

JUBILEE HOUSING, INC.

CONSOLIDATED FINANCIAL STATEMENTS

Including Independent Auditors' Report

December 31, 2022

JUBILEE HOUSING, INC.

Consolidated Financial Statements

Year Ended December 31, 2022

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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, 2022, 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, 2022, 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.

Other Matter

As part of our audit of the 2022 consolidated financial statements, we also audited the adjustment described in Note 2 that was applied to restate net assets as of December 31, 2021. The Organization's previously issued consolidated financial statements were audited by other auditors. In our opinion, this adjustment is appropriate and has been properly applied.

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
November 29, 2023

JUBILEE HOUSING, INC.

Consolidated Statement of Financial Position

December 31, 2022

Assets	
Current Assets	
Cash and cash equivalents	\$ 5,848,960
Grant receivable	675,753
Promises to give	15,987
Accounts receivable	1,463,582
Deferred development fees	140,000
Prepaid expenses	387,221
<hr/>	
Total current assets	8,531,503
Property and Equipment	
Land	21,530,726
Buildings and improvements	58,671,014
Furniture, equipment and vehicles	438,904
Construction in progress	13,132,238
<hr/>	
	93,772,882
Less: accumulated depreciation	(2,015,451)
<hr/>	
Property and equipment, net	91,757,431
Other Assets	
Restricted cash	5,284,635
Promises to give	87,555
Notes receivable	12,680,652
Accrued interest receivable	184,335
Deferred development fees	3,314,047
Investments in limited partnerships	100
Other investments	1,600
Tax credit monitoring fees, net	13,331
Deposits	48,652
Due from affiliate	63,380
Other assets	19,462
<hr/>	
Total other assets	21,697,749
<hr/>	
Total Assets	\$ 121,986,683

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Financial Position - Continued

December 31, 2022

Liabilities and Net Assets	
Current Liabilities	
Notes payable	\$ 12,373,198
Line of credit	852,476
Accounts payable and accrued expenses	1,430,462
Tenant security deposits	237,958
Due to affiliates	129,271
Rents received in advance	197,570
Accrued interest payable	22,976
Deferred revenue	137,091
Other current liabilities	5,462
<hr/>	
Total current liabilities	15,386,464
Long-Term Liabilities	
Notes payable, net of current portion	67,472,443
Accrued interest expense, net of current portion	1,896,737
<hr/>	
Total long-term liabilities	69,369,180
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Total liabilities	84,755,644
Net Assets	
Without donor restrictions	
Undesignated	28,743,500
Board designated Jubilee College	131,433
Board designated reserve	824,000
Non-controlling interest	7,162,314
<hr/>	
Total net assets without donor restrictions	36,861,247
<hr/>	
With donor restrictions	369,792
<hr/>	
Total net assets	37,231,039
<hr/>	
Total Liabilities and Net Assets	\$ 121,986,683

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Activities

Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions and grants	\$ 4,717,998	\$ 266,250	\$ 4,984,248
In-kind contributions	510,016	-	510,016
Developer fee income	319,250	-	319,250
Rental income	2,272,114	-	2,272,114
Payroll reimbursements	426,791	-	426,791
Management fee income	200,105	-	200,105
Interest income	762,541	-	762,541
Partnership loss	(56)	-	(56)
Gain on sale	3,417,442	-	3,417,442
Other income	719,463	-	719,463
Net assets released from restriction	675,420	(675,420)	-
Total support and revenue	14,021,084	(409,170)	13,611,914
Expenses			
Program services			
Housing	4,697,759	-	4,697,759
Resident services	3,470,829	-	3,470,829
Supporting services			
Management and general	1,911,908	-	1,911,908
Fundraising	515,711	-	515,711
Total expenses	10,596,207	-	10,596,207
Change in Net Assets	3,424,877	(409,170)	3,015,707
Non-Controlling Interest	257,096	-	257,096
Excess of Revenue over Expenses - Attributable to Jubilee Housing, Inc.	\$ 3,167,781	\$ (409,170)	\$ 2,758,611

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Functional Expenses

Year Ended December 31, 2022

	Program Services			Supporting Services			Total Expenses
	Housing	Resident Services	Total Program Services	Management & General	Fundraising	Total Support	
Expenses							
Payroll and related expenses							
Salaries & labor	\$ 1,303,269	\$ 1,668,349	\$ 2,971,618	\$ 592,866	\$ 286,998	\$ 879,864	\$ 3,851,482
Contract labor	75,983	17,121	93,104	101,400	858	102,258	195,362
Payroll taxes	102,527	153,863	256,390	74,182	29,495	103,677	360,067
Fringe benefits	212,128	268,990	481,118	162,609	42,098	204,707	685,825
Total payroll and related expenses	1,693,907	2,108,323	3,802,230	931,057	359,449	1,290,506	5,092,736
Other expenses							
Professional fees	410,151	379,468	789,619	490,731	30,793	521,524	1,311,143
Interest	757,776	343,815	1,101,591	27,303	47,050	74,353	1,175,944
Program services and events	5,423	165,833	171,256	68,895	15,321	84,216	255,472
Depreciation and amortization	603,173	164,881	768,054	7,021	324	7,345	775,399
Utilities and telephone	424,927	45,575	470,502	31,911	3,945	35,856	506,358
Software and IT support	26,933	24,423	51,356	90,813	45,171	135,984	187,340
Rent and parking	10,734	38,296	49,030	16,557	823	17,380	66,410
Repairs and maintenance	302,101	65,301	367,402	22,878	129	23,007	390,409
Taxes and insurance	141,823	27,642	169,465	67,179	-	67,179	236,644
Supplies	15,020	17,669	32,689	30,816	-	30,816	63,505
Advertising and marketing	7,086	2,661	9,747	32,103	1,131	33,234	42,981
Licenses and fees	93,872	20,374	114,246	49,552	6,164	55,716	169,962
Staff development	40,197	18,713	58,910	7,176	567	7,743	66,653
Travel and transportation	482	14,027	14,509	184	6	190	14,699
Printing	664	5,294	5,958	13,654	4,495	18,149	24,107
Mailing costs	1,771	26	1,797	3,239	120	3,359	5,156
Management fees	20,000	-	20,000	-	-	-	20,000
Miscellaneous expenses	141,719	28,508	170,227	20,839	223	21,062	191,289
Total Expenses	\$ 4,697,759	\$ 3,470,829	\$ 8,168,588	\$ 1,911,908	\$ 515,711	\$ 2,427,619	\$ 10,596,207

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Changes in Net Assets

Year Ended December 31, 2022

	Without Donor Restriction			With Donor Restriction	Total
	Controlling	Noncontrolling	Total		
Net assets, December 31, 2021					
As Previously Reported	\$ 19,950,017	\$ -	\$ 19,950,017	\$ 778,962	\$ 20,728,979
Restatement adjustments	6,581,135	4,295,891	10,877,026	-	10,877,026
Net assets, December 31, 2021					
As Restated	26,531,152	4,295,891	30,827,043	778,962	31,606,005
Contributions	-	4,564,374	4,564,374	-	4,564,374
Distributions	-	(1,955,047)	(1,955,047)	-	(1,955,047)
Excess of revenue over expenses	3,167,781	257,096	3,424,877	(409,170)	3,015,707
Net assets, December 31, 2022	\$ 29,698,933	\$ 7,162,314	\$ 36,861,247	\$ 369,792	\$ 37,231,039

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Cash Flows

Year Ended December 31, 2022

Cash Flows from Operating Activities	
Excess of revenue over expenses	\$ 3,015,707
Adjustments to reconcile change in net assets to net cash flows provided by operating activities	
Depreciation	768,732
Amortization of deferred financing costs	20,675
Amortization of tax credit monitoring fees	6,667
PPP loan forgiveness income	(532,592)
Partnership loss	56
Gain on sale	(3,417,442)
Changes in assets and liabilities	
Grant receivable	405,200
Promises to give	37,971
Accounts receivable	(568,885)
Due from affiliates	(63,380)
Prepaid expenses	(252,422)
Accrued interest receivable	210,258
Deferred development fees	503,255
Deposits	(3,964)
Other assets	(14,000)
Accounts payable and accrued expenses	168,052
Tenant security deposits	101,407
Due to affiliates	129,271
Rents received in advance	58,568
Accrued interest payable	197,021
Deferred revenue	(686,583)
Net cash flows provided by operating activities	83,572
Cash Flows from Investing Activities	
Purchases of property and equipment	(37,253,203)
Proceeds from the sale of property and equipment	20,419,475
Issuance of notes receivable	(3,780,528)
Principal payments received on notes receivable	1,899,259
Investments in limited partnerships	(100)
Increase in cash and restricted cash due to consolidation	780,477
Net cash flows used in investing activities	(17,934,620)
Cash Flows from Financing Activities	
Deferred financing costs paid	(482,626)
Proceeds from notes payable	38,556,749
Principal payments on notes payable	(15,503,839)
Advances on line of credit	1,392,476
Principal payments on line of credit	(941,541)
Contributions from noncontrolling interests	4,564,374
Distributions to noncontrolling interests	(1,955,047)
Net cash flows provided by financing activities	25,630,546
Net Change in Cash and Cash Equivalents and Restricted Cash	7,779,498
Cash and Cash Equivalents and Restricted Cash, beginning of year	3,354,097
Cash and Cash Equivalents and Restricted Cash, end of year	\$ 11,133,595

See accompanying notes.

JUBILEE HOUSING, INC.

Consolidated Statement of Cash Flows - Continued

Year Ended December 31, 2022

Cash and Cash Equivalents and Restricted Cash as of End of Year:	
Cash and cash equivalents	\$ 5,848,960
Tenant security deposits	223,534
Replacement reserves	238,005
Project escrows	699,657
Debt service reserves	3,269,518
Other reserves	853,921
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Cash and cash equivalents and restricted cash	\$ 11,133,595
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Supplemental Disclosure of Cash Flow Information:	
Cash paid for taxes	\$ 3,738
Cash paid for interest	709,280
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Supplemental Disclosure of Noncash Activities:	
Consolidation of Jubilee Housing Limited Partnership II	
Accounts receivable	\$ 188,364
Prepaid expenses	33,100
Property and equipment	13,959,237
Other assets	28,392
Accounts payable and accrued expenses	(239,045)
Tenant security deposits	(55,762)
Rents received in advance	(60,007)
Notes payable	(6,435,779)
Accrued interest payable	(937,215)
Notes payable issued in connection with sale of property and equipment	(3,350,000)

See accompanying notes.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

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, 2022, 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")

With the exception of Kalorama and Euclid, which sold their real estate holdings in 2022, the 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 partnership interest in Justice Housing Partners, LP ("Justice Housing") and Justice Housing Partners 2.0, LP ("Justice Housing 2.0"), and a 50 percent membership interest in Jubilee Manna CDE LLC ("JM CDE").

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. During 2015, JM CDE was awarded a NMTC allocation of \$15,000,000, and accordingly, it has entered into an allocation agreement with the CDFI Fund dated August 3, 2015. As of December 31, 2022, JM CDE has sub-allocated \$8,000,000 to Jubilee Manna Sub-CDE I, LLC and \$7,000,000 to Jubilee Manna Sub-CDE II, LLC.

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 NMTC's 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, 2022

NOTE 2 - RESTATEMENT

Net assets at the beginning of 2022 has been restated for i) the consolidation of certain limited liability partnership investments that had previously been accounted for under the equity method of accounting; ii) development fee income deferred in error in prior years; and iii) revision to property basis resulting from asset acquisition. The cumulative effect increases beginning net assets for 2022 by \$10,877,026. The correction has no effect on the results of the current year's activities.

NOTE 3 - 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 (for the period December 15, 2022 to December 31, 2022), JH CMF, Justice Housing, Justice Housing 2.0, and JM CDE (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 2016-02 (as amended), Leases ("Topic 842") on January 1, 2022 ("Adoption Date"). Additionally, the Organization elected and applied the following practical expedients on the Adoption Date:

The package of practical expedients permitting the Organization to not reassess (i) the lease classification of existing leases; (ii) whether existing and expired contracts are or contain leases; and (iii) initial direct costs for existing leases.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

As lessee under the new guidance, 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 available to non-public companies 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 of Topic 842 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.

Adopting Topic 842 in accounting for tenant leases did not result in adjustments to the financial statements. The adoption of Topic 842 as lessee did not impact opening net assets, but did result in the Organization recognizing (i) additional lease right-of-use assets of \$11,336, (ii) current lease liabilities of \$5,873, and (iii) non-current lease liabilities of \$5,462.

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

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 stated at unpaid principal balances, less an allowance for loan losses and net of deferred origination fees and unearned discounts, as applicable. 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, 2022

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The allowance is increased by a provision for loan losses, which is charged to expense, and reduced by charge-off, net of recoveries. Management's periodic evaluation of the adequacy of the allowance is based on the Organization's past loan loss experience, known and other risks inherent in the portfolio, specific impaired loans, and adverse situations. 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 loan losses in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

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

As of December 31, 2022, management believes that the Organization's notes receivable are fully collectible and as such, the allowance for loan loss is zero.

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.

On a periodic basis, the Organization evaluates its investments for impairment. This includes assessing whether there are any indicators, including underlying property operating performance and general market conditions, that the value of the investment may be impaired. The investment would be considered impaired if the fair value is less than the net carrying value of the investment on an other-than-temporary basis.

Other Investments - JM CDE owns a 0.01 percent interest in Jubilee Manna Sub-CDE I, LLC and Jubilee Manna Sub-CDE II, 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, 2022, other investments totaled \$1,600. There were no impairment losses recognized for the year ended December 31, 2022. 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, 2022, accumulated amortization was \$86,669. Amortization expense for the year ended December 31, 2022 was \$6,667. Estimated tax credit monitoring fees for the years ending December 31, 2023 and 2024 is \$6,667 and \$6,664, respectively.

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.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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, 2022, 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.

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.

Development fees are recognized over the development period beginning when a project is assured of being constructed, as evidenced by the admission of an equity partner, then based on the external construction costs incurred as a percentage of the total external construction costs expected. Any portion of the development fee not expected to be paid using contributions from the equity investor, such as cash flow from operations, represents variable consideration. 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 gift-in-kind at their estimated fair value at the date of donation. The Organization's policy is to not imply time restrictions on gifts of long-lived assets. During the year ended December 31, 2022, the Organization received non-cash donations consisting of legal and professional services totaling \$510,016.

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, 2022

NOTE 3 - 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, 2022. 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 2019 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 \$3,738 for the year ended December 31, 2022. 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 2019 remain open.

Advertising - Advertising costs are charged to operations when incurred. For the year ended December 31, 2022, advertising and marketing costs totaled \$42,981.

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 November 29, 2023, the date the accompanying consolidated financial statements were available to be issued.

NOTE 4 - ACQUISITIONS AND DISPOSALS

Acquisitions

On October 7, 2022, Richman Towers, Sarbin Towers, and Park Marconi each acquired residential rental property located in Washington, DC for an aggregate purchase price of \$32,360,000.

On December 15, 2022, the Organization acquired a 99.99 percent partnership interest in JHLP II for \$6,500. As a result of the transaction, the Organization wholly owns JHLP II. Prior to the acquisition, the Organization accounted for its 0.01 percent partnership interest in JHLP II using the equity method. Upon the acquisition, the Organization consolidated JHLP II.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 4 - ACQUISITIONS AND DISPOSALS - CONTINUED

The purchase price allocations for properties acquired/consolidated during the year ended December 31, 2022 in accordance with the Organization's accounting policies for asset acquisitions are as follows:

Land	\$	10,031,106
Buildings and improvements		36,120,843
Furniture, fixtures, and equipment		167,283
Other assets		1,100,188
Liabilities		(15,053,575)
	\$	32,365,845

Disposals

On November 1, 2022, the Organization acquired a 0.01 percent general partnership interest in Jubilee EucKal Apartments LP ("EucKal Apartments") for \$100. On November 10, 2022, the Organization sold real estate owned by its wholly owned subsidiaries, Kalorama and Euclid to EucKal Apartments for an aggregate sales price of \$23,425,574. Proceeds from the sale were utilized to satisfy Kalorama and Euclid's existing debt upon the sale. The Organization recognized a gain of \$3,417,442 upon the sale of the real estate. As described in Note 5, a portion of the consideration received on the sale was seller financed.

NOTE 5 - NOTES RECEIVABLE

JM CDE has a loan agreement with Twain Investment Fund 180, LLC ("Twain 180"), a member of Jubilee Manna Sub-CDE II, LLC. The loan agreement covers two promissory notes, the terms of which are as follows:

The first promissory note dated June 15, 2017 in the original amount of \$2,969,419 matures on June 15, 2024 and bears interest at a rate of 4.97 percent per annum. Interest payments are due monthly, commencing on July 20, 2017. At maturity, the entire outstanding principal balance plus all accrued but unpaid interest thereon becomes due and payable in full. The loan may be prepaid at any time prior to the maturity date, and is secured by Twain 180's interest in Jubilee Manna Sub-CDE II, LLC. As of December 31, 2022, the principal outstanding was \$2,969,419.

The second promissory note dated June 15, 2017 in the original amount of \$1,715,081 matures on June 15, 2047 and bears interest at a rate of 4.97 percent per annum. Interest payments are due monthly, commencing on July 20, 2017. Monthly payments of principal and interest are due and payable beginning July 20, 2024 and continuing monthly thereafter. At maturity, the entire outstanding principal balance plus all accrued but unpaid interest thereon becomes due and payable in full. The loan may be prepaid at any time prior to the maturity date, and is secured by Twain 180's interest in Jubilee Manna Sub-CDE II, LLC. As of December 31, 2022, the total principal outstanding was \$1,715,081.

JM CDE also 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, 2022, the total principal outstanding was \$902,570 and accrued interest receivable was \$42,872.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 5 - NOTES RECEIVABLE - CONTINUED

On November 1, 2022, JHI entered into three promissory notes with 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, 2022, \$2,723,113 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, 2022, \$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, 2022, \$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, 2022, accrued interest receivable on the notes totaled \$40,324.

In connection with the sale of Kalorama and Euclid's property described in Note 4, 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, 2022, the total principal outstanding was \$3,350,000 and accrued interest receivable was \$33,041.

Interest income earned on notes receivable for the year ended December 31, 2022 totaled \$579,410, which includes interest income of \$230,181 earned from JHLP II prior to acquiring the remaining 99.99 percent interest in JHLP II.

NOTE 6 - INVESTMENTS IN LIMITED PARTNERSHIPS

As of December 31, 2022, 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%

Condensed financial information for the limited partnerships is as follows:

As of December 31, 2022:

Assets	\$ 102,510,795
Liabilities	(93,215,173)
Partners' capital	\$ 9,295,622

For the year ended December 31, 2022:

Revenues	\$ 1,605,222
Operating income	153,454
Net loss	(2,953,796)

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 6 - INVESTMENTS IN LIMITED PARTNERSHIPS - CONTINUED

As of December 31, 2022, the aggregate carrying amount of the Organization's investments in limited partnerships was \$100. For the year ended December 31, 2022, the Organization's share of partnership losses was \$56.

NOTE 7 - 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.

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 8 - PROMISES TO GIVE

As of December 31, 2022, unconditional promises to give are as follows:

Receivable in less than one year	\$	15,987
Receivable in one to five years		43,777
Receivable in six to nine years		54,532
Total unconditional promises to give		114,296
Discounts to present value		(10,754)
Net unconditional promises to give	\$	103,542

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

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 9 - 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, 2022 was \$852,476. Interest expense incurred on the line of credit totaled \$51,120 for the year ended December 31, 2022. 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.

NOTE 10 - NOTES PAYABLE

As of December 31, 2022, 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	\$ 776,947
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	325,957
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	356,586
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	2,932,506
JHI	United Bank	Mortgage payable dated December 13, 2012, bears interest 30-day LIBOR plus 3% with a floor of 4.5%, monthly interest only for two years, followed by monthly payments of principal and interest based on a 25-year amortization thereafter. Effective December 1, 2022, loan bears interest at 6.5% and requires monthly principal and interest payments of \$2,500 and matures March 1, 2023. Security by the property. (1)	2448 18th Street, NW and 2720 Ontario Road, NW, Washington, DC	509,154
JHI	Jubilee Manna Sub-CDE II, LLC	Related party mortgage payable dated June 15, 2017, bears interest at 4.50%, and requires monthly interest only payments. Matures on June 15, 2024. Secured by the property.	1474 Columbia Road, NW, Washington, DC	2,969,419
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.	1474 Columbia Road, NW, Washington, DC	1,715,081

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 10 - NOTES PAYABLE - CONTINUED

Borrower	Lender	Description	Property Address	Balance
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.	1474 Columbia Road, NW, Washington, DC	2,105,500
KEB	United Bank	Mortgage payable dated December 6, 2019, bears interest at 4.36%, and requires monthly interest only payments. Matures on September 6, 2023. Secured by the property. (2)	1721-1725 Kalorama Road, NW, Washington, DC	1,526,000
Ontario II	United Bank	Mortgage payable dated August 22, 2019, bears interest at 3.45%, and requires monthly interest only payments. Matures on August 19, 2023. Secured by the property. (3)	2326-2338 Ontario Road, NW, Washington, DC	6,000,000
JHI	GWCF	Unsecured recoverable grant dated July 31, 2019, bears no interest and matures on July 31, 2024.	N/A	500,000
KEB	Local Initiative Support Corporation	Mortgage payable dated December 6, 2019, bears interest at 6.0%, and requires monthly interest only payments. Matures on December 5, 2023. Secured by the property.	1721-1725 Kalorama Road, NW, Washington, DC	1,090,000
Ontario II	Local Initiative Support Corporation	Mortgage payable dated August 22, 2019, bears interest at 6.0%, and requires monthly interest only payments. Matures on August 19, 2023. Secured by the property. (3)	2326-2338 Ontario Road, NW, Washington, DC	2,690,411
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	144,245
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 of owned by CDE.	N/A	3,063,342
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	2,875,079
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

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 10 - NOTES PAYABLE - CONTINUED

Borrower	Lender	Description	Property Address	Balance
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
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	2,826,639
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	Mortgages payable dated November 10, 2022, bear 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	2,723,113
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, 2024 and include a one year extension option. Secured by the properties. (4)	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. (5)	3055, 3132, and 3150 16th Street, NW, Washington, DC	15,000,000
				80,375,766
Unamortized deferred financing costs				(530,125)
Notes payable, net				\$ 79,845,641

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 10 - NOTES PAYABLE - CONTINUED

- (1) The loan was amended in 2023. The amendment requires monthly principal and interest payments beginning on April 13, 2023 in an amount sufficient to repay the loan over seventeen years of the twenty five year amortization period that began on December 12, 2012. The loan bears interest at 6.5 percent through March 13, 2028 and bears interest at the greater of 2.75 percent above the Treasury Rate, as defined in the amendment, and 6.5 percent. The loan matures on March 1, 2033.
- (2) In 2023, the maturity date of the loan was extended to December 5, 2023.
- (3) The loan was repaid in full in 2023. See Note 19.
- (4) 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 loan is repaid prior to October 7, 2024. 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. This covenant was waived by the lender for 2022.
- (5) 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 \$1,124,824 during the year ended December 31, 2022.

Future maturities of notes payable as of December 31, 2022 are as follows:

Year ending December 31, 2023	\$ 12,373,198
2024	27,847,588
2025	788,161
2026	838,719
2027	892,699
Thereafter	37,635,401
	\$ 80,375,766

NOTE 11 - 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, 2022

NOTE 11 - LIQUIDITY AND AVAILABILITY - CONTINUED

The Organization's financial assets available within one year to meet cash needs for general expenditures through December 31, 2022 are as follows:

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Financial assets	
Cash and cash equivalents	\$ 5,848,960
Restricted cash	5,284,635
Grants receivable	675,753
Promises to give	103,542
Accounts receivable	1,463,582
Notes receivable	12,680,652
Accrued interest receivable	184,335
Deferred development fees	3,454,047
<hr/>	
Total financial assets	29,695,506
Less amounts not available within one year	
Restricted cash	(5,284,635)
Promises to give	(87,555)
Notes receivable	(12,680,652)
Accrued interest receivable	(184,335)
Deferred development fees	(3,314,047)
Net assets with donor restrictions	(369,792)
Board designated	(955,433)
<hr/>	
Financial assets available to meet cash needs for general expenditures within one year	\$ 6,819,057
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NOTE 12 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at the end of the year represent grants that were received and with time or purpose restrictions by the grantor. As these funds are spent, the donor restrictions expire and the net assets with donor restrictions are reclassified to net assets without donor restrictions on the statement of activities.

Time or purpose restricted net assets as of December 31, 2022 were as follows:

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Grants receivable	\$ 266,250
Promises to give	103,542
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Total	\$ 369,792
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JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 13 - 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, 2022:

Fixed lease income	\$	2,261,986
Other rental income		10,128
Total rental income	\$	2,272,114

As of December 31, 2022, the undiscounted cash flows to be received from lease payments under commercial operating leases on an annual basis for the next five years and thereafter are as follows:

Year ending December 31, 2023	\$	193,244
2024		199,659
2025		203,652
2026		207,725
2027		211,880
	\$	1,016,160

NOTE 14 - 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. The lease requires monthly payments of \$501 through December 31, 2023. For the year ended December 31, 2022, the Organization incurred fixed operating lease costs of \$6,012.

The following summarizes the line items in the consolidated statement of financial position for operating leases as of December 31, 2022:

Operating lease right-of-use assets (other assets)	\$	5,462
Operating lease liabilities, current (other current liabilities)	\$	5,462

Supplemental information related to the Organization's leases for the year ended December 31, 2022:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$	6,012
Weighted-average remaining lease term - operating leases		.9 years
Weighted-average discount rate - operating leases		1.80%

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 14 - COMMITMENTS AND CONTINGENCIES - CONTINUED

The remaining lease payments under operating leases as of December 31, 2022, were as follows:

Total lease payments 2023	\$	5,511
Less: interest		(49)
Present value of lease liabilities	\$	5,462

Management Fees

Pursuant to the first Amendment to Amended and Restated Fee Agreement between JM CDE and EquityPlus Manager, LLC ("EquityPlus"), beginning on July 15, 2018, JM CDE will pay EquityPlus \$1,667 per month for management services. For the year ended December 31, 2022, EquityPlus was owed and paid \$20,000.

Guaranty

In the event that Jubilee Maycroft Apartments, LP requires funds to cover any Operating Deficits, as defined in the Jubilee Maycroft Apartments, LP limited partnership agreement ("Maycroft LP Agreement"), the Organization is required to make operating deficit loans to Jubilee Maycroft Apartments, LP to cover the Operating Deficits up to \$484,260. The loans shall be nonrecourse and shall bear no interest. The loans shall be repayable only in accordance with the distribution provisions of the Maycroft LP Agreement.

NOTE 15 - 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, 2022, payroll reimbursements totaled \$426,791.

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, 2022, the balance of the outstanding developer fee receivable was \$3,156,310 and accrued interest was \$61,232, which is included in accrued interest receivable in the accompanying consolidated statement of financial position. For the year ended December 31, 2022, interest income recognized was \$94,164.

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, 2022, the balance of the outstanding developer fee receivable was \$297,737 and accrued interest was \$2,174, which is included in accrued interest receivable in the accompanying consolidated statement of financial position. For the year ended December 31, 2022, interest income recognized was \$7,897.

JUBILEE HOUSING, INC.

Notes to Consolidated Financial Statements

December 31, 2022

NOTE 15 - RELATED PARTY TRANSACTIONS - CONTINUED

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. For the year ended December 31, 2022, development fee income recognized was \$319,250. There were no development fees outstanding as of December 31, 2022.

Property Management Fees

The Organization entered into an agreement with Maycroft 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, 2022, the Organization recognized property management fee income of \$47,933. As of December 31, 2022, property management fees receivable totaled \$3,680 and are included in accounts receivable in the accompanying consolidated statement of financial position.

The Organization entered into an agreement with Ontario 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, 2022, the Organization recognized property management fee income of \$26,668. As of December 31, 2022, property management fees receivable totaled \$2,528 and are included in accounts receivable in the accompanying consolidated statement of financial position.

The Organization entered into an agreement with JHLPII in connection with the management of their rental operations. The property management fee is 5.3 percent of monthly rental receipts. Prior to acquiring the remaining 99.99 percent interest in JHLPII, the Organization recognized property management fee income of \$49,718 for the period January 1, 2022 to December 15, 2022.

Due from Affiliate

The Organization advanced funds to Maycroft Apartments. The advances are non-interest bearing and are payable from Available Cash Flow, as defined in the Maycroft Apartments partnership agreement. As of December 31, 2022, the amounts due from the affiliate totaled \$63,380 and are included in due from affiliate in the accompanying consolidated statement of financial position.

Due to Affiliates

As of December 31, 2022, Justice Housing and Justice Housing 2.0 collectively owe their limited partners \$129,271 of unpaid distributions.

NOTE 16 - 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 17 - 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, 2022

NOTE 18 - 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, 2022 was \$66,624.

NOTE 19 - SUBSEQUENT EVENTS

In 2023, JM CDE entered into an allocation agreement with the CDFI Fund related to the award of a NMTC allocation of \$25,000,000. JM CDE has sub-allocated the award to Jubilee Manna Sub-CDE III, LLC, Jubilee Manna Sub-CDE IV, LLC, Jubilee Manna Sub-CDE V, LLC, Jubilee Manna Sub-CDE VI, LLC, Jubilee Manna Sub-CDE VII, LLC, and Jubilee Manna Sub-CDE VIII, LLC.

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, which was formed in 2023. Proceeds from the sale were utilized to repay the two mortgages payable described in Note 10 with an aggregate outstanding principal balance of \$8,690,411 as of December 31, 2022. Jubilee OP GP LLC is the general partner of Jubilee Ontario Place LP and owns 0.009 percent of the entity. JHI owns 75 percent of Jubilee OP GP LLC.

In connection with the sale, JHI executed two promissory notes due from Jubilee Ontario Place LP. 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, Jubilee Ontario Place LP shall pay to JHI an amount equal to available Net Cash Flow, as defined in the Jubilee Ontario Place LP 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. Upon closing of the transaction, \$500,000 was advanced under the loan agreement.

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 Jubilee Ontario Place LP 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, Jubilee Ontario Place LP shall pay to JHI an amount equal to available Net Cash Flow, as defined in the Jubilee Ontario Place LP 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. Upon closing of the transaction, \$2,000,000 was advanced under the loan agreement.

On September 20, 2023, JHI executed a promissory note due to Green Finance Authority with a principal amount of \$2,000,000. The note bears interest at 6.50 percent and requires monthly interest only payments through the Conversion Date, as defined in the loan agreement. On the first day of the third month immediately following the month in which the Conversion Date occurs, an interest payment and a principal payment of \$400,000 is due. On April 1, 2027 and April 1, 2029, an interest payment and a principal payment of \$400,000 are due. On April 1, 2030, an interest payment and a principal payment of \$600,000 is due. Annually thereafter, an interest payment and a principal payment of \$50,000 are due through April 1, 2034, at which time the balance of the principal remaining unpaid, plus accrued interest shall be due and payable. Proceeds from the note were loaned to Jubilee Ontario Place LP in connection with the sale described above.

JUBILEE HOUSING, INC.

Supplementary Information Statement of Financial Position - Re-Entry

December 31, 2022

Assets	
Current Assets	
Cash	\$ 3,275
Grant receivable	442,532
<hr/>	
Total current assets	445,807
Property and Equipment	
Land	803,537
Buildings and improvements	4,206,879
Furniture, fixtures, and equipment	52,336
<hr/>	
	5,062,752
Less: accumulated depreciation	(970,505)
<hr/>	
Property and equipment, net	4,092,247
Other Assets	
Deferred development fees	324,039
<hr/>	
Total Assets	\$ 4,862,093
<hr/>	
Liabilities and Net Assets	
Current Liabilities	
Notes payable	\$ 549,986
Accounts payable and accrued expenses	2,377
Due to Jubilee Housing, Inc.	3,887,393
Deferred revenue	23,056
<hr/>	
Total current liabilities	4,462,812
Long-Term Liabilities	
Notes payable	3,574,217
Deferred revenue	324,039
<hr/>	
Total long-term liabilities	3,898,256
<hr/>	
Total liabilities	8,361,068
<hr/>	
Net Assets Without Donor Restrictions	(3,498,975)
<hr/>	
Total Liabilities and Net Assets	\$ 4,862,093
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JUBILEE HOUSING, INC.

Supplementary Information Statement of Activities - Re-Entry

Year Ended December 31, 2022

Support and Revenue	
Contributions and grants	\$ 1,038,659
Expenses	
Program services	1,337,437
Interest expense	44,031
<hr/>	
Total expenses	1,381,468
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Change in Net Assets Before Depreciation	(342,809)
<hr/>	
Depreciation	111,139
<hr/>	
Change in Net Assets	(453,948)
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Net Assets, beginning of year	(3,045,027)
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Net Assets, end of year	\$ (3,498,975)

JUBILEE HOUSING, INC.

Supplementary Information Statement of Financial Position - Maycroft NMTC

December 31, 2022

Assets	
Current Assets	
Cash and cash equivalents	\$ 137,481
Prepaid expenses	3,185
Total current assets	140,666
Property and Equipment	
Land	300,759
Buildings and improvements	1,499,242
Construction in progress	4,851,031
	6,651,032
Less: accumulated depreciation	(163,554)
Property and equipment, net	6,487,478
Total Assets	\$ 6,628,144
Liabilities and Net Assets	
Current Liabilities	
Accounts payable and accrued expenses	\$ 152
Due to Jubilee Housing, Inc.	19,553
Tenant security deposits	29,293
Total current liabilities	48,998
Long-Term Liabilities	
Notes payable	6,790,000
Total liabilities	6,838,998
Net Assets Without Donor Restrictions	(210,854)
Total Liabilities and Net Assets	\$ 6,628,144

JUBILEE HOUSING, INC.

Supplementary Information Statement of Activities - Maycroft NMTC

Year Ended December 31, 2022

Support and Revenue	
Rental income	\$ 316,774
Interest income	56
<hr/>	
Total support and revenue	316,830
Expenses	
Program services	9,662
Interest expense	305,513
<hr/>	
Total expenses	315,175
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Change in Net Assets Before Depreciation	1,655
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Depreciation	54,518
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Change in Net Assets	(52,863)
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Net Assets, beginning of year	(157,991)
<hr/>	
Net Assets, end of year	\$ (210,854)

JUBILEE HOUSING, INC.

Supplementary Information Statement of Financial Position - Scholarship

December 31, 2022

Assets	
Current Assets	
Cash	\$ 131,433
<hr/>	
Total Assets	\$ 131,433
<hr/>	
Liabilities and Net Assets	
Current Liabilities	
Due to Jubilee Housing, Inc.	\$ 20,260
<hr/>	
Total Liabilities	20,260
Net Assets Without Donor Restrictions	111,173
<hr/>	
Total Liabilities and Net Assets	\$ 131,433
<hr/>	

JUBILEE HOUSING, INC.

Supplementary Information Statement of Activities - Scholarship

Year Ended December 31, 2022

Support and Revenue		
Contributions and grants	\$	40,160
Interest income		138
<hr/>		
Total support and revenue		40,298
Expenses		
Program services		34,210
<hr/>		
Change in Net Assets		6,088
Net Assets, beginning of year		105,085
<hr/>		
Net Assets, end of year	\$	111,173
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JUBILEE HOUSING, INC.

Supplementary Information Consolidating Statement of Financial Position

December 31, 2022

	Jubilee Housing, Inc.	Jubilee Kalorama 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	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	\$ 3,097,650	\$ -	\$ -	\$ -	\$ 11,525	\$ 232,066	\$ 45,842	\$ 26,523	\$ 373,993	\$ 458,581	\$ 301,693	\$ -	\$ 4,547,873	\$ 935,487	\$ 238,678	\$ 126,922	\$ -	\$ 5,848,960
Grant receivable	675,753	-	-	-	-	-	-	-	-	-	-	-	675,753	-	-	-	-	675,753
Promises to give	15,987	-	-	-	-	-	-	-	-	-	-	-	15,987	-	-	-	-	15,987
Accounts receivable	1,592,517	-	-	-	-	-	378,729	154,058	104,612	127,583	78,640	(1,005,092)	1,431,047	32,535	-	-	-	1,463,582
Deferred development fees	140,000	-	-	-	-	-	-	-	-	-	-	-	140,000	-	-	-	-	140,000
Due from affiliates	279,644	-	-	-	5,125	-	-	185	82,989	36,765	24,493	(429,201)	-	102,350	-	-	(102,350)	-
Prepaid expenses	63,259	-	-	6,923	4,240	-	51,294	31,182	130,113	138,274	95,445	(7,920)	512,810	-	-	-	(125,589)	387,221
Total current assets	5,864,810	-	-	6,923	20,890	232,066	475,865	211,948	691,707	761,203	500,271	(1,442,213)	7,323,470	1,070,372	238,678	126,922	(227,939)	8,531,503
Property and Equipment																		
Land	1,104,296	-	-	622,034	8,000,000	-	1,504,853	3,023,967	1,379,540	3,463,260	2,448,680	(15,904)	21,530,726	-	-	-	-	21,530,726
Buildings and improvements	5,706,119	-	-	-	-	-	22,427,888	18,579,206	10,119,903	8,805,584	6,386,850	(13,354,536)	58,671,014	-	-	-	-	58,671,014
Furniture, equipment and vehicles	375,270	-	-	-	-	-	417,487	167,289	-	-	-	(521,142)	438,904	-	-	-	-	438,904
Construction in progress	4,851,031	-	-	2,850,671	2,900,557	-	365,683	-	862,771	696,177	605,348	-	13,132,238	-	-	-	-	13,132,238
Total	12,036,716	-	-	3,472,705	10,900,557	-	24,715,911	21,770,462	12,362,214	12,965,021	9,440,878	(13,891,582)	93,772,882	-	-	-	-	93,772,882
Less: accumulated depreciation	(1,421,494)	-	-	-	-	-	(8,594,352)	(5,823,762)	(62,628)	(54,355)	(39,696)	13,980,836	(2,015,451)	-	-	-	-	(2,015,451)
Property and equipment, net	10,615,222	-	-	3,472,705	10,900,557	-	16,121,559	15,946,700	12,299,586	12,910,666	9,401,182	89,254	91,757,431	-	-	-	-	91,757,431
Other Assets																		
Restricted cash	30,862	-	-	20,452	9,326	-	88,027	761,738	1,364,425	1,808,247	1,201,558	-	5,284,635	-	-	-	-	5,284,635
Promises to give	87,555	-	-	-	-	-	-	-	-	-	-	-	87,555	-	-	-	-	87,555
Notes receivable	14,365,145	1,675,000	1,675,000	46,000	-	702,281	-	-	-	-	-	(8,825,231)	9,638,195	2,040,000	5,009,814	5,587,070	(9,594,427)	12,680,652
Accrued interest receivable	5,342,308	16,521	16,521	-	-	416	-	-	-	-	-	(5,208,964)	166,802	63,795	-	42,872	(89,134)	184,335
Deferred development fees	3,434,195	-	-	-	-	-	-	-	-	-	-	(120,148)	3,314,047	-	-	-	-	3,314,047
Investments in limited partnerships and limited liability companies	7,542,818	-	-	-	-	-	-	-	-	-	-	(6,452,177)	1,090,641	-	-	-	(1,090,541)	100
Other investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,600	-	1,600
Tax credit monitoring fees, net	-	-	-	-	-	-	-	-	-	-	-	-	13,331	-	-	-	-	13,331
Deposits	-	-	-	-	-	-	12,596	7,739	12,436	10,120	5,761	-	48,652	-	-	-	-	48,652
Due from affiliate	63,380	-	-	-	-	-	-	-	-	-	-	-	63,380	-	-	-	-	63,380
Other assets	19,462	-	-	-	-	-	-	-	-	-	-	-	19,462	-	-	-	-	19,462
Total other assets	30,885,725	1,691,521	1,691,521	66,452	9,326	702,697	100,623	782,808	1,376,861	1,818,367	1,207,319	(20,606,520)	19,726,700	2,103,795	5,009,814	5,631,542	(10,774,102)	21,697,749
Total Assets	\$ 47,365,757	\$ 1,691,521	\$ 1,691,521	\$ 3,546,080	\$ 10,930,773	\$ 934,763	\$ 16,698,047	\$ 16,941,456	\$ 14,368,154	\$ 15,490,236	\$ 11,108,772	\$ (21,959,479)	\$ 118,807,601	\$ 3,174,167	\$ 5,248,492	\$ 5,758,464	\$ (11,002,041)	\$ 121,986,683

JUBILEE HOUSING, INC.

Supplementary Information Consolidating Statement of Financial Position - Continued

December 31, 2022

	Jubilee Housing, Inc.	Jubilee Kalorama 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	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	\$ 883,809	\$ -	\$ -	\$ 2,616,000	\$ 8,690,411	\$ -	\$ 59,366	\$ 68,744	\$ -	\$ -	\$ -	\$ -	\$ 12,318,330	\$ -	\$ -	\$ 54,868	\$ -	\$ 12,373,198
Line of credit	852,476	-	-	-	-	-	-	-	-	-	-	-	852,476	-	-	-	-	852,476
Accounts payable and accrued expenses	582,875	-	-	14,217	166,330	624	700,059	245,729	152,430	166,416	112,631	(763,714)	1,377,597	31,055	3,738	18,072	-	1,430,462
Tenant security deposits	29,293	-	-	-	-	-	92,158	55,832	26,674	21,355	12,646	-	237,958	-	-	-	-	237,958
Due to affiliates	196,782	-	-	70,475	314,294	-	-	-	-	-	50,000	(529,201)	102,350	29,979	99,292	-	(102,350)	129,271
Rents received in advance	1,194	-	-	-	-	-	97,175	75,372	7,152	8,419	8,258	-	197,570	-	-	-	-	197,570
Accrued interest payable	-	-	-	-	-	-	4,909	18,067	-	-	-	-	22,976	-	-	-	-	22,976
Deferred revenue	137,092	-	-	-	-	-	-	-	-	-	-	-	137,092	-	125,588	-	(125,589)	137,091
Other current liabilities	5,462	-	-	-	-	-	-	-	-	-	-	-	5,462	-	-	-	-	5,462
Total current liabilities	2,688,983	-	-	2,700,692	9,171,035	624	953,667	463,744	186,256	196,190	183,535	(1,292,915)	15,251,811	61,034	228,618	72,940	(227,939)	15,386,464
Long-Term Liabilities																		
Notes payable, net of current portion	14,476,979	-	-	760,643	1,758,357	365,396	11,202,842	11,446,602	14,281,649	15,311,695	10,975,889	(9,083,019)	71,497,033	-	-	5,540,337	(9,564,927)	67,472,443
Accrued interest expense, net of current portion	317,420	-	-	417	63,795	-	3,673,519	3,118,083	-	-	-	(5,212,702)	1,960,532	-	-	25,339	(89,134)	1,896,737
Total long-term liabilities	14,794,399	-	-	761,060	1,822,152	365,396	14,876,361	14,564,685	14,281,649	15,311,695	10,975,889	(14,295,721)	73,457,565	-	-	5,565,676	(9,654,061)	69,369,180
Total liabilities	17,483,382	-	-	3,461,752	10,993,187	366,020	15,830,028	15,028,429	14,467,905	15,507,885	11,159,424	(15,588,636)	88,709,376	61,034	228,618	5,638,616	(9,882,000)	84,755,644
Net Assets																		
Without donor restrictions																		
Undesignated	28,557,150	1,691,521	1,691,521	84,328	(62,414)	568,743	868,019	1,913,027	(99,751)	(17,649)	(50,652)	(6,370,843)	28,773,000	3,113,133	5,019,874	119,848	(8,282,355)	28,743,500
Board designated Jubilee College	131,433	-	-	-	-	-	-	-	-	-	-	-	131,433	-	-	-	-	131,433
Board designated reserve	824,000	-	-	-	-	-	-	-	-	-	-	-	824,000	-	-	-	-	824,000
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,162,314	7,162,314
Total net assets without donor restrictions	29,512,583	1,691,521	1,691,521	84,328	(62,414)	568,743	868,019	1,913,027	(99,751)	(17,649)	(50,652)	(6,370,843)	29,728,433	3,113,133	5,019,874	119,848	(1,120,041)	36,861,247
With donor restrictions	369,792	-	-	-	-	-	-	-	-	-	-	-	369,792	-	-	-	-	369,792
Total net assets	29,882,375	1,691,521	1,691,521	84,328	(62,414)	568,743	868,019	1,913,027	(99,751)	(17,649)	(50,652)	(6,370,843)	30,098,225	3,113,133	5,019,874	119,848	(1,120,041)	37,231,039
Total Liabilities and Net Assets	\$ 47,365,757	\$ 1,691,521	\$ 1,691,521	\$ 3,546,080	\$ 10,930,773	\$ 934,763	\$ 16,698,047	\$ 16,941,456	\$ 14,368,154	\$ 15,490,236	\$ 11,108,772	\$ (21,959,479)	\$ 118,807,601	\$ 3,174,167	\$ 5,248,492	\$ 5,758,464	\$ (11,002,041)	\$ 121,986,683

JUBILEE HOUSING, INC.

Supplementary Information Consolidating Statement of Activities

Year Ended December 31, 2022

	Jubilee Housing, Inc.	Jubilee Kalaroma 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	Eliminations	Subtotal	Justice Housing Partners, LP	Justice Housing Partners 2.0, LP	Jubilee Manna CDE, LLC	Eliminations	Total
Support and Revenue																		
Contributions and grants	\$ 4,984,148	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,984,248	\$ -	\$ -	\$ -	\$ -	\$ 4,984,248
In-kind contributions	510,016	-	-	-	-	-	-	-	-	-	-	-	510,016	-	-	-	-	510,016
Partnership fee income	41,720	-	-	-	-	-	-	-	-	-	-	(41,720)	-	29,500	-	(29,500)	-	-
Developer fee income	319,250	-	-	-	-	-	-	-	-	-	-	-	319,250	-	-	-	-	319,250
Rental income	316,774	-	2,800	-	-	-	1,395,466	1,019,667	210,391	276,432	170,247	(1,119,663)	2,272,114	-	-	-	-	2,272,114
Payroll reimbursements	864,534	-	-	-	-	-	-	-	-	-	-	(437,743)	426,791	-	-	-	-	426,791
Management fee income	236,231	-	-	-	-	-	-	-	-	-	-	(111,126)	125,105	-	-	75,000	-	200,105
Interest income	575,842	16,521	16,524	-	-	50,015	3,679	1,803	1,879	2,552	1,486	(241,658)	428,643	193,033	25,032	275,863	(160,030)	762,541
Partnership income (loss)	2,305,937	-	-	-	-	-	-	-	-	-	-	(2,246,915)	59,022	-	-	-	(59,078)	(56)
Gain on sale	-	1,352,984	2,064,458	-	-	-	-	-	-	-	-	-	3,417,442	-	-	-	-	3,417,442
Other income	598,502	2,483	-	38,542	13,156	7,776	16,726	-	3,810	8,539	7,350	(11,880)	685,004	888	-	33,571	-	719,463
Total support and revenue	10,752,954	1,371,988	2,083,782	38,542	13,156	57,891	1,415,871	1,021,470	216,080	287,523	179,083	(4,210,705)	13,227,635	193,921	54,532	384,434	(248,608)	13,611,914
Expenses																		
Program services																		
Housing	2,157,455	92,807	185,965	21,865	25,386	2,652	2,117,638	1,700,670	315,831	305,172	229,735	(2,614,100)	4,541,076	46,376	4,059	266,278	(160,030)	4,697,759
Resident services	3,570,825	-	-	-	-	-	-	-	-	-	-	(99,996)	3,470,829	-	-	-	-	3,470,829
Supporting services																		
Management and general	1,911,908	-	-	-	-	-	-	-	-	-	-	-	1,911,908	-	-	-	-	1,911,908
Fundraising	515,711	-	-	-	-	-	-	-	-	-	-	-	515,711	-	-	-	-	515,711
Total expenses	8,155,899	92,807	185,965	21,865	25,386	2,652	2,117,638	1,700,670	315,831	305,172	229,735	(2,714,096)	10,439,524	46,376	4,059	266,278	(160,030)	10,596,207
Change in Net Assets	2,597,055	1,279,181	1,897,817	16,677	(12,230)	55,239	(701,767)	(679,200)	(99,751)	(17,649)	(50,652)	(1,496,609)	2,788,111	147,545	50,473	118,156	(88,578)	3,015,707
Non-Controlling Interest																	257,096	257,096
Excess of Revenue Over Expenses	\$ 2,597,055	\$ 1,279,181	\$ 1,897,817	\$ 16,677	\$ (12,230)	\$ 55,239	\$ (701,767)	\$ (679,200)	\$ (99,751)	\$ (17,649)	\$ (50,652)	\$ (1,496,609)	\$ 2,788,111	\$ 147,545	\$ 50,473	\$ 118,156	\$ (345,674)	\$ 2,758,611