Montgomery Housing Partnership, Inc.

FY27 Community Development Block Grant (CDBG)

Montgomery Housing Partnership, Inc.

Mr. Robert A Goldman 12200 Tech Road, Suite 250 Suite 250 Silver Spring, MD 20904

grants@mhpartners.org 0: 301-812-2400

Ms. Elizabeth Louise McCall

12200 Tech Road Suite 250 Silver Spring, MD 20904 emccall@mhpartners.org 0: 301-579-4595

Application Form

Applicant Information and Request Amount

Project Name*

Legal name of Applicant/Organization

Montgomery Housing Partnership, Inc.

Federal I.D. Number*

52-1631939

Type of Organization*

Nonprofit

501(c)(3) Status

If you are a nonprofit organization, upload an Internal Revenue Service letter granting non-profit status 501(c)(3). MHP IRS Tax Exempt Ltr.pdf

Address*

12200 Tech Road, Suite 250, Silver Spring, MD 20904

Contact Person*

Provide a name and job title.

Elizabeth McCall

Contact Person - Telephone Number*

3015794595

Contact Person - E-mail*

grants@mhpartners.org

Project Title*

Bethany House Exterior Improvements

Amount of CDBG Funds Requested* \$75,000.00

Amount of Total Project Budget* \$135,583.20

Would you like to collaborate on this application with another person? If yes, follow the instructions below.

Once you have started a request you will see the Collaborate button at the top of the page. This can be used to invite other people to work on this request.

- From the Collaborate pop up, enter the email address of the person you would like to invite,
- Set the Permission you would like the collaborator to have, either View, Edit, or Submit.
- And lastly, include a message and select Invite.

An email will be sent to the collaborator containing your message, their username, and a link to the logon page.

After logging into the system, the collaborator will see this request under the Collaboration Requests tab of their Applicant Dashboard. Here they can select the edit form link and start collaborating on the document. The Collaborator will have access to all forms within the request that have been assigned to the original applicant.

Project Description and Need

Project Description*

Printed On: 31 October 2025

Provide a *brief* summary of your project. Describe: WHAT you will do, WHO you will serve, WHY the project is needed, WHERE you will do it, and WHAT activities you will fund with CDBG. (NOTE: More information is requested later; this space is for a brief overview of your project.)

Montgomery Housing Partnership (MHP) requests Community Development Block Grant (CDBG) funding for exterior rehabilitation and site improvements at Bethany House, a 250-unit affordable apartment community for low- and moderate-income seniors located at 199 Rollins Avenue, Rockville, MD. Many residents are long-term Rockville community members living on fixed incomes.

This project will complete critical exterior repairs and site upgrades that enhance safety, accessibility, and livability while advancing the City's goals for neighborhood revitalization. CDBG-funded activities will include replacement of aging exterior lighting, landscaping and drainage improvements, and installation of new signage, benches, and seating areas. These capital upgrades will address deferred maintenance, activate the outdoor space by creating amenities, and create a more dignified, welcoming environment for residents and visitors to enjoy.

While interior renovations are already being supported through other funding sources, the building's exterior systems and open spaces remain in urgent need of attention. Investing in these components will strengthen curb appeal along the Rollins Avenue corridor and create much needed amenities for residents to enjoy as well as space for organizing community activities outdoors.

MHP will leverage internal reserves and capital funds to complement CDBG resources and ensure timely completion within the grant term. The improvements will preserve 250 affordable senior apartments, reduce long-term maintenance costs, and activate the outdoor space as a safe, attractive community amenity, supporting both resident well-being and Rockville's broader neighborhood vitality.

Project Need*

What unmet need(s) will your project address? How did you determine that this need exists? You must provide data that quantifies the need to receive full points for Need in the scoring criteria (e.g., number of units, physical needs assessment data, photographs).

Bethany House is home to \sim 250 residents, with capacity for \sim 350 at full lease-up. The building provides deeply affordable homes for older adults on fixed incomes who wish to age safely and independently in their community.

While interior renovations are underway, the property's exterior remains in need of repair and modernization. Existing lighting is limited, walkways are cracked, and the exterior shows visible weathering. These deficiencies increase fall risk, create dark corners around entrances, and contribute to resident concern about personal safety.

A resident meeting was held in the first month after acquisition, where concerns about building security were a major theme. Residents expressed that insufficient safety measures made them feel vulnerable in their homes. In response, MHP has begun addressing these concerns through enhanced key-card entry systems and door alarms to reduce unauthorized access. The proposed lighting, walkway, and landscape improvements will build on this feedback, furthering residents' sense of security.

According to the LexisNexis Community Crime Map (April–October 2025), the surrounding area has experienced recurring incidents, including theft (26 %), vandalism (15 %), burglary from motor vehicle (12 %), and simple assault (18 %). Crimes are most frequent during low-light hours, illustrating the need for improved exterior lighting.

The property's aging landscape and exterior also detract from the visual appeal of Rollins Avenue, which serves as a gateway to nearby transit and retail. Comparable properties offer outdoor areas that foster community interaction. By contrast, Bethany House's outdoor space is underutilized due to inadequate amenities.

This project addresses the unmet needs through repairs, efficient lighting, and revitalized landscaping, improvements that enhance accessibility, and promote neighborhood reinvestment consistent with the priorities for capital improvements and livability.

Project Need Attachments

Please compile attachments (including photos) into one pdf, doc or docx file. *If the attachments exceed the maximum file size, send them to Chuck Dunn, cdunn@rockvillemd.gov.*

Project Need Docs.pdf

Location of Project*

Where will this project be physically located? For projects, provide the address of the project; for programs, state the location from which the program will be operated. *Project activities should take place within the corporate limits of the City of Rockville.*

199 Rollins Ave, Rockville, MD 20852

Location of Project - Historic District*

Will this project be located in one of Rockville's Historic Districts? View the map of Rockville Historic Districts. No

Service Area*

Is there a primary service area(s) for this project?

Yes

Service Area - Description

If you selected "yes" to the previous question, briefly describe the boundaries of the service area (e.g. by streets, neighborhoods, or census tracts). Answering "no" signifies that services are provided citywide without regard to location.

Bethany House serves residents within Census Tract 7009.04 in Rockville, MD, bounded by Rollins Avenue, Congressional Lane, East Jefferson Street, and Rockville Pike (MD-355). The tract's median household income (\$91,136) is roughly 75 percent of Rockville's median, and 22.9 percent of residents, including over half of seniors, live below the poverty line, underscoring the need for safe, affordable senior housing.

(Source: U.S. Census Bureau, ACS 2023 5-year estimates via Census Reporter)

Service Area - Outside City of Rockville

If some people served come from outside the City of Rockville, please provide a breakdown of Rockville residents versus non-Rockville residents.

N/A

Number Served*

Estimate the total number of people or households who will directly benefit from this project.

250

Number LMI Served*

Estimate the total number of low- and moderate-income people or households who will directly benefit from this project. *See pg. 4 of the APPLICATION INSTRUCTIONS* for the definition of "low- and moderate-income ("LMI")." 250

Percentage LMI Served*

What percentage of the total people or households served are expected to be of low- and moderate-income. *See pg. 4 of the APPLICATION INSTRUCTIONS* for the definition of "low- and moderate-income ("LMI")."

100

Identify the source of your estimates*

MHP collects demographic data annually and at move-in for residents. Bethany House was acquired in July 2025 and is not included in MHP's 2024 report. The prior owner did not maintain comparable records. Current estimates are based on property management data since acquisition and will be verified through MHP's 2025 demographic update (available mid-2026). Estimate is based on 250 total units at 1.3-1.4 residents per unit typical for senior housing; current ≈ 250 residents, capacity up to ≈ 350 .

Recruitment/Referral Process*

Describe how beneficiaries will be recruited or referred to the project or program.

MHP has a strong regional reputation for providing high-quality affordable housing, and many of our properties maintain active waiting lists. Bethany House currently does not have a waiting list, as several units are undergoing renovation to prepare for future lease-up. MHP anticipates that occupancy will reach full capacity as property improvements are completed.

MHP receives frequent referrals from local nonprofit and government partners seeking affordable senior housing for clients. Current and future tenants residing at Bethany House will directly benefit from the planned renovations. All future residents must meet the 62+ age requirement and qualify under applicable low-income limits. Marketing and resident selection will follow MHP's established policies and fully comply with all Affirmative Fair Housing Marketing and Equal Opportunity regulations.

Eligibility Process*

Printed On: 31 October 2025

Describe how you will determine eligibility for the program and document that at least 70 percent of the housing units are occupied by LMI households or that 70 percent of the program's beneficiaries have low- or moderate-incomes, as defined by HUD.

MHP's property management partners follow a formal, compliance-based process to determine household eligibility for affordable rental housing. Applicant income and asset verification are conducted in accordance with the specific requirements of each property's funding and agreements. All applicable household members are included in the process, and re-certifications are completed only as required under each program's guidelines. These procedures ensure that income restrictions are met for each development.

Bethany House's financing and regulatory requirements ensure that more than 70 percent of occupied units are reserved for low- and moderate-income (LMI) households. Compliance is maintained through income

documentation and oversight from MHP's asset management team. Tenant income certifications completed in early 2026, as current leases renew, will verify that the property continues to meet or exceed the 70 percent LMI threshold as set forth by the loan's regulatory requirements.

Project Goals*

List the specific goals that you hope to achieve through this project; goals should be quantitative and measurable in nature. The activity should have clearly stated goals and evaluation criteria that are specific, measurable, and realistic.

The overarching goal of this project is to transform the exterior of Bethany House into a safe, attractive, and accessible environment that supports aging in place for low- and moderate-income seniors while enhancing the appearance of the surrounding Rollins Avenue corridor.

Specific and measurable goals include:

- Enhance safety and accessibility. Install new energy-efficient lighting, repair uneven walkways, and improve exterior visibility to reduce fall risk and increase perceived and actual safety for the building's 250 senior residents, their visitors, and the surrounding community. Success will be measured by completion of upgrades meeting ADA and local safety standards and by post-renovation resident surveys indicating increased feelings of safety.
- Improve curb appeal and neighborhood integration. Complete repairs, landscaping, and new signage to bring the property's exterior appearance in line with comparable affordable and market-rate senior communities. Measured outcomes include completion of all planned physical improvements and photographic documentation demonstrating enhanced visual quality from the street.
- Activate and beautify outdoor spaces. Develop and construct an outdoor amenity area with seating, tables, and plantings to encourage social interaction, exercise, and relaxation. Measured outcomes include installation of at least four new seating areas and landscaping upgrades.
- Promote long-term livability and resident well-being. Ensure that improvements support seniors' ability to age in place safely, comfortably, and with dignity, while contributing to neighborhood reinvestment and property value stabilization.

Collectively, these improvements will preserve 250 units of affordable senior housing, strengthen community safety and cohesion, and demonstrate visible reinvestment in a Rockville corridor consistent with the City's CDBG priorities for capital improvements and livability.

Action Plan

Quarterly Schedule: Any CDBG funds awarded should be fully expended within a 12-month period. *The activity should have a clear plan of action that is consistent with the budget and that demonstrates that the applicant has the capacity to implement the proposed plan.*

Describe the implementation plan for the project by listing a quarterly schedule of key activities / milestones and the corresponding draw down of CDBG funds in the following questions:

First Quarter - Key Activities*

List key tasks and milestones during the quarter. Write N/A, if no activities are planning during the quarter.

Host a resident meeting to gather input on outdoor safety, accessibility, and amenity preferences. Hire a qualified landscape designer to develop initial concepts that enhance visibility, mobility, and curb appeal. Define project scope and priorities in alignment with resident feedback and CDBG-eligible improvements.

Second Quarter - Key Activities*

List key tasks and milestones during the quarter. Write N/A, if no activities are planning during the quarter.

Finalize landscape and exterior design plans, incorporating safety and accessibility features. Prepare bid documents in compliance with procurement requirements. Solicit contractor bids, evaluate proposals, and select a general contractor for construction.

Third Quarter - Key Activities*

List key tasks and milestones during the quarter. Write N/A, if no activities are planning during the quarter.

Oversee construction of outdoor and exterior improvements, including lighting, walkway repairs, landscaping, and seating areas. Conduct site inspections to ensure quality, ADA compliance, and adherence to design specifications.

Fourth Quarter - Key Activities*

List key tasks and milestones during the quarter. Write N/A, if no activities are planning during the quarter.

Host a community meeting for residents to introduce new outdoor amenities. Conduct a post-completion satisfaction survey with residents and property management. Finalize close-out documentation and submit required reports to the City of Rockville.

First Quarter - \$ Draw Down*

Estimate the draw down of CDBG funds in the quarter.

\$3,416.80

Second Quarter - \$ Draw Down*

Estimate the draw down of CDBG funds in the quarter.

\$31,000.00

Third Quarter - \$ Draw Down*

Estimate the draw down of CDBG funds in the quarter.

\$40,583.20

Fourth Quarter - \$ Draw Down*

Estimate the draw down of CDBG funds in the guarter.

\$0.00

Budget and Leveraging

Project Budget Form*

- 1. Download the Budget Form (doc file).
- 2. Fill out the budget form and save it. Instructions are provided on page 1 of the packet.
- 3. Upload the completed form using the "upload a file" button below.

Bethany House Exterior Budget FY27.pdf

Expenditure Details*

Describe in detail types of expenditures CDBG will fund (i.e., labor, materials, etc.).

CDBG funds will be used exclusively for eligible capital improvements and related professional services at Bethany House. Expenditures will include:

- Professional services: Hiring a qualified landscape architect or designer to develop plans that enhance safety, accessibility, and aesthetics of the property's exterior and outdoor amenity spaces.
- Construction and materials: Costs associated with labor and materials for landscaping, installation of energy-efficient exterior lighting, pavement and walkway repairs, signage, seating, and related site work.
- Project management oversight: Time allocated to MHP's Real Estate Development Project Manager and Acting Director for procurement coordination, contractor oversight, and compliance with CDBG and Davis-Bacon requirements.

All costs will be documented and directly tied to the approved scope of work for exterior and site improvements.

Cost Estimate Details*

How did you determine the cost estimates included in the CDBG Project Budget Form?

Cost estimates were developed by MHP's Real Estate Development team based on comparable exterior and site-improvement projects recently completed at Forest Glen and Colonnade at the Creek. These projects included landscaping, lighting, and pavement upgrades of similar scope and quality. Because those sites involved broader redevelopment efforts and larger land areas, estimates for Bethany House were proportionally scaled to reflect a smaller footprint and more targeted improvements.

Unit costs for materials and labor were reviewed against recent contractor bids and historical data from MHP's capital projects to ensure accuracy. Final pricing will be confirmed through a competitive procurement process prior to construction.

Cost Estimate Details - Attachments

Upload any supporting documents for your cost estimates (including bids, research or past documentation for previous projects).

Davis-Bacon Labor Standards and Wages*

If you propose construction, rehabilitation, or acquisition activities, are the construction estimates incorporated into the project budget inclusive Davis-Bacon Labor Standards and Wages?

Yes

Site Ownership*

If you propose construction, rehabilitation, or acquisition activities, does your organization own the property or site?

Yes

Site Ownership or Lease Agreement

Evidence of site control.

- If yes to the previous question, provide evidence of ownership (deed and property tax records).
- If no to the previous question, provide a copy of the lease agreement and letter from the owner confirming the proposed activities are permitted and acceptable.

Land Use/Zoning*

If you propose construction, rehabilitation, or acquisition activities, does the project require a land use and/or zoning change?

Not Applicable

Land Use/Zoning - Details

If yes to the previous question, explain below.

N/A

Partial Funding*

In the past, the City has often provided <u>partial funding</u> for multiple projects instead of full funding for a few projects so that it could address numerous requests. Please describe, in detail, the specific changes that you will make to your project or scope of services if your project is partially funded.

If the project receives partial CDBG funding, MHP will adjust the project scope while maintaining the core goals of improving safety, accessibility, and curb appeal at Bethany House. Priority will be given to essential safety-related upgrades, including lighting, walkway, and pavement repairs. Landscaping enhancements and non-essential aesthetic features may be reduced or phased into a later stage as additional funding is secured.

MHP will actively pursue complementary funding sources, such as internal reserves, philanthropic contributions, or future grant cycles, to complete the full design intent. Regardless of award size, MHP is committed to ensuring that all CDBG-funded improvements meet high-quality standards and produce measurable benefits for residents and the surrounding community.

Prior CDBG Funding*

List any prior CDBG grants received for this project and include the following information:

- Source (Montgomery County or the City of Rockville)
- Year of the grant
- Grant amount
- Description of the activities funded

If your project has not received any CDBG funding, write in N/A.

This is the first request for CDBG funding for the Bethany House property at either the City or County level. MHP, however, has a long history of successful partnership with Montgomery County as a frequent recipient of CDBG funding for Community Life and Neighborhood Revitalization initiatives. These past projects demonstrate MHP's strong capacity to manage CDBG-funded activities in compliance with all federal and local requirements.

Leveraging*

Have you applied for funding from other sources for this project?

Yes

Leveraging Details*

- If yes to the previous question, to what entities have you applied? Indicate whether the funding is approved, pending or denied.
- If no to the previous question, why haven't you applied for other funding?

Because the Bethany House acquisition occurred recently, MHP has had limited time to pursue additional external sources; however, several requests are already in motion:

- Maryland Affordable Housing Trust (MAHT) - Application submitted (pending) to support resident services at Bethany House.

Two additional applications – In development for rehabilitation and resident services (pending).

- For acquisition and stabilization, Montgomery County's Non-Profit Preservation Fund (NPF) provided a \$8,247,464 low-interest loan, secured by a Deed of Trust and Regulatory Agreement for the 250-unit Bethany House. Loan proceeds were used to refinance existing debt and fund approved preservation costs and are already being used on interior improvements to the building.

Loan documentation shows Christian Church Facilities for the Aging (CCFA) as the promisor. MHP assumed control of the board of CCFA (board resolution attached), enabling MHP to assume ownership/control and advance rehabilitation planning. This financing demonstrates MHP's ability to leverage County resources and mission-aligned partners to preserve affordability.

Requested City CDBG funds will be used solely for exterior/site capital improvements (lighting, walkways, landscaping, signage) and do not duplicate NPF uses. CDBG will complement the leveraged acquisition/preservation financing by delivering visible safety and accessibility upgrades that benefit current residents and support full lease-up.

Leveraged Funds #1

For approved funds, provide a copy of each commitment or award letter.

Leveraged Funds #2

For approved funds, provide a copy of each commitment or award letter.

Leveraged Funds #3

For approved funds, provide a copy of each commitment or award letter.

Volunteer or In-kind Contributions

If you will use volunteers or in-kind contributions for this project, please explain how:

MHP will contribute in-kind staff time from its Vice President of Real Estate and Project Manager, who will provide oversight, coordination, and quality assurance throughout the project. While no volunteer labor is planned, MHP's Real Estate and Asset Management teams will actively support implementation through resident engagement and communication efforts to ensure smooth execution and minimal disruption during construction.

Long-term Sustainability*

Explain, in detail, your long-term sustainability plan for this project. If you are proposing rehabilitation or construction activities, describe your long-term operation and maintenance plans for the project, including your plan to keep the housing affordable for LMI households (i.e., source of subsidy). If you are proposing a program, describe your plan for operating this program once CDBG funds are no longer available.

Bethany House is currently undergoing comprehensive rehabilitation. The renovation ensures the property will remain affordable to low- and moderate-income residents for at least 30 years, in compliance with federal affordability restrictions. The planned affordability mix includes 10% of units at 30% AMI, 10% at 40% AMI, 52% at 50% AMI, and 28% at 60% AMI, guaranteeing that 100% of households will be low-income.

MHP will maintain affordability and operational sustainability through a combination of long-term regulatory agreements, asset management, and reinvestment strategies. The organization maintains an internal reserve policy to fund ongoing maintenance and periodic upgrades across its portfolio. Bethany House will be incorporated into this portfolio-wide asset management schedule, which includes annual inspections, preventive maintenance plans, and capital replacement reserves funded through operating income.

The CDBG-funded exterior improvements, including exterior repairs, landscaping, lighting, and safety enhancements, were intentionally selected because they have long useful lives and modest maintenance requirements. These upgrades will immediately improve quality of life for residents and the surrounding neighborhood while requiring minimal ongoing cost.

As part of MHP's long-term vision, the acquisition also included an adjacent parcel that may support future affordable housing development. Each phase of the project will leverage a mix of LIHTC equity, public and private grants, and other financing tools to preserve and expand affordability for Rockville residents well into the future.

Key Staff and Partnerships

Key Staff Instructions: Provide the name and list of information below for each key staff person who is responsible for carrying out your program's CDBG action plan.

Name - Key Staff #1*

Alex Crosby

Project Role - Key Staff #1*

List the following information about the staff member:

- Number of years with the organization
- Percentage of time to be devoted to the project
- Job responsibilities/experience relevant to proposed project

Role: Project Manager Years with MHP: 1 year Time on project: ≈ 15%

Responsibilities/Experience: Oversees design, contractor procurement, and construction for Bethany House. Brings nearly a decade of experience in affordable housing finance, underwriting, and development management. Previously managed LIHTC and mixed-income projects across the Mid-Atlantic, coordinating design, budgeting, and compliance from acquisition through closeout.

Name - Key Staff #2

Alan Goldstein

Project Role - Key Staff #2

List the following information about the staff member:

- Number of years with the organization
- Percentage of time to be devoted to the project
- Job responsibilities/experience relevant to proposed project

Role: Acting Director of Real Estate

Years with MHP: 1 Time on project: $\sim 10\%$

Responsibilities/Experience: Provides executive oversight of design, procurement, and construction for Bethany House. Brings deep background in LIHTC, acquisition/rehab, and public-private partnerships,

including faith-based joint ventures and large-scale preservation across the region; former investment banker for state HFAs.

Name - Key Staff #3

Stephanie Roodman

Project Role - Key Staff #3

List the following information about the staff member:

- Number of years with the organization
- Percentage of time to be devoted to the project
- Job responsibilities/experience relevant to proposed project

Role: Vice President of Real Estate

Years with MHP: 18 years (2006 - present)

Time on project: $\approx 5\%$

Responsibilities/Experience: Provides executive oversight and legal review for acquisitions, financing, and rehabilitation. More than 25 years of affordable-housing experience including tax-credit structuring, loan closings, and regulatory compliance.

Additional Staff

Provide a list of additional staff and their role for this project.

N/A

Partnerships*

Will you enter into a partnership with any other organization(s) to undertake this project?

Yes

Partnership Details

If "yes," please list the organization(s) and its contribution(s).

MHP will partner with Habitat America, the property management company currently overseeing day-to-day operations at Bethany House. Habitat America plays a key role in supporting resident engagement, facilitating communication regarding planned improvements, and coordinating logistics during construction to minimize disruption for residents.

MHP will also engage a qualified landscape architect and general contractor through a competitive procurement process to design and implement the exterior improvements. These partners will collaborate closely with MHP's Real Estate Development team to ensure that all work aligns with resident needs, accessibility standards, and CDBG requirements.

Together, these partnerships ensure professional execution, regulatory compliance, and a resident-centered approach throughout the project.

Experience and Organizational Capacity

Organization's Mission*

Describe your organization's mission and how the proposed project fits in with your organization's mission and current activities.

We are MHP serving 6,000 residents of Montgomery County and neighboring communities by providing 3,250 quality affordable homes. We are a nongovernmental entity. The organization is committed to housing people, empowering families, and strengthening neighborhoods. Since 1989, MHP's mission has been to preserve and expand access to quality, affordable housing.

We advance our mission through three key strategies:

- By acquiring, rehabilitating, building and managing quality affordable housing.
- By developing and implementing community life programs to improve the quality of life and increase opportunities for our residents.
- By collaborating with concerned citizens and businesses, public officials and community organizations to build strong, vital neighborhoods.

Bethany House, the most recent acquisition in our portfolio, exemplifies our mission by preserving affordable housing, promoting safety and dignity for residents aging in place, and enhancing the Rockville community.

Organization's Founding Date*

List the date or year your organization was established.

1989

Number of Full-time Staff*

Number of full-time paid staff in your organization.

43

Number of Part-time Staff*

Number of part-time paid staff in your organization.

51

Organizational Chart*

Provide a copy of your current Organizational Chart.

Current - Organization Chart 9.2025.pptx

New Staff*

Will a consultant(s) or contract staff be hired to help implement the project?

No

Number of NEW Full-time Staff*

Number of <u>new</u> staff who will be hired to work on the project, if funded.

0

Number of NEW Part-time Staff*

Number of new staff who will be hired to work on the project, if funded.

0

New Staff - Details

If "yes," please explain the services the consultant or contract staff will offer (**NOTE:** If the project is funded, any subcontracts entered into are subject to approval by the City of Rockville Department of Housing and Community Development):

N/A

County or City Funding*

Do you currently receive, or are you applying for funding through other County or City agencies?

Yes

County or City Funding - Details

If "yes," provide information on the activity, the amount, and what agency:

MHP is currently preparing an application for the City of Rockville Community Services and Enrichment (CSE) Grant to support resident services at Bethany House. This request complements proposed CDBG-funded exterior improvements.

As a long-standing partner of Montgomery County, MHP has received multiple grants, including:

- -A \$9,000 Placemaking Microgrant from the Silver Spring Regional Office for a public mural in Lyttonsville.
- -A \$158,444 Place-Based Management Grant to support Neighborhood Revitalization efforts on Long Branch Main Street.
- Variable-amount CHDO funding and Community Life grants supporting homework clubs.

We are also awaiting results on two pending County CDBG requests: FY26 for homework clubs and FY27 for Community Life summer camps.

MHP has an established record of successfully managing County grants in full compliance with all reporting and fiscal requirements.

Organization Budget*

Attach a copy of your organization's annual budget for the current year.

2025 MHP Budget.pdf

Organization Audit*

Attach a copy of the organization's most recent audit.

MHP Audit 2024.pdf

Past Performance*

Have you received CDBG funds for a project of similar activities, size, and complexity in the past? (If no, skip next 3 questions)

No

Past Performance - Project Description

If yes to the "past performance" question, which project(s) and what year(s)?

N/A

Past Performance - Project Time

If yes to the "past performance" question, did you expend CDBG funds in a timely manner?

Past Performance - Project Goals

If yes to the "past performance" question, did you meet performance goals for the project?

Past Performance - Non-CDBG Projects

If No to the "past performance" question, describe a past project of similar activities, size, and complexity where your organization used local, state, or Federal funding. Describe whether you met expenditure deadlines, performance measures, and compliance requirements, such as Davis Bacon or Section 3.

MHP has extensive experience managing County, State, and Federal funds in full compliance with reporting, expenditure, and labor standards requirements, including Davis–Bacon. Maintaining strong relationships and good standing with public agencies is central to MHP's operations, as future funding depends on timely performance and fiscal accountability.

MHP employs a Grants Manager and Advancement Associate to track drawdowns, reporting deadlines, and compliance documentation across all contracts. The organization regularly manages grants through the Maryland Department of Housing and Community Development (DHCD), Montgomery County Department of

Housing and Community Affairs (DHCA), and other government partners, consistently meeting quarterly reporting and spend-down targets.

A comparable project to Bethany House is Franklin Apartments, a 185-unit senior and disability community in Takoma Park acquired and preserved by MHP in 2022. The project involved complex financing and rehabilitation similar in size and scope to the proposed work at Bethany House. MHP successfully executed all acquisition and compliance milestones on schedule, leveraging philanthropic support from the Robert I. Schattner Foundation.

Recent public awards include:

- Maryland DHCD SRP Grant (\$250,000 2024) for Parkview Towers rehabilitation.
- Montgomery County DHCA CHDO Contract (FY25) supporting HOME projects portfolio-wide.
- Maryland DHCD MEEHA Grant (\$484,364, 2025) for Blair Park energy upgrades.
- Enterprise Section 4 HUD Capacity Grant (\$45,000, 2023) for Amherst project staffing.

All projects were implemented within contractual timelines, budgets, and regulatory requirements, reinforcing MHP's proven capacity to manage complex, federally assisted housing rehabilitation projects.

Application Certification and Signature

Application Certification*

"I certify that I have reviewed this application and that, to the best of my knowledge and belief, all of the information provided in this application is true."

In lieu of a signature, provide the name and title of an authorized representative.

Robert Goldman, President

File Attachment Summary

Applicant File Uploads

- MHP IRS Tax Exempt Ltr.pdf
- Project Need Docs.pdf
- Bethany House Exterior Budget FY27.pdf
- Current Organization Chart 9.2025.pptx
- 2025 MHP Budget.pdf
- MHP Audit 2024.pdf

INTERNAL REVENUE SERVICE DISTRICT DIRECTOR 31 HOPKINS PLAZA BALTIMORE, MD 21201

Date: MAY 2 4 1994

MONTGOMERY HOUSING PARTNERSHIP INC WHEATON PLAZA S STE 503 WHEATON, MD 20902 Employer Identification Number:
52-1631939
Case Number:
524130044
Contact Person:
M MCCARTHY
Contact Telephone Number:
(410) 962-7756
Our Letter Dated:
September 26, 1989
Addendum Applies:

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Yes

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

District Director

Enclosure: Addendum

MONTGOMERY HOUSING PARTNERSHIP INC

Guidelines under which private foundations may rely on this determination, for gifts, grants, and contributions made after March 13, 1989, were liberalized and published in Rev. Proc. 89-23, Cumulative Bulletin 1989-1, page 844.

You are required to make available for public inspection a copy of your exemption application, and supporting documents, and this exemption letter. If you are required to file an annual information return, you are also required to make a copy of the return available for public inspection for three years after the return is due. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is a failure to comply (up to a maximum of \$5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.



MHP Project Need Documentation for City of Rockville FY27 CDBG Application

1.	Property Photos	2 - 6
2.	Current and Projected Area Median Income Unit Breakdown	. 7
3.	LexisNexis Community Crime Map Pie Chart	. 8
4.	Census Tract Data	9-11







Property Photos Courtesy of Building Consultants Physical Needs Assessment March, 2025









8 View of patio and ramp from rear access.



12 Areaway access to basement/retaining wall/railing.







14 Concrete sidewalk along eastern side of parking lot.



16 Cracks observed in asphalt sections throughout.







26 Ramp and amenity patio with picnic tables.



17 Storefront entrance.







13 View of north parking lot from the roof.



9 Storefront entrance with benches.









Bethany House Units by Area Median Income

		Curr	ent		
In Place (Ass	umed base	d on rer	nt prices)		
AMI	0	1	2	Total	%
30% Ami	95	27	0	122	49%
40% Ami	18	64	0	82	33%
50% Ami	0	6	1	7	3%
60% Ami	0	8	2	10	4%
Vacant	19	8	2	29	12%
Total	132	113	5	250	100%
Total	132	113	5	250	1

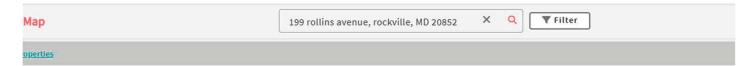
Affordability	planneare	TEITTO KEI	Ovacio		
AMI	0	1	2	Total	%
30% Ami	13	11	1	25	10%
40% Ami	13	11	1	25	10%
50% Ami	69	60	2	131	52%
60% Ami	37	31	1	69	28%
Total	132	113	5	250	100%

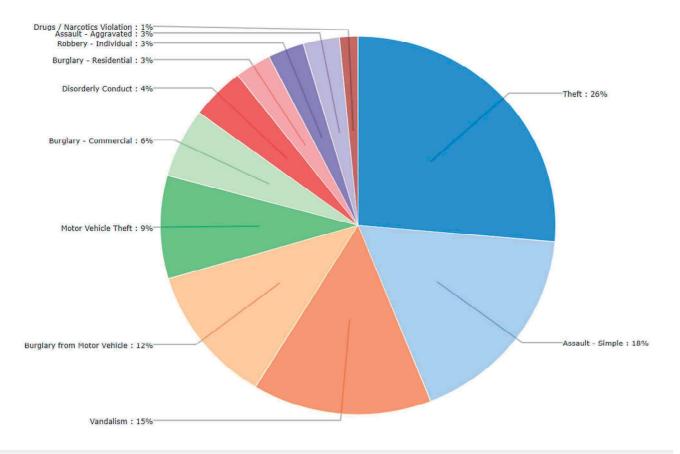






Rollins Avenue Surrounding Area Crime Pie Chart Source: LexisNexis Community Crime Map April-October 2025





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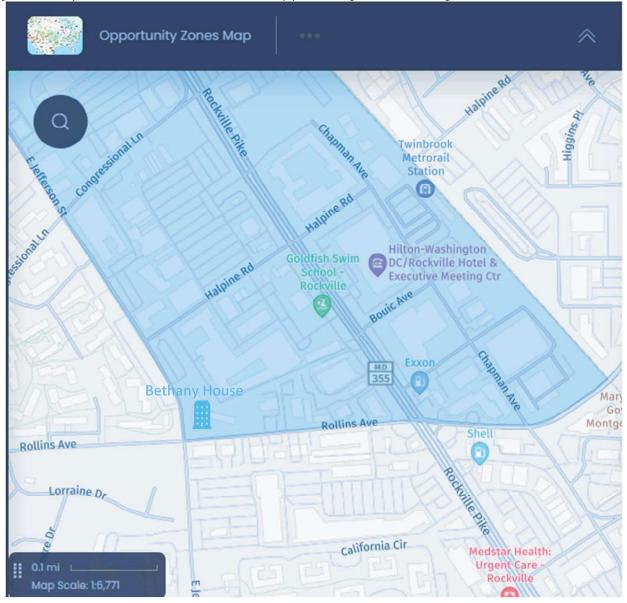


199 Rollins Avenue, Rockville, MD 20852 Census Tract # 7009.04 Source: OpportunityZones.com

Census Tract 7009.04, Rockville, Maryland

Census Tract 7009.04 is a Low-Income Community Opportunity Zone located in Rockville, Maryland. This 0.4 square mile census tract has a population of approximately 3,400 and is one of 14 Opportunity Zones in Montgomery County.

The adjacent map shows the location of this Opportunity Zone in Maryland.









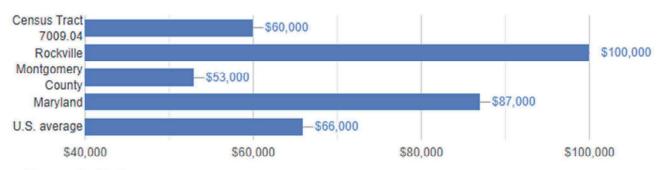
Census Tract 7009.04 Demographics

The charts below illustrate how this Opportunity Zone compares to the broader city, county, and state on various socioeconomic indicators:

Median Household Income

\$60K

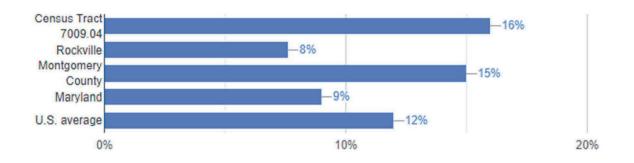
This Opportunity Zone has a **median household income** of approximately **\$60,000**, which is **31% lower** than the median household income for the state of Maryland of **\$87,000**.



Poverty Rate

16%

The percentage of households below the poverty line in this Opportunity Zone is 16%, which is 7% higher than the rate for the state of Maryland of 9%.



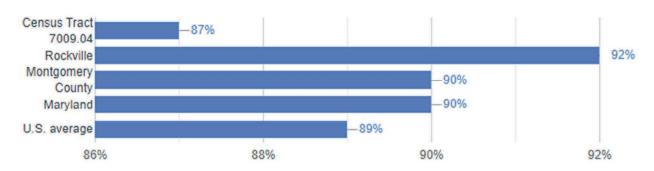




Education

87%

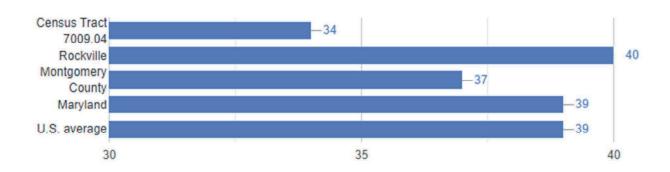
This Opportunity Zone has a percentage of population with high school diploma of approximately 87%, which is 3% lower than the rate for the state of Maryland of 90%.



Median Age

34

This Opportunity Zone has a **median age** of approximately **34**, which is **13% lower** than the median age for the state of Maryland of **39**.







CDBG Project Budget Form

ORGANIZATION NAI	ME: Montgomery Housing Partnership, Inc.
PROJECT NAME:	Bethany House Exterior

INSTRUCTIONS

Provide the total budget of the proposed CDBG project, subdivided by activity costs.

Request only the level of CDBG funding needed to carry out the project. The grant request must be sufficient either by itself or included with other proposed funding sources to assure effective administration and completion of the proposed project within the contract period.

List the allocation of CDBG funds among project costs in the Source 1 column and the allocation of other funding sources (as well as the name and amount of the source) in the other columns.

Only complete budget line items that apply to your project. Add additional rows, if needed. If your project has more than four sources, use a second sheet budget sheet.

	CDB	G Project Bud	lget Form		
		Sources			
	Source 1	Source 2	Source 3	Source 4	
Name of Source	CDBG	MHP and other			-
Is the source firmly committed? If yes, must provide award or commitment letter		sources Yes A No	□Yes □ No	□Yes □ No	Totals
Amount	\$75,000				
		Uses			
Personnel	Source 1: CDBG	Source 2:	Source 3:	Source 4:	Total
Project Manager \$55.29 x 40 hours	\$2,211.60				\$2,211.60
[List job title and salary]					
[List job title and salary – add more lines if needed]					
Fringe Benefits	PM: \$371.60				\$371.60
Personnel Total	\$2,583.20				\$2,583.20
Construction/ Rehabilitation	Source 1: CDBG	Source 2:	Source 3:	Source 4:	Total
Acquisition					
Architectural, Planning, and Engineering	\$2,416.80	\$7,583.20			\$10,000
Fees (permits, etc.)					
Professional Services		\$3,000			\$3,000
Construction/rehab					
Demolition					
Other Landscaping	\$30,000	\$10,000			\$40,000
Other Hardscaping	\$30,000	\$10,000			\$40,000
Other Outdoor Amenities	\$10,000	\$30,000			\$40,000
Construction/ Rehab Total	\$72,416.80	\$60,583.20			\$133,000

Program Operating Costs	Source 1: CDBG	Source 2:	Source 3:	Source 4:	Total
Supplies					
Rent/Lease					
Insurance					
Printing					
Communications (Telephone, internet, etc.)					
Travel					
Other					
Other					
Prog. Operating Total					
Project Total	\$75,000	\$60,583.20			\$135,583.20

Robert Goldman, PRESIDENT

Kimberly Schor, Assistant to the President

ASSET MANAGMENT	REAL ESTATE	FINANCE	COMMUNITY LIFE	ADVANCEMENT	OPERATIONS
Tameka Webb Director of AM	Stephanie Roodman VP of Real Estate	Jennifer Rudolph CFO	Sulema Middleton- Stewart VP of Community Life	Eva Dillon VP of Advancement	William Highsmith VP of Operations
Nancy Rhyne Senior Asset Manager	John Poyer Director of Real Estate	Celine Liang Controller	Cleydi Pacheco Director of Resident Services	llana Guttin Communications/ Volunteer Manager	Kala Mitchell Office Administrator
Alex Wonasue Senior Asset Manager	Alan Goldstein Director of Real Estate Consultant	Samuel Wakamu Sr. Accountant	Estela Giron Director of Resident Services	Elizabeth McCall Grants Manager Jaimee Goodman	
Fabian Castillo Diaz III Construction Asset Manager	Nate Robbins Senior Project Manager	Rosa Aleman Sr. Staff Accountant	Nora Ortiz Program and Data Coordinator	Major Gifts Director Hatab Fadera	
Maya Hopkins Intern	Kal Makonnen Project Manager	Joanna Perez-Zavala Project Accountant	Emeli Oliva Program Manager	Communications Associate Lauren Hoke Advancement Associate	
	Beth Seward Project Manager	Tsion Kebede Project Accountant	Violeta Martell Program Manager		
	Alex Crosby Project Manager	Yosselin Argueta AP/AR Specialist	Carlos Iglesias Senior Program Manager		
	Devon Rogers Development Associate		Sinergy Martel Program Manager		
			Kidist Kassie Program Coordinator		

OPERATIONS NEIGHBORHOODS

Chris Gillis Policy & Neighborhood Development Director

Fatima Coreas Community Engagement Team Leader

Brownette Suku

Codhcd protalmmunity Engagement Specialist

Paul Grenier Community Economic Development Specialist

Cristina Perez Community & Small Business Project Manager

Ali Khademian **Apartment Assistance** and Sustainability Program Manager

Montgomery Housing Partnership, Inc. 2025 Budget

	YE 2024	2025	2026	2027	2028	2029 Projection	
DEVENIES	Reforecast	Budget	Projection	Projection	Projection	Projection	
REVENUES							
DEVELOPMENT FEES			ć 1 200 000	ė	¢ 2,000,000	ė	
Development fees - Amherst Square	1 010 062	175,000	\$ 1,200,000	\$ -	\$ 3,000,000	\$ -	
Development fees - Forest Glen 4%	1,818,062	175,000	-	-	-	-	
Development fees - Forest Glen 9%	1,667,670	125,000	-	-	-	-	
Development fees - 515 Thayer	-	-	-	-	-	-	
Development fees - Colonnade	-	2 504 422	-	-	-	-	
Development fees - Nebel Street 4% Development fees - Nebel Street 9%	567,226	2,581,432	665,623	-	-	-	
·	476,000	949,909	174,236	-	-	-	
Development fees - North Fred. Ave	1,199,276	128,788	-	720 500	2 2 6 7 4 0 0	-	
Development fees - Rollingwood Apartments	1 420 726	739,500	754 205	739,500	2,367,100	-	
Development fees - Worthington Woods	1,429,736	2,626,501	751,305	4 207 500	-	-	
Development fees - Other/Future Projects Total development fees	\$ 7,157,970	50,000 \$ 7,376,130	787,500 \$ 3,578,664	4,287,500 \$ 5,027,000	500,000 \$ 5,867,100	5,500,000 \$ 5,500,000	
CONTRIBUTIONS / DONATIONS	\$ 1,151,910	\$ 7,376,130	\$ 3,578,664	\$ 5,027,000	\$ 5,867,100	\$ 5,500,000	
Contributions - Individuals	630,000	700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	
Contributions - Morkplace giving	5,900	2,500	3 700,000	3 700,000	3 700,000	\$ 700,000	
Contributions - Workplace giving Contributions - Organization	160,634	20,000	10,000	10,000	10,000	10,000	
Contributions - Organization Contributions - Foundation / Grant	874,500	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Contributions - Foundation / Grant Contributions - Corporate	688,000	1,000,000	1,500,000	1,500,000	1,500,000	1,500,000	
In Kind Donations	20,000	20,000	30,000	30,000	30,000	30,000	
Total contributions/donations		· ·	'				
PROPERTY FEES	\$ 2,379,035	\$ 2,742,500	\$ 3,240,000	\$ 3,240,000	\$ 3,240,000	\$ 3,240,000	
Asset Management fees	433,990	400,000	412,000	424,000	436,000	449,000	
Incentive Management fees	975,615	950,000	950,000	950,000	950,000	950,000	
Community Activity Fees- Properties	402,879	350,000	360,000	370,000	381,000	392,000	
Total property fees	\$ 1,812,483	\$ 1,700,000	\$ 1,722,000	\$ 1,744,000	\$ 1,767,000	\$ 1,791,000	
Total property rees	\$ 1,812,483	\$ 1,700,000	\$ 1,722,000	\$ 1,744,000	\$ 1,767,000	\$ 1,791,000	
CONTRACTUAL SERVICES							
Government - Contractual Services	1,317,829	1,500,000	\$ 1,500,000	1,545,000	1,591,000	1,638,000	
Total grants / contracts	\$ 1,317,829	\$ 1,500,000	\$ 1,500,000	\$ 1,545,000	\$ 1,591,000	\$ 1,638,000	
OTHER SOURCES OF REVENUES	٦, ١,٥٤٦	3 1,300,000	\$ 1,300,000	\$ 1,545,000	3 1,391,000	3 1,036,000	
Special Events - Golf	68,905	80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	
Interest - investment/loan income	815,751	800,000	800,000	800,000	800,000	800,000	
Investment income	280,921	72,000	72,000	72,000	72,000	72,000	
Miscellaneous	200,921	72,000	72,000	72,000	72,000	72,000	
Forgiveness of Debt]		_	_	_		
Total other revenues	\$ 1,165,582	\$ 952,000	\$ 952,000	\$ 952,000	\$ 952,000	\$ 952,000	
Total other revenues	7 1,105,502	7 752,000	7 732,000	3 732,000	7 732,000	7 732,000	
TOTAL REVENUES	\$ 13,832,899	\$ 14,270,630	\$ 10,992,664	\$ 12,508,000	\$ 13,417,100	\$ 13,121,000	
TOTAL NEVENOES	7 15,032,077	7 14,270,030	7 10,222,004	7 12,300,000	ا این این این این این این این این این ای	7 13,121,000	
EXPENSES	_						
SALARIES / BENEFITS							
Salaries Wages	\$ 3,941,392	\$ 5,271,000	\$ 5,535,000	\$ 5,702,000	¢	¢ 6.0E1.000	
Employee Discret. Benefits Compens.	\$ 3,941,392	\$ 5,271,000 11,000	\$ 5,535,000 12,000	13,000	\$ 5,874,000 14,000	\$ 6,051,000 15,000	
Bonus (Annual)	125 500	161,000	170,000	176,000	182,000	188,000	
Payroll Taxes FICA & SUTA	135,500 310,702	362,000	381,000	393,000	405,000	418,000	
-							
Employee Benefits 403B - Match Employee Benefits- Health, dental, vision	126,709 492,114	203,000 618,000	214,000 649,000	221,000 669,000	228,000 690,000	235,000 711,000	
· ·			· ·		· ·		
Employee Benefits- Life, LTD, STD	66,280	59,800	63,000	65,000	67,000	70,000	
Worker's Compensation	5,974	17,000	18,000	19,000	20,000	21,000	
Total wages / benefits COMMUNITY LIFE	\$ 5,078,671	\$ 6,702,800	\$ 7,042,000	\$ 7,258,000	\$ 7,480,000	\$ 7,709,000	
	204 404	246,000	264.000	375 000	207.000	200 000	
Contract Employees Wages	281,104	346,000	364,000	375,000	387,000	399,000	
Payroll taxes - FICA & SUTA	24,641	26,000	28,000	29,000	30,000	31,000	
Transportation	- 	15,000	16,000	17,000	18,000	19,000	
Food	52,642	60,000	63,000	65,000	67,000	70,000	
Supplies	83,035	90,000	95,000	98,000	101,000	105,000	
Contractors / Temporary help	36,850	40,000	42,000	44,000	46,000	48,000	
CL Miscellaneous Events	20,080	30,000	32,000	33,000	34,000	36,000	

Montgomery Housing Partnership, Inc. 2025 Budget

	YE 2024	2025	5		2026	20	27		2028		2029
	Reforecast	Budge		F	Projection	Ргоје			Projection	Р	rojection
Total community life expenses	\$ 498,352	\$ 60	07,000	\$	640,000	\$ 6	61,000	\$	683,000	\$	708,000
PROGRAM COSTS											
Legal Fees	25,636	4	45,000		47,000		49,000		51,000		53,000
Professional Consulting Fees	344,443	42	28,000		441,000	۷	55,000		469,000		484,000
Construction Administrative Services	117,105	2.	31,000		238,000	2	46,000		254,000		262,000
Temporary Services / Stipends	65,318		85,000		88,000		91,000		94,000		97,000
Recruitment	126,359	-	75,000		78,000		81,000		84,000		87,000
Conference and Training	50,000		50,000		52,000		54,000		56,000		58,000
Meeting Expense	7,500		7,500		8,000		9,000		10,000		11,000
Parking and Mileage	5,618		6,000		7,000		8,000		9,000		10,000
Dues and Subscriptions	100,000	10	04,000		108,000	1	12,000		116,000		120,000
Fundraising Exp	67,573	10	05,000		74,000		77,000		80,000		83,000
Messenger + Delivery	8,130		10,000		11,000		12,000		13,000		14,000
Neighborhood Costs	540,842	83	31,700		857,000	8	83,000		910,000		938,000
Total program expenses	\$ 1,458,525	\$ 1,9	78,200	\$	2,009,000	\$ 2,0	77,000	\$	2,146,000	\$	2,217,000
OVERHEAD EXPENSES											
Accounting/Audit Fees	100,200	12	28,000		132,000	1	36,000		141,000		146,000
IT Services and Fees	227,000	24	43,000		251,000	2	59,000		267,000		276,000
Professional Consulting Fees HR	169,098	20	08,000		215,000	2	22,000		229,000		236,000
Insurance	30,760		35,000		37,000		39,000		41,000		43,000
Duplicating, copying, printing	34,075		36,000		38,000		40,000		42,000		44,000
Postage	9,000		10,000		11,000		12,000		13,000		14,000
Supplies	34,397		36,000		38,000		40,000		42,000		44,000
Rent	253,349	28	80,000		289,000	2	98,000		307,000		317,000
Repairs and Maintenance	1,500		2,000		3,000		4,000		5,000		6,000
Telephone, Fax and Cell Phone	30,751		32,000		33,000		34,000		36,000		38,000
Bank Charges / Payroll services	36,816		39,000		41,000		43,000		45,000		47,000
Marketing & Outreach expenses	26,000	(60,000		62,000		64,000		66,000		68,000
Depreciation Expense	1,827		2,000		3,000		4,000		5,000		6,000
Amortization Expense	21,581]	22,000		23,000		24,000		25,000		26,000
Miscellaneous & Employee Goodwill	40,000		50,000		52,000		54,000		56,000		58,000
Total overhead expenses	\$ 1,016,355	\$ 1,18	83,000	\$	1,228,000	\$ 1,2	73,000	\$	1,320,000	\$	1,369,000
OTHER EXPENSES											
Interest Expense	576,378	6.	50,000		650,000	6	50,000		650,000		650,000
Total other	\$ 576,378	\$ 6.	50,000	\$	650,000	\$ 6	50,000	\$	650,000	\$	650,000
TOTAL EXPENSES	\$ 8,628,281	\$ 11,12	21,000	\$	11,569,000	\$ 11,9	19,000	\$	12,279,000	\$	12,653,000
Net of Revenues to Expenses	\$ 5,204,618	\$ 3,14	49,630	\$	(576,336)	\$ 5	89,000	\$	1,138,100	\$	468,000

Montgomery Housing Partnership, Inc. 2025 Budget

	YE 2024	2025	2026	2027	2028		2029
	Reforecast	Budget	Projection	Projection	Projection	F	Projection
	-						
CASH FLOW ADJUSTMENTS							
DEVELOPER FEES							
Cash Payments	1,616,612	5,118,847	4,534,030	2,553,396	527,340		513,198
Accrual Reversal	(5,133,187)	(6,586,630)	(2,791,164)	-	-		-
Total developer fee cash adjustments	\$ (3,516,575)	\$ (1,467,783)	\$ 1,742,866	\$ 2,553,396	\$ 527,340	\$	513,198
LINE OF CREDIT DRAWS							
Advances	-	2,500,000	-	-	-		-
Repayments	(500,000)	-	-	-	-		-
Total intercompany cash adjustments	\$ (500,000)	\$ 2,500,000	\$ -	\$ -	\$ =	\$	-
INTERCOMPANY ADVANCES/LOANS							
Repayments	3,522,907	2,145,000	=	-	-		-
Entity Loans/Advances	(5,223,617)	(5,000,000)	-	-	-		-
Entity Loan Interest Accrual	(381,762)	(600,000)	(800,000)	(800,000)	(800,000)		(800,000)
Total intercompany cash adjustments	\$ (2,082,472)	\$ (3,455,000)	\$ (800,000)	\$ (800,000)	\$ (800,000)	\$	(800,000)
OPERATING CASH ADJUSTMENTS							
Depreciation/Amortization	16,808	-	-	-	-		-
Prepaids	(18,894)	-	-	-	-		-
AR - Grants	(141,712)	-	-	-	-		-
AR - Property Fees	564,365	-	-	-	-		-
AR - Other	129,505	-	-	-	-		-
Accrued Interest	58,579	-	-	-	-		-
Accounts Payable	293,337	-	-	-	-		-
Deferred Revenue	-	-	-	-	-		-
TOTAL ADJUSTMENTS	\$ 901,989	\$ -	\$ -	\$ -	\$ -	\$	-
Total Cash Affect from Operating Activities	\$ 7,560	\$ 726,847	\$ 366,530	\$ 2,342,396	\$ 865,440	\$	181,198

Consolidated Financial Statements (With Supplementary Information) and Independent Auditor's Report

December 31, 2024



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Independent Auditor's Report

To the Board of Directors Montgomery Housing Partnership, Inc. and its Subsidiaries and Affiliates

Opinion

We have audited the consolidated financial statements of Montgomery Housing Partnership, Inc. and its Subsidiaries and Affiliates, which comprise the consolidated statement of financial position as of December 31, 2024, 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 consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Montgomery Housing Partnership, Inc. and its Subsidiaries and Affiliates as of December 31, 2024, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Montgomery Housing Partnership, Inc. and its Subsidiaries and Affiliates, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Montgomery Housing Partnership, Inc. and its Subsidiaries and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Montgomery Housing Partnership, Inc. and its Subsidiaries and Affiliates' 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 Montgomery Housing Partnership, Inc. and its Subsidiaries and Affiliates' ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information as of December 31, 2024, of the consolidating statements of financial position, consolidating statements of activities and consolidating statement of changes in net assets is presented for purposes of additional analysis, rather than to present the financial position, net assets, and cash flows of the individual companies, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements for the year ended December 31, 2024, as a whole.



The NeighborWorks America Capital Grant Funds schedule is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the statement of financial position of Montgomery Housing Partnership, Inc. and its Subsidiaries and Affiliates as of December 31, 2023, and related consolidated statements of activities, functional expenses, changes in net assets and cash flows for the year then ended (not presented herein), and we expressed an unmodified opinion on those consolidated financial statements with a report date of January 8, 2025. That audit was conducted for purposes of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information related to the 2023 consolidated financial statements on pages 41 to 48 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to underlying accounting and other records used to prepare the 2023 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of those consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 supplementary information related to the 2023 consolidated financial statements on pages 41 to 48 is fairly stated in all material respects in relation to the basic consolidated financial statements from which it has been derived.

CohnReynickZZF
Bethesda, Maryland
August 5, 2025

Consolidated Statement of Financial Position December 31, 2024

<u>Assets</u>

Current assets	
Cash and cash equivalents	\$ 30,113,375
Short-term investments	756,932
Accounts receivable	
Residents	1,111,892
Grants	975,112
Other	1,646,630
Mortgage escrow deposits for taxes and insurance	1,216,135
Prepaid expenses	1,289,393
Development-in-progress - MPDU resale initiative	 276,548
Total current assets	27 206 017
Total Current assets	 37,386,017
Property and equipment	
Land	80,791,752
Buildings	389,682,090
Furniture and equipment	 8,899,787
	470 070 000
	479,373,629
Less accumulated depreciation	 104,401,629
Total property and equipment	 374,972,000
Other assets	
	02 002 440
Restricted project reserves	23,823,442
Funded residents' security deposits	1,642,866
Investment in partnership	841,325
Deposits Tay gradit food, not of accumulated amortization of \$195,754	235,101
Tax credit fees, net of accumulated amortization of \$185,754	582,493
Other assets, net of accumulated amortization of \$251,388	2,363,151
Long-term investments	120,190
Right-of-use asset, net	1,684,405
Development-in-progress	 120,719,092
Total other assets	 152,012,065
Total assets	\$ 564,370,082
	 - ,,

Consolidated Statement of Financial Position December 31, 2024

Liabilities and Net Assets

Current liabilities	
Secured notes payable - current maturities	\$ 19,040,310
Unsecured notes payable - current maturities	4,966,727
Accounts payable and accrued expenses	3,995,617
Accounts payable - construction	23,764,456
Accrued interest payable	4,464,762
Prepaid rents	433,073
Lease liabilities - current	257,060
Total current liabilities	56,922,005
Other liabilities	
Residents' security deposits	1,573,494
Total other liabilities	1,573,494
Long-term liabilities	
Accrued interest payable	4,460,769
Deferred revenue	1,130,679
Deferred development fee revenue	536,261
Other liabilities	722,437
Lease liability	1,427,345
Secured notes payable, net	465,459,744
Unsecured notes payable, net	6,126,916
Total long-term liabilities	479,864,151
Commitments and contingencies	-
Net assets	
Net assets without donor restrictions	505,326
Net assets with donor restrictions	1,351,096
Noncontrolling interest	
Net assets without donor restrictions	24,154,010
Total net assets	26,010,432
Total liabilities and net assets	\$ 564,370,082

See Notes to Consolidated Financial Statements.

Consolidated Statement of Activities Year Ended December 31, 2024

Change in net assets without donor restrictions Revenue	
Rental revenue - net Grants Cash contributions	\$ 40,084,566 3,261,517 948,123
Development fee income	7,179,795
Interest and dividend income	1,111,534
Special events Other income	57,792 936,101
	 300,101
	53,579,428
Satisfaction of program restrictions	1,645,139
Total revenue without donor restrictions	 55,224,567
Expenses	
Program services Properties in management	53,999,491
Community life program development and management	2,620,441
Other program development and management	2,094,722
Supporting services Management and general	3,563,574
Fundraising	928,753
Lobbying	3,268
Total expenses	 63,210,249
Excess of expenses over revenue - consolidated net assets	
without donor restrictions	 (7,985,682)
Changes in net assets with donor restrictions	
Grants	858,000
Release of program restrictions	 (1,645,139)
Excess of expenses over revenue - consolidated net assets	
with donor restrictions	 (787,139)
Total excess of expenses over revenue	(8,772,821)
Excess of expenses over revenue attributable to noncontrolling interest	 (8,645,183)
Excess of expenses over revenue attributable to controlling interest	\$ (127,638)

See Notes to Consolidated Financial Statements.

Consolidated Statement of Functional Expenses Year Ended December 31, 2024

			Program	servi	ces			Suppo	orting services	;		
	Properties in nanagement	de	mmunity life program evelopment management		Other program evelopment management	Total	anagement nd general	Fı	undraising	L	obbying	 Grand total
Administration	\$ 4,873,087	\$	67,009	\$	152,089	\$ 5,092,185	\$ 424,430	\$	102,943	\$	276	\$ 5,619,834
Salaries and benefits	1,199,425		1,422,923		1,612,278	4,234,626	2,128,922		444,546		2,992	6,811,086
Rent expense	-		62,454		70,781	133,235	81,167		19,508		-	233,910
Other	-		1,044,949		1,438	1,046,387	1,352		8,352		-	1,056,091
Professional services	-		4,796		204,448	209,244	395,357		251,575		-	856,176
Fundraising events	-		-		-	_	-		93,235		-	93,235
Utilities	4,085,045		-		1,162	4,086,207	-		-		-	4,086,207
Operating												
and maintenance	9,324,307		1,309		1,483	9,327,099	1,701		409		-	9,329,209
Taxes	1,493,429		-		-	1,493,429	-		-		-	1,493,429
Insurance	1,559,006		9,569		10,845	1,579,420	12,435		2,989		-	1,594,844
Interest	15,901,510		-		31,775	15,933,285	508,551		2,875		-	16,444,711
Other financial expenses	2,665,459		-		-	2,665,459	-		-		-	2,665,459
Management fees	1,202,852		-		-	1,202,852	-		-		-	1,202,852
Depreciation												
and amortization	11,695,371		7,432		8,423	 11,711,226	 9,659		2,321		-	 11,723,206
Total	\$ 53,999,491	\$	2,620,441	\$	2,094,722	\$ 58,714,654	\$ 3,563,574	\$	928,753	\$	3,268	\$ 63,210,249

Consolidated Statement of Changes in Net Assets Year Ended December 31, 2024

Net assets

	Net assets without donor restrictions						,	with donor estrictions	Net assets		
	С	ontrolling	N	oncontrolling	Total		(Controlling	Total		
Beginning balance, January 1, 2024	\$	(154,175)	\$	14,183,814	\$	14,029,639	\$	2,138,235	\$	16,167,874	
Capital contributions from noncontrolling interests		-		18,851,023		18,851,023		-		18,851,023	
Distributions to noncontrolling interests		-		(37,342)		(37,342)		-		(37,342)	
Syndication costs		-		(198,302)		(198,302)		-		(198,302)	
Excess of expenses over revenue attributable to noncontrolling interests		-		(8,645,183)		(8,645,183)		-		(8,645,183)	
Excess of revenue over expenses (expenses over revenue) attributable to the Organization		659,501				659,501		(787,139)		(127,638)	
Ending balance, December 31, 2024	\$	505,326	\$	24,154,010	\$	24,659,336	\$	1,351,096	\$	26,010,432	

Consolidated Statement of Cash Flows Year Ended December 31, 2024

Cash flows from operating activities Change in net assets Adjustments to reconcile change in net assets to net cash provided by operating activities	\$	(8,772,821)
Depreciation and amortization		11,723,206
Amortization of debt issuance costs		1,467,211
Loss on fair value of interest rate cap and swap		1,085,099
Changes in assets and liabilities		
Decrease in residents' accounts receivable		124,294
Increase in accounts receivable - grants		(491,401)
Decrease in accounts receivable - other		796,886
Decrease in deposits		645,433
Increase in prepaid expenses		(117,098)
Increase in accounts payable and accrued expenses		1,792,398
Increase in accrued interest		2,135,400
Increase in prepaid rents		29,172
Decrease in deferred rent revenue		(162,350)
Increase in residents' security deposits liability		25,491
Net cash provided by operating activities		10,280,920
Cash flows from investing activities		
Acquisition of property and equipment	((102,795,231)
Net deposits to restricted project reserves		(2,710,378)
Change in investments		(6,246)
Net withdrawals from mortgage escrow reserves		141,774
Contribution to partnership		(88,820)
Cash paid for other assets		(250,946)
Net cash used in investing activities		(105,709,847)

Consolidated Statement of Cash Flows Year Ended December 31, 2024

Cash flows from financing activities	
Contributions from noncontrolling interest	18,851,023
Distributions to noncontrolling interest	(37,342)
Payments of secured notes payable	(44,389,811)
Proceeds from secured notes payable	122,937,838
Payments of unsecured notes payable	(500,000)
Syndication costs paid	(198,302)
Debt issuance costs paid	 (1,969,493)
Net cash provided by financing activities	94,693,913
Net decrease in cash, cash equivalents, and restricted cash	(735,014)
Cash, cash equivalents, and restricted cash, beginning	42,925,655
Cash, cash equivalents, and restricted cash, end	\$ 42,190,641
Supplemental disclosure of cash flow information	
Cash paid for interest, net of capitalized interest	\$ 12,842,100
Supplemental schedule of noncash investing and financing activities	
Development-in-progress included in accounts payable - construction	\$ (2,400,625)
Development-in-progress included in deferred developer fee revenue	\$ (536,261)
Fixed asset additions included in accounts payable	\$ 184,381
Write-off of accumulated amortization	\$ 34,553

Notes to Consolidated Financial Statements December 31, 2024

Note 1 - Organization and nature of operations

Montgomery Housing Partnership, Inc. ("MHP") was incorporated as a nonstock and not-for-profit organization on January 6, 1989 under the laws of the State of Maryland for the purpose of providing, sponsoring, facilitating or promoting the acquisition, development or preservation of affordable housing, promoting and supporting the revitalization of distressed neighborhoods, lessening neighborhood tensions and working toward the elimination of prejudice and discrimination in communities in Montgomery County, Maryland and, more recently, in adjacent communities. MHP derives its revenue primarily from grants, contributions, fundraising events, development fees, and asset and incentive management fees and operates in Silver Spring, Maryland.

MHP Town Centre, Inc. ("Town Centre") was incorporated as a nonstock and not-for-profit organization on October 21, 1992 under the laws of the State of Maryland for the purpose of acquiring, rehabilitating and operating a 74-unit low- and moderate-income, multi-family residential rental property located in Rockville, Maryland and operating under the name of Beall's Grant Apartments. MHP is the not-for-profit sponsor organization of Town Centre. On January 27, 2017, the rental property owned by Town Centre was sold to Beall's Grant Apartments LLC, in a common control transaction.

MHP DRHC, Inc. ("Dring's Reach") was incorporated as a nonstock and not-for-profit organization on November 12, 2002 under the laws of the State of Maryland for the purpose of operating a 105-unit low- and moderate-income, multi-family residential rental property located in Silver Spring, Maryland and operating under the name of Dring's Reach Apartments. MHP is the not-for-profit sponsor organization of Dring's Reach. The rental property was transferred to MHP DRHC, Inc. on November 21, 2002 from MHP, who had previously owned and operated the project.

MHP Scattered Site, Inc. ("Scattered Site") was incorporated as a nonstock and not-for-profit organization on September 14, 1992 under the laws of the State of Maryland for the purpose of acquiring and operating scattered site residential properties located in Montgomery County, Maryland for rental to low- and moderate-income households or to not-for-profit organizations serving persons with physical, mental or other disabilities. Scattered Site owns 103 individual homes purchased under Montgomery County, Maryland's moderately-priced dwelling unit ("MPDU") program. Under Montgomery County's MPDU program, Scattered Site may purchase a small number of these below-market priced units and rent them to lower-income families. Scattered Site entered a program in 2003 to include units purchased throughout Montgomery County, Maryland under the MPDU resale initiative. Scattered Site purchases vacant homes, rehabilitates and sells them to homeowners to help revitalize the neighborhoods. Scattered Site has also purchased and rehabilitated 6 small apartment buildings totaling 119 units in the Sligo Creek/Long Branch areas and leased them to low-income tenants. The buildings and number of units are: Browning Apartments, 16 units; Bradford Apartments, 6 units; Glenville Apartments, 31 units; Silver Spring/Nolte Apartments, 19 units; Hancock Gardens Apartments, 25 units; and Amherst Gardens Apartments, 22 units. MHP is the not-for-profit sponsor organization for Scattered Site.

MHP Edinburgh House, Inc. ("Edinburgh House, Inc.") was incorporated as a nonstock and not-for-profit organization on October 28, 1994 under the laws of the State of Maryland for the purpose of acquiring, rehabilitating and operating a 45-unit low- and moderate-income, multi-family residential rental property located in Takoma Park, Maryland and operating under the name of Edinburgh House, Inc. MHP is the not-for-profit sponsor organization of Edinburgh House, Inc. On May 25, 2011, the property was transferred to an affiliate of MHP, MHP Edinburgh House LP, for the

Notes to Consolidated Financial Statements December 31, 2024

purpose of obtaining Section 42 tax credits, investment of limited partner and rehabilitation of the project.

MHP Landing's Edge, Inc. ("Landing's Edge") was incorporated as a nonstock and not-for-profit organization on August 21, 1997 under the laws of the State of Maryland for the purpose of acquiring, rehabilitating and operating a 125-unit low- and moderate-income, multi-family residential rental property located in Wheaton, Maryland and operating under the name of Amherst Square Apartments. MHP is the not-for-profit sponsor organization of Landing's Edge.

MHP Beall's, Inc. ("Beall's Grant") was incorporated as a nonstock and not-for-profit organization on November 17, 2005 under the laws of the State of Maryland for the purpose of acquiring, constructing and operating low- and moderate-income, multi-family residential rental property located in Rockville, Maryland.

MHP Flower-Maple, LLC ("Flower Maple") was formed as a limited liability company under the Revised Uniform Company Act of the State of Maryland on March 16, 2007 as a single-member company for the purpose of acquiring, owning, managing, renovating and operating a 21-unit low-and moderate-income, multi-family residential rental property located in Takoma Park, Maryland.

MHP Parkview Towers, Inc. was incorporated as a nonstock and not-for-profit organization on September 25, 2012 under the laws of the State of Maryland for the purpose of acquiring, constructing and operating low- and moderate-income, multi-family residential rental property located in Silver Spring, Maryland.

MHP Parkview Towers, LLC ("Parkview Towers") was formed as a limited liability company under Title 4a of the Corporations and Associations Article of the Annotated Code of Maryland on November 10, 2010 as a single-member company for the purpose of acquiring, owning, managing, renovating and operating a low- and moderate-income, multi-family residential 125-unit rental property located in Takoma Park, Maryland. On February 28, 2013, the property was transferred to an affiliate of MHP, MHP Parkview Towers, LP, for the purpose of obtaining Section 42 tax credits, investment of limited partner and rehabilitation of the project.

MHP MPDU Rental, Inc. ("MPDU Rental") was incorporated as a nonstock and not-for-profit organization on December 31, 2010 under the laws of the State of Maryland for the purpose of acquiring, owning, operating and selling low- and moderate-income scattered site residential properties located in Montgomery County, Maryland. In prior years, MPDU Rental acquired two single-family homes located in Olney, Maryland, a single-family home located in Gaithersburg, Maryland, six single-family homes located in Silver Spring, Maryland, seven single-family homes located in Clarksburg, Maryland, a single-family home located in North Potomac, Maryland, and a single family home located in Germantown, Maryland. On April 29, 2019, MPDU Rental acquired a townhome located in Olney, Maryland.

MHP 610-614 SSA, LLC ("Silver Spring Avenue") was formed as a limited liability company under Title 4a of the Corporations and Associations Article of the Annotated Code of Maryland on December 7, 2011 as a single-member company for the purpose of acquiring, rehabilitating and operating a 15-unit low- and moderate-income, multi-family residential rental property located in Silver Spring, Maryland and is currently operating under the name Silver Spring Avenue Apartments.

Notes to Consolidated Financial Statements December 31, 2024

MHP North Frederick Avenue, LLC ("North Frederick Avenue") was formed as a limited liability company under the laws of the State of Maryland on October 10, 2012, for the purpose of acquiring, owning, managing and operating multi-family residential rental properties in Gaithersburg, Maryland. In a prior year, the Company acquired a 33-unit multi-family rental housing project at 439North Frederick Avenue. On October 15, 2013, the Company acquired a 45-unit multi-family rental housing project at 425 North Frederick Avenue. On September 29, 2023, the rental property was sold to MHP North Frederick Owner LLC, an entity under common control of MHP.

MHP Forest Glen, LLC ("Forest Glen") was formed as a limited liability company under the laws of the State of Maryland on June 1, 2016, to acquire, rehabilitate and operate 72 units of rental housing, located in Silver Spring, Maryland. The project consists of 36 units of low-income housing and 36 units of market rent housing, and is currently operating under the name Forest Glen Apartments. On June 1, 2016, the property was purchased from an unrelated third party. On January 19, 2023, the rental property was sold to MHP Forest Glen 4 LP and MHP Forest Glen 9 LP which are entities under common control of MHP.

MHP Hillwood Manor, LLC ("Hillwood Manor") was formed as a limited liability company under the laws of the State of Maryland on June 1, 2016, to acquire, rehabilitate and operate 96 units of rental housing, located in Silver Spring, Maryland. The project consists of 48 units of low-income housing and 47 units of market rent housing, and is currently operating under the name Hillwood Manor Apartments. On December 30, 2021, the rental property was sold to MHP Colonnade LLC, an entity under common control of MHP.

Great Hope Homes 2001, L.P. ("Great Hope Homes") was formed as a limited partnership under the laws of the State of Maryland on May 22, 2001 for the purpose of acquiring, owning, developing, constructing and/or rehabilitating, leasing, managing and operating a 104-unit multi-family rental housing project located in Silver Spring, Maryland and operating under the name of Great Hope Homes Apartments. On September 30, 2017, MHP purchased the limited partner interest from the unrelated limited partner and owns 100% of the partnership interest.

Greenwood Terrace Apartments, L.P. ("Greenwood Terrace") was formed as a limited partnership under the laws of the State of Maryland on September 20, 2001 for the purpose of acquiring, owning, developing, constructing and/or rehabilitating, leasing, managing and operating a 50-unit multi-family rental housing project located in Silver Spring, Maryland and operating under the name of Greenwood Terrace Apartments. On October 1, 2019, MHP purchased the limited partner interest from the unrelated limited partner and owns 100% of the partnership interest.

MHP Worthington Woods LLC ("MHP Worthington Woods") was formed as a limited liability company on May 20, 2019 under the laws of the State of Maryland for the purpose of acquiring, owning, renovating and operating a 395-unit multi-family residential rental housing project located in Washington, District of Columbia and operating under the name Worthington Woods Apartments. MHP is the sole member of the company and owns 100% company interest. On June 22, 2023, the rental property was sold to MHP WW Apartments LLC, an entity under common control of MHP.

MHP Crescent Park Village LLC ("MHP Crescent Park") was formed as a limited liability company on August 5, 2020, under the laws of the State of Maryland for the purpose of acquiring, owning, renovating and operating a 110-unit multi-family residential rental housing project located in Washington, District of Columbia under the name Crescent Park Village. MHP is the sole member of the company and owns 100% company interest.

Notes to Consolidated Financial Statements December 31, 2024

MHP Franklin LLC ("MHP Franklin") was formed as a limited liability company on March 30, 2022, under the laws of the State of Maryland for the purpose of acquiring, constructing, rehabilitating and operating a multi-family residential rental property (the "project"). The project consists of 185 units in a midrise building located in Takoma Park, Maryland, and is currently operating under the name Franklin Apartments. MHP is the sole member of the company and owns 100% company interest.

Rollingwood Venture LP ("Rollingwood") was formed as a limited partnership on December 20, 2022, under the laws of the State of Maryland for the purpose of acquiring, owning, and operating a multi-family rental apartment projected located in Silver Spring, Maryland under the name The Rollingwood Apartments.

Blair Park Apartments, L.P. ("Blair Park") was formed as a limited partnership under the laws of the State of Maryland on September 25, 2001 for the purpose of acquiring, owning, developing, constructing and/or rehabilitating, leasing, managing and operating a 52-unit multi-family rental housing project located in Silver Spring, Maryland and operating under the name of Blair Park Apartments. On December 31, 2022, MHP purchased the limited partner interest from the unrelated limited partner and owns 100% of the partnership interest.

MHP TPP, LLC ("Takoma Park Preservation") was formed as a limited liability company under the Revised Uniform Company Act of the State of Maryland on May 2, 2006 for the purpose of acquiring, owning, managing, improving, developing, renovating and operating low- and moderate-income, multi-family residential rental properties located in Montgomery County, Maryland. The operating names and number of units are: Crossroads Flower, two buildings with a total of 27 units; Merrimac Gardens, one building with 20 units; and Sligo View Apartments, one building with 28 units, which were purchased May 12, 2006, July 31, 2006, and September 28, 2006, respectively. MHP Takoma, Inc., an affiliate of MHP, owns .01% as the managing member and an unrelated limited member owns 99.99% of the company interest.

Town Centre, Dring's Reach, Scattered Site, Edinburgh House, Inc., Landing's Edge, Beall's Grant, Flower Maple, Parkview Towers, MHP Parkview Towers, Inc., MPDU Rental, Silver Spring Avenue, North Frederick Avenue, Forest Glen, Hillwood Manor, Great Hope Homes, Greenwood Terrace, MHP Worthington Woods, MHP Crescent Park, MHP Franklin, Rollingwood, Blair Park and Takoma Park Preservation are collectively known as the "Subsidiaries".

Pembridge Square Apartments, L.P. ("Pembridge Square") was formed as a limited partnership under the laws of the State of Maryland on August 8, 2003 for the purpose of acquiring, owning, rehabilitating, leasing and operating a 133-unit multi-family rental housing project located in Wheaton, Maryland and operating under the name of Pembridge Square Apartments. MHP Pembridge, Inc., an affiliate of MHP, owns .01% as the general partner and an unrelated limited partner owns 99.99% of the partnership interest.

MHP Maple Towers, LLC ("Maple Towers") was formed as a limited liability company under Title 4a of the Corporations and Associations Article of the Annotated Code of Maryland on November 24, 2008 for the purpose of acquiring, owning, managing, renovating and operating a low- and moderate-income, multi-family residential rental property located in Montgomery County, Maryland. On December 5, 2008, Maple Towers acquired a 35-unit multi-family rental housing project located in Takoma Park, Maryland. On June 17, 2010, the Company admitted an unrelated limited member who owns 99.99% of the company interest. MHP Maple Towers, Inc., an affiliate of MHP, owns .01% as the managing member.

Notes to Consolidated Financial Statements December 31, 2024

MHP Edinburgh House LP ("Edinburgh House LP") was formed as a limited partnership under the laws of the State of Maryland on May 1, 2011, to acquire, rehabilitate and operate 45 units of rental housing, located in Takoma Park, Maryland. The project consists of 39 units of low-income housing and 6 units of market rent housing, and is currently operating under the name Edinburgh House Apartments. MHP EDH, Inc., an affiliate of MHP, owns .01% as the general partner and an unrelated limited partner owns 99.99% of the partnership interest.

MHP Halpine LP ("Halpine Hamlet") was formed as a limited partnership under the laws of the State of Maryland on August 4, 2011 to acquire, rehabilitate and operate 67 units of rental housing, located in Rockville, MD. The project consists of 50 low-income housing and 17 market rent housing, and is currently operating under the name Halpine Hamlet Apartments. MHP Halpine, Inc., an affiliate of MHP, owns .01% as the general partner and an unrelated limited partner owns 99.99% of the partnership interest.

MHP Parkview Towers, LP ("Parkview Towers LP") was formed as a limited partnership on September 21, 2012 under the laws of the State of Maryland to acquire, rehabilitate and operate 125 units of rental housing located in Takoma Park, Maryland. The project consists of 105 units of low-income housing and 20 units of middle-income housing and is operating under the name of Parkview Towers. The property was purchased on February 28, 2013. MHP Parkview Towers, Inc., an affiliate of MHP, owns .01% as the general partner and an unrelated limited partner owns 99.99% of the partnership interest.

Beall's Grant Apartments LLC ("Beall's Grant Apartments LLC") was formed as a limited liability company on August 24, 2016 under the Revised Uniform Company Act of the State of Maryland to acquire, own, develop, rehabilitate, lease and operate 74 units of rental housing located in Rockville, Maryland. The project consists of 51 units of low-income housing and 23 market rate units and is operating under the name of Beall's Grant Apartments. The property was purchased on January 27, 2017. BGA MM LLC, an affiliate of MHP, owns .01% as the managing member and an unrelated investor member owns 99.99% of the company interest.

Silver Spring Library Residences LP ("Silver Spring Library Residences LP") was formed as a limited partnership under the laws of the State of Maryland on July 16, 2012, for the purpose of constructing and operating a rental housing project under Section 221(d)(4) of the National Housing Act as regulated by the U.S. Department of Housing and Urban Development ("HUD"). The project consists of 149 units with 6,282 square feet of retail space located in Silver Spring, Maryland and is currently operating under the name of The Bonifant. The property was purchased on November 29, 2018. Silver Spring Library Residences GP, LLC, an affiliate of MHP, owns .01% as the general partner and an unrelated limited partner owns 99.99% of the partnership interest.

MHP Parkview Manor LLC ("Parkview Manor LLC") was formed as a limited liability company on April 10, 2017, under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, constructing, rehabilitating, and operating a rental housing project. The project consists of 53 units in four buildings located in Hyattsville, Maryland, and is currently operating under the name Parkview Manor Apartments. On May 31, 2018, the operating agreement was amended and restated to admit Enterprise Housing Partners XXIX Limited Partnership, the Investor Member. MHP Art LLC, an affiliate of MHP, owns .01% as the managing member and an unrelated investor member owns 99.99% of the company interest.

515 Thayer LLC (the "515 Thayer") was formed as a limited liability company on October 21, 2020 under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, constructing, rehabilitating, and operating a rental housing project. The project consists of 55 units

Notes to Consolidated Financial Statements December 31, 2024

in one building located in Silver Spring, Maryland, and is currently operating under the name 515 Thayer. On February 1, 2021, the operating agreement was amended and restated to admit Enterprise Housing Partners XXXI Limited Partnership and Enterprise Housing Partnership XXXIII Limited Partnership, the Investor Member. The Managing Member is 515 Thayer MM LLC and has an ownership percentage of 0.01%.

MHP Colonnade LLC (the "MHP Colonnade") was formed as a limited liability company on May 21, 2021 under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, constructing, rehabilitating, and operating a rental housing project. The project consists of 96 units in 15 buildings located in Takoma Park, Maryland, and is currently operating under the name MHP Colonnade. On February 1, 2022, the operating agreement was amended and restated to admit Enterprise Housing Partners XXXIII Limited Partnership, the Investor Member. The Managing Member is MHP Colonnade MM LLC and has an ownership percentage of 0.01%.

MHP North Frederick Owner LLC (the "North Frederick Owner") was formed as a limited liability company on February 1, 2023 under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, owning, managing, rehabilitating and operating a rental housing project. The project consists of 78 units in 7 buildings located in Gaithersburg, Maryland, and is currently operating under the names 439 North Frederick Avenue Apartments and 425 North Frederick Avenue Apartments. On September 29, 2023, the operating agreement was amended and restated to admit The Banc of America Housing Fund XVII Limited Partnership, LLLP, the Investor Member. The Managing Member is MHP North Frederick MM LLC and has an ownership percentage of 0.01%.

MHP WW Apartments LLC (the "WW Apartments") was formed as a limited liability company on February 14, 2023, under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, owning, and operating a rental housing project. The project consists of 395 units in 49 buildings located in Washington, District of Columbia, and is currently operating under the name Worthington Woods Apartments. On June 22, 2023, the operating agreement was amended and restated to admit PNC Bank, National Association, the Investment Member. The Managing Member is Worthington Woods MM, LLC, and has an ownership percentage of 0.01%.

MHP Forest Glen 4 LP (the "Forest Glen 4") was formed as a limited liability company on August 5, 2022, under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, owning, managing, rehabilitating and operating a rental housing project. The project consists of 136 units and is located in Silver Spring, Maryland, and is currently operating under the name The Residences at Forest Glen. On January 19, 2023, the operating agreement was amended and restated to admit Enterprise Housing Partners XXXVII Limited Partnership, the Investor Member. The Managing Member is MHP Forest Glen 4 GP LLC and has an ownership percentage of 0.01%.

MHP Forest Glen 9 LP (the "Forest Glen 9") was formed as a limited liability company on August 5, 2022, under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, owning, managing, rehabilitating and operating a rental housing project. The project consists of 53 units and is located in Silver Spring, Maryland, and is currently operating under the name The Residences at Forest Glen. On January 19, 2023, the operating agreement was amended and restated to admit Enterprise Housing Partners XXXVII Limited Partnership, the Investor Member. The Managing Member is MHP Forest Glen 9 GP LLC and has an ownership percentage of 0.01%.

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MHP Nebel 4 LLC (the "Nebel 4") was formed as a limited liability company on May 12, 2023, under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, constructing, rehabilitating, developing, repairing, improving, maintaining, operating, leasing, and operating a rental housing project. The project consists of 135 units and is located in Rockville, Maryland, and is currently operating under the name Nebel Street Apartments 4. On August 28, 2024, the operating agreement was amended and restated to admit TCC Nebel Street 4, LLC, the Investor Member. The Managing Member is MHP Nebel 4 MM LLC and has an ownership percentage of 0.01%.

MHP Nebel 9 LLC (the "Nebel 9") was formed as a limited liability company on May 12, 2023, under the Revised Uniform Company Act of the State of Maryland for the purpose of acquiring, constructing, rehabilitating, developing, repairing, improving, maintaining, operating, leasing, and operating a rental housing project. The project consists of 28 units and is located in Rockville, Maryland, and is currently operating under the name Nebel Street Apartments 9. On August 28, 2024, the operating agreement was amended and restated to admit TCC Nebel Street 9, LLC, the Investor Member. The Managing Member is MHP Nebel 9 MM LLC and has an ownership percentage of 0.01%.

Pembridge Square, Maple Towers, Edinburgh House LP, Halpine Hamlet, Parkview Towers LP, Beall's Grant Apartments LLC, Silver Spring Library Residences LP, Parkview Manor LLC, 515 Thayer, MHP Colonnade, North Frederick Owner, WW Apartments, Forest Glen 4, Forest Glen 9, Nebel 4 and Nebel 9 are collectively known as the "Affiliates".

MHP and its Subsidiaries and Affiliates are collectively known as the "Organization".

MHP's Affiliates have qualified for and have been allocated low-income housing tax credits ("LIHTC") pursuant to Internal Revenue Code Section 42 ("Section 42") which regulates the use of the projects as to occupant eligibility and unit gross rent, among other requirements. The Affiliates must meet the provisions of these regulations during each of 15 consecutive years in order to remain qualified to receive the credits.

Note 2 - Significant accounting policies

Principles of consolidation

The consolidated financial statements include the accounts of MHP, its Subsidiaries and Affiliates, and certain related entities.

The Financial Accounting Standards Board ("FASB") issued guidance on determining whether a general partner, or the general partners as a group, controls a limited partnership or similar entity when the limited partners have certain rights. The guidance amended and replaced the previous requirements, which provides guidance on accounting for investments in real estate ventures. The FASB guidance establishes the presumption that the general partner or managing member in a real estate venture controls that entity regardless of the extent of the general partner or managing member ownership interest in the entity. The presumption of control can be overcome if the limited partner(s) or member(s) have either (i) "kick-out rights" - the substantive ability to dissolve or liquidate the entity or otherwise remove the general partner or managing member "without cause" or (ii) "substantive participating rights" - the ability to effectively participate in significant decisions made in the ordinary course of the entity's business. If the presumption of control cannot be overcome, then the general partner or managing member is required to consolidate the entity. The Organization determined that the presumption of control for the entities in which MHP is the sole general partner or managing member had not been overcome and as a result MHP is required to

Notes to Consolidated Financial Statements December 31, 2024

consolidate the financial statements of the Affiliates. All significant inter-company balances and transactions between members of the Organization have been eliminated in consolidation.

Financial statement presentation

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Furthermore, information is required to segregate program service expenses from support expenses.

In addition, the Organization records contributions received as with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Use of estimates

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

Income taxes

MHP and its Subsidiaries (except Flower Maple, Parkview Towers, Silver Spring Avenue, North Frederick Avenue, Forest Glen, Hillwood Manor, Great Hope Homes, Greenwood Terrace, MHP Worthington Woods, MHP Crescent Park, Rollingwood, Takoma Park Preservation, Blair Park and MHP Franklin) have applied for and received a determination letter from the Internal Revenue Service ("IRS") to be treated as a tax-exempt entity pursuant to Section 501(c)(3) of the Internal Revenue Code and did not have any unrelated business income for the year ended December 31, 2024. Due to its tax-exempt status, the Organization is not subject to income taxes. The Organization is required to file and does file tax returns with the IRS and other taxing authorities. Management has analyzed the tax positions taken by the Organization and has concluded that, as of December 31, 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. Accordingly, these consolidated financial statements do not reflect a provision for income taxes and the Organization has no other tax positions which must be considered for disclosure. Income tax returns filed by the Affiliates are subject to examination by the IRS for a period of three years. While no income tax returns are currently being examined by the IRS tax years since 2021 remain open.

Flower Maple, Parkview Towers, Silver Spring Avenue, North Frederick Avenue, Forest Glen, Hillwood Manor, MHP Worthington Woods, MHP Crescent Park, Takoma Park Preservation and MHP Franklin LLC are single-member limited liability companies which are not recognized for federal income tax purposes.

The Affiliates 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 their owners or members on their respective income tax returns. Each Affiliate's federal tax status as a pass-through entity is based on their legal status as a partnership or limited liability company. Accordingly, the Affiliates are not required to take any tax positions in order to qualify as pass-through entities. The Affiliates are required to file and do file tax returns with the IRS and other taxing authorities. Accordingly, these consolidated financial statements do not reflect a provision for income taxes and the Affiliates have no other tax positions which must be considered for disclosure. Income tax returns filed by the Affiliates are

Notes to Consolidated Financial Statements December 31, 2024

subject to examination by the IRS for a period of three years. While no income tax returns are currently being examined by the IRS, tax years since 2021 remain open.

In accordance with accounting standards for income taxes, a deferred tax asset or liability is determined based on the difference between the financial statement and tax basis of assets and liabilities as measured by enacted tax rates which will be in effect when these differences reverse. These subsidiaries provide a valuation allowance against net deferred tax assets unless, based upon the available evidence, it is more likely than not that the deferred tax assets will be realized. Management believes that its income tax filing positions and deductions will be sustained on audit and does not anticipate any adjustments that will result in a material change to its financial position or results of operations. Therefore, no reserves for uncertain tax positions have been recorded.

Accounts receivable and bad debts

Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Property and equipment

Property and equipment are carried at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method for financial reporting purposes. For income tax purposes, accelerated lives and methods are used. The depreciable lives are as follows:

Buildings 27.5 - 40 years
Land improvements 15 years
Furniture and equipment 5 - 7 years

Construction in progress is not depreciated until the project is complete and placed in service. Acquisition costs incurred in connection with property acquisition under common control are recorded as a component of net assets. During the year ended December 31, 2024, no acquisition costs were incurred.

Leases

The Organization recognizes a lease asset and a lease liability at the lease commencement date. The lease asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease.

Total lease costs on an undiscounted basis are recognized as rent expense over the term of the lease on a straight-line basis. Annual rent expense comprises amortization of the lease asset plus interest on the lease liability adjusted for any variations in lease payment amounts.

Impairment of long-lived assets

The Subsidiaries and Affiliates review their respective rental property(s) for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated

Notes to Consolidated Financial Statements December 31, 2024

by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended December 31, 2024.

Debt issuance costs

Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the mortgage loan payable to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed interest rate on the related loan.

In-place leases and amortization

Costs of \$177,037 related to in-place leases were amortized using the straight-line method over the average remaining life of leases. At December 31, 2024, accumulated amortization amounted to \$173,220.

Tax credit fees and amortization

Tax credit fees are amortized over 15 years using the straight-line method. During 2024, amortization expense of \$24,694 was recorded on the consolidated statement of functional expenses. Estimated annual amortization of tax credit fees over each of the next five years through 2029 is \$24,694. As of December 31, 2024, accumulated amortization was \$185,754.

Development-in-progress

Development-in-progress consists of predevelopment and rehabilitation costs incurred in connection with developing and rehabilitating Scattered Site, Beall's Grant, Parkview Towers LP, Landing's Edge, MHP Franklin LLC, Rollingwood Venture LP, North Frederick Owner, WW Apartments, Forest Glen 4, Forest Glen 9, Nebel 4, and Nebel 9.

In addition, rehabilitation costs associated with the Scattered Site MPDU resale initiative are classified as current development-in-progress and are shown net against sale proceeds to either increase or decrease the unsecured note payable when sold (Note 12).

Predevelopment project costs

MHP incurs costs in connection with properties it is considering for development as well as costs associated with properties in the initial stages of development. These costs include such items as market and environmental studies, purchase options, and legal and accounting costs. Predevelopment costs are capitalized until such time as the project is either abandoned or becomes an approved project with independent funding sources. Predevelopment project costs are written off when a potential project is no longer considered desirable or feasible.

Noncontrolling interest

This amount represents the aggregate positive balance of limited partner and member equity interests in the Affiliates that are included in the consolidated financial statements. The aggregate negative balances, if any, of limited partner and member equity interests remain in MHP's net assets.

Grant and contribution revenue

Revenue is recognized on cost reimbursable grants when expenses are incurred. Reimbursable costs incurred in excess of cash received are reflected as grants receivable.

Notes to Consolidated Financial Statements December 31, 2024

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Our federal and state contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Consequently, at December 31, 2024, no conditional contributions have been received in advance, and have not been recognized in the accompanying consolidated financial statements.

Advertising

Advertising costs are expensed as incurred.

Donated capital assets and services

Donated capital assets are recorded as contributions at their estimated values at the date of receipt. There were no donated capital assets during 2024. Donated services have not been reflected in the consolidated financial statements since they are not susceptible to objective measurement or valuation.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among program services, fundraising and management and general. Certain costs are directly expensed to programs and overhead related costs which cannot be directly coded are allocated based on a percentage of direct labor.

Rental income

Residential rental income is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Organization and the residential tenants of the property are classified as operating leases.

Commercial rental income

Commercial income is recognized on a straight-line basis under which contractual rent increases are recognized equally over the lease term. Rental income recorded on the straight-line method in excess of the rents billed is recognized as deferred rent receivable. The Organization begins recognizing rental revenue when the tenant has the right to take possession of or controls the physical use of the property under lease. The Organization includes a renewal period in the lease term only if it appears at lease inception that the renewal is reasonably certain. If the collectability of future lease payments from nonresidential tenants is not probable, the Organization recognizes revenue at the lesser of (a) straight-line lease income, plus variable lease payments, or (b) lease payments, including variable lease payments collected. All leases between the Organization and the commercial tenants of the property are operating leases.

Cash equivalents

The Organization considers money market funds and all highly-liquid investments purchased with a maturity of three months or less when acquired to be cash equivalents.

Short-term investments

The Organization considers certificates of deposit and government bonds purchased with a maturity of three months to one year to be short-term investments.

Notes to Consolidated Financial Statements December 31, 2024

Derivative instruments

Greenwood has entered into an ISDA Master Agreement which is carried at fair value on the consolidated statement of financial position. Changes in fair value are estimated and recorded through the consolidated statement of activities.

Net assets without donor restrictions

Net assets without donor restrictions are available for use at the discretion of the board of trustees and/or management for general operating purposes. From time to time the board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net assets with donor restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

MHP reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting MHP to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board-approved spending policy.

See Note 6 for more information on the composition of net assets with donor restrictions.

Syndication costs

Syndication costs are considered a reduction of net assets.

Investment in partnerships

The Organization's investment in partnerships are accounted for under the equity method of accounting as the Organization does not exercise control or meet the requirements for consolidation. Amounts contributed are carried at cost, adjusted for the Organization's share of undistributed earnings or losses.

Note 3 - Cash and cash equivalents

Cash and cash equivalents consisted of the following at December 31, 2024:

Cash Money market accounts Scattered Sites - operating reserve	\$ 23,368,533 6,132,657 612,185
	\$ 30,113,375

Operating reserves included in cash and cash equivalents are controlled and regulated by the owner and are not restricted.

Notes to Consolidated Financial Statements December 31, 2024

Liquidity and availability of resources

MHP's financial assets available within one year of the consolidated statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$ 30,113,375
Short-term investments	756,932
Accounts receivable	3,733,634
Mortgage escrow deposits for taxes and insurance	1,216,135
Net assets with donor restrictions included in cash and	
cash equivalents	(1,351,096)
	\$ 34,468,980

MHP maintains a policy of structuring its financial assets to be available as general expenditures, liabilities, and other obligations come due. In addition, MHP invests cash that exceeds short-term requirements in liquid short-term investments including brokered certificates of deposit, United States treasury and agency securities, and commercial paper. Only amounts related to restricted deposits and funded reserves anticipated to be used more than one year after the consolidated statement of financial position date have been excluded from the above amounts.

Note 4 - Investments

The certificates of deposit earn interest of 0.200% - 3.923% and have maturity dates in various months ranging from February 2025 through January 2026.

Investments consisted of the following certificates of deposit and stock at December 31, 2024:

Bank/Investment Servicer	B	Balance
PNC Bank Sandy Spring Bank United Bank	\$	107,231 122,929 120,190
Total certificates of deposit		350,350
Wells Fargo Bank		526,772
Total certificates of deposit and stock	\$	877,122

Notes to Consolidated Financial Statements December 31, 2024

Note 5 - Notes payable

MHP and its Subsidiaries and Affiliates have entered into note agreements, which are either unsecured or secured by the respective rental property, with various lenders:

	Accrued interest payable	Principal
Parent-company notes:		
On May 18, 2006, MHP entered into a grant agreement with the Maryland Affordable Housing Trust ("MAHT") in the amount of \$100,000 to assist in the units to be constructed on the land owned and held by Beall's Grant. The agreement requires repayment of \$50,000 with no interest, upon the closing of permanent financing for the property. The liability is determined to be an obligation of MHP.	\$ -	\$ 50,000
On December 13, 2018, MHP entered into a loan agreement with NeighborWorks Salt Lake 2017 AHMI Fund, LLC in the amount of \$2,000,000. The loan bears interest at a rate of 5.50% per annum. Payments of interest-only are due and payable in equal consecutive quarterly installments of \$27,500. All unpaid principal and interest are due on the maturity date, January 29, 2024. On May 20, 2024, the loan was extended until May, 20, 2029. The new loan bears interest at 5.99%. During 2024, interest expense of \$96,902 was recorded on the consolidated statement of functional expenses.	30,616	2,000,000
On December 21, 2017, MHP entered into a loan agreement with First National Bank of Pennsylvania in the amount of \$2,500,000. The loan bears interest at a variable rate equal to One Month LIBOR plus 2.75 percentage points (8.15% as of December 31, 2024) per annum. Payments of interest-only are due and payable monthly. All unpaid principal and interest are due on the maturity date of December 21, 2025. During 2024, \$21,723 of interest was recorded on the consolidated statement of functional expenses.	-	283,009
On September 17, 2018, MHP entered into a loan agreement with Sandy Spring Bank in the amount of \$750,000. The loan bears interest at a variable rate equal to the Lender's Prime Rate plus 0.5 percentage points (8.15% as of December 31, 2024) per annum. Payments of interest-only are due and payable monthly. All unpaid principal and interest are due on the maturity date, August 28, 2025. During 2024, interest expense of \$21,615 was recorded on the consolidated statement of functional expenses.	_	260,100

Notes to Consolidated Financial Statements December 31, 2024

	Accrued	
	interest payable	Principal
Parent-company notes:		
On March 21, 2018, MHP entered into a loan agreement with Capital One Bank in the amount of \$500,000. The loan bears interest at 1% per annum. The loan matures on October 1, 2024. On October 2, 2024, the note was repaid in full. During 2024, interest expense of \$9,031 was recorded on the consolidated statement of functional expenses.	-	-
On March 7, 2018, MHP entered into a loan agreement with The Housing Partnership Trust Fund, Inc. in the amount of \$3,000,000. The loan bears interest at 5.5% per annum. All unpaid principal and interest are due on the maturity date, May 7, 2025. During 2024, interest expense of \$183,000 was recorded on the consolidated statement of functional expenses. Subsequent to December 31, 2024, on July 25, 2025, MHP entered into a loan agreement with The Housing Partnership Trust Fund, Inc. in the amount of \$3,000,000. The loan bears inerest at a 6.0% per annum. All unpaid principal and interest are due on the maturity date, July 25, 2029.	-	3,000,000
On October 29, 2019, MHP entered into a loan agreement with Montgomery County, Maryland, in the amount of \$250,000 to assist with renovations to Halpine Hamlet. The loan bears no interest and \$7,353 of principal is forgiven annually. The loan matures on January 11, 2053.	-	250,000
On May 1, 2021, MHP entered into a loan agreement with Housing Partnership Fund in the amount of \$840,000. The loan bears interest at 4.5% per annum. All unpaid principal and interest are due on the maturity date, May 1, 2030. During 2024, interest expense of \$38,430 was recorded on the consolidated statement of functional expenses.	-	840,000
On September 30, 2020, MHP entered into a loan agreement with BlueHub Loan Fund Inc. in the amount of \$3,000,000. The loan bears interest at 5.75% per annum. The loan matures on March 30, 2031. During 2024, interest expense of \$172,500 was recorded on the consolidated statement of functional expenses.	166,875	3,000,000
Subtotal - parent-company	197,491	9,683,109

Notes to Consolidated Financial Statements December 31, 2024

	Accrued interest payable	Principal
Parent-company notes:		<u> </u>
Subsidiaries' and Affiliates' notes:		
Permanent conventional loans, bearing compounding interest from 2% to 10%, generally with principal and interest due monthly, to be repaid in full on various maturity dates though September 2054. During 2024, interest expense of \$11,515,226 was recorded to the consolidated statement of functional expenses.	2,576,165	313,674,240
Local agency loans, bearing-interest from 0% to 3%, generally payable annually from the respective property's net cash flow, if any, to be repaid in full on various maturity dates through June 2054. During 2024, interest expense of \$2,388,730 was recorded on the consolidated statement of functional expenses.	4,775,110	147,185,709
State agency loans, bearing-interest from 2% to 4%, generally payable annually from the respective property's net cash flow, if any, to be repaid in full on various maturity dates through June 2054. During 2024, interest expense of \$519,832 was recorded on the consolidated statement of functional expenses.	1,350,367	34,334,235
Federal agency loans, bearing-interest from 0% to 3%, generally payable annually from the respective property's net cash flow, if any, or forgiven over the loan term, to be repaid in full on various maturity dates through November 2042. During 2024, interest expense of \$10,511 was recorded on the consolidated statement of functional		
expenses.	26,398	3,554,584
Subtotal - subsidiaries and affiliates	8,728,040	498,748,768
Total Less unamortized debt issuance costs	\$ 8,925,531	508,431,877 (12,838,180)
Net		\$ 495,593,697

As of December 31, 2024, the outstanding principal balance of the secured and unsecured notes payable less unamortized debt issuance costs was \$495,593,697. As of December 31, 2024, unamortized debt issuance costs of \$12,838,180 consist of debt issuance costs of \$17,434,266 less accumulated amortization of \$4,596,086. Debt issuance costs are being amortized using various imputed interest rates of the individual loans. During the year ended December 31, 2024, amortization expense incurred was \$1,467,211 and was included in interest expense on the consolidated statement of functional expenses.

Notes to Consolidated Financial Statements December 31, 2024

The outstanding balance of unsecured notes payable consisted of the following at December 31, 2024:

Entity	Outstanding balance	
MHP	\$	9,683,109
Scattered Site		563,618
Beall's Inc.		860,000
		11,106,727
Less unamortized debt issuance costs		(13,084)
	\$	11,093,643

The outstanding balance of secured notes payable consisted of the following at December 31, 2024:

Entity	Outstanding balance
Entity	 palarice
Scattered Site	\$ 20,816,097
Edinburgh House LP	4,410,959
Landing's Edge	3,028,480
Dring's Reach	10,323,133
Great Hope Homes	6,668,382
Greenwood Terrace	3,084,476
Blair Park	3,222,477
Pembridge Square	12,862,554
Flower Maple	3,706,051
Maple Towers	6,778,867
Takoma Park Preservation	8,920,080
Parkview Towers LP	14,171,013
Halpine Hamlet	8,745,076
MPDU Rental	3,112,279
North Frederick Owner	21,625,443
Silver Spring Avenue	1,412,211
Forest Glen 4	50,384,703
Forest Glen 9	21,957,673
Parkview Manor LLC	8,929,220
Silver Spring Library Residences LP	28,043,189
MHP WW Apartments	79,791,313
MHP Crescent Park	9,137,331
MHP Colonnade LLC	24,734,450
515 Thayer LLC	15,082,222
Beall's Grant Apartments LLC	8,864,007
Franklin LLC	36,181,347
Rollingwood	73,329,358
Nebel 4	7,065,139
Nebel 9	937,620
	497,325,150
Less unamortized debt issuance costs, net of accumulated amortization	(12,825,096)
Net	\$ 484,500,054

Notes to Consolidated Financial Statements December 31, 2024

The security for the secured notes payable consists of either first or subordinate mortgages on the respective rental properties.

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America which contemplates continuation of MHP as a going concern. Rollingwood has loans with Merchants Bank of Indiana that are maturing on January 10, 2026. Rollingwood does not have sufficient funds on hand to repay the outstanding balances of the loans in the amounts of \$37,684,000 and \$2,116,000, respectively. On July 21, 2025, management executed an extension with Merchants Bank of Indiana for the Facility A and Facility B loans that extended the maturity through January 10, 2026 and January 10, 2026, respectively, with an option to extend the maturity through July 10, 2026 and July 10, 2026, respectively.

Management's plan is to receive an allocation of low income housing tax credits in January 2026 which is expected to generate \$62,346,622 of low income housing tax credits allocable to the limited partner. Management anticipates that capital contributions from the limited partner will be sufficient to satisfy maturing debt and anticipates the initiative to be successful.

The ability of Rollingwood to continue operations is dependent upon receiving an allocation of tax credits which raises substantial doubt regarding Rollingwood's ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Aggregate annual maturities of the unsecured notes payable over each of the next five years and thereafter are as follows:

December 31, 2025	\$ 4,966,727
2026	50,000
2027	-
2028	-
2029	2,000,000
Thereafter	 4,090,000
	\$ 11,106,727

Aggregate annual maturities of the secured notes payable over each of the next five years and thereafter are as follows:

December 31, 2025	\$ 19,040,310
2026	84,124,900
2027	6,414,433
2028	6,414,868
2029	39,176,542
Thereafter	342,154,097
	\$ 497,325,150

Notes to Consolidated Financial Statements December 31, 2024

Note 6 - Net assets with donor restrictions

Donor-restricted funds are as follows as of December 31, 2024:

NeighborWorks America NeighborWorks	\$ 172,500
Neighborworks	ψ 172,300
Total NeighborWorks America	172,500
Various donors	1
Playground	4,673
Capital One	14,263
Meyer Foundation	50,139
IDA Program	69,157
SAHF	37,245
Rental Assist donation	40,733
Cafritz Foundation	150,000
Kaiser Permanente	230,255
TD Bank	92,055
United Healthcare	13,707
Robinson Foundation	1,759
Wells Fargo	385,725
Montgomery County	81,188
Scull Fund	5,691
Saint Mark	1,725
Robert Schattner Foundation	280
Total donor-restricted assets	\$ 1,351,096

Note 7 - Right-of-use asset/ground lease

Silver Spring Library Residences LP has a lease arrangement with Montgomery County, Maryland (the "Lessor"), dated October 9, 2014. The Lessor is an unrelated party. The lease provides the Organization a right to use a parcel of land where the project is located for 77 years beginning on October 1, 2014 (the "Commencement Date"). The lease is classified as an operating lease. The lease term remaining at December 31, 2024 is 67 years.

Lease payments included in the measurement of the lease liability at December 31, 2024 total \$1,675,000 for fixed payments.

The lease agreement requires an initial rental payment of \$25,000. Lease rental payments are scheduled to be paid annually on April 1 in the amount of \$25,000. Payment of scheduled lease payments is subject to available cash flows, as defined in the lease. Scheduled lease payments in excess of actual payment amounts can be deferred and are recorded as deferred lease payable. The remainder of the annual rent not paid in any one year shall be accrued and shall accrue interest at an annual interest rate equal to the greater of the long-term applicable federal rate at the Commencement Date (3.14%) or 2.89%. For the year ended December 31, 2024, rent expense of \$25,000 was recorded on the consolidated statement of operations.

Notes to Consolidated Financial Statements December 31, 2024

The lease liability at December 31, 2024 of \$758,101 is the present value of remaining scheduled lease payments discounted using the Silver Spring Library Residences LP's implicit rate of 2.89%. It does not include any deferred lease payable amounts. Future remaining scheduled lease payments during the lease term are shown in the table below. The annual payment amounts are presented on an undiscounted basis along with a reconciliation to the lease liability on December 31, 2024, which is recorded on a present value basis, as described above.

December 31, 2025	\$ 25,000
2026	25,000
2027	25,000
2028	25,000
2029	25,000
Thereafter	1,550,000
Total	1,675,000
Less discount	(916,899)
Lease liability	\$ 758,101

Effective January 18, 2013, MHP entered into an agreement to lease office space from May 1, 2013 through August 31, 2020. On April 23, 2020, the lease agreement was amended and the term of the lease was extended through September 30, 2023. On April 12, 2023, the lease agreement was amended and the term of the lease was extended through January 31, 2029. The agreement requires annual rent payments of \$220,884, increasing by 3% annually. The lease is classified as an operating lease. The lease term remaining at December 31, 2024 is four years.

Lease payments included in the measurement of the lease liability at December 31, 2024 total \$992,193 for fixed payments.

The lease liability at December 31, 2024 of \$926,304 is the present value of remaining scheduled lease payments discounted using the implicit rate of 3.41%. It does not include any deferred lease payable amounts. Future remaining scheduled lease payments during the lease term are shown in the table below. The annual payment amounts are presented on an undiscounted basis along with a reconciliation to the lease liability on December 31, 2024, which is recorded on a present value basis, as described above.

During 2024, rent expense of \$208,910 was recorded on the consolidated statement of functional expenses. Rent expense is recorded as the average annual cost over the entire term of the lease.

The minimum future annual rents under the lease are as follows:

December 31, 2025	\$ 232,060
2026	239,022
2027	246,193
2028	253,579
2029	21,339
Total	992,193
Less discount	(65,889)
Lease liability	\$ 926,304

Notes to Consolidated Financial Statements December 31, 2024

Note 8 - Commitments and contingencies

MHP is contingently liable with respect to certain obligations and guarantees, including the requirement to fund operating deficits, for Maple Towers, Edinburgh House LP, Halpine Hamlet, Parkview Towers LP, Beall's Grant Apartments, Parkview Manor, Silver Springs Library Residence, MHP Colonnade, MHP Flower Maple LLC, 515 Thayer LLC, Nebel 4, and Nebel 9 as provided for in the partnership and operating agreements.

The Organization has entered into construction contracts with various third-party contractors to construct and rehabilitate projects in the original amounts of \$204,175,926. As of December 31, 2024, \$23,764,456 remains payable and included in accounts payable -s construction on the consolidated statement of financial position.

The Affiliates' low-income housing credits will be contingent on their ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period, could result in recapture of previously taken tax credits plus interest. In addition, such potential noncompliance may require an adjustment to the contributed capital by the limited partner or member.

Note 9 - Management agreement

The Affiliates and certain of the Subsidiaries have entered into management contracts with unrelated management companies to manage their respective rental activities. The agreements, entered into between January 1, 2001 and August 7, 2024, range in terms of one to two years and continue on a month-to-month or one-year basis after the original term of the agreement. The management fee of Landing's Edge, Beall's Grant Apartments, Dring's Reach, Greenwood, Blair Park, Pembridge Square, Maple Towers, Edinburgh House LP, Halpine Hamlet, Parkview Towers LP, Great Hope Homes, Scattered Site, Takoma Park Preservation, Parkview Manor, Flower Maple, Silver Spring Avenue, MPDU Rental, North Frederick Avenue, MHP Worthington Woods, MHP Crescent Park, North Frederick Owner, and WW Apartments is 3.25% of gross collections, as defined in their respective management agreements. The management fee of Forest Glen, Hillwood Manor, Silver Spring Library Residences LP, 515 Thayer LLC, and MHP Colonnade LLC is 4.5% of adjusted gross receipts, as defined in their respective management agreements. The management fee of MHP Franklin LLC is 4.25% of adjusted gross receipts, as defined in its respective management agreement. The management fee of Rollingwood is 3% of adjusted gross receipts, as defined in its respective management agreement. The management fee of Nebel 4 and Nebel 9 is 4% of gross rent collections, provided that minimum monthly payments shall not be less than \$3,000, as defined in their respective management agreements. During 2024, management fees of \$1,202.852 were recorded on the consolidated statement of functional expenses.

Note 10 - Restricted project reserves

Certain of MHP and its Subsidiaries and Affiliates are required to establish and maintain operating and other restricted reserve accounts.

Notes to Consolidated Financial Statements December 31, 2024

The restricted project reserve balances as of December 31, 2024 are as follows:

Entity		Balance
Coottoned Oite	Φ.	0.540.007
Scattered Site	\$	6,543,007
Landing's Edge		447,985
Dring's Reach		611,508
Great Hope Homes		1,089,795
Greenwood Terrace		1,346,981
Blair Park		548,235
Pembridge Square		688,188
Takoma Park Preservation		485,664
MHP		270,452
Maple Towers		295,878
Parkview Towers LP		654,139
Flower Maple		213,498
Edinburgh House LP		99,896
MPDU Rental		275,236
Silver Spring Avenue		132,123
North Frederick Avenue		420,515
North Frederick Owner		258,583
Halpine Hamlet		565,110
Forest Glen		113,737
Forest Glen 4		168,487
515 Thayer LLC		366,620
Beall's Grant Apartments LLC		685,705
Parkview Manor LLC		238,253
MHP WW Apartments		1,839,193
MHP Crescent Park		779,623
Silver Spring Library Residences LP		1,658,383
MHP Colonnade LLC		732,151
MHP Franklin LLC		214,261
MHP Rollingwood Venture LP		743,007
MHP Nebel 4 LLC		1,337,229
		23,823,442

Note 11 - Concentration of credit risk

The Organization maintains cash and cash equivalents balances in accounts in various banks and escrows and reserves held in trust with the lender. At times, these balances may exceed the federal insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash, cash equivalents, escrow and reserve balances at December 31, 2024.

Note 12 - MPDU resale initiative

During fiscal year 2003, the Organization entered a program to include the purchase, rehabilitation and resale of single-family homes throughout Montgomery County, Maryland. The acquisition and

Notes to Consolidated Financial Statements December 31, 2024

rehabilitation costs of the homes are financed through a noninterest-bearing loan from Montgomery County. Acquisition and rehabilitation costs for the homes owned at December 31, 2024 of \$276,548 were included in development-in-progress on the consolidated statement of financial position. In accordance with the loan agreement with Montgomery County, Maryland, the loss incurred from the sale of the homes during prior years resulted in an aggregate loss of \$361,051 have adjusted the balance of the unsecured note payable to Montgomery County Department of Housing and Community Affairs ("MCDHCA") on the consolidated statement of financial position. During 2024, no additional losses were incurred.

Note 13 - Development fee

Development fees earned are paid from the project's equity and debt proceeds at the completion of the construction of the project. These fees are recognized over the development period beginning when the project is assured of being constructed, as evidenced by the admission of an equity partner, as units are delivered or based on the external construction costs incurred as a percentage of the total external construction costs expected, and concluding with the application for final allocation of tax credits. Any portion of the development fee not expected to be paid using contributions from the equity partner, such as out of 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, which typically includes the following factors:

- The susceptibility of the consideration amount to factors outside the project's influence, including insufficient equity and debt proceeds at the completion of the construction of the project.
- Whether the uncertainty about the consideration amount is not expected to be resolved for a long period of time.
- MHP's experience with similar types of agreements.
- Whether MHP expects to offer changes to payment terms.
- The range of possible consideration amounts.

The cumulative amount of development fees earned over the development agreement is updated at each reporting period based on the project's estimate of the variable consideration using available information at the reporting date. Developer fee receivable, developer fee income, and deferred developer fee earned from subsidiaries and payable from operational cash flow of the respective projects are eliminated in consolidation.

Note 14 - Fair value

The accounting standard for fair value measurement and disclosures defines fair value, establishes a framework for measuring fair value, and provides for expanded disclosure about fair value measurements. Fair value is defined by the accounting standard for fair value measurement and

Notes to Consolidated Financial Statements December 31, 2024

disclosures as 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 on the measurement date. It also establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three levels. The following summarizes the three levels of inputs and hierarchy of fair value the Organization uses when measuring fair value:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access;
- Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as interest rates and yield curves that are observable at commonly quoted intervals; and
- Level 3 inputs are unobservable inputs for the asset or liability that are typically based on an entity's own assumptions as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the fair value measurement will fall within the lowest level input that is significant to the fair value measurement in its entirety.

The fair value of the interest rate swaps at December 31, 2024 of \$2,343,165 is classified within Level 2 of the fair value hierarchy. No other assets or liabilities are measured at fair value as of December 31, 2024. The following table presents the financial assets measured at fair value on a recurring basis as of December 31, 2024:

	 evel 1	 Level 2	Le	evel 3	Total			
Interest rate swap	\$ 	\$ 2,343,165	\$		\$	2,343,165		
Total	\$ 	\$ 2,343,165	\$		\$	2,343,165		

On

a recurring basis, the Organization measures its interest rate swaps and caps at their estimated fair value. In determining the fair value of the interest rate swaps and caps, management uses the present value of expected cash flows based on the market observable interest rate yield curve commensurate with the term of the instrument. The Organization incorporates credit valuation adjustments to appropriately reflect both the Organization's nonperformance risk and that of the respective counterparty in the fair value measurement. The credit valuation adjustments utilize Level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihood of default by either the respective counterparty or the Organization. However, management has determined that as of December 31, 2024 the impact of the credit valuation adjustments was not significant to the overall valuation of the swaps or cap. As a result, the fair value of the swaps and cap is considered to be based primarily on Level 2 inputs.

Note 15 - Asset management and incentive management fees

MHP receives asset management and incentive management fees from some of its Subsidiaries and Affiliates. Asset management and incentive management fees earned from Subsidiaries and Affiliates during 2024 have been eliminated in the consolidated financial statements.

Notes to Consolidated Financial Statements December 31, 2024

Note 16 - Resident social program fees

MHP receives a resident social program fee from some of its Subsidiaries and Affiliates. Resident social program fees earned during 2024 have been eliminated in the consolidated financial statements.

Note 17 - Development-in-progress

Some of the Subsidiaries and Affiliates acquire properties for the purpose of rehabilitating or constructing residential real estate projects.

Development-in-progress consisted of the following acquisition and rehabilitation costs at December 31, 2024:

Entity		Balance
MHP predevelopment costs	\$	28,491
Scattered Site	•	276,548
Beall's Grant		500,000
Parkview Towers LP		687,859
Landing's Edge		3,037,509
Forest Glen 4		22,963,498
Forest Glen 9		47,496,788
North Frederick Owner		4,862,952
MHP WW Apartments		30,171,003
MHP Franklin LLC		79,812
Rollingwood		1,884,812
Nebel 4		7,193,022
Nebel 9		1,813,346
	\$	120,995,640

Note 18 - Housing assistance contracts

HUD has contracted with Great Hope Homes and MHP Franklin, under Section 8 of Title II of the Housing and Community Development Act of 1974, to make housing assistance payments to the Organization on behalf of qualified tenants. The agreements covers 21 units at Great Hope Homes and 183 units at MHP Franklin and expires April 1, 2035 and July 3, 2030, respectively. During 2024, housing assistance payments of \$3,243,856 were included in rental revenue on the consolidated statement of activities.

Greenwood Terrace, Blair Park and Parkview Manor have entered into a contract with the Public Housing Authority under the Housing Choice Voucher Program. During 2024, 11 units at Greenwood Terrace, 14 units at Blair Park, and 10 units at Parkview Manor were occupied by voucher tenants. The agreements are for a five-year period, which commenced in 2023.

Note 19 - Tenant vouchers

Residents of Beall's Grant, Landing's Edge, Dring's Reach, Maple Towers, Parkview Towers LP, Scattered Site, Halpine Hamlet, Edinburgh House LP, Flower Maple, Silver Spring Avenue,

Notes to Consolidated Financial Statements December 31, 2024

Pembridge Square, Takoma Park Preservation, Silver Spring Library Residences LP, 515 Thayer LLC, MHP Colonnade, WW Apartments, North Frederick Owner, MHP Worthington Woods and MHP Crescent Park receive tenant-based housing assistance payment vouchers from the Housing Opportunities Commission of Montgomery County, Maryland. During 2024, tenant voucher income of \$3,894,743 was included in rental revenue on the consolidated statement of activities.

Note 20 - Current vulnerability and economic dependency

The Subsidiaries' and Affiliates' principal assets are apartment projects. Their operations are concentrated in the multi-family real estate market. In addition, some of the projects operate in a heavily regulated environment. The operations of the Subsidiaries and Affiliates are subject to the administrative directives, rules and regulations of federal and state agencies, including, but not limited to, HUD, MCDHCA or the Department of Housing and Community Development ("DHCD"). Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD, MCDHCA or DHCD. Additionally, operations could be affected by changes in the economic or other conditions in that geographical area or by changes in low-income housing subsidies or the demand for such housing. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Note 21 - Guarantees

MHP has guaranteed payment of the mortgages executed by eleven of its Subsidiaries in the following amount:

Entity	 Balance
North Frederick Owner Dring's Reach MHP Colonnade LLC MHP WW Apartments LLC Rollingwood Venture LP MHP Forest Glen 9 LP MHP Forest Glen 4 LP MHP Franklin LLC Scattered Site	\$ 12,416,863 10,323,133 10,173,815 48,228,839 69,728,254 8,754,566 22,048,675 6,562,500 9,521,953
MHP Nebel 4 LLC MHP Nebel 9 LLC	709,814 648,914
	\$ 199,117,326

MHP has guaranteed payment of the mortgage in the amount of \$20,790,000 of one Company for which MHP has an equity method investment in partnerships.

In addition, some of MHP's Subsidiaries and Affiliates serve as the general partner or general member for various entities that own affordable housing properties. The investors in these entities usually require guarantees from MHP on behalf of the general partner or general member as a condition of their investment. Generally, these guarantees are for obligations such as funding of operating deficits, completion of construction and tax credit recapture price adjusters.

Notes to Consolidated Financial Statements December 31, 2024

Note 22 - P.I.L.O.T. agreements

Landing's Edge, Edinburgh House LP, Maple Towers, and Halpine Hamlet entered into a P.I.L.O.T. agreement with Montgomery County, Maryland. The agreement provides for payment in lieu of County and special area real property taxes to an amount computed annually by the State Department of Assessments and Taxation. Additionally, Maple Towers entered into a P.I.L.O.T. agreement with City of Takoma Park, Maryland. The city agreement provides for a 100% abatement of city real property taxes on the property for levy years 2009 through 2018. Beginning in tax levy year 2019, the agreement provides for a 50% abatement of real property taxes on the property. During 2024, total real estate taxes of \$86,505 were incurred by Landing's Edge, Edinburgh House LP, Maple Towers, and Halpine Hamlet and recorded on the consolidated statement of functional expenses.

MPDU Rental, North Frederick Owner and Parkview Towers LP entered into a P.I.L.O.T. agreement with Montgomery County, Maryland. The agreement provides for a 100% reduction of County and special real estate property taxes, pursuant to the agreement requirements. During 2024, total real estate taxes of \$83,045 incurred by MPDU Rental, North Fredrick Owner, and Parkview Towers LP and recorded on the consolidated statement of functional expenses.

515 Thayer LLC and MHP Colonnade LLC entered into a P.I.L.O.T. agreement with Montgomery County, Maryland. The agreement provides for a payment equal to the lesser of the county property taxes assuming the property were not exempt or \$50,300 and \$16,549, respectively. During 2024, total real estate taxes of \$95,065 were incurred by 515 Thayer LLC and MHP Colonnade LLC and recorded on the consolidated statement of functional expenses.

Silver Spring Library Residences LP entered into a P.I.L.O.T. agreement with Montgomery County, Maryland. The agreement provides for 100% reduction of the County and special area real property taxes. During 2024, Silver Spring Library Residences LP incurred real estate taxes of \$23,304 related to solid waste charges.

MHP Franklin LLC entered into a P.I.L.O.T. agreement with Montgomery County, Maryland. Per the agreement, the Company shall be 100% exempt from paying the County real property taxes that would be levied as if the property were not exempt. The Company must pay all State and municipal taxes, unless waived or abated by the State or municipality. During 2024, MHP Franklin LLC incurred real estate taxes of \$72,802 and recorded on the consolidated statement of functional expenses.

Rollingwood entered into a P.I.L.O.T agreement with Montgomery County, Maryland. The agreement with Montgomery County, Maryland provides for payment, in lieu of County real property taxes, to an amount computed annually by the State Department of Assessments and Taxation. During the year ended December 31, 2024, real estate taxes of \$117,499 were recorded on the consolidated statement of functional expenses.

Note 23 - Tax relief certification

On September 25, 2021, MHP Crescent Park entered into a tax relief certification with the District of Columbia, a municipal corporation acting by and through the D.C. Department of Housing and Community Development. The tax relief certification provides tax exemptions for the project under the Tax Relief Program, as defined.

Notes to Consolidated Financial Statements December 31, 2024

Note 24 - Investor services fee

Beall's Grant Apartments LLC, Halpine Hamlet, Edinburgh House LP, Silver Spring Library Residences LP, Parkview Manor, Maple Towers LLC, 515 Thayer, MHP Colonnade, North Frederick Owner and Parkview Towers LP owe an annual investor services fee to the limited partner for services provided in connection with operations. During 2024, investor services fees totaling \$55,483 were incurred and included in other financial expenses on the consolidated statement of functional expenses. As of December 31, 2024, accrued investor service fees of \$44,327 remain payable and are included in accounts payable and accrued expenses on the consolidated statement of financial position.

Note 25 - Consolidated statement of cash flows

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statement of financial position that sum to the total of the same such amounts in the consolidated statement of cash flows:

Cash and cash equivalents	\$ 30,113,375
Funded residents' security deposits	1,642,866
Restricted project reserves	 10,434,400
Total cash, cash equivalents, and restricted cash	
shown on the consolidated statement of cash flows	\$ 42,190,641

Amounts included in restricted cash are comprised of security deposits held in trust for the future benefit of tenants upon moving out of the property and other reserves as required by regulatory authority and the partnership and/or operating agreements.

Note 26 - Subsequent events

Events that occur after the consolidated statement of financial position date but before the consolidated financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the consolidated statement of financial position date are recognized in the accompanying consolidated financial statements. Subsequent events which provide evidence about conditions that existed after the consolidated statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of the Organization through August 5, 2025 (the date the consolidated financial statements were available to be issued) and concluded that other than the subsequent events described in Note 5, no subsequent events have occurred that would require recognition in the consolidated financial statements or disclosure in the notes to the consolidated financial statements.



Consolidating Statement of Financial Position December 31, 2024 (With Summarized Comparative Information at December 31, 2023)

	MHP Scattere		Wholly Owned			2024	2023
	MHP, Inc.	Site, Inc.	Properties*	LP Properties^	Eliminations	Consolidated	Consolidated
ASSETS							
Cash and cash equivalents	\$ 19,241,749	\$ 1,706,054	\$ 3,559,453	\$ 5,472,240	\$ 133,879	\$ 30,113,375	\$ 29,855,274
Investments	350,350	526,772	-	-	-	877,122	870,876
Accounts receivable - residents	-	171,307	466,858	464,883	8,844	1,111,892	1,236,186
Accounts receivable - grants	975,112	-	-	-	-	975,112	483,711
Accounts receivable - other	1,118,354	57,067	3,663,068	213,973	(3,405,832)	1,646,630	2,443,516
Accounts receivable - development fee	11,440,329	-	-	-	(11,440,329)	-	-
Mortgage escrow deposits	-	130,121	453,958	632,056	-	1,216,135	1,357,909
Due from subsidiaries and affiliates	703,127	126,341	5,398,130	87,524	(6,315,122)	-	-
Prepaid expenses	70,970	126,058	459,335	633,030	-	1,289,393	1,172,295
Restricted project reserves	270,452	6,543,007	7,422,168	9,587,815	-	23,823,442	22,130,332
Property and equipment, net	42,588	13,851,741	155,403,404	216,748,241	(11,073,974)	374,972,000	349,792,221
Development-in-progress	28,491	-	5,502,133	117,946,877	(2,758,409)	120,719,092	51,847,350
Funded residents' security deposits	-	195,263	747,630	699,973	-	1,642,866	1,618,713
Deposits	18,441	99,732	19,265	97,663	-	235,101	880,534
Development-in-progress - MPDU resale							
initiative	-	276,548	-	-	-	276,548	284,784
Loan receivable - affiliates	23,009,685	_	2,416,976	8,824	(25,435,485)	-	-
Investment in organizations	5,281,075	-	-	-	(4,439,750)	841,325	752,505
Tax credit fees, net	-	-	10,281	572,212	-	582,493	365,921
Other assets	-	-	233,761	2,129,390	-	2,363,151	3,418,613
Right-of-use asset	926,304			758,101		1,684,405	1,878,898
Total assets	\$ 63,477,027	\$ 23,810,011	\$ 185,756,420	\$ 356,052,802	\$ (64,726,178)	\$ 564,370,082	\$ 470,389,638

Consolidating Statement of Financial Position December 31, 2024 (With Summarized Comparative Information at December 31, 2023)

LIABILITIES	MHP, Inc.	MHP Scattered Site, Inc.	Wholly Owned Properties*	LP Properties^	Eliminations	2024 Consolidated	2023 Consolidated
Accounts payable and accrued expenses	\$ 629,343	\$ 239,686	\$ 1,763,331	\$ 2,069,276	\$ (706,019)	\$ 3,995,617	\$ 2,203,219
Accounts payable - construction	-	-	301,804	23,792,227	(329,575)	23,764,456	21,363,831
Accrued interest payable	197,491	229,588	5,424,314	8,234,112	(5,159,974)	8,925,531	6,790,131
Due to subsidiary and affiliates	-	-	1,675,905	266,555	(1,942,460)	-	-
Prepaid rents	-	42,662	164,125	226,286	-	433,073	403,901
Deferred revenue	427,099	-	255,837	874,842	(427,099)	1,130,679	1,293,029
Deferred development fee revenue	-	-	84,413	11,892,178	(11,440,330)	536,261	-
Residents' security deposits	-	177,752	682,639	713,103	-	1,573,494	1,548,003
Other liabilities	-	-	-	722,437	-	722,437	756,352
Lease liability	926,304	-	-	758,101	-	1,684,405	1,878,898
Secured notes payable	-	20,739,682	173,997,481	313,015,205	(23,252,314)	484,500,054	406,403,550
Unsecured notes payable	9,870,025	831,068	1,265,650		(873,100)	11,093,643	11,580,850
Total liabilities	12,050,262	22,260,438	185,615,499	362,564,322	(44,130,871)	538,359,650	454,221,764
Commitments and contingencies	-	-	-	-	-	-	-
Net assets without donor restrictions	50,075,669	1,549,573	140,921	(30,665,530)	(20,595,307)	505,326	(154,175)
Net assets with donor restrictions	1,351,096	-	-	-	-	1,351,096	2,138,235
Noncontrolling interest		. <u> </u>		24,154,010		24,154,010	14,183,814
	\$ 63,477,027	\$ 23,810,011	\$ 185,756,420	\$ 356,052,802	\$ (64,726,178)	\$ 564,370,082	\$ 470,389,638

^{*-} Properties included in column are: Blair Park Apartments, L.P., MHP TPP, LLC, MHP Town Centre, Inc., MHP DRHC, Inc., MHP Edinburgh House, Inc., MHP Landing's Edge, Inc., MHP Bealls, Inc., MHP Flower-Maple, LLC, MHP Parkview Towers, LLC, MHP MPDU Rental, Inc., MHP 610-614 SSA, LLC, MHP North Frederick Avenue, LLC, MHP Parkview Towers, Inc., MHP Forest Glen, LLC, MHP Hillwood Manor, LLC, Great Hope Homes 2001, L.P., Greenwood Terrace Apartments L.P., MHP Worthington Woods LLC, MHP Crescent Park Village LLC, MHP Franklin LLC, and Rollingwood Venture LP.

^{^-} Properties included in column are: Pembridge Square Apartments, L.P., MHP Maple Towers, LLC, MHP Edinburgh House LP, MHP Halpine LP, MHP Parkview Towers, LP, Beall's Grant Apartments LLC, MHP Parkview Manor LLC, Silver Spring Library Residences LP, 515 Thayer LLC, MHP Colonnade LLC, MHP North Frederick Owner LLC, MHP WW Apartments LLC, MHP Forest Glen 4 LP, MHP Forest Glen 9 LP, MHP Nebel 4 LLC and MHP Nebel 9 LLC.

Consolidating Statement of Financial Position December 31, 2023

	MHP, Inc.	MHP Scattered Site, Inc.	Wholly Owned Properties*	LP Properties^	Eliminations	2023 Consolidated
ASSETS						
Cash and cash equivalents	\$ 18,815,888	\$ 1,802,366	\$ 3,870,060	\$ 5,342,780	\$ 24,180	\$ 29,855,274
Investments	344,104	526,772	-	-	-	870,876
Accounts receivable - residents	-	127,442	563,583	545,161	-	1,236,186
Accounts receivable - grants	483,711	-	-	-	-	483,711
Accounts receivable - other	1,136,588	53,728	2,332,772	372,937	(1,452,509)	2,443,516
Accounts receivable - development fee	5,031,357	-	-	-	(5,031,357)	-
Mortgage escrow deposits	-	196,275	697,927	463,707	-	1,357,909
Due from subsidiaries and affiliates	1,724,725	127,288	3,933,443	22,674	(5,808,130)	-
Prepaid expenses	88,260	103,901	387,699	592,435	-	1,172,295
Restricted project reserves	269,767	6,565,101	8,432,449	6,863,015	-	22,130,332
Property and equipment, net	29,620	14,113,951	158,010,670	188,984,140	(11,346,160)	349,792,221
Development-in-progress	3,346,983	5,990	1,591,675	46,902,702	-	51,847,350
Funded residents' security deposits	-	194,259	702,910	721,544	-	1,618,713
Deposits	668,441	99,732	19,265	93,096	-	880,534
Development-in-progress - MPDU resale initiative	-	284,784	-	-	-	284,784
Loan receivable - affiliates	16,393,112	-	5,180,392	7,374	(21,580,878)	-
Investment in organizations	5,485,702	-	-	-	(4,733,197)	752,505
Tax credit fees, net	-	-	5,680	360,241	-	365,921
Other assets	-	-	855,842	2,562,771	-	3,418,613
Right-of-use asset	1,117,091			761,807		1,878,898
Total assets	\$ 54,935,349	\$ 24,201,589	\$ 186,584,367	\$ 254,596,384	\$ (49,928,051)	\$ 470,389,638

Consolidating Statement of Financial Position December 31, 2023

LIABILITIES	MHP, Inc.	M	MHP Scattered Site, Inc.		Wholly Owned Properties*		LP Properties^		Eliminations	 2023 Consolidated		
Accounts payable and accrued expenses	\$ 630,103	\$	84,706	\$	1,132,769	\$	1,379,618	\$	(1,023,977)	\$ 2,203,219		
Accounts payable - construction	128,668		-		206,797		22,057,513		(1,029,147)	21,363,831		
Accrued interest payable	156,122		180,752		4,459,169		5,988,967		(3,994,879)	6,790,131		
Due to subsidiary and affiliates	-		-		1,657,804		303,249		(1,961,053)	-		
Prepaid rents	-		30,612		141,506		231,783		-	403,901		
Deferred revenue	519,885		-		271,287		928,956		(427,099)	1,293,029		
Deferred development fee revenue	-		-		84,413		4,946,943		(5,031,356)	-		
Residents' security deposits	-		178,548		644,899		724,556		-	1,548,003		
Other liabilities	-		-		-		756,352		-	756,352		
Lease liability	1,117,091		-		-		761,807		-	1,878,898		
Secured notes payable	-		21,172,700		170,449,285		232,133,097		(17,351,532)	406,403,550		
Unsecured notes payable	10,357,232		831,068		1,265,650				(873,100)	11,580,850		
Total liabilities	12,909,101		22,478,386		180,313,579		270,212,841		(31,692,143)	454,221,764		
Commitments and contingencies	-		-		-		-		-	-		
Net assets without donor restrictions	39,888,013		1,723,203		6,270,788		(29,800,271)		(18,235,908)	(154,175)		
Net assets with donor restrictions	2,138,235		-		-		-		-	2,138,235		
Noncontrolling interest		. <u>-</u>	-		-		14,183,814		-	 14,183,814		
	\$ 54,935,349	\$	24,201,589	\$	186,584,367	\$	254,596,384	\$	(49,928,051)	\$ 470,389,638		

^{*-} Properties included in column are: Blair Park Apartments, L.P., MHP TPP, LLC, MHP Town Centre, Inc., MHP DRHC, Inc., MHP Edinburgh House, Inc., MHP Landing's Edge, Inc., MHP Bealls, Inc., MHP Flower-Maple, LLC, MHP Parkview Towers, LLC, MHP MPDU Rental, Inc., MHP 610-614 SSA, LLC, MHP North Frederick Avenue, LLC, MHP Parkview Towers, Inc., MHP Forest Glen, LLC, MHP Hillwood Manor, LLC, Great Hope Homes 2001, L.P., Greenwood Terrace Apartments L.P., MHP Worthington Woods LLC, MHP Crescent Park Village LLC, MHP Franklin LLC, and Rollingwood Venture LP.

^{^-} Properties included in column are: Pembridge Square Apartments, L.P., MHP Maple Towers, LLC, MHP Edinburgh House LP, MHP Halpine LP, MHP Parkview Towers, LP, Beall's Grant Apartments LLC, MHP Parkview Manor LLC, Silver Spring Library Residences LP, 515 Thayer LLC, MHP Colonnade LLC, MHP North Frederick Owner LLC, MHP WW Apartments LLC, MHP Forest Glen 4 LP and MHP Forest Glen 9 LP.

Consolidating Statement of Activities Year Ended December 31, 2024 (With Summarized Comparative Information at December 31, 2023)

DEVENUE	MHP, Inc.	MI	HP Scattered Site, Inc.	Wholly Owned Properties*		LP Properties^		Eliminations		2024 consolidated	2023 Consolidated	
REVENUE												
Rental revenue, net	\$ -	\$	3,938,124	\$ 19,916,065	\$	16,230,377	\$	-	\$	40,084,566	\$	38,726,532
Grants	4,094,517		-	-		25,000		-		4,119,517		2,239,523
Cash contributions	948,123		-	-		-		-		948,123		1,698,040
Development fees	9,888,203		-	-		-		(2,708,408)		7,179,795		6,471,722
Asset and incentive management fees	2,240,180		-	-		-		(2,240,180)		-		-
Interest and dividend income	1,414,542		169,820	1,101,968		247,099		(1,821,895)		1,111,534		974,952
Special events	57,792		-	_		-		-		57,792		73,355
Other income			50,576	 447,718		407,799		30,008		936,101		1,103,939
Total revenue	18,643,357		4,158,520	 21,465,751		16,910,275		(6,740,475)		54,437,428		51,288,063

Consolidating Statement of Activities Year Ended December 31, 2024 (With Summarized Comparative Information at December 31, 2023)

EXPENSES	MHP, Inc.		MHP Scattered Site, Inc.		Wholly Owned Properties*		LP Properties^		Eliminations		2024 Consolidated		2023 onsolidated
Administrative	\$ 781,129	\$	425,106	\$	2,219,745	\$	2,281,057	\$	(87,203)	\$	5,619,834	\$	4,786,179
Salaries and benefits	5,611,661		481,506		448,770		269,149		-		6,811,086		6,197,125
Rent expense	233,910		-		-		-		-		233,910		239,741
Other	1,056,091		-		-		-		-		1,056,091		1,117,945
Professional services	856,176		-		-		-		-		856,176		812,296
Fundraising events	93,235		-		-		-		-		93,235		65,509
Utilities	1,162		239,378		1,792,730		2,052,937		-		4,086,207		3,983,974
Operating and maintenance	2,602		797,854		4,564,481		3,964,272		-		9,329,209		7,941,523
Taxes	-		177,551		635,732		680,146		-		1,493,429		1,297,515
Insurance	35,838		130,664		777,179		651,163		-		1,594,844		1,471,619
Interest	562,245		703,733		8,258,198		8,088,925		(1,168,390)		16,444,711		16,376,302
Other financial expenses	-		585,905		3,029,492		1,122,289		(2,072,227)		2,665,459		1,656,001
Management fees	-		127,737		482,616		592,499		-		1,202,852		1,160,666
Depreciation and amortization	8,791		662,716		4,645,485		6,657,964		(251,750)		11,723,206		11,836,910
Total expenses	9,242,840	_	4,332,150		26,854,428		26,360,401		(3,579,570)		63,210,249		58,943,305
CHANGE IN NET ASSETS	\$ 9,400,517	\$	(173,630)	\$	(5,388,677)	\$	(9,450,126)	\$	(3,160,905)	\$	(8,772,821)	\$	(7,655,242)

^{*-} Properties included in column are: Blair Park Apartments, L.P., MHP TPP, LLC, MHP Town Centre, Inc., MHP DRHC, Inc., MHP Edinburgh House, Inc., MHP Landing's Edge, Inc., MHP Bealls, Inc., MHP Flower-Maple, LLC, MHP Parkview Towers, LLC, MHP MPDU Rental, Inc., MHP 610-614 SSA, LLC, MHP North Frederick Avenue, LLC, MHP Parkview Towers, Inc., MHP Forest Glen, LLC, MHP Hillwood Manor, LLC, Great Hope Homes 2001, L.P., Greenwood Terrace Apartments L.P., MHP Worthington Woods LLC, MHP Crescent Park Village LLC, MHP Franklin LLC, and Rollingwood Venture LP.

^{^-} Properties included in column are: Pembridge Square Apartments, L.P., MHP Maple Towers, LLC, MHP Edinburgh House LP, MHP Halpine LP, MHP Parkview Towers, LP, Beall's Grant Apartments LLC, MHP Parkview Manor LLC, Silver Spring Library Residences LP, 515 Thayer LLC, MHP Colonnade LLC, MHP North Frederick Owner LLC, MHP WW Apartments LLC, MHP Forest Glen 4 LP, MHP Forest Glen 9 LP, MHP Nebel 4 LLC and MHP Nebel 9 LLC.

Consolidating Statement of Activities Year Ended December 31, 2023

	MHP, Inc.	М	HP Scattered Site, Inc.	/holly Owned Properties*	LF	Properties [^]	E	Eliminations	2023 Consolidated		
REVENUE											
Rental revenue, net	\$ -	\$	3,617,293	\$ 21,823,256	\$	13,285,983	\$	-	\$	38,726,532	
Grants	2,214,523		-	-		25,000		-		2,239,523	
Cash contributions	1,698,040		-	-		-		-		1,698,040	
Development fees	4,285,426		-	-		-		2,186,296		6,471,722	
Asset and incentive management fees	1,662,349		-	-		-		(1,662,349)		-	
Interest and dividend income	1,644,954		41,931	972,564		162,979		(1,847,476)		974,952	
Resident social program fees	-		-	-		-		-		-	
Special events	73,355		-	-		-		-		73,355	
Gain from forgiveness of long-term debt	-		-	-		-		-		-	
Other income			26,726	 698,529		378,684				1,103,939	
Total revenue	11,578,647		3,685,950	23,494,349		13,852,646		(1,323,529)		51,288,063	

Consolidating Statement of Activities Year Ended December 31, 2023

		MHP Scattered	Wholly Owned			2023
EXPENSES	MHP, Inc.	Site, Inc.	Properties*	LP Properties^	Eliminations	Consolidated
Administrative	676,608	195,618	2,433,007	1,643,333	(162,387)	4,786,179
Salaries and benefits	4,834,906	481,079	639,516	241,624	-	6,197,125
Rent expense	239,741	-	-	-	-	239,741
Other	1,117,945	-	-	-	-	1,117,945
Professional services	812,296	-	-	-	-	812,296
Fundraising events	65,509	-	-	-	-	65,509
Utilities	-	220,851	2,097,080	1,666,043	-	3,983,974
Operating and maintenance	10,006	611,392	4,257,879	3,035,890	26,356	7,941,523
Taxes	-	169,099	555,068	573,348	-	1,297,515
Insurance	26,625	119,234	763,691	562,069	-	1,471,619
Interest	779,229	752,865	10,699,093	5,560,277	(1,415,162)	16,376,302
Other financial expenses	-	322,765	1,763,340	1,199,814	(1,629,918)	1,656,001
Management fees	-	126,104	520,527	514,035	-	1,160,666
Depreciation and amortization	1,825	638,783	5,279,360	6,145,385	(228,443)	11,836,910
Total expenses	8,564,690	3,637,790	29,008,561	21,141,818	(3,409,554)	58,943,305
CHANGE IN NET ASSETS	\$ 3,013,957	\$ 48,160	\$ (5,514,212)	\$ (7,289,172)	\$ 2,086,025	\$ (7,655,242)

^{*-} Properties included in column are: Blair Park Apartments, L.P., MHP TPP, LLC, MHP Town Centre, Inc., MHP DRHC, Inc., MHP Edinburgh House, Inc., MHP Landing's Edge, Inc., MHP Bealls, Inc., MHP Flower-Maple, LLC, MHP Parkview Towers, LLC, MHP MPDU Rental, Inc., MHP 610-614 SSA, LLC, MHP North Frederick Avenue, LLC, MHP Parkview Towers, Inc., MHP Forest Glen, LLC, MHP Hillwood Manor, LLC, Great Hope Homes 2001, L.P., Greenwood Terrace Apartments L.P., MHP Worthington Woods LLC, MHP Crescent Park Village LLC, MHP Franklin LLC, and Rollingwood Venture LP.

^{^-} Properties included in column are: Pembridge Square Apartments, L.P., MHP Maple Towers, LLC, MHP Edinburgh House LP, MHP Halpine LP, MHP Parkview Towers, LP, Beall's Grant Apartments LLC, MHP Parkview Manor LLC, Silver Spring Library Residences LP, 515 Thayer LLC, MHP Colonnade LLC, MHP North Frederick Owner LLC, MHP WW Apartments LLC, MHP Forest Glen 4 LP and MHP Forest Glen 9 LP.

Consolidating Statement of Changes in Net Assets Year Ended December 31, 2024

Net assets

	Net assets without donor restrictions														with donor restrictions			Net assets	
	Controlling											Noncontrolling		Total		Controlling		Total	
		MHP, Inc.		IP Scattered Site, Inc.	Wholly Owned Properties*		LP Properties ^		Eliminations		Subtotal		MHP, Inc.			MHP, Inc.			
Beginning balance, January 1, 2024	\$	39,888,013	\$	1,723,203	\$	6,270,788	\$ (29,800,271)	\$	(18,235,908)	\$	(154,175)	\$ 14,183,814	\$	14,029,639	\$	2,138,235	\$	16,167,874
Capital contributions from controlling interest		-		-		50,000		128,950		(178,950)		-	-		-		-		-
Capital contributions from noncontrolling interests		-		-		-		-		-		-	18,851,023		18,851,023		-		18,851,023
Distributions to controlling interests		-		-		(791,190)		(189,266)		980,456		-	-		-		-		-
Distributions to noncontrolling interests		-		-		-		-		-		-	(37,342)		(37,342)		-		(37,342)
Syndication costs		-		-		-		-		-		-	(198,302)		(198,302)		-		(198,302)
Excess of revenue over expenses (expenses over revenue)		10,187,656		(173,630)		(5,388,677)		(804,943)		(3,160,905)		659,501	(8,645,183)		(7,985,682)		(787,139)		(8,772,821)
Ending balance, December 31, 2024	\$	50,075,669	\$	1,549,573	\$	140,921	\$ (30,665,530)	\$	(20,595,307)	\$	505,326	\$ 24,154,010	\$	24,659,336	\$	1,351,096	\$	26,010,432

^{*} Properties included in column are: Blair Park Apartments, L.P., MHP TPP, LLC, MHP Town Centre, Inc., MHP DRHC, Inc., MHP Edinburgh House, Inc., MHP Landing's Edge, Inc., MHP Bealls, Inc., MHP Flower-Maple, LLC, MHP Parkview Towers, LLC, MHP MPDU Rental, Inc., MHP 610-614 SSA, LLC, MHP North Frederick Avenue, LLC, MHP Parkview Towers, Inc., MHP Forest Glen, LLC, MHP Hillwood Manor, LLC, Great Hope Homes 2001, L.P., Greenwood Terrace Apartments L.P., MHP Worthington Woods LLC, MHP Crescent Park Village LLC, MHP Franklin LLC, and Rollingwood Venture LP.

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NeighborWorks America Capital Grant Funds Year Ended December 31, 2024

Schedule of Financial Position of NeighborWorks America Funds Montgomery Housing Partnership, Inc. December 31, 2024

During the year ended December 31, 2024, MHP received various grants, totaling \$676,500.

	 thout donor	re	With donor lith donor estrictions emporary)	Rest	ricted in petuity	Total
Cash Notes receivable Investments	\$ 4,533,320 3,703,103 700,000	\$	172,500 - -	\$	- - -	\$ 4,705,820 3,703,103 700,000
Total assets	\$ 8,936,423	\$	172,500	\$	-	\$ 9,108,923
Net assets	\$ 8,936,423	\$	172,500	\$	-	\$ 9,108,923
Total liabilities and net assets	\$ 8,936,423	\$	172,500	\$	-	\$ 9,108,923

NeighborWorks America Capital Grant Funds Year Ended December 31, 2024

Schedule of NeighborWorks America Activity Montgomery Housing Partnership, Inc. For the Year Ended December 31, 2024

		10/	With donor			
	thout donor estrictions	re	strictions emporary)		ricted in petuity	Total
Grants	\$ 512,000	\$	164,500	\$ -		\$ 676,500
Net assets released from restrictions	165,500		(165,500)			
Total revenues	677,500		(1,000)		-	676,500
Expenses General and administrative	 <u>-</u>		<u>-</u>			<u>-</u>
Total expenses	 					 <u>-</u>
Change in net assets	677,500		(1,000)		-	676,500
Beginning net assets	8,258,923		173,500			8,432,423
Ending net assets	\$ 8,936,423	\$	172,500	\$		\$ 9,108,923



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