value of non-cash contributed services are recorded as unrestricted in-kind contributions at their estimated fair value at the date of donation and are expensed when the services are rendered. During the year ended December 31, 2023, the Organization received non-cash donations consisting of legal and professional services totaling \$33,377. The estimated fair value of these services is provided by the service provider, who estimates the fair value based on the date, time, and market in which each service is rendered.

Contributed long-term assets are recorded at their fair value at the date of the gift. Gifts of long-lived assets are recorded as restricted support. This restriction is released when the asset is placed in service. During the year ended December 31, 2023, the Organization received a non-cash donation consisting of a vacant building on a .37-acre land parcel located in the District of Columbia, with a fair value of \$9,200,000. The estimated fair value of the asset was determined by a third-party real estate appraisal, which utilized the sales comparison approach to value the property.

Leases - As lessee, the Organization recognizes right-of-use assets and liabilities for leases with terms greater than 12 months. Long-term leases (leases with terms greater than 12 months) are recorded as liabilities at the present value of the minimum lease payments not yet paid. The Organization elected to apply a practical expedient that allows the Organization to make an accounting policy election to use a risk-free rate as the discount rate for certain classes of underlying assets. The Organization applies this election to all of its operating leases. The Organization has elected not to apply the recognition requirements to short-term leases (those with terms of 12 months or less). Instead, for these types of leases, the Organization recognizes lease expense in the consolidated statement of activities on a straight-line basis over the lease term.

Expense Allocation - The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, professional fees, office expenses, occupancy, information technology, and travel which are allocated on the basis of estimates of time and effort.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Income Taxes - JHI is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, JHI has been classified as an organization other than a private foundation under Section 509(a)(1). Income that is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. JHI did not have any unrelated business income for the year ended December 31, 2023. Income tax returns filed by JHI are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2020 remain open.

JHI's wholly owned subsidiaries are treated as disregarded entities for income tax purposes and, as such, are not subject to income taxes. Rather all items of taxable income and deductions are passed through to and are reported by JHI on its income tax returns.

All other affiliated entities have elected to be treated as pass through entities for income tax purposes and, as such, are not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by the owners on their respective tax returns. These affiliated entities are required to file and do file tax returns with the Internal Revenue Service and other taxing authorities. The affiliated entities are located in the District of Columbia and the District of Columbia does not recognize flow through entities, and therefore, income in the District of Columbia is subject to tax. Accordingly, these consolidated financial statements include a provision for District of Columbia income taxes in the amount of \$8,462 for the year ended December 31, 2023. Income tax returns filed by these entities are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2020 remain open.

Advertising - Advertising costs are charged to operations when incurred. For the year ended December 31, 2023, advertising and marketing costs totaled \$143,766.

Use of Estimates - The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Subsequent Events - In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 1, 2024, the date the accompanying consolidated financial statements were available to be issued.

NOTE 3 - ACQUISITIONS AND DISPOSALS

On September 20, 2023, Ontario II sold its real estate located in the District of Columbia for a gross sales price of \$10,775,258 to Jubilee Ontario Place LP ("Ontario Place"), which was formed in 2023. JOPGP is the general partner Ontario Place and owns 0.01 percent of the entity. JHI owns 75 percent of JOPGP. The Organization recognized a loss of \$125,299 upon the sale of the real estate.

NOTE 4 - NOTES RECEIVABLE

JM CDE had a loan agreement with Twain Investment Fund 180, LLC ("Twain 180"), a member of Jubilee Manna Sub-CDE II, LLC, that covered two promissory notes with a principal balance of \$2,969,419 and \$1,715,081, respectively. On October 18, 2023, JM CDE purchased Twain 180 and the two promissory notes were cancelled. The \$2,969,419 note bore interest at 4.97 percent per annum and required monthly interest only payments through maturity. The \$1,715,081 note bore interest at 4.97 percent per annum and required monthly interest only payments through June 20, 2024 and monthly payments of principal and interest due thereafter.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 4 - NOTES RECEIVABLE - CONTINUED

JM CDE entered into two promissory notes with Jubilee Maycroft Apartments LP ("Maycroft Apartments"). JHI owns a 0.01 percent general partner interest in Maycroft Apartments. Pursuant to the promissory notes, the loans mature on the earlier of the date of the sale of the project or any portion thereof, refinancing of any debt by Maycroft Apartments for which the project is security pursuant to a deed of trust lien, or July 1, 2057 (the "Maturity Date"). The loans bear interest at 4.75 percent per annum. Interest payments are due not later than 120 days following the end of each calendar year, beginning in 2019 based upon cash flow as defined in the agreement. Any unpaid interest for the year will be added to the principal balance each January 1st. At maturity, the entire outstanding principal balance plus all accrued but unpaid interest becomes due and payable in full. The loans are secured by a deed of trust. As of December 31, 2023, the total principal outstanding was \$945,443 and accrued interest receivable was \$44,909.

On November 1, 2022, JHI entered into three promissory notes with Jubilee EucKal Apartments LP ("EucKal Apartments"). JHI owns a 0.01 percent general partner interest in EucKal Apartments. The first note provides for advances up to \$3,320,000 and bears interest at 7.5 percent per annum. As of December 31, 2023, \$2,723,112 was outstanding on the note. The second note provides for advances up to \$1,500,000 and bears interest at 5.0 percent per annum. As of December 31, 2023, \$199,000 was outstanding on the note. The third note provides for non-interest bearing advances up to \$4,107,341. As of December 31, 2023, \$821,469 was outstanding on the note. Interest payments are due not later than 120 days following the end of each calendar year, beginning in 2025 based upon cash flow as defined in the agreement. Any unpaid interest for the year will be added to the principal balance each January 1st. At maturity, the entire outstanding principal balance plus all accrued but unpaid interest becomes due and payable in full. The loans are secured by a deed of trust and mature on December 1, 2063. As of December 31, 2023, accrued interest receivable on the notes totaled \$40,324.

In connection with the sale of Kalorama and Euclid's property in 2022 to EucKal Apartments, Kalorama and Euclid each entered into a promissory note with EucKal Apartments with a principal balance of \$1,675,000 for a portion of the purchase price. The loans bear interest at 6.00 percent per annum. Interest payments are due not later than 120 days following the end of each calendar year, beginning in 2025 based upon cash flow as defined in the agreement. Any unpaid interest for the year will be added to the principal balance each January 1st. At maturity, the entire outstanding principal balance plus all accrued but unpaid interest becomes due and payable in full. The loans are secured by a deed of trust. As of December 31, 2023, the total principal outstanding was \$3,350,000 and accrued interest receivable was \$33,041.

In connection with the sale of Ontario II's real estate described in Note 3, JHI executed two promissory notes due from Ontario Place. One note provides for advances up to \$1,500,000. The note bears interest at 4.03 percent. Accrued but unpaid interest shall compound and be added to the principal annually, each November 1, until all principal and accrued interest shall be paid in full. Not later than 120 days following the end of each calendar year, beginning in 2026, Ontario Place shall pay to JHI an amount equal to available Net Cash Flow, as defined in the Ontario Place partnership agreement. The entire unpaid balance of principal and accrued interest shall be due and payable on the earlier of the date on which there is a sale or other transfer of the project or December 1, 2058. As of December 31, 2023, the principal outstanding on the note was \$500,000.

The second note provides for advances up to \$3,960,101. The note bears interest at 6.50 percent and requires monthly interest only payments until the month following the date on which the project achieves Stabilized Operations as defined in the Ontario Place partnership agreement. Thereafter, interest shall accrue, but not be payable, at 4.03 percent per annum. Accrued interest compounds and is added to the principal annually, each November 1, until all principal and accrued interest shall be paid in full. Not later than 120 days following the end of each calendar year, beginning in 2026, Ontario Place shall pay to JHI an amount equal to available Net Cash Flow, as defined in the Ontario Place partnership agreement. The entire unpaid balance of principal and accrued interest shall be due and payable on the earlier of the date on which there is a sale or other transfer of the project or December 1, 2058. As of December 31, 2023, the principal outstanding on the note was \$2,000,000.

Interest income earned on notes receivable for the year ended December 31, 2023 totaled \$655,992.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 5 - DEFICIT INVESTMENTS IN LIMITED PARTNERSHIPS

As of December 31, 2023, the Organization has equity investments in the following entities:

Investment	Type of Interest	Ownership
Jubilee Maycroft Apartments LP	General Partner	0.01%
Jubilee EucKal Apartments LP	General Partner	0.01%
Jubilee Ontario Apartments LP	General Partner	0.01%
Jubilee Ontario Place LP	General Partner	0.01%

Condensed financial information for the limited partnerships is as follows:

As of December 31, 2023:

Assets	\$ 148,068,914
Liabilities	(139,993,115)
Partners' capital	\$ 8,075,799

For the year ended December 31, 2023:

Revenues	\$ 1,325,616
Operating loss	(2,416,839)
Net loss	(2,488,728)

As of December 31, 2023, the aggregate carrying amount of the Organization's investments in limited partnerships was a deficit of \$768. For the year ended December 31, 2023, the Organization's share of partnership losses was \$968.

NOTE 6 - FAIR VALUE MEASUREMENTS

U.S. GAAP has established a framework for measuring fair value and requires certain disclosures for all financial and non-financial instruments required to be recorded in the consolidated statement of financial position or disclosed in the footnotes to the consolidated financial statements. Broadly, U.S. GAAP requires fair value to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. U.S. GAAP generally requires the use of one or more valuation techniques that include the market, income, or cost approaches.

U.S. GAAP also establishes market or observable inputs as the preferred source of values when using such valuation techniques, followed by assumptions based on hypothetical transactions in the absence of market inputs.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 6 - FAIR VALUE MEASUREMENTS - CONTINUED

The valuation techniques required by U.S. GAAP are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. U.S. GAAP classifies inputs using the following hierarchy:

Level 1 - Quoted prices for identical instruments in active markets.

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 - Significant inputs to the valuation model are unobservable.

Due to the uncertainty inherent in the valuation process, such estimates of fair value may differ significantly from the values that would have been used had a ready market for the asset or liability existed, and the differences could be material. Additionally, changes in the market environment and other events that may occur over the life of these assets and liabilities may cause the gains or losses, if any, ultimately realized, to be different than the valuations currently assigned.

NOTE 7 - PROMISES TO GIVE

As of December 31, 2023, unconditional promises to give are as follows:

Receivable in less than one year	\$	26,030
Receivable in one to five years		43,777
Receivable in six to nine years		39,691
Total unconditional promises to give		109,498
Discounts to present value		(6,857)
Net unconditional promises to give		\$ 102,641

Amounts presented above have been discounted to present value using a discount rate of 2.40 percent.

NOTE 8 - LINE OF CREDIT

The Organization has a \$1,250,000 line of credit available. Advances on the line of credit bear interest at the greater of 3.5 percent per annum or the Wall Street Journal Prime Rate plus .25 percent per annum. The line of credit expires on March 31, 2024. The outstanding balance of the line of credit as of December 31, 2023 was \$928,162. Interest expense incurred on the line of credit totaled \$52,306 for the year ended December 31, 2023. The loan agreement requires the Organization to maintain a minimum Unencumbered Liquidity, as defined in the loan agreement, of \$1,000,000 and a minimum Tangible Net Worth, as defined in the loan agreement. The line of credit was amended and restated in 2024. See Note 18.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 9 - NOTES PAYABLE

As of December 31, 2023, notes payable consist of the following:

Borrower	Lender	Description	Property Address	Balance
JHI	Various	Notes payable, bear interest between 0% and 6%, due on demand and are unsecured.	N/A	\$ 1,318,203
JHI	DHCD	Mortgage payable dated September 27, 2012, bears interest at 1%, deferred until September 27, 2014, repayable from 25% available cash flow and matures on September 27, 2036. Secured by the property.	2720 Ontario Road, NW and 2448 18th Street, NW, Washington, DC	336,012
JHI	Individual	Mortgage payable dated August 6, 2010, bears interest at 5.5%, and payable on three payments of \$14,446 each on November 6, 2010, February 6, 2011 and May 6, 2011 and beginning on June 6, 2011, monthly payments of \$4,840 thereafter. Matures on August 6, 2030. Secured by the property.	2720 Ontario Road, NW, Washington, DC	319,313
JHI	DHCD	Mortgage payable dated December 13, 2012, bears interest at 1%, deferred until December 13, 2014 and payable annually beginning December 13, 2015 from 50% of available cash flow. Matures December 13, 2054. Secured by the property.	2448 18th Street, NW and 2720 Ontario Road, NW, Washington, DC	2,922,451
JHI	DHCD	Mortgage payable dated May 26, 2023, bears interest at 0% and payable upon maturity. Matures September 20, 2025. The maturity date may be extended up to two years in one-year increments if certain conditions are met. Secured by the property.	2400 Ontario Road, NW, Washington, DC	352,533
JHI	DHCD	Mortgage payable dated March 29, 2023, bears interest at 0% and payable upon maturity. Matures March 29, 2025. The maturity date may be extended up to two years in one-year increments if certain conditions are met. Secured by the property.	1721-1725 Kalorama Road, NW, Washington, DC	191,085
JHI	United Bank	Mortgage payable dated December 13, 2012, bears interest at 6.5% through March 13, 2018 and the greater of 2.75% above the Treasury Rate and 6.5% thereafter. Requires monthly principal and interest payments sufficient to repay the loan over 17 years of the 25 year amortization period that began on December 12, 2012. The loan matures on March 1, 2033. Secured by the property.	2448 18th Street, NW and 2720 Ontario Road, NW, Washington, DC	490,369
JHI	Jubilee Manna Sub-CDE II, LLC	Related party mortgage payable dated June 15, 2017, bears interest at 4.50%, requires monthly interest only payments through June 15, 2024 and monthly payments of principal and interest thereafter. Matures on June 15, 2047. Secured by the property. (1)	1474 Columbia Road, NW, Washington, DC	2,105,500

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 9 - NOTES PAYABLE - CONTINUED

Borrower	Lender	Description	Property Address	Balance
KEB	United Bank	Mortgage payable dated December 6, 2019, bears interest at 4.36%, and requires monthly interest only payments. Matures on March 5, 2024. Secured by the property. (2)	1721-1725 Kalorama Road, NW, Washington, DC	1,526,000
JHI	GWCF	Unsecured recoverable grant dated July 31, 2019, bears no interest and matures on July 31, 2024. (3)	N/A	500,000
KEB	Local Initiative Support Corporation	Mortgage payable dated December 6, 2019, bears interest at 8.0%, and requires monthly interest only payments. Matures on March 5, 2024. Secured by the property. (4)	1721-1725 Kalorama Road, NW, Washington, DC	1,090,000
JHI	SBA	US Small Business Admin loan dated June 14, 2020, has a term of 30 years at the rate of 2.75%. The note calls for monthly payments beginning on June 14, 2022. Each payment will be applied to accrued interest first and the balance, if any, will be applied to principal. Matures on June 14, 2050. The note is secured by all tangible and intangible property.	N/A	140,561
JHI	Enterprise Community Investment	Note payable, dated August 24, 2022, bears interest at 5.0%. Accrued interest and principal is due on maturity. Matures on April 24, 2024. (5)	N/A	750,000
JM CDE	United Bank	Note payable, dated June 15, 2017, bears interest at 5.17%, requires monthly principal and interest payments. Matures on June 15, 2024. Secured by personal property owned by CDE. (6)	N/A	3,006,062
JHLP	DHCD	Mortgage payable dated September 29, 2005, bears interest at 2.5%, requires monthly principal and interest payments of \$9,800 through August 2026 and monthly principal and interest payments of \$11,556 thereafter through maturity. Matures on September 30, 2045. Secured by the property.	1631 Euclid Street, 2418 17th Street, 1630 Fuller Street, 1650 Fuller Street, NW, Washington, DC	2,815,535
JHLP	DHCD	Mortgage payable dated September 29, 2005, bears interest at 1.0%, principal and interest payments are due beginning January 1, 2015 from available cash flow. Matures on December 31, 2046. Secured by the property.	1633 Euclid Street, 2418 17th Street, 1630 Fuller Street, 1650 Fuller Street, NW, Washington, DC	4,586,787
JHLP	DHCD	Mortgage payable dated October 24, 2008, bears interest at 2.0%, principal and interest payments are due beginning October 1, 2015 from available cash flow. Matures on September 29, 2046. Secured by the property.	1635 Euclid Street, 2418 17th Street, 1630 Fuller Street, 1650 Fuller Street, NW, Washington, DC	950,000

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 9 - NOTES PAYABLE - CONTINUED

Borrower	Lender	Description	Property Address	Balance
JHLP II	United Bank	Mortgage payable dated November 16, 2009, bears interest at 7.73% through November 1, 2026, adjusted each five-year period thereafter to the five-year equivalent of the fixed rate swap rate plus 2.75%. Monthly principal and interest payments of \$23,596 are required amortizing over 30 years. Lender has the option to require payment of outstanding principal and interest on or after November 1, 2026 through maturity on November 1, 2041. Secured by the property.	1740 Euclid Street, 2233 18th Street, NW, Washington, DC	2,764,879
JHLP II	DHCD	Mortgage payable dated October 24, 2008, bears interest at 1.5%, interest only monthly payments are required through December 31, 2025 from available cash flow, thereafter monthly principal and interest payments of \$5,000 from net operating income. Matures on September 30, 2052. Secured by the property.	1742 Euclid Street, 2233 18th Street, NW, Washington, DC	3,675,000
JHI	United Bank	Mortgage payable dated November 10, 2022, bears interest at 6.92%, interest only monthly payments are required through November 10, 2024. Monthly principal and interest payments are due thereafter through maturity. Matures on November 10, 2029. Secured by the property.	1724 Kalorama Road, NW, Washington, DC	2,920,435
JHI	Green Finance Authority	Note payable dated September 20, 2023, bears interest at 6.5%, interest only monthly payments are required through the Conversion Date, as defined in the loan agreement. Installments of principal payments are due as follows: \$400,000 two months after the Conversion Date, \$400,000 on April 1, 2027 and April 1, 2029, \$600,000 on April 1, 2030, and \$50,000 annually from April 1, 2031 to April 1, 2034. Payments of accrued interest are due on each of the principal installment dates. The balance of the principal and accrued interest is due on the maturity date. Matures on April 1, 2034. Secured by the property.	2400 Ontario Road, NW, Washington, DC	2,000,000
Richman Towers, Sarbin Towers, Park Marconi	United Bank	Mortgages payable dated October 7, 2022, bear interest at 6.92%, interest only monthly payments are required through maturity. Mature on October 7, 2025 and include a one year extension option. Secured by the properties. (7)	3055, 3132, and 3150 16th Street, NW, Washington, DC	21,034,000
Richman Towers, Sarbin Towers, Park Marconi	Amazon	Mortgage payable dated October 7, 2022, bears interest at 3.5%, interest only monthly payments are required through maturity. Matures on October 7, 2042. Secured by the properties. (8)	3055, 3132, and 3150 16th Street, NW, Washington, DC	15,000,000
				70,794,725
Unamortized deferred financing costs				(509,821)
Notes payable, net				\$ 70,284,904

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 9 - NOTES PAYABLE - CONTINUED

- (1) The note is expected to be forgiven and cancelled in 2024.
- (2) In 2024, the maturity date of the loan was extended to December 3, 2024.
- (3) In 2024, the maturity date of the loan was extended to August 30, 2027.
- (4) In 2024, the loan was amended to extend the maturity date to the earlier to occur of (i) the date of closing of any portion of the construction financing for the project, or (ii) December 3, 2024.
- (5) In 2024, the loan was amended to extend the maturity date to the earlier of (i) completion of 118 units rehabilitation, or (ii) April 1, 2025. The interest rate was increased to 6.5 percent beginning May 1, 2024.
- (6) In 2024, the loan was amended to extend the maturity date to September 15, 2024 and increase the interest rate to 7.9 percent. In addition, In 2024, the loan was repaid in full. See Note 18.
- (7) The loan agreements include financial covenant requirements, including maintaining a minimum tangible net worth of \$15,000,000 and a minimum liquidity of \$1,000,000. A prepayment fee applies if the loans are repaid prior to October 7, 2024. The loan agreements include certain reporting requirements, including submission of audited financial statements not later than 180 days after the end of each fiscal year. This covenant was waived by the lender for 2023.
- (8) The loan agreement includes financial covenant requirements, including the Loan-to-Value Ratio, as defined in the agreement, shall not exceed 110 percent, the Debt Service Coverage Ratio, as defined in the agreement, shall not be less than 1.05:1.00 after October 7, 2025, and the Organization's liquidity shall not be less than the borrower's Operating Expenses, as defined in the agreement, for the preceding fiscal quarter. The loan agreement includes certain reporting requirements, including submission of audited financial statements not later than 180 days after the end of each fiscal year. As of the report of these consolidated financial statements, the lender has not declared the loan in default.

The Organization incurred interest expense on notes payable of \$3,846,791 during the year ended December 31, 2023.

Future maturities of notes payable as of December 31, 2023 are as follows:

Year ending December 31, 2024	\$	4,206,493
2025		23,066,588
2026		1,187,268
2027		4,744,938
2028		894,061
Thereafter		36,695,377
	\$	70,794,725

NOTE 10 - LIQUIDITY AND AVAILABILITY

The following reflects the Organization's financial assets as of the date of the consolidated statement of financial position, reduced by amounts not available for general expenditure within one year of the date of the consolidated statement of financial position because of donor-imposed or board designated restrictions.

The Organization is supported, in part, by restricted contributions and grants. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 10 - LIQUIDITY AND AVAILABILITY - CONTINUED

The Organization's financial assets available within one year to meet cash needs for general expenditures through December 31, 2023 are as follows:

Financial assets	
Cash and cash equivalents	\$ 2,777,005
Restricted cash	3,604,436
Grants receivable	2,142,745
Promises to give	102,641
Accounts receivable	1,459,334
Notes receivable	10,539,024
Accrued interest receivable	154,894
Deferred development fees	6,539,145
Total financial assets	27,319,224
Less amounts not available within one year	
Restricted cash	(3,604,436)
Promises to give	(76,611)
Notes receivable	(10,539,024)
Accrued interest receivable	(154,894)
Deferred development fees	(3,268,184)
Net assets with donor restrictions	(2,103,146)
Board designated	(1,850,653)
Financial assets available to meet cash needs for general expenditures within one year	\$ 5,722,276

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of December 31, 2023:

Purpose-restricted	\$ 11,209,505
Time-restricted	93,641
Total	\$ 11,303,146

Purpose-restricted net assets includes donated property and equipment of \$9,200,000, which is subject to an Option Agreement with the Grantor, Truist Bank, that expires on October 3, 2043. In the event the property is redeveloped into a multi-story building with first floor or ground floor retail space, the Grantor has the option to rent retail space over a 99-year period with \$1 annual rent. In the event the property is redeveloped into condominiums, the Grantor has the option to acquire a unit between 1,500 square feet and 3,000 square feet for \$100 and the Organization is responsible for the costs associated with construction and installation of the shell improvements for the unit and the first floor and parking area common elements of the property. The terms of the sale or lease shall be adjusted to accommodate limitations required by the Organization's financing structure, if any.

The property's deed has restrictions that require the property to be primarily affordable housing with an allowance for ground floor retail space. The Organization is prohibited from selling the property prior to October 3, 2028.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS - CONTINUED

During the year ended December 31, 2023, net assets were released from restrictions as follows:

Purpose-restricted	\$	266,250
Time-restricted		9,901
Total	\$	276,151

NOTE 12 - RENTAL INCOME

The following is a summary of lease income related to lease payments along with the other rental income for the year ended December 31, 2023:

Fixed lease income	\$	4,667,313
Other rental income		44,546
Total rental income	\$	4,711,859

As of December 31, 2023, the undiscounted cash flows to be received from lease payments under commercial operating leases on an annual basis for the next four years and thereafter are as follows:

Year ending December 31, 2024	\$	199,659
2025		203,652
2026		207,725
2027		211,880
	\$	822,916

The accompanying consolidated statement of statement of activities includes expenses related to operating rental properties of \$7,219,336.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Grants

The Organization has received state and local grants that are subject to review, audit and adjustment by various agencies for qualifying expenses charged to the grants. Such audits could lead to requests for reimbursement of the agencies for any expenditures or claims disallowed under the terms of the agreements. The amount of expenditures which may be disallowed by the agencies cannot be determined at this time although the Organization expects such amounts, if any, to be insignificant.

Leases

The Organization leases office equipment under an operating lease. For the year ended December 31, 2023, the Organization incurred fixed operating lease costs of \$8,426.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 13 - COMMITMENTS AND CONTINGENCIES - CONTINUED

The following summarizes the line items in the consolidated statement of financial position for operating leases as of December 31, 2023:

Operating lease right-of-use assets (other assets)	\$	7,201
Operating lease liabilities, current (other current liabilities)		3,234
Operating lease liabilities, noncurrent (other liabilities)		3,967

Supplemental information related to the Organization's leases for the year ended December 31, 2023:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$	8,426
Right-of-use asset obtained in exchange for new operating lease liability	\$	9,822
Weighted-average remaining lease term - operating leases		2.2 years
Weighted-average discount rate - operating leases		4.61%

The remaining lease payments under operating leases as of December 31, 2023, were as follows:

Year ending December 31:		
2024	\$	3,504
2025		3,504
2026		584
Total		7,592
Less: interest		(391)
Present value of lease liabilities	\$	7,201

Management Fees

Pursuant to a management services agreement between JM CDE and EquityPlus Manager, LLC ("EquityPlus"), EquityPlus is entitled to receive a management fee in an amount equal to 1.5 percent of each qualified equity investment received by JM CDE or its subsidiaries. For the year ended December 31, 2023, \$150,000 was owed and paid to EquityPlus.

Pursuant to the first Amendment to Amended and Restated Fee Agreement between JM CDE and EquityPlus, beginning on July 15, 2018, JM CDE will pay EquityPlus \$1,667 per month for management services. For the year ended December 31, 2023, EquityPlus was owed and paid \$20,000.

Guarantees

In the event that Maycroft Apartments, Ontario Place, or EucKal Apartments require funds to cover any Operating Deficits, as defined in the limited partnership agreements, the Organization is required to make operating deficit loans to the limited partnership to cover the Operating Deficits up to \$484,260, \$557,992, and \$662,801, respectively. The loans shall be nonrecourse and shall bear no interest. The loans shall be repayable only in accordance with the distribution provisions of the limited partnership agreements.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 14 - RELATED PARTY TRANSACTIONS

Payroll Reimbursements

Payroll reimbursement income includes payroll expenses paid on behalf of unconsolidated limited partnerships in which the Organization owns an equity interest. For the year ended December 31, 2023, payroll reimbursements totaled \$254,347.

Deferred Development Fees

The Organization entered into a development agreement with Maycroft Apartments for services relating to the development of Maycroft Apartments' property. The total development fee is \$3,820,000 and is to be paid from capital contributions and any unpaid amounts are payable from net cash flow, as defined in the Maycroft Apartments partnership agreement. Commencing in the year Maycroft Apartments' property has been placed in service, the deferred portion of the developer fee will bear interest at the applicable federal rate, 2.91 percent, compounded annually. Any amount outstanding after the 15-year compliance period must be paid in full with a capital contribution from the Organization. As of December 31, 2023, the balance of the outstanding developer fee receivable was \$3,110,447 and accrued interest was \$27,886, which is included in accrued interest receivable in the accompanying consolidated statement of financial position. For the year ended December 31, 2023, interest income recognized was \$90,791.

The Organization entered into a development agreement with Jubilee Ontario Apartments LP ("Ontario Apartments") for services relating to the development of Ontario Apartments' property. The total development fee is \$732,571 and is to be paid from capital contributions and any unpaid amounts are payable from net cash flow, as defined in the Ontario Apartments partnership agreement. Commencing in the year Ontario Apartments' property has been placed in service, the deferred portion of the developer fee will bear interest at the applicable federal rate, 2.91 percent, compounded annually. Any amount outstanding after the 15-year compliance period must be paid in full with a capital contribution from the Organization. As of December 31, 2023, the balance of the outstanding developer fee receivable was \$297,737 and accrued interest was \$8,734, which is included in accrued interest receivable in the accompanying consolidated statement of financial position. For the year ended December 31, 2023, interest income recognized was \$6,560.

The Organization entered into a development agreement with EucKal Apartments for services relating to the development of EucKal Apartments' property. The total development fee is \$5,986,769 and is to be paid from capital contributions and any unpaid amounts are payable from net cash flow, as defined in the EucKal Apartments partnership agreement. Commencing in the year EucKal Apartments' property has been placed in service, the deferred portion of the developer fee will bear interest at the applicable federal rate, compounded annually. Any amount outstanding after the 15-year compliance period must be paid in full with a capital contribution from the Organization. During the year ended December 31, 2023, the Organization recognized development fee income of \$2,793,870. As of December 31, 2023, the balance of the outstanding developer fee receivable was \$2,793,870.

The Organization entered into a development agreement with Ontario Place for services relating to the development of Ontario Place's property. The total development fee is \$5,194,641 and is to be paid from capital contributions and any unpaid amounts are payable from net cash flow, as defined in the Ontario Place limited partnership agreement. Any unpaid portion of the deferred development fee shall be payable by the earlier of the 15th year following the date upon which the project is placed in service and the date of liquidation of Ontario Place. For the year ended December 31, 2023, development fee income recognized was \$742,092. As of December 31, 2023, the balance of the outstanding developer fee receivable was \$337,092.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 14 - RELATED PARTY TRANSACTIONS - CONTINUED

Management Fees

The Organization entered into an agreement with Maycroft Apartments in connection with the management of their rental operations. The property management fee is 5 percent of monthly rental receipts. For the year ended December 31, 2023, the Organization recognized property management fee income of \$59,441. As of December 31, 2023, property management fees receivable totaled \$6,428 and are included in accounts receivable in the accompanying consolidated statement of financial position.

The Organization entered into an agreement with Ontario Apartments in connection with the management of their rental operations. The property management fee is 6 percent of monthly rental receipts. For the year ended December 31, 2023, the Organization recognized property management fee income of \$27,593. As of December 31, 2023, property management fees receivable totaled \$15,633 and are included in accounts receivable in the accompanying consolidated statement of financial position.

JM CDE earns management fees from its subsidiaries in an amount equal to the management fee expense due to EquityPlus. In addition, JM CDE earns an annual asset management fee. For the year ended December 31, 2023, management fees earned from its subsidiaries totaled \$247,487.

Sub-Allocation Fees

JM CDE earns sub-allocation fees from its subsidiaries for undertaking, overseeing and coordinating the NMTC Sub-Allocation. These fees are recognized as revenue when earned pursuant to the fee agreements. For the year ended December 31, 2023, sub-allocation fees earned totaled \$300,000.

Due from/to Affiliates

From time to time, the Organization receives/advances funds from/to affiliated entities. The advances are short-term, non-interest bearing and payable upon demand. As of December 31, 2023, amounts due from affiliates related to advances totaled \$55,631 and are included in due from affiliates in the accompanying consolidated statement of financial position. As of December 31, 2023, amounts due to affiliates related to advances totaled \$62,340 and are included in due to affiliates in the accompanying consolidated statement of financial position.

As of December 31, 2023, Justice Housing and Justice Housing 2.0 collectively owe their limited partners \$129,271 of unpaid distributions, which are included in due to affiliates in the accompanying consolidated statement of financial position.

NOTE 15 - JHI RE-ENTRY

The Organization operates a supportive housing initiative that serves homeless men and women as they return to the community from time in jail. Residents reside in high-quality supportive housing with a blend of services to help them reach healthy independence. Residents pay 20 percent of their income for rent, with the remainder being funded by the Organization.

NOTE 16 - JUBILEE TO COLLEGE

In 2012, the Organization began a college scholarship program, raising funds through private contributions and making funds available to scholars from the Jubilee community as "last gap" funding to assist with the costs of college. The typical award amount is \$2,500 and is available annually for four years for eligible students.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2023

NOTE 17 - RETIREMENT PLAN

The Organization maintains a 403(b) retirement plan that allows employees to withhold up to the maximum amount allowable by the Internal Revenue Service. The plan calls for immediate vesting of the Organization's matching of the employee's contributions up to 4 percent. The plan also allows Roth contributions. The Organization's contribution to the plan for the year ended December 31, 2023 was \$89,693.

NOTE 18 - SUBSEQUENT EVENTS

In 2024, the line of credit described in Note 8 was amended and restated. Under the amended and restated agreement, the maximum principal amount available is the lesser of \$2,000,000 and the Borrowing Base, as defined in the loan agreement. Advances on the line of credit bear interest at the greater of 8.0 percent per annum or the Wall Street Journal Prime Rate plus .25 percent per annum. The line of credit expires on March 31, 2025. The loan agreement requires the Organization to maintain a minimum Unencumbered Liquidity, as defined in the loan agreement, of \$1,000,000 and a minimum Tangible Net Worth, as defined in the loan agreement.

On July 1, 2024, the Company entered into a loan agreement with the District of Columbia. The loan agreement provides for a loan by the District of Columbia to the Organization of the proceeds of the issuance of \$3,250,000 District of Columbia Revenue Bonds (Jubilee Housing, Inc. – The Maycroft Project) Series 2024 (the "Bonds"). The loan bears interest at the Bank Holder Rate, as defined in the loan agreement, and requires monthly interest only payments through July 29, 2026. Monthly payments of principal and interest are due thereafter through the maturity date. The loan matures on July 29, 2027. The entire unpaid principal and all accrued and unpaid interest is due on the maturity date. The loan is secured by the property located at 1474 Columbia Road, NW, Washington, DC. Proceeds from the loan were utilized to repay the note payable described in Note 9.

JUBILEE HOUSING, INC.

Supplementary Information Statement of Financial Position - Re-Entry

December 31, 2023

Assets		
Current Assets		
Cash	\$	1,913
Grant receivable		133,239
Total current assets		135,152
Property and Equipment		
Land		803,537
Buildings and improvements		4,206,415
Furniture, fixtures, and equipment		52,336
		5,062,288
Less: accumulated depreciation		(1,081,646)
Property and equipment, net		3,980,642
Other Assets		
Deferred development fees		324,039
Total Assets	\$	4,439,833
Liabilities and Net Assets		
Current Liabilities		
Notes payable	\$	59,499
Due to Jubilee Housing, Inc.		4,817,473
Total current liabilities		4,876,972
Long-Term Liabilities		
Notes payable		3,536,020
Deferred revenue		324,039
Total long-term liabilities		3,860,059
Total liabilities		8,737,031
Net Assets Without Donor Restrictions		(4,297,198)
Total Liabilities and Net Assets	\$	4,439,833

JUBILEE HOUSING, INC.

Supplementary Information Statement of Activities - Re-Entry

Year Ended December 31, 2023

Support and Revenue	
Contributions and grants	\$ 658,646
Expenses	
Program services	1,225,260
Interest expense	120,470
Total expenses	1,345,730
Change in Net Assets Before Depreciation	(687,084)
Depreciation	111,139
Change in Net Assets	(798,223)
Net Assets, beginning of year	(3,498,975)
Net Assets, end of year	\$ (4,297,198)

JUBILEE HOUSING, INC.

Supplementary Information Statement of Financial Position - Maycroft NMTC

December 31, 2023

Assets	
Current Assets	
Cash and cash equivalents	\$ 118,538
Prepaid expenses	2,785
Total current assets	121,323
Property and Equipment	
Land	300,759
Buildings and improvements	6,345,038
	6,645,797
Less: accumulated depreciation	(702,651)
Property and equipment, net	5,943,146
Total Assets	\$ 6,064,469
Liabilities and Net Assets	
Current Liabilities	
Accounts payable and accrued expenses	\$ 1,754
Due to Jubilee Housing, Inc.	18,851
Tenant security deposits	29,293
Total current liabilities	49,898
Long-Term Liabilities	
Notes payable	6,790,000
Total liabilities	6,839,898
Net Assets Without Donor Restrictions	(775,429)
Total Liabilities and Net Assets	\$ 6,064,469

JUBILEE HOUSING, INC.

Supplementary Information Statement of Activities - Maycroft NMTC

Year Ended December 31, 2023

Support and Revenue		
Rental income	\$	323,501
Interest income		571
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Total support and revenue		324,072
Expenses		
Program services		44,036
Interest expense		305,513
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Total expenses		349,549
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Change in Net Assets Before Depreciation		(25,477)
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Depreciation		539,098
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Change in Net Assets		(564,575)
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Net Assets, beginning of year		(210,854)
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Net Assets, end of year	\$	(775,429)
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JUBILEE HOUSING, INC.

Supplementary Information Statement of Financial Position - Scholarship

December 31, 2023

Assets		
Current Assets		
Cash	\$	245,260
Total Assets	\$	245,260
Liabilities and Net Assets		
Current Liabilities		
Due to Jubilee Housing, Inc.	\$	44,122
Total Liabilities		44,122
Net Assets Without Donor Restrictions		201,138
Total Liabilities and Net Assets	\$	245,260

JUBILEE HOUSING, INC.

Supplementary Information Statement of Activities - Scholarship

Year Ended December 31, 2023

Support and Revenue		
Contributions and grants	\$	142,500
Interest income		157
<hr/>		
Total support and revenue		142,657
Expenses		
Program services		52,692
<hr/>		
Change in Net Assets		89,965
<hr/>		
Net Assets, beginning of year		111,173
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Net Assets, end of year	\$	201,138
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JUBILEE HOUSING, INC.

Supplementary Information Consolidating Statement of Financial Position

December 31, 2023

	Jubilee Housing, Inc.	Jubilee Katorama LLC	Jubilee Euclid LLC	Jubilee KEB, LLC	Jubilee Ontario II, LLC	Justice Housing CMF SPE, LLC	Jubilee Housing Limited Partnership	Jubilee Housing Limited Partnership II	Jubilee Richman Towers, L.L.C.	Jubilee Sarbin Towers, LLC	Jubilee Park Marconi, LLC	Jubilee OP GP LLC	Eliminations	Subtotal	Justice Housing Partners, LP	Justice Housing Partners 2.0, LP	Jubilee Manna CDE, LLC	Eliminations	Total
Assets																			
Current Assets																			
Cash and cash equivalents	\$ 2,147,279	\$ -	\$ -	\$ -	\$ 281	\$ 24,208	\$ 30,094	\$ 14,928	\$ 124,686	\$ 121,458	\$ 95,043	\$ -	\$ -	\$ 2,557,977	\$ 90,891	\$ 49,731	\$ 78,406	\$ -	\$ 2,777,005
Grant receivable	2,142,745	-	-	-	-	-	-	-	-	-	-	-	-	2,142,745	-	-	-	-	2,142,745
Promises to give	26,030	-	-	-	-	-	-	-	-	-	-	-	-	26,030	-	-	-	-	26,030
Accounts receivable	1,526,019	-	-	-	-	-	357,141	259,020	146,343	309,486	83,919	-	(1,243,690)	1,438,238	21,019	77	-	-	1,459,334
Deferred development fees	3,270,961	-	-	-	-	-	-	-	-	-	-	-	-	3,270,961	-	-	-	-	3,270,961
Due from affiliate	286,860	-	50	56,383	-	-	-	166,617	29,788	294,521	23,621	-	(802,709)	55,131	43,978	-	500	(43,978)	55,631
Prepaid expenses	121,137	-	1,576	5,599	-	-	51,376	31,322	40,907	56,844	30,388	-	-	339,149	-	-	25,000	-	364,149
Total current assets	9,521,031	-	1,626	61,982	281	24,208	438,611	471,887	341,724	782,309	232,971	-	(2,046,399)	9,830,231	155,888	49,808	103,906	(43,978)	10,095,855
Property and Equipment																			
Land	10,304,296	-	-	622,034	-	-	1,504,853	3,023,967	1,379,540	3,463,260	2,448,680	-	(15,904)	22,730,726	-	-	-	-	22,730,726
Buildings and improvements	10,551,915	-	-	-	-	-	22,427,888	18,579,206	10,353,906	9,035,070	6,644,074	-	(13,354,536)	64,237,523	-	-	-	-	64,237,523
Furniture, equipment and vehicles	427,383	-	-	-	-	-	417,487	167,289	-	-	-	-	(521,142)	491,017	-	-	-	-	491,017
Construction in progress	-	-	-	3,080,948	-	-	1,229,803	-	1,455,654	1,190,337	1,143,897	-	-	8,100,639	-	-	-	-	8,100,639
	21,283,594	-	-	3,702,982	-	-	25,580,031	21,770,462	13,189,100	13,688,667	10,236,651	-	(13,891,582)	95,559,905	-	-	-	-	95,559,905
Less: accumulated depreciation	(2,089,258)	-	-	-	-	-	(9,204,272)	(6,290,693)	(299,712)	(257,491)	(188,090)	-	14,350,731	(3,978,785)	-	-	-	-	(3,978,785)
Property and equipment, net	19,194,336	-	-	3,702,982	-	-	16,375,759	15,479,769	12,889,388	13,431,176	10,048,561	-	459,149	91,581,120	-	-	-	-	91,581,120
Other Assets																			
Restricted cash	29,882	-	-	-	201,050	-	88,034	233,577	1,122,418	1,209,709	719,766	-	-	3,604,436	-	-	-	-	3,604,436
Promises to give	76,611	-	-	-	-	-	-	-	-	-	-	-	-	76,611	-	-	-	-	76,611
Notes receivable	18,061,064	1,675,000	1,675,000	-	-	868,781	-	-	-	-	-	-	(10,135,349)	12,144,496	476,643	7,409,376	5,630,943	(15,122,434)	10,539,024
Accrued interest receivable	5,833,025	16,521	16,521	-	-	17,535	-	-	-	-	-	-	(5,747,520)	136,082	-	12,246	44,909	(38,343)	154,894
Deferred development fees	3,268,184	-	-	-	-	-	-	-	-	-	-	-	-	3,268,184	-	-	-	-	3,268,184
Other investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,400	-	3,400
Tax credit monitoring fees, net	-	-	-	-	-	-	-	6,664	-	-	-	-	-	6,664	-	-	-	-	6,664
Deposits	-	-	-	-	-	-	12,896	7,639	12,436	7,645	5,761	-	-	46,377	-	-	-	-	46,377
Other assets	22,201	-	-	-	-	-	-	-	-	-	-	-	-	22,201	-	-	-	-	22,201
Total other assets	27,290,967	1,691,521	1,691,521	-	201,050	886,316	100,930	247,880	1,134,854	1,217,354	725,527	-	(15,882,869)	19,305,051	476,643	7,421,622	5,679,252	(15,160,777)	17,721,791
Total Assets	\$ 56,006,334	\$ 1,691,521	\$ 1,693,147	\$ 3,764,964	\$ 201,331	\$ 910,524	\$ 16,915,300	\$ 16,199,536	\$ 14,365,966	\$ 15,430,839	\$ 11,007,059	\$ -	\$ (17,470,119)	\$ 120,716,402	\$ 632,531	\$ 7,471,430	\$ 5,783,158	\$ (15,204,755)	\$ 119,398,766

JUBILEE HOUSING, INC.

Supplementary Information Consolidating Statement of Financial Position - Continued

December 31, 2023

	Jubilee Housing, Inc.	Jubilee Kalamazoo LLC	Jubilee Euclid LLC	Jubilee KEB, LLC	Jubilee Ontario II, LLC	Justice Housing CMF SPE, LLC	Jubilee Housing Limited Partnership	Jubilee Housing Limited Partnership II	Jubilee Richman Towers, L.L.C.	Jubilee Sarbin Towers, LLC	Jubilee Park Marconi, LLC	Jubilee OP GP LLC	Eliminations	Subtotal	Justice Housing Partners, LP	Justice Housing Partners 2.0, LP	Jubilee Manna CDE, LLC	Eliminations	Total
Liabilities and Net Assets																			
Current Liabilities																			
Notes payable	\$ 1,449,944	\$ -	\$ -	\$ 2,616,000	\$ -	\$ -	\$ 60,867	\$ 79,682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,206,493	\$ -	\$ -	\$ -	\$ -	\$ 4,206,493
Line of credit	928,162	-	-	-	-	-	-	-	-	-	-	-	-	928,162	-	-	-	-	928,162
Accounts payable and accrued expenses	844,750	-	-	18,645	209,037	-	1,408,689	83,068	39,076	56,029	66,419	-	(1,408,571)	1,317,142	61,355	10,086	-	-	1,388,583
Tenant security deposits	29,293	-	-	-	-	-	91,208	53,496	29,669	29,442	28,132	-	-	261,240	-	-	-	-	261,240
Due to affiliates	226,162	350	2,300	153,476	56,383	-	-	1,889	131,002	-	128,891	-	(637,828)	62,625	86,797	86,167	-	(43,978)	191,611
Rents received in advance	-	-	-	-	-	-	98,914	56,958	74,258	37,169	43,495	-	-	310,794	-	-	-	-	310,794
Accrued interest payable	-	-	-	-	-	-	4,786	36,046	-	-	-	-	-	40,832	-	-	-	-	40,832
Deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,262	-	-	11,262
Other current liabilities	3,234	-	-	-	-	-	-	-	-	-	-	-	-	3,234	-	-	-	-	3,234
Total current liabilities	3,481,545	350	2,300	2,788,121	265,420	-	1,664,464	311,139	274,005	122,640	266,937	-	(2,046,399)	7,130,522	148,152	107,515	-	(43,978)	7,342,211
Long-Term Liabilities																			
Notes payable, net of current portion	18,342,674	-	-	968,228	352,533	365,396	11,534,009	11,377,535	15,110,840	16,118,997	11,611,756	-	(10,135,349)	75,646,619	-	-	5,554,226	(15,122,434)	66,078,411
Accrued interest expense, net of current portion	307,273	-	-	17,536	-	-	4,029,875	3,412,619	6,296	-	5,118	-	(5,747,520)	2,031,197	-	-	26,098	(38,343)	2,018,952
Deficit investments in limited partnerships and limited liability companies	(2,548,623)	-	-	-	-	-	-	-	-	-	-	(100)	1,439,632	(1,109,091)	-	-	-	1,109,859	768
Other liabilities	3,967	-	-	-	-	-	-	-	-	-	-	-	-	3,967	-	-	-	-	3,967
Total long-term liabilities	16,105,291	-	-	985,764	352,533	365,396	15,563,884	14,790,154	15,117,136	16,118,997	11,616,874	(100)	(14,443,237)	76,572,692	-	-	5,580,324	(14,050,918)	68,102,098
Total liabilities	19,586,836	350	2,300	3,773,885	617,953	365,396	17,228,348	15,101,293	15,391,141	16,241,637	11,883,811	(100)	(16,489,636)	83,703,214	148,152	107,515	5,580,324	(14,094,896)	75,444,309
Net Assets																			
Without donor restrictions																			
Undesignated	23,265,699	1,691,171	1,690,847	(8,921)	(416,622)	545,128	(313,048)	1,098,243	(1,025,175)	(810,798)	(876,752)	75	(980,483)	23,859,364	484,379	7,363,915	202,834	(8,051,153)	23,859,339
Board designated Jubilee College	245,260	-	-	-	-	-	-	-	-	-	-	-	-	245,260	-	-	-	-	245,260
Board designated reserve	1,605,393	-	-	-	-	-	-	-	-	-	-	-	-	1,605,393	-	-	-	-	1,605,393
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	25	-	25	-	-	-	6,941,294	6,941,319
Total net assets without donor restrictions	25,116,352	1,691,171	1,690,847	(8,921)	(416,622)	545,128	(313,048)	1,098,243	(1,025,175)	(810,798)	(876,752)	100	(980,483)	25,710,042	484,379	7,363,915	202,834	(1,109,859)	32,651,311
With donor restrictions	11,303,146	-	-	-	-	-	-	-	-	-	-	-	-	11,303,146	-	-	-	-	11,303,146
Total net assets	36,419,498	1,691,171	1,690,847	(8,921)	(416,622)	545,128	(313,048)	1,098,243	(1,025,175)	(810,798)	(876,752)	100	(980,483)	37,013,188	484,379	7,363,915	202,834	(1,109,859)	43,954,457
Total Liabilities and Net Assets	\$ 56,006,334	\$ 1,691,521	\$ 1,693,147	\$ 3,764,964	\$ 201,331	\$ 910,524	\$ 16,915,300	\$ 16,199,536	\$ 14,365,966	\$ 15,430,839	\$ 11,007,059	\$ -	\$ (17,470,119)	\$ 120,716,402	\$ 632,531	\$ 7,471,430	\$ 5,783,158	\$ (15,204,755)	\$ 119,398,766

JUBILEE HOUSING, INC.

Supplementary Information Consolidating Statement of Activities

Year Ended December 31, 2023

	Jubilee Housing, Inc.	Jubilee Kalamazoo LLC	Jubilee Euclid LLC	Jubilee KEB, LLC	Jubilee Ontario II, LLC	Justice Housing CMF SPE, LLC	Jubilee Housing Limited Partnership	Jubilee Housing Limited Partnership II	Jubilee Richman Towers, L.L.C.	Jubilee Sarbin Towers, LLC	Jubilee Park Marconi, LLC	Jubilee OP GP LLC	Eliminations	Subtotal	Justice Housing Partners, LP	Justice Housing Partners 2.0, LP	Jubilee Manna CDE, LLC	Eliminations	Total
Support and Revenue																			
Contributions and grants	\$ 5,584,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,584,088	\$ -	\$ -	\$ -	\$ -	\$ 5,584,088
In-kind contributions	9,233,377	-	-	-	-	-	-	-	-	-	-	-	-	9,233,377	-	-	-	-	9,233,377
Partnership fee income	45,611	-	-	-	-	-	-	-	-	-	-	-	(45,611)	-	-	-	-	-	-
Developer fee income	3,535,961	-	-	-	-	-	-	-	-	-	-	-	-	3,535,961	-	-	-	-	3,535,961
Rental income	323,501	-	-	28,850	-	-	1,210,188	965,868	837,301	927,292	518,855	-	(99,996)	4,711,859	-	-	-	-	4,711,859
Payroll reimbursements	977,142	-	-	-	-	-	-	-	-	-	-	-	(722,795)	254,347	-	-	-	-	254,347
Management fee income	320,137	-	-	-	-	-	-	-	-	-	-	-	(233,102)	87,035	-	-	247,486	-	334,521
Sub-allocation fee income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	300,000
Interest income	744,993	-	71	-	-	26,108	7	2,492	25,509	27,147	5,606	-	(521,437)	310,496	41,617	151,060	293,253	(43,083)	753,343
Partnership income (loss)	(4,792,095)	-	-	-	-	-	-	-	-	-	-	-	5,012,620	220,525	-	-	-	(221,493)	(968)
Other income	327,345	-	-	-	141,591	-	32,041	1,090	12,210	17,232	2,964	-	(6,230)	528,243	-	-	72,858	-	601,101
Total support and revenue	16,300,060	-	71	28,850	141,591	26,108	1,242,236	969,450	875,020	971,671	527,425	-	3,383,449	24,465,931	41,617	151,060	913,597	(264,576)	25,307,629
Expenses																			
Program services																			
Housing	1,662,062	350	745	122,099	495,799	49,723	2,423,303	1,784,234	1,800,444	1,764,820	1,353,525	-	(1,906,990)	9,550,114	66,321	54,734	470,611	(72,583)	10,069,197
Resident services	4,582,171	-	-	-	-	-	-	-	-	-	-	-	(99,996)	4,482,175	-	-	-	-	4,482,175
Supporting services																			
Management and general	3,164,766	-	-	-	-	-	-	-	-	-	-	-	-	3,164,766	-	-	-	-	3,164,766
Fundraising	353,938	-	-	-	-	-	-	-	-	-	-	-	-	353,938	-	-	-	-	353,938
Total expenses	9,762,937	350	745	122,099	495,799	49,723	2,423,303	1,784,234	1,800,444	1,764,820	1,353,525	-	(2,006,986)	17,550,993	66,321	54,734	470,611	(72,583)	18,070,076
Change in Net Assets	6,537,123	(350)	(674)	(93,249)	(354,208)	(23,615)	(1,181,067)	(814,784)	(925,424)	(793,149)	(826,100)	-	5,390,435	6,914,938	(24,704)	96,326	442,986	(191,993)	7,237,553
Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	293,115	293,115
(Deficiency) Excess of Revenue Over Expenses	\$ 6,537,123	\$ (350)	\$ (674)	\$ (93,249)	\$ (354,208)	\$ (23,615)	\$ (1,181,067)	\$ (814,784)	\$ (925,424)	\$ (793,149)	\$ (826,100)	\$ -	\$ 5,390,435	\$ 6,914,938	\$ (24,704)	\$ 96,326	\$ 442,986	\$ (485,108)	\$ 6,944,438