Way Finders, Inc. and Subsidiaries

Consolidating Financial Statements
and
Independent Auditors' Reports

June 30, 2025

Way Finders, Inc. and Subsidiaries

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DANIEL DENNIS & Co
Certified Public Accountants

Independent Auditors' Report

To the Board of Directors of
Way Finders, Inc.

Report on the Financial Statements

Opinion

We have audited the accompanying consolidating financial statements of Way Finders, Inc., (a nonprofit organization) and subsidiaries (collectively, the Organization), which comprise the consolidating statement of financial position as of June 30, 2025, and the related consolidating statements of activities, changes in net assets/(deficit), functional expenses, and cash flows for the year then ended, and the related notes to the consolidating financial statements.

In our opinion, the consolidating financial statements present fairly, in all material respects, the financial position of Way Finders, Inc. and subsidiaries as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidating financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 consolidating financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidating 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 consolidating 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidating financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted the purpose of forming an opinion on the consolidating financial statements as a whole. The accompanying supplementary information shown on pages 79 to 83 is presented for the purpose of additional analysis and is not a required part of the consolidating financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for the purpose of additional analysis and is not a required part of the consolidating 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 consolidating financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidating financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidating financial statements or to the consolidating 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 consolidating financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 8, 2026, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Organization's internal control over financial reporting and compliance.

Daniel Dennis & Company LLP

January 8, 2026

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Financial Position
June 30, 2025

Assets

	Way Finders	Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries	Eliminations	Consolidated
Current Assets						
Cash	$ 2,463,702	$ 1,837,553	$ 2,330,809	$ 101,390	$ -	$ 6,733,454
Restricted cash	12,137,636	-	-	129,880	-	12,267,516
Restricted investments	1,785,259	-	-	-	-	1,785,259
Grants receivable	4,620,110	31,630	-	-	-	4,651,740
Rent and other receivable, net	1,063,665	1,329	634,448	192,706	(206,787)	1,685,361
Parent/subsidiaries receivables, net	13,103,050	-	-	-	(13,103,050)	-
Small business loans receivable, current	-	1,921,842	-	-	(254,639)	1,667,203
Other loans receivable, current	136,971	10,000	-	-	(120,000)	26,971
Investments	-	-	63,194	-	-	63,194
Prepaid expenses and other assets	417,364	29,554	227,817	52,938	(3,634)	724,039
Total current assets	35,727,757	3,831,908	3,256,268	476,914	(13,688,110)	29,604,737
Property and Equipment						
Land	193,333	-	11,610,306	3,363,063	(322,871)	14,843,831
Buildings and improvements	5,103,752	-	187,507,798	10,463,795	(8,180,515)	194,894,830
Furniture and equipment	4,037,325	55,089	1,422,195	232,360	82,177	5,829,146
Software	603,421	-	-	-	-	603,421
Less: accumulated depreciation	(6,478,113)	(7,346)	(55,666,549)	(1,569,196)	1,330,609	(62,390,595)
Net property and equipment	3,459,718	47,743	144,873,750	12,490,022	(7,090,600)	153,780,633
Other Assets						
Investments	676,340	30,405	(136,566)	109,755	(569,943)	109,991
Restricted cash	1,221,614	1,304,875	8,484,894	1,806	-	11,013,189
Work in progress	2,656,354	-	20,729,684	10,830,836	(1,797,259)	32,419,615
Operating lease right-of-use asset	8,545,421	119,984	54,812	952,707	(9,429,713)	243,211
Small business loans receivable, net of allowance for credit losses of $764,511	-	6,550,023	-	-	(128,432)	6,421,591
Other loans receivable, net of allowance for credit losses of $13,718,562	21,164,396	-	81,150	-	(1,174,156)	20,071,390
Intangible assets, net	142,312	45,994	723,453	200	-	911,959
Total other assets	34,406,437	8,051,281	29,937,427	11,895,304	(13,099,503)	71,190,946
Total assets	$ 73,593,912	$ 11,930,932	$ 178,067,445	$ 24,862,240	$ (33,878,213)	$ 254,576,316

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Financial Position – *Continued*
June 30, 2025

Liabilities and Net Assets

	Way Finders	Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries	Eliminations	Consolidated
Current Liabilities						
Accounts payable	$ 1,217,945	$ 127,074	$ 3,089,849	$ 1,428,693	$ (198,321)	$ 5,665,240
Parent/subsidiaries payables	-	23,669	5,478,672	6,727,431	(12,229,772)	-
Accrued expenses	2,899,511	219,588	1,312,660	11,287	(289,585)	4,153,461
Advances on grants and contracts	8,567,567	-	483,713	-	-	9,051,280
Mortgages and notes payable	4,479,676	919,293	11,941,963	1,885,245	(254,639)	18,971,538
Deferred notes payable	53,540	-	1,287,845	400,000	(120,000)	1,621,385
Operating lease liability	390,911	27,196	231	45,315	(390,403)	73,250
Deferred revenue	21,494	-	152,300	96	-	173,890
Total current liabilities	17,630,644	1,316,820	23,747,233	10,498,067	(13,482,720)	39,710,044
Noncurrent Liabilities						
Mortgages and notes payable	10,053,318	3,731,341	21,126,876	14,085,134	(128,432)	48,868,237
Deferred notes payable	1,380,710	-	78,755,106	389,282	(23,443,176)	57,081,922
Operating lease liability	9,573,613	92,788	54,581	979,666	(10,530,687)	169,961
Escrow liabilities	443,943	20,000	648,805	6,283	-	1,119,031
Advances on grants and contracts	12,465,576	-	-	-	-	12,465,576
Accrued interest	-	-	16,677,045	-	(5,657,025)	11,020,020
Total noncurrent liabilities	33,917,160	3,844,129	117,262,413	15,460,365	(39,759,320)	130,724,747
Total liabilities	51,547,804	5,160,949	141,009,646	25,958,432	(53,242,040)	170,434,791
Net Assets						
Non-controlling interest	-	-	34,714,454	-	-	34,714,454
Without donor restrictions						
Board designated	2,996,157	-	-	-	-	2,996,157
Undesignated	14,342,564	6,741,872	(6,970,577)	(1,096,192)	19,363,827	32,381,494
With donor restrictions	4,707,387	28,111	9,313,922	-	-	14,049,420
Total net assets	22,046,108	6,769,983	37,057,799	(1,096,192)	19,363,827	84,141,525
Total liabilities and net assets	$ 73,593,912	$ 11,930,932	$ 178,067,445	$ 24,862,240	$ (33,878,213)	$ 254,576,316

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Activities
For the Year Ended June 30, 2025

	Way Finders	Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries	Eliminations	Consolidated
Changes in Net Assets Without Donor Restrictions						
Revenue and Support						
Contributions	$ 1,681,288	$ 508,477	$ -	$ -	$ (634,000)	$ 1,555,765
Grant assistance payments	113,615,756	-	-	-	-	113,615,756
Grants - Neighbor Works America	397,500	-	-	-	-	397,500
Government grants and contracts	32,042,148	329,634	580,518	-	-	32,952,300
Program fees	634,177	55,698	135,527	5	(4,167)	821,240
Property and asset management fees	757,218	-	-	-	(570,789)	186,429
Developer fees	1,371,793	-	-	-	(1,371,793)	-
Lending interest income	415,911	871,203	8,649	-	(302,472)	993,291
Investment income	276,530	3,936	163,881	4,908	-	449,255
Rental income	715,121	-	9,845,589	721,138	(780,505)	10,501,343
Gain on sale of Massachusetts tax credits	6,560,000	-	-	-	-	6,560,000
Release from restriction	404,452	33,335	155,781	-	-	593,568
Total revenue and support	158,871,894	1,802,283	10,889,945	726,051	(3,663,726)	168,626,447
Expenses						
Rental assistance	76,780,176	-	-	-	-	76,780,176
Client services	62,856,824	-	-	-	(4,167)	62,852,657
Small business lending	-	1,543,115	-	-	-	1,543,115
Home ownership services	778,008	-	-	-	-	778,008
Real estate development & property management	11,708,792	-	-	133,510	(8,185,446)	3,656,856
Rental properties	903,928	-	18,071,529	1,198,871	(1,825,572)	18,348,756
Fundraising	702,292	-	-	-	-	702,292
General and administrative	4,087,602	254,851	1,011,081	85,829	(1,545,289)	3,894,074
Total expenses	157,817,622	1,797,966	19,082,610	1,418,210	(11,560,474)	168,555,934
Change in net assets without donor restrictions	1,054,272	4,317	(8,192,665)	(692,159)	7,896,748	70,513

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Activities – *Continued*
For the Year Ended June 30, 2025

	Way Finders	Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries	Eliminations	Consolidated
Changes in Net Assets With Donor Restrictions						
Contributions	$ 2,060,000	$ -	$ -	$ -	$ -	$ 2,060,000
Release from restriction	(404,452)	(33,335)	(155,781)	-	-	(593,568)
Change in net assets with donor restrictions	1,655,548	(33,335)	(155,781)	-	-	1,466,432
Total change in net assets	2,709,820	(29,018)	(8,348,446)	(692,159)	7,896,748	1,536,945
Less amounts attributed to noncontrolling interest	-	-	6,649,854	-	-	6,649,854
Change in net assets, controlling interest	$ 2,709,820	$ (29,018)	$ (1,698,592)	$ (692,159)	$ 7,896,748	$ 8,186,799

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Changes in Net Assets/(Deficit)
For the Year Ended June 30, 2025

	Way Finders	Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries	Eliminations	Consolidated
Net assets at beginning of year	$ 19,336,288	$ 6,799,001	$ 43,900,778	$ (404,033)	$ 11,472,813	$ 81,104,847
Capital contribution	-	-	1,581,326	-	(5,734)	1,575,592
Equity distribution	-	-	(5,734)	-	-	(5,734)
Syndication costs	-	-	(70,125)	-	-	(70,125)
Change in net assets	2,709,820	(29,018)	(8,348,446)	(692,159)	7,896,748	1,536,945
Net assets at end of year	$ 22,046,108	$ 6,769,983	$ 37,057,799	$ (1,096,192)	$ 19,363,827	$ 84,141,525

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Functional Expenses
For the Year Ended June 30, 2025

	Way Finders					Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries			
	Rental Assistance	*Client Services*	*Home Ownership*	*Real Estate Development & Property Mgmt.*	*Rental Properties*	*Small Business Lending*	*Rental Properties*	*Real Estate Development & Property Mgmt.*	*Rental Properties*	*Eliminations*	*Consolidated Program Services*
Expenses:											
Salaries	$ 3,393,592	$ 7,819,465	$ 455,580	$ 2,252,318	$ 130,309	$ 706,631	$ 1,538,045	$ -	$ -	$ (501,638)	$ 15,794,302
Payroll tax and fringe benefits	1,027,730	2,334,869	148,400	447,165	34,034	190,402	402,897	-	-	(90,405)	4,495,092
Employee training	4,539	29,145	6,572	17,446	-	-	(193)	-	-	-	57,509
Professional services	23,863	270,202	13,297	221,990	28,496	136,059	125,753	106,775	-	(4,167)	922,268
Contract services	38,349	344,598	-	37,872	-	-	15,000	-	-	-	435,819
Communications	13,170	105,727	3,985	2,926	10,462	-	136,597	3,516	-	-	276,383
Postage	89,462	9,290	692	4,210	237	1,609	3,074	-	-	-	108,574
Materials production	25,429	50,676	2,936	9,193	687	350	21,543	496	-	-	111,310
Program expense	342,669	6,953,681	9,269	63,860	-	-	39,884	-	-	-	7,409,363
Office supplies	29,373	61,088	3,670	13,139	718	5,043	13,779	-	72	-	126,882
Licenses, dues and fees	6,066	8,586	20,643	6,723	437	1,926	5,540	-	265	-	50,186
Travel	33,845	53,177	3,290	42,344	2,117	8,928	28,966	-	-	-	172,667
Audit expense	64,854	105,874	5,330	17,445	-	6,314	-	-	-	-	199,817
Legal expense	-	15,257	130	3,812	23,039	-	255,492	-	-	-	297,730
Insurance	29,056	139,318	3,531	11,347	25,477	13,550	525,674	18,201	-	-	766,154
Bad debt and credit losses	-	-	-	7,761,335	41,432	255,291	249,155	-	-	(7,593,403)	713,810
Repairs and maintenance	-	17	-	5,393	208,154	-	2,134,087	-	18,075	-	2,365,726
Utilities	-	1,351	-	908	118,052	-	1,758,432	3,583	4,972	-	1,887,298
Recruitment	1,929	31,732	180	54,511	-	-	900	-	-	-	89,252
Other taxes	-	-	-	-	44,477	-	690,673	-	-	-	735,150
Interest	-	-	-	348,875	116,707	82,751	3,415,748	-	151,921	(842,650)	3,273,352
Provider reimbursement	54,643	-	-	-	-	-	-	-	-	-	54,643
Other expenses	-	34,564	1,034	29,404	269	73	29,675	939	249	-	96,207
Depreciation and amortization	8,042	131,070	-	8,042	111,338	-	6,590,428	-	303,899	(263,504)	6,889,315
Client assistance disbursed	70,819,927	42,790,829	5,000	-	-	-	-	-	-	-	113,615,756
Computer operations	268,931	614,760	31,084	158,091	5,557	44,982	61,122	-	-	-	1,184,527
Occupancy	423,519	754,424	49,045	160,361	-	49,619	-	-	85,418	(85,418)	1,436,968
Grant expense	-	-	-	-	-	-	-	-	634,000	(634,000)	-
Marketing and outreach	81,188	186,920	14,340	30,082	-	39,587	-	-	-	-	352,117
Other administrative expenses	-	10,204	-	-	1,929	-	29,258	-	-	-	41,391
Total expenses	$ 76,780,176	$ 62,856,824	$ 778,008	$ 11,708,792	$ 903,928	$ 1,543,115	$ 18,071,529	$ 133,510	$ 1,198,871	$ (10,015,185)	$ 163,959,568

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Functional Expenses – *Continued*
For the Year Ended June 30, 2025

	Way Finders	Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries			Way Finders
	Administration	*Administration*	*Administration*	*Administration*	*Eliminations*	*Consolidated Administration*	*Fundraising*
Expenses:							
Salaries	$ 3,363,945	$ -	$ -	$ -	$ -	$ 3,363,945	$ 380,360
Payroll tax and fringe benefits	710,171	-	-	-	-	710,171	81,917
Employee training	104,240	5,933	-	-	-	110,173	1,306
Professional services	331,059	5,842	-	-	-	336,901	81,725
Contract services	462,941	105	-	-	-	463,046	-
Communications	141,933	6,729	-	-	-	148,662	500
Postage	3,276	-	-	-	-	3,276	168
Materials production	34,501	-	-	-	-	34,501	21,033
Management fees	-	-	775,704	67,399	(843,103)	-	-
Program expense	47,027	1,350	-	-	-	48,377	4,985
Office supplies	14,193	-	-	-	-	14,193	1,596
Licenses, dues and fees	306,865	62,757	18,205	-	-	387,827	12,909
Travel	20,344	8,088	-	-	-	28,432	118
Audit expense	260	-	214,340	18,430	-	233,030	2,940
Legal expense	4,981	59	-	-	-	5,040	-
Insurance	158	618	-	-	-	776	1,852
Repairs and maintenance	50,762	1,780	-	-	-	52,542	-
Utilities	8,157	-	-	-	-	8,157	-
Recruitment	52,157	5,398	-	-	-	57,555	-
Other taxes	403	-	-	-	-	403	-
Interest	350,545	-	-	-	(8,113)	342,432	-
Other expenses	63,468	1,270	-	-	-	64,738	145
Depreciation and amortization	364,363	11,526	-	-	-	375,889	61,728
Computer operations	(1,090,063)	-	-	-	-	(1,090,063)	17,115
Occupancy	(537,474)	-	-	-	(694,073)	(1,231,547)	26,982
Marketing and outreach	(309,998)	486	-	-	-	(309,512)	4,913
Other administrative expenses	(410,612)	142,910	2,832	-	-	(264,870)	-
Total expenses	$ 4,087,602	$ 254,851	$ 1,011,081	$ 85,829	$ (1,545,289)	$ 3,894,074	$ 702,292

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Functional Expenses – *Continued*
For the Year Ended June 30, 2025

	Total Program Services	*Total Administration*	*Total Fundraising*	*Eliminations*	*Consolidated*
Expenses:					
Salaries	$ 16,295,940	$ 3,363,945	$ 380,360	$ (501,638)	$ 19,538,607
Payroll tax and fringe benefits	4,585,497	710,171	81,917	(90,405)	5,287,180
Employee training	57,509	110,173	1,306	-	168,988
Professional services	926,435	336,901	81,725	(4,167)	1,340,894
Contract services	435,819	463,046	-	-	898,865
Communications	276,383	148,662	500	-	425,545
Postage	108,574	3,276	168	-	112,018
Materials production	111,310	34,501	21,033	-	166,844
Management fees	-	843,103	-	(843,103)	-
Program expense	7,409,363	48,377	4,985	-	7,462,725
Office supplies	126,882	14,193	1,596	-	142,671
Licenses, dues and fees	50,186	387,827	12,909	-	450,922
Travel	172,667	28,432	118	-	201,217
Audit expense	199,817	233,030	2,940	-	435,787
Legal expense	297,730	5,040	-	-	302,770
Insurance	766,154	776	1,852	-	768,782
Bad debt and credit losses	8,307,213	-	-	(7,593,403)	713,810
Repairs and maintenance	2,365,726	52,542	-	-	2,418,268
Utilities	1,887,298	8,157	-	-	1,895,455
Recruitment	89,252	57,555	-	-	146,807
Other taxes	735,150	403	-	-	735,553
Interest	4,116,002	350,545	-	(850,763)	3,615,784
Provider reimbursement	54,643	-	-	-	54,643
Other expenses	96,207	64,738	145	-	161,090
Depreciation and amortization	7,152,819	375,889	61,728	(263,504)	7,326,932
Client assistance disbursed	113,615,756	-	-	-	113,615,756
Computer operations	1,184,527	(1,090,063)	17,115	-	111,579
Occupancy	1,522,386	(537,474)	26,982	(779,491)	232,403
Grant expense	634,000	-	-	(634,000)	-
Marketing and outreach	352,117	(309,512)	4,913	-	47,518
Other administrative expenses	41,391	(264,870)	-	-	(223,479)
Total expenses	$ 173,974,753	$ 5,439,363	$ 702,292	$ (11,560,474)	$ 168,555,934

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Cash Flows
For the Year Ended June 30, 2025

	Way Finders	Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries	Eliminations	Consolidated
Cash Flows From Operating Activities:						
Change in net assets	$ 2,709,820	$ (29,018)	$ (8,348,446)	$ (692,159)	$ 7,896,748	$ 1,536,945
Adjustments to reconcile change in net assets to net cash provided by/(used in) operating activities:						
Depreciation and amortization	684,583	11,526	6,590,428	303,899	(263,504)	7,326,932
Gain on sale of Massachusetts tax credits	(6,560,000)	-	-	-	-	(6,560,000)
Bad debt and credit losses	7,802,767	255,291	249,155	-	(7,593,403)	713,810
Recognition of imputed interest	108,547	-	174,827	-	-	283,374
Amortization of financing costs charged as interest expense	-	-	30,428	9,751	-	40,179
(Increase)/decrease in operating assets:						
Grants receivable	(510,029)	162,650	189	-	-	(347,190)
Rent and other receivable	(877,477)	2,236	(354,650)	5,089	61,878	(1,162,924)
Parent/subsidiaries receivables	(3,939,808)	-	-	-	3,939,808	-
Operating right-of-use asset	410,096	25,051	-	50,437	(400,872)	84,712
Small business loans receivable	-	(928,321)	-	-	(3,511)	(931,832)
Other loans receivable	(662,355)	-	-	-	-	(662,355)
Prepaid expenses and other assets	(50,293)	4,224	(5,650)	42,890	-	(8,829)
Increase/(decrease) in operating liabilities:						
Accounts payable	(40,755)	98,448	192,964	(12,921)	(61,878)	175,858
Parent/subsidiaries payables	-	(38,746)	1,194,515	1,516,518	(2,672,287)	-
Accrued expenses	863,688	51,324	164,912	(17,178)	(272,314)	790,432
Contract advances	3,129,813	-	(580,518)	-	-	2,549,295
Operating lease liability	(282,926)	(25,051)	-	(42,305)	265,570	(84,712)
Deferred revenue	523	-	100,419	(5,195)	-	95,747
Escrow liabilities	30,264	-	121,964	-	-	152,228
Accrued interest	-	-	1,853,381	-	(759,334)	1,094,047
Net cash provided by/(used in) operating activities	2,816,458	(410,386)	1,383,918	1,158,826	136,901	5,085,717

See accompanying notes to consolidating financial statements.

Way Finders, Inc. and Subsidiaries
Consolidating Statement of Cash Flows – *Continued*
For the Year Ended June 30, 2025

	Way Finders	Common Capital	Affordable Housing Subsidiaries	Other Subsidiaries	Eliminations	Consolidated
Cash Flows From Investing Activities:						
Purchase of investments	$ (1,819,069)	$ -		$ -	$ 5,734	$ (1,813,335)
Proceeds from sale of investments	-	-	121,444	-	-	121,444
Proceeds from sale of tax credits	6,560,000	-	-	-	-	6,560,000
Proceeds paid on loans receivable	(7,100,682)	-	-	-	7,100,682	-
Payments received on loans receivable	16,971	-	-	-	-	16,971
Payment of work in progress costs	(849,697)	-	(16,150,914)	(2,083,823)	(140,452)	(19,224,886)
Purchase of fixed assets	(188,749)	(29,260)	(1,680,106)	-	-	(1,898,115)
Net cash used in investing activities	(3,381,226)	(29,260)	(17,709,576)	(2,083,823)	6,965,964	(16,237,921)
Cash Flows From Financing Activities:						
Payments on financing fees and other intangible assets	(156,652)	(50,661)	(463,255)	-	-	(670,568)
Proceeds from mortgages and notes payable	-	1,125,000	20,921,423	389,282	(7,100,682)	15,335,023
Payments on mortgages and notes payable	(417,142)	(310,964)	(4,719,045)	-	3,551	(5,443,600)
Contributed capital	-	-	1,581,326	-	(5,734)	1,575,592
Equity distribution	-	-	(5,734)	-	-	(5,734)
Payments on syndication costs	-	-	(70,125)	-	-	(70,125)
Net cash provided by/(used in) financing activities	(573,794)	763,375	17,244,590	389,282	(7,102,865)	10,720,588
Net increase/(decrease) in cash and restricted cash	(1,138,562)	323,729	918,932	(535,715)	-	(431,616)
Cash and restricted cash at beginning of year	16,961,514	2,818,699	9,896,771	768,791	-	30,445,775
Cash and restricted cash at end of year	$ 15,822,952	$ 3,142,428	$ 10,815,703	$ 233,076	$ -	$ 30,014,159
Supplementary Disclosure of Cash Flow Information						
Cash paid for interest (net of $806,641 of capitalized interest)	$ 707,580	$ 82,751	$ 1,245,414	$ 142,170	$ (8,113)	$ 2,169,802
Cash paid for income taxes	$ -	$ -	$ 456	$ 5,928	$ -	$ 6,384

See accompanying notes to consolidating financial statements.

1. The Organization

Way Finders, Inc. (Way Finders) was incorporated in November 1972, under the provisions of Chapter 180 of the General Laws of the Commonwealth of Massachusetts for the purpose of assisting the social welfare of low and moderate-income persons. Way Finders' initial activity was the administration of an experimental, federally funded housing allowance project in the metropolitan Springfield Massachusetts area, in cooperation with the Commonwealth of Massachusetts. Since 1981, Way Finders' Articles of Organization requires that Way Finders' activities be exclusively charitable and educational within the meaning of section 501(c)(3) of the Internal Revenue Code, as amended. Way Finders' activities are conducted through both the charitable organization and subsidiaries which are described below.

Way Finders was chartered as a NeighborWorks® organization in October 2008. The affiliation with NeighborWorks® requires ongoing reporting and regular management reviews. It also provides opportunities for grants, capital funding and technical assistance, along with training slots for NeighborWorks® training institutes.

Way Finders, its subsidiaries and controlled entities (collectively the Organization) provide assistance to the community under the following programs:

Rental Assistance

Rental assistance programs provide rent supplements to qualified low-income households under programs subsidized by federal and state funds. A variety of supportive services are provided to rental assistance participants.

Client Services

Client services include temporary shelter and supportive services for the homeless and transitional housing and supportive services for victims of domestic violence and other formerly homeless families. Way Finders provides a wide variety of information and referral services, housing counseling and education services for tenants, as well as access to financial assistance to help families and individuals avoid homelessness. The services are funded through federal and state programs and private grants and donations.

Small Business Lending

Small business lending programs stimulate the local economy by providing small business loans and business assistance primarily to low and moderate-income residents of Western Massachusetts who lack access to traditional financing arrangements.

***1. The Organization** – Continued*

Home Ownership Services

Home ownership services include education and counseling for first-time homebuyers, post-purchase and foreclosure prevention counseling, and educational services for rental property owners. Way Finders also provides access to financial resources for down payment and closing costs, to address lead-paint hazards in the home, and for home modification loans for the disabled.

Real Estate Development & Property Management

Real estate development services include both new construction and purchase and rehabilitation of properties to provide affordable individual, single family and multi-family rental housing and affordable owner occupied housing. These activities are financed by accessing federal and state programs and private lenders. Property management services are provided to various affordable housing projects. Way Finders and its subsidiaries own a direct or indirect interest in most of the projects developed by Way Finders. These efforts are aimed at ensuring that the properties meet the needs of their low to moderate income residents as well as maintaining the financial viability of these properties in the future.

Rental Properties

Rental properties provide affordable housing to eligible tenants under short-term operating leases. Rental properties include properties wholly owned by Way Finders and its subsidiaries as well as partnerships that are controlled by Way Finders and its subsidiaries through general partner interests.

Principles of Consolidation

The Organization includes the following:

Common Capital, Inc.

Common Capital, Inc. was organized as a non-profit corporation to provide small business loans and business assistance to companies owned by low and moderate-income residents. Effective April, 1, 2017, the Way Finders acquired Common Capital, Inc. as a result of Way Finders becoming the sole member of Common Capital, Inc. through a strategic alliance agreement.

***1. The Organization** – Continued*

Affordable Housing Subsidiaries

HAP Community Housing Services, Inc. (HAP-CHS) is a wholly-owned subsidiary of Way Finders. HAP-CHS is a for-profit corporation, formed in August 1982 for the purpose of developing and operating affordable housing. HAP-CHS owns and operates Mountain View Apartments, an affordable housing apartment complex located in Hadley, Massachusetts. HAP-CHS's stock has no par value with 1,000 shares authorized and 700 shares issued and outstanding.

Southampton Housing for the Elderly, Inc. was organized in 1983 as a non-profit corporation, to provide elderly and disabled persons of low to very low income with housing facilities and services specifically designed to meet their needs in Southampton, Massachusetts. Southampton Housing for the Elderly, Inc.'s Board of Directors is made up of Way Finders' employees.

Stevens Senior Housing of Ludlow, Inc. was organized in 2010 as a non-profit corporation, to provide elderly persons of low income with housing facilities in Ludlow, Massachusetts. The majority of Stevens Senior Housing of Ludlow, Inc.'s Board of Directors is made up of members of Way Finders' Board of Directors and Way Finders' employees.

Butternut Properties Limited Partnership was formed on February 21, 2003, as a limited partnership to build, own, maintain and operate an affordable housing apartment complex located in Amherst, Massachusetts. The Partnership consists of one general partner, Butternut Housing, Inc. with a .01% share and one limited partner, Whitcombs Walnut LLC with a 99.99% share.

Church Street School Limited Partnership was formed on September 15, 2005, as a limited partnership to build, own, maintain and operate an affordable housing apartment complex located in Ware, Massachusetts. Church Street School Limited Partnership consists of one managing partner, Greenville Park LLC with a .01% share and investor partners with a 99.99% share. Effective December 31, 2022, WF Real Estate Holdings LLC acquired the investor limited partners' interests from the original investors making Church Street School Limited Partnership a wholly owned subsidiary of Way Finders.

NewCourt Terrace LLC was formed on July 22, 2002, as a limited liability company to build, own, maintain and operate an affordable housing apartment complex located in Springfield, Massachusetts. NewCourt Terrace LLC consists of one managing member, Kibbe Court, Inc. with a .01% share and one investor member with a 99.99% share. Effective December 31, 2019, WF Real Estate Holdings LLC acquired the investor limited member interest from the original investor making NewCourt Terrace LLC a wholly owned subsidiary of Way Finders.

***1. The Organization** – Continued*

Paradise Pond, LLC was formed as a single member LLC, owned by Way Finders, in May 2005 to acquire, rehabilitate and operate an affordable housing apartment complex located in Northampton, Massachusetts.

Greenstead Grove Limited Partnership was formed on December 1, 2023, as a limited partnership to build, own, maintain and operate an affordable housing apartment complex located in Ludlow, Massachusetts. Greenstead Grove Limited Partnership consists of one general partner, Fuller Future LLC with a .01% share and one limited partner, Way Finders with a 99.99% share.

The following entities were formed for the purpose of acquiring, rehabilitating and operating affordable housing properties in Western Massachusetts and are controlled by Way Finders though its subsidiaries' interests in general partner interests. The limited partner interests are reflected as non-controlling interests in the net assets section of the consolidating financial statements.

- CBA Housing Limited Partnership
- KenQuad Limited Partnership
- Library Commons Limited Partnership
- Live Pleasant Limited Partnership
- Lumber Yard Northampton Limited Partnership
- Olympia Amherst Limited Partnership
- Parsons Limited Partnership
- Rosewood Way Townhomes Limited Partnership
- Sergeant House Limited Partnership
- Verano Apartments Limited Partnership
- Windrush Commons Limited Partnership

Other Subsidiaries

1780 HCHQ, Inc. (HCHQ) was organized in 2018 as a non-profit corporation, to support the functions of and carry out the purposes of Way Finders. During 2018, HCHQ acquired property on Main Street in Springfield, Massachusetts which was developed into Way Finders' new housing center and headquarters.

***1. The Organization** – Continued*

Lumber Master LLC was formed June 25, 2019, as a limited liability company to maintain and operate 5,451 square feet of commercial/retail/office real estate located in Northampton Massachusetts. The Partnership consists of two members: Way Finders as the managing member has a 51% share and Valley Community Development Corporation (Valley CDC) has a 49% share.

MBL Housing and Development LLC (MBL) is a wholly owned subsidiary of Way Finders. MBL was acquired on July 1, 2015 and converted from an S Corporation to a single member LLC in August 2015. MBL provides consulting services to developers of affordable housing projects.

Springfield City of Homes Development, LLC was formed as a sole member LLC, owned by Way Finders, in November 2022 for the purpose of developing a pilot for the redevelopment of vacant homes through the City of Homes Vacant Properties Initiative by acquiring real estate for neighborhood revitalization and creating affordable homeownership.

384 High Street Holyoke LLC was formed as a single member LLC, owned by Way Finders, in January 2024 for the purpose of acquiring, operating and redeveloping the property located at 384 High Street in Holyoke, Massachusetts.

378 High Street Holyoke LLC was formed as a single member LLC, owned by Way Finders, in September 2024 for the purpose of acquiring, operating and redeveloping the property located at 378 High Street in Holyoke, Massachusetts.

Chicopee Kendall LLC was formed as a sole member LLC, owned by Way Finders, in December 2008 for the purpose of acquiring the limited partnership interests in syndicated limited partnerships at the end of their tax credit compliance period. Additionally, Chicopee Kendall LLC acquires real estate for the development of future affordable housing apartment complexes.

LC2 Holyoke LLC was formed as a single member LLC, owned by Way Finders, in June 2018 for the purpose of acquiring and developing properties located on Appleton Street, Elm Street and Chestnut Street in Holyoke, Massachusetts.

WF Real Estate Holdings LLC was formed as a single member LLC, owned by Way Finders, in March 2019 for the purpose of acquiring the limited investor member interest in NewCourt Terrace LLC. Additionally, WF Real Estate Holdings LLC acquired the limited investor partners' interests in Church Street Schools Limited Partnership, the real estate previously held by Neighborhood Collaborative LLC and property located on High Street in Holyoke, Massachusetts.

***1. The Organization** – Continued*

Whitcombs Walnut LLC was formed as a single member LLC, owned by Way Finders, in January 2010 for the purpose of acquiring the limited partnership interest in Butternut Properties Limited Partnership.

Butternut Housing, Inc. is a wholly owned subsidiary of HAP-CHS. Butternut Housing, Inc. is a for-profit corporation formed in February 2003 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Butternut Housing, Inc. is the general partner of Butternut Properties Limited Partnership with a 0.01% interest. Butternut Housing, Inc.'s stock has no par value with 15,000 shares authorized and 79 shares issued and outstanding.

CBA Charlton Housing, Inc. is a wholly owned subsidiary of Way Finders. CBA Charlton Housing, Inc. is a for-profit corporation formed in November 2008 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. CBA Charlton Housing, Inc. is the general partner of CBA Housing Limited Partnership with a 0.01% interest. CBA Charlton Housing, Inc.'s stock has no par value with 1,000 shares authorized and 79 shares issued and outstanding.

Kibbe Court, Inc. is a wholly owned subsidiary of HAP-CHS. Kibbe Court, Inc. is a for-profit corporation formed in July 2002 for the purpose of developing and operating affordable housing through its role as managing member in a limited liability company. Kibbe Court, Inc. is the managing member of NewCourt Terrace LLC with a 0.01% interest. Kibbe Court, Inc.'s stock has no par value with 15,000 shares authorized and 79 shares issued and outstanding.

Verano, Inc. is a wholly owned subsidiary of HAP-CHS. Verano, Inc. is a for-profit corporation formed in September 2004 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Verano, Inc. is the general partner of Verano Apartments Limited Partnership with a 0.01% interest. Verano, Inc.'s stock has no par value with 1,000 shares authorized and 79 shares issued and outstanding.

Belmont Byers LLC is a 79% owned subsidiary of Way Finders. Belmont Byers LLC was formed in November 2014 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Belmont Byers LLC is the general partner of KenQuad Limited Partnership with a 0.01% interest.

Fuller Future LLC was originally formed as a single member LLC, owned by Way Finders, in October 2015 for the purpose of acquiring and developing property located on Fuller Street in Ludlow, Massachusetts. An additional member was admitted in April 2024. Way Finders remains the managing member and 79% owner. Fuller Future LLC is the general partner of Greenstead Grove Limited Partnership with a 0.01% interest.

***1. The Organization** – Continued*

Greenville Park LLC was originally formed as a single member LLC in April 2007, owned by Way Finders. An additional member was admitted in June 2009. Way Finders remains the managing member and 79% owner. Greenville Park LLC is the general partner of Church Street School Limited Partnership with a 0.01% interest.

Library Commons LLC is a wholly owned subsidiary of Way Finders. Library Commons LLC was formed in May 2019 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Library Commons LLC is the general partner of Library Commons Limited Partnership with a 0.01% interest.

Lumber Yard 256 LLC is a 51% owned subsidiary of Way Finders. Lumber Yard 256 LLC was formed in September 2017 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Lumber Yard 256 LLC is the general partner of Lumber Yard Northampton Limited Partnership with a 0.01% interest.

Olympia Drive 85 LLC is a 79% owned subsidiary of Way Finders, Inc. Olympia Drive 85 LLC was formed in May 2013 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Olympia Drive 85 LLC is the general partner of Olympia Amherst Limited Partnership with a 0.01% interest.

Parsons Village LLC is a 51% owned subsidiary of Way Finders. Parsons Village LLC was formed in January 2014 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Parsons Village LLC is the general partner of Parsons Limited Partnership with a 0.01% interest.

Pleasant Crossings LLC is a 79% owned subsidiary of Way Finders. Pleasant Crossings LLC was formed in August 2016 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Pleasant Crossings LLC is the general partner of Live Pleasant Limited Partnership with a 0.01% interest.

Rosewood Way LLC was originally formed as a single member LLC in March 2019, owned by Way Finders. An additional member was admitted in April 2023. Way Finders remains the managing member and 79% owner. Rosewood Way LLC is the general partner of Rosewood Way Townhomes Limited Partnership with a 0.01% interest.

Sergeant House GP LLC is a 51% owned subsidiary of Way Finders. Sergeant House GP LLC was formed in September 2018 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Sergeant House GP LLC is the general partner of Sergeant House Limited Partnership with a 0.01% interest.

1. The Organization *– Continued*

Windrush Commons GP LLC is a 51% owned subsidiary of Way Finders. Windrush Commons GP LLC was formed in September 2021 for the purpose of developing and operating affordable housing through its role as general partner in a limited partnership. Windrush Commons GP LLC is the general partner of Windrush Commons Limited Partnership with a 0.01% interest.

2. Summary of Significant Accounting Policies

Accounting Method

The Organization uses the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Revenue Recognition

Contributions, Grants and Government Contracts
Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidating statement of activities as net assets released from restrictions. Conditional contributions are not included as support until the conditions are met.

Grant income from interest-free and below market rate loans is recorded as an increase in net assets with donor restrictions and recognized at the amount by which the principal loan exceeds the net present value of the amount due at maturity. The related net assets with donor restrictions are amortized to interest expense over the life of the loan using the effective interest rate method.

The Organization receives revenue from fixed price, cost reimbursement or unit based government grants and contacts. These grants and contracts are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenditures and are recognized as revenue when the conditions have been met. Way Finders also manages the day-to-day operations of various federal and state subsidy programs on behalf of local landlords and tenants. Way Finders bills each federal and state agency monthly and, in turn, distributes these funds to the landlords. Amounts received prior to satisfying the grant or contract conditions are reported as advances on grants and contracts in the consolidating statement of financial position.

2. Summary of Significant Accounting Policies *– Continued*

Contracts with Customers and Other Exchange Transactions
The Organization provides services to real estate development projects under written development service agreements which define the scope of activities to be provided by the Organization. The activities within the agreements are highly interdependent with each other and comprise an integral series of activities associated with the completion of a real estate development project. The agreements define the fixed compensation that the Organization is expected to receive and a schedule of payments to be made by the project. The performance obligations under the agreements are satisfied over time. The Organization recognizes revenue from development service agreements over time as services are rendered based on the amount of reimbursable costs incurred and the ratio of development costs incurred to total budgeted development costs. Due to the contingent nature of a real estate development project getting funded, revenue recognition does not begin until it is probable a project will have sources of funds to make the payments under the agreement. At the beginning and end of year ended June 30, 2025, contract assets related to development service fees consisted of accounts receivable in the amount of $57,875. There were no contract liabilities related to development service fees at the beginning or end of the year ended June 30, 2025.

The Organization provides services to affordable housing rental projects under written management service agreements which define the scope of activities to be provided by the Organization. Services include managing the rental operations of the projects as well as asset management services provided to the project's owner. Fees for rental operation services are earned monthly based on the terms in the agreement which provide for compensation based on a percentage of rent collections or a fixed fee for each occupied housing unit. Asset management fees are recognized annually and may be contingent upon a project's available net cash flow. At the beginning and end of the year ended June 30, 2025, contract assets related to property and asset management fees consisted of accounts receivable in the amounts of $36,902 and $35,330, respectively. There were no contract liabilities related to property and asset management fees at the beginning or end of the year ended June 30, 2025.

Rental Income
The Organization leases its real estate under operating leases and short term leases. Rental income under operating leases, is recognized on a straight-line basis over the term of the lease. All commercial space leases between the Partnership and the tenants are operating leases. Residential leases have terms of twelve months or less and are considered short-term leases with rental income recognized on a monthly basis in accordance with the terms of the lease. The Organization believes that the rental income stream is exempted from compliance with Financial Accounting Standards Board's (FASB) Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606) due to its inclusion under current and future lease standards.

2. ***Summary of Significant Accounting Policies*** *– Continued*

Other Income
The Organization has additional revenue streams from educational and counseling services provided to current and potential homeowners; lending fees related to closing small business loans; and tenant charges including laundry, damages and other miscellaneous fees. These amounts are not significant to the financial statements and are recognized as revenue at the point in time the services are provided or fees are incurred.

Net Asset Classification

Net assets of the Organization are classified into two categories based on the existence or absence of donor-imposed restrictions as follows:

Net Assets Without Donor Restrictions
Net assets without donor restrictions are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net Assets With Donor Restrictions
Net assets with donor restrictions are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

For the purpose of the consolidating statement of cash flows, all highly liquid investments with maturities of three months or less when purchased are considered to be cash equivalents. At June 30, 2025, the Organization's cash equivalents consisted of certificate of deposits (CD's) with original maturity periods of three months. The CD's accrued interest at rates between 3.83% and 4.02% and mature on dates between August 14, 2025 and September 11, 2025. At June 30, 2025, the carrying value of these CD's was $2,323,431.

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

Cash	$ 6,733,454
Restricted cash - current	12,267,516
Restricted cash - non-current	11,013,189
Total cash and restricted cash shown in the consolidating statement of cash flows	$ 30,014,159

2. ***Summary of Significant Accounting Policies*** – *Continued*

Restricted cash consists of cash received under contracts with contract imposed restrictions, revolving loan funds, capital project funds, client funds held in trust, and mortgagor restricted escrows and funded reserves. All restricted cash is required to be held in separate accounts. See Note 3 for more information.

Loans Receivable and Allowance for Credit Loss

Loans receivable are carried at unpaid principal balances, less an allowance for credit losses. The allowance for credit losses is increased by charges to provision for credit losses and decreased by charge-offs, net of recoveries. Past due status is determined based on loan terms. Loans are considered impaired if full principal or interest payments are not anticipated in accordance with the loan terms. The Organization's practice is to charge off any loan or portion of a loan when the loan is determined by management to be uncollectible due to the borrower's failure to meet repayment terms, the borrower's deteriorating or deteriorated financial condition, the depreciation of the underlying collateral or for other reasons.

Interest on loans receivable is calculated by using the simple interest method on monthly outstanding balances of the principal. The Organization does not record an allowance for credit losses for accrued interest receivables, which are included in prepaid expenses and other assets on the consolidating statement of financial position. Uncollected accrued interest is reversed through interest income in a timely manner in line with the Organization's non-accrual and past due policies for loans receivable. At the beginning and ending of the year ended June 30, 2025, accrued interest totaled $11,079.

Loans are placed on non-accrual status when management believes, after considering economic conditions, business conditions, and collection efforts, that the loans are impaired or collection of interest is doubtful. The Organization uses a non-accrual policy to reverse any accrued, uncollected interest income as loans are moved to non-accrual status. Interest income on non-accrual loans is recognized only to the extent cash payments are received. The accrual of interest resumes when the loan becomes contractually current.

Costs and fees associated with the issuance of loans are expensed in the period incurred.

The allowance for credit losses is measured on a collective (pool) basis when similar risk characteristics exist. For its small business loan portfolio, the Organization uses the aging method to determine the allowance for credit losses which includes past loan loss experience, specific impaired loans, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and current economic conditions. The key characteristics for the small business loan portfolio is the financial strength of the borrower or the guarantor. After the reasonable and supportable forecast period, the Organization's assumption variables reverts to historical loss trends. Management has determined that three years is a reasonable and supportable forecast period. At the end of the three-year reasonable and supportable forecast period, assumption variables revert to their ten year average of historical values over a reversion period which is generally four years but may be longer in some specific cases.

2. ***Summary of Significant Accounting Policies*** *– Continued*

Loans that do not share risk characteristics are evaluated on an individual basis. Loans evaluated individually are also not included in the collective evaluation. When management determines the borrower is experiencing financial difficulty at the reporting date and repayment is expected to be provided substantially through the operation or sale of the collateral, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate. There were no loans evaluated on an individual basis besides the loans classified as other loans receivable on the consolidating statement of financial position.

Determining the Contractual Term: Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments when appropriate. The contractual term excludes expected extensions, renewals, and modifications unless either of the following applies: management has a reasonable expectation at the reporting date that a troubled debt restructuring will be executed with an individual borrower or the extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancellable by the Organization.

Troubles Debt Restructurings (TDR's): A loan for which the terms have been modified resulting in a concession, and for which the borrower is experiencing financial difficulties, is considered to be a TDR. The allowance for credit losses on a TDR is measured using the same method as all other loans held for investment, except that the original interest rate is used to discount the expected cash flows, not the rate specified within the restructuring.

Grants Receivable

Unconditional promises to give are presented net of an allowance for doubtful accounts. Management's periodic evaluation of the adequacy of the allowance is based on its past experience and promises to give are charged off when deemed uncollectible. At June 30, 2025, the Organization has not established any allowance for uncollectible promises to give because, based upon past experience, all amounts are considered collectible.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue.

2. ***Summary of Significant Accounting Policies*** *– Continued*

Accounts Receivable

Accounts receivable are presented net of the allowance for doubtful accounts. Management's periodic evaluation of the adequacy of the allowance is based on historical collection experience, a review of the current status of accounts receivable and current economic conditions. The Organization does not have a policy to accrue interest on accounts receivable. Accounts are written off when deemed uncollectible. At June 30, 2025, management has established an allowance for uncollectible accounts of $333,368.

Investments

The Organization accounts for its investments in non-controlled entities with voting rights using the equity method of accounting. Under the equity method, the investment is carried at cost and adjusted for the Organization's share of income, losses, additional investments, and cash distributions from the entities. The Organization ceases recognition of losses for financial statement purposes once the cost of the investment is reduced to zero. Changes in the value of the investments, which are other than temporary, are recognized as necessary.

Other investments in non-controlled entities are accounted for using the cost method. Changes in the value of the investments, which are other than temporary, are recognized as necessary.

Certificates of deposits (CD's) are investments that are not debt or equity securities and are recorded at cost. CD's with an original maturity less than one year are classified as current assets on the consolidating statement of financial position.

Fixed Assets

Fixed assets are carried at cost less accumulated depreciation. The Organization capitalizes all expenditures for furniture, equipment, and leasehold improvements with a useful life of more than one year and a cost of over $1,000. Depreciation expense totaled $7,121,104 for the year ended June 30, 2025. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

Estimated useful lives are as follows:

Buildings	20 – 40 years
Improvements	5 – 40 years
Furniture & equipment	3 – 10 years
Software	3 years

2. ***Summary of Significant Accounting Policies*** *– Continued*

Long lived assets, such as buildings are reviewed on an ongoing basis for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flow expected to be generated by the asset including any estimated proceeds from the eventual disposition of the asset. If the asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds its fair value. As of June 30, 2025, management has determined that there has been no impairment of the long lived assets.

Management uses the direct expense method to account for planned major maintenance activities, under which actual costs incurred are expensed directly when maintenance is performed.

Work in Progress

In connection with its real-estate development activities, the Organization capitalizes all pre-acquisition, acquisition, development and construction costs as work in progress.

The Organization follows the policy of capitalizing interest on notes financing the construction of projects as a component of work in progress. If a project is abandoned, the costs are charged to expense in the year of abandonment. At June 30, 2025, work in progress of $32,419,615 is reflected at cost, which approximates net realizable value. Work in progress is pledged as collateral for the related loans (Note 9).

Amortization

Costs associated with Way Finders' subsidiaries' acquisition of the tax credits and initial lease up totaling $1,447,417 are recorded at cost and amortized over their estimated useful lives. Amortization expense for the year ended June 30, 2025 was $209,576.

Estimated amortization expense for the next five years is as follows:

Fiscal Year	*Amount*
2025	$119,628
2026	$118,801
2027	$100,279
2028	$49,858
2029	$45,112

2. ***Summary of Significant Accounting Policies*** *– Continued*

Financing Costs

Financing costs, net of accumulated amortization, are reported as a direct reduction of the obligation to which such costs relate. Amortization of financing costs is reported as a component of interest expense and is computed using the effective interest method over the related mortgage notes terms.

Advertising Costs

The Organization expenses advertising costs when they are incurred.

Below Market Loans

Section 42 of the Internal Revenue Code governs the administration of the Low Income Housing Tax Credit (LIHTC), a tax incentive created to foster a legislated public policy directive of the United States of America to create affordable low income housing. Some of Way Finders' subsidiaries were formed in order to create low income housing in order to generate LIHTC.

Other governmental entities having a similar policy have lent money to these subsidiaries at advantageous terms. These subsidiaries have not discounted their below market interest rate loans as they were made at arm's length and to preserve the integrity of costs eligible for the LIHTC.

Way Finders and its subsidiaries discount below market loans to their present value when proceeds are received. The excess of proceeds over their present value are recognized as grant income. The discounts on below market loans are amortized to interest expense over the lives of the loans.

Leases

The Organization determines if an arrangement is or contains a lease at inception. A contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassess its determination if the terms and conditions of the contract are changed.

2. ***Summary of Significant Accounting Policies*** *– Continued*

Operating leases are included in right-of-use (ROU) assets and lease liabilities in the balance sheet. ROU assets and lease liabilities reflect the present value of the future minimum payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Income Taxes

Way Finders, Common Capital, Inc., 1780 HCHQ, Inc., Southampton Housing for the Elderly, Inc., and Stevens Senior Housing of Ludlow, Inc. are exempt from income taxes as non-profit corporations under Section 501(c)(3) of the U.S. Internal Revenue Code and are also exempt from state income taxes, except for income taxes on unrelated business income, if any. For the year ended June 30, 2025, these entities had no unrelated business income subject to income taxes. Accordingly, no provision for income taxes has been included in these consolidating financial statements. Way Finders' for-profit subsidiaries file separate income tax returns.

Way Finders' for-profit corporate subsidiaries account for income taxes, whereby deferred taxes are recognized using the liability method. This method calculates deferred tax assets and liabilities based on tax rates that are expected to apply when temporary differences reverse.

Regarding Way Finders' partnership subsidiaries, no provision has been made for Federal or state income taxes since each partner or member includes its pro-rata share of net income or loss in its return.

The Organization evaluates tax positions taken or expected to be taken in its tax returns and in its subsidiaries' tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. At June 30, 2025, Way Finders believes that it has no uncertain tax positions within its open tax returns or within any of its subsidiaries' open tax returns. The Organization's returns are subject to examination by federal and state tax authorities for up to a three year period after the returns have been filed. The Organization is no longer subject to examination by tax authorities from years before fiscal year 2022.

2. Summary of Significant Accounting Policies – Continued

Estimates

The preparation of 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs based on direct charges, personnel time estimates, space utilization and number of housing units administered.

3. Restricted Cash and Restricted Investments

Restricted cash and restricted investments consist of the following:

	Cash	*Investments*
Federal rental assistance	$ 5,384,520	$ -
State rental assistance	3,195,631	-
Capital projects fund	3,348,587	1,785,259
Unadvanced loan program proceeds	335,411	-
Client deposits held in trust	964,287	-
Undisbursed construction funds	1,806	-
Mortgage escrows and reserves	8,745,588	-
Small business lending and revolving loan funds	1,304,875	-
Total	$ 23,280,705	$ 1,785,259

4. Investments

Equity Method Investments

Common Capital, Inc.'s investment in CTI Energy Services, LLC is accounted for using the equity method because Common Capital, Inc. has voting rights on CTI Energy Services, LLC's Management Board. Common Capital initially contributed $50,000 for a 2.34% ownership interest. No income or loss was recognized for the year ended June 30, 2025. At June 30, 2025, the investment in CTI Energy Services, LLC was $17,955.

4. ***Investments*** *– Continued*

Cost Method Investment

The Organization holds several CD's with original maturities greater than three months. The CD's accrue interest at rates ranging from 3.92% to 5% and mature between August 27, 2025 and November 26, 2025. At June 30, 2025, the CD's balances were $1,848,453.

Way Finders invested $51,510 for a 1% subscriber's interest in HPI Holding Company, Inc. (HPI). Way Finders along with various other unrelated entities entered into a contractual agreement to form HPI, a Vermont insurance company. Way Finders purchases its liability insurance through HPI. The investment in HPI Holding, Inc. is valued at cost due to the lack of information that can be used to approximate the fair value. Management annually receives audited financial statements and performs an assessment of any possible impairment. As of June 30, 2025, management has determined that no such impairment exists.

Common Capital, Inc. purchased 498 shares of Real Pickle Cooperative Inc.'s preferred stock for $12,450. At June 30, 2025, the investment is carried at its original cost of $12,450.

5. ***Grants and Contributions Receivable***

Grants and contributions receivable consist of the following:

Description	*Amount*
Family shelter services program	$ 2,612,729
Federal rental assistance programs	146,144
Rental assistance for families in transition programs	580,742
Housing consumer education center program	224,460
Secure jobs program	314,285
Neighborworks America grants	170,000
Massachusetts polling grants	95,482
Other	507,898
Total	$ 4,651,740

All grants and contributions receivable are expected to be collected within one year or less at June 30, 2025.

6. Small Business Loans Receivable

At June 30, 2025, Common Capital, Inc. has $8,853,305 of notes receivable (net of eliminations totaling $383,071) less an allowance for credit losses of $764,511. The allowance for credit losses includes $44,300 for loans funded by the City of Springfield which include forgiveness provisions if the borrowers comply with the terms of the loan agreements. The loans accrue interest at rates between 1% and 10.25% and mature at various times through November 2043. Loan balances totaling $1,578,262 are pledged as security for Common Capital, Inc.'s notes payable described in Note 9.

The following table presents informative data regarding the aging of small business loans receivable at June 30, 2025:

Small business loans receivable:	
Current balances	$ 8,626,320
Past due balances:	
31-60 days	67,257
61-90 days	8,735
> 90 days	150,993
Total past due balances	226,985
Total small business loans receivable	$ 8,853,305

At June 30, 2025, no small business loans are deemed to be impaired. Loan balances greater than 90 days past due are placed on non-accrual status for purposes of interest income recognition. At the beginning and end of the fiscal year, loans on non-accrual status were $413,667 and $150,993, respectively. An allowance for credit losses has been established for all loans on non-accrual status. No interest income has been recognized during the year for loans on non-accrual status.

Allowance for Credit Losses

Common Capital, Inc. uses an internal risk rating and credit loss reserve methodology to better measure the impact of changes in market conditions, borrower capacity and collateral condition in order to calculate its annual credit loss reserve amount. The reported credit loss reserve for the year ended June 30, 2025 reflects this methodology. All loans are evaluated individually. Each class of loan requires judgment to determine the estimation method that fits the credit risk characteristics within the portfolio.

6. ***Small Business Loans Receivable*** *– Continued*

Common Capital, Inc. estimates credit losses using an internally developed risk review method applied to all performing loans which considers the loan-to-value, lien priority, historical loss experience, or other factors that could impact the probability of default and potential loss. Management applies judgment to develop its own view of loss probability within the portfolios with the objective of establishing an allowance for the credit losses within the portfolios as of the reporting date.

Reflected in the portions of the allowance is an amount for uncertainty and imprecision in determining allowance valuations. It is the practice of Common Capital, Inc. to charge off any loan when the loan is determined to be uncollectible due to the borrower's failure to meet repayment terms, the borrower's continued deteriorating financial position, the loan to value has changed significantly, the underlying collateral has depleted, or for other subjective factors. No single statistic or measurement determines the adequacy of the allowance for credit losses. Changes in the allowance for credit losses and the related provision expense can have a material impact on the change in net assets.

Activity in the allowance for credit losses is as follows:

Balance on July 1, 2024	$ 917,746
Provision for credit losses	255,291
Loans forgiven	(7,000)
Loans charged off	(401,526)
Balance on June 30, 2025	$ 764,511

Credit Quality Information

Risk ratings are used to assess individual credit risk and as a tool in assessing overall portfolio risk. Risk ratings are used by Common Capital, Inc. to capture business risk and viability. Historical financial performance and collateral protection are not considered material drivers of risk rating until such time as a loan appears to have reduced viability. In the event of a question of viability, the credit loss reserve may be set separately from the risk rating in order to capture loss potential.

6. ***Small Business Loans Receivable*** *– Continued*

The internal risk ratings are as follows:

Risk Rating	*Description of Creditworthiness*	*Assigned Loan Loss Percentage*
1	Viability of collection is very high	3%
2	Viability of collection is high	6%
2A	Viability of collection is high, however term of loan allows for full forgiveness if lending terms are met	100%
3	Viability of collection is good but subject to external factors	12%
3A	Viability of collection is good but subject to external factors, however term of loan allows for full forgiveness if lending terms are met	100%
4	Viability of collection is subject to external factors	20%
5	Reasonable chance of effecting a turnover or restructuring	25% - 50%
5A	Reasonable chance of effecting a turnover or restructuring, however term of loan allows for full forgiveness if lending terms are met	100%
6	Probability of turnaround is low	75%
7	Loss status; business assets liquidated	100%

The recorded small business loans receivable by credit quality indicator as of June 30, 2025 is as follows:

Risk rating 1	$ 544,549
Risk rating 2	7,063,251
Risk rating 2A	14,000
Risk rating 3	578,577
Risk rating 3A	11,100
Risk rating 4	375,855
Risk rating 5	246,773
Risk rating 5A	19,200
Total small business loans receivable	$ 8,853,305

The information used to internally rate the small business loans was updated as of June 30, 2025. As necessary, adjustments are made to Common Capital, Inc.'s method of estimating the allowance for credit losses.

7. Other Loans Receivable

Home Modification Loan Program

Way Finders has an agreement with the Community Economic Development Assistance Corporation (CEDAC) to administer a home modification loan program (HMLP) which offers loans of $50,000 or less to eligible property owners. Under HMLP, loans are made to finance modifications to homes to provide for the needs of elders or persons with disabilities. The loans are secured by promissory notes and mortgages on borrower's homes and carry annual interest rates of 0% to 3%. The majority of these loans are interest-free, with repayment required when the property is sold or the title is transferred. Amortized loans do not require monthly payments, with repayment required between 5 and 15 years depending on the loan amount. Proceeds from repayment of loans will be used to make new loans under the HMLP. Upon termination of the HMLP contract, all assets of HMLP are to be returned to CEDAC.

At June 30, 2025, Way Finders was servicing $9,978,774 of outstanding HMLP loans with 300 homeowners and $335,411 of program funds were in a restricted cash account for future lending. At June 30, 2025, the total program assets under the HMLP was $10,314,185.

The Organization uses credit quality indicators and shared risk characteristics to assess the credit quality and the timing of expected credit losses for loan receivables. The only credit quality indicators that apply to these loans is the participant's eligibility to receive funding under the HMLP. Since substantially all loan default issues are assumed by the appropriate funding agency and are secured by second mortgages on the property, the accompanying consolidated statement of financial position at June 30, 2025, does not include an allowance for credit losses.

Massachusetts Low-income Housing and Historic Tax Credit Loans Receivable

Other loans receivable include loans funded with proceeds from Massachusetts low-income housing tax credits and Massachusetts historic tax credits that were donated to Way Finders. Way Finders sold these tax credits and subsequently loaned the sales proceeds back to the donors. The loans are secured by the borrower's apartment complex.

7. ***Other Loans Receivable*** *– Continued*

The borrowers, maturity dates, interest rates and amounts of these loans receivable at June 30, 2025 are as follows:

Borrower	*Maturity Date*	*Interest Rate*	*Amount*
Hunter Place Apartments LP	December 31, 2024	0.01%	$ 1,350,186
Chapin School Veterans Housing LLC	December 31, 2055	0.01%	730,000
Chapin School Veterans Housing LLC	December 31, 2055	0.01%	890,000
Agawam Veterans Housing LLC	December 31, 2057	0%	1,050,167
Agawam Veterans Housing LLC	December 31, 2057	0%	2,047,000
St. James Common Apartments LLC	December 31, 2057	2.82%	1,274,000
Kendall Apartments LLC	October 5, 2048	2%	1,184,574
Moseley Apartments LP	December 31, 2064	3.05%	1,217,635
MacArthur Terrace LLC	December 31, 2062	0%	3,975,000
Total loans receivable			$ 13,718,562

The Massachusetts low-income housing and historic tax credit loans receivable are structured as contingent debt to the borrowers with no expectation of repayment to Way Finders provided that the borrowers adhere to the requirements of the loan agreements. As a result of the lack of historical loss data available and the expectation of no repayment of the loans, Way Finders has valued these loans at their anticipated net realizable value determined through a qualitative assessment of future forecasted repayments based on the nature of the Massachusetts low-income housing and historic tax credit programs. An allowance for credit loss equal to the outstanding loan balances has been established. There were no additional provisions made to the allowance for credit losses or loan write-offs during the year ended June 30, 2025. These loans are classified as non-accrual status for purposes of interest income recognition.

NMTC Leverage Loan

On December 20, 2018, under the New Market Tax Credit (NMTC) structure, Way Finders entered into a leverage loan agreement with COCRF Investor 140, LLC (Investment Fund), in the amount of $10,044,800, funded in two tranches of $9,550,364 and $494,436. The loans are secured by the Investment Fund's interest in certain limited liability companies. The Investment Fund used the proceeds to make equity contributions to NMTC investors who, in a combination with investor equity, provided NMTC loans to 1780 HCHQ, Inc. (see Note 9). The leverage loans are payable in quarterly installments of interest only at a rate of 1.377% through December 2026, and thereafter, in quarterly installments of principal and interest of $95,555 and $42,352, respectively, through December 2046. At June 30, 2025, the outstanding loan balances were $9,550,364 and $494,436.

7. ***Other Loans Receivable*** *– Continued*

The NMTC loans receivable are structured as long-term debt to the borrower with an expectation of repayment to Way Finders provided that the 1780 HCHQ, Inc. adheres to the requirements of the loan agreements. As a result of the lack of historical loss data available and the expectation of repayment of the loans, Way Finders has valued these loans at their anticipated net realizable value determined through a qualitative assessment of future forecasted repayments based on the nature of the NMTC program. The full balance of these loans receivable have been deemed fully collectible and no allowance for credit losses is deemed necessary at June 30, 2025. There were no provisions made to the allowance for credit losses or loan write-offs during the year ended June 30, 2025. The above loans are considered current and are not on non-accrual status for purposes of interest income recognition.

32 Byers Street, Inc.

Way Finders provided financing to 32 Byers Street, Inc. approved up to $150,000. The proceeds from the note will be used to refinance the borrower's mortgage on its real estate. The note accrues interest at 4.025% per annum and is secured by the real estate located at 32 Byers Street in Springfield, Massachusetts. The note requires monthly payments of principal and interest and matures on October 31, 2028. At June 30, 2025, the outstanding loan receivable balance was $64,787.

As a result of the lack of historical loss data available and the expectation of repayment of the loans, Way Finders has valued this loan at its anticipated net realizable value determined through a qualitative assessment of future forecasted repayments. The full balance of this loans receivable has been deemed fully collectible and no allowance for credit losses is deemed necessary at June 30, 2025. There were no provisions made to the allowance for credit losses or loan write-offs during the year ended June 30, 2025. The above loan is considered current and is not on non-accrual status for purposes of interest income recognition.

Pioneer Valley Grows Investment Fund, Inc.

Common Capital has invested $10,000 with Pioneer Valley Grows Investment Fund, Inc. in the form of an unsecured loan receivable. The proceeds of the loan are being used by Pioneer Valley Grows Investment Fund, Inc. to invest in local community farms and farmland. The loan accrues interest at 2% per annum and matures December 2, 2025. At June 30, 2025, the outstanding balance on the loan receivable was $10,000.

As a result of the lack of historical loss data available and the expectation of repayment of the loans, Common Capital has valued this loan at its anticipated net realizable value determined through a qualitative assessment of future forecasted repayments. The full balance of this loans receivable has been deemed fully collectible and no allowance for credit losses is deemed necessary at June 30, 2025. There were no provisions made to the allowance for credit losses or loan write-offs during the year ended June 30, 2025. The above loan is considered current and is not on non-accrual status for purposes of interest income recognition.

8. Advances on Grants and Contracts

Advances on grants and contracts consist of the following:

Description	*Amount*
Federal rental assistance programs	$ 4,712,965
Massachusetts rental assistance programs	2,555,909
Home modification loan program	10,315,576
FHLBB affordable housing program	1,150,000
Community Preservation Act community funds	1,000,000
Rental assistance for families in transition	475,410
Tax credit exchange funds	483,713
HomeBase program	318,301
Foreclosure prevention programs	216,028
Other	288,954
Total contract advances	$ 21,516,856

9. Mortgages and Notes Payable

Mortgages and notes payable consist of the following at June 30, 2025:

	Active	*Deferred*
Way Finders, Inc.:		
Operations:		
Line of credit to Cooperative Fund of New England, maximum loan amount is $1,250,000, interest accrues at 5.75% and is payable monthly through March 15, 2026. The line of credit is secured by certain equipment and accounts receivable.	$ 666,159	$ -
Way Finders entered into an agreement with Massachusetts Development Finance Agency to borrow $6,960,000 funded by Way Finders Issue, Series 2018 Revenue Bonds. The note bears interest at a fixed rate of 4.02% per annum through December 2028. In January 2029, the interest rate adjusts to the sum of Federal Home Loan Bank plus 2.25% basis points multiplied by 0.6886. Monthly payments of interest only were due to Peoples Bank, the registered owner of the bonds, through July 2020. Thereafter, monthly payments of principal and interest in the amount of $37,042 are to be made to Peoples Bank. The note is secured by the undisbursed construction funds held by Peoples bank, a first priority interest in the NMTC leverage loan receivable, and leasehold improvements in the property located at 1780 Main Street in Springfield, Massachusetts.	6,182,403	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Note payable to Coastal Enterprises, Inc. for $850,000 bearing interest 7.132% per annum. Monthly payments of interest only were required under the note through June 2021. Thereafter, monthly payments of principal and interest in the amount of $6,711 are to be made. The note is secured by a second priority interest in the NMTC leverage loan receivable and matures December 2025. Common Capital, Inc. is participating in this note and has a $133,071 share at June 30, 2025, which has been eliminated the consolidating financial statements.	595,453	-
Note payable to Neighborworks Capital Corporation approved up to $3,000,000 bearing interest 5% per annum. Quarterly payments of interest only are required under the note through September 2027. Remaining principal and all unpaid interest shall be due in full on September 1, 2027.	3,000,000	-
Note payable to The Housing Partnership Fund, Inc. approved up to $3,000,000 bearing interest 5.5% per annum. Monthly payments of interest only are required under the note through August 2024. Quarterly principal installments begin on September 1, 2024. Remaining principal and all unpaid interest shall be due in full on August 24, 2025.	3,000,000	-
Note payable to the Trustees for the Diocese of Western Massachusetts, bearing interest at 4% and payable in quarterly payments of interest only. The principal and all accrued but unpaid interest shall be due in full on December 1, 2026.	350,000	-
Note payable to the Edward's Church of Northampton, bearing interest at 4% and payable in quarterly payments of interest only. The principal and all accrued but unpaid interest shall be due in full on March 1, 2030.	500,000	-
Note payable to CEDAC approved up to $400,000. Interest accrues at 7% and is payable along with the outstanding principal balance upon obtaining permanent financing. Proceeds have been used to fund the predevelopment costs at NewCourt Terrace in Springfield, Massachusetts.	-	53,540

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
The Lorraine:		
Mortgage note payable to CEDAC under the Housing Innovations Fund II Program. The note is non-interest bearing and will be repaid out of surplus cash. The unpaid balance and accrued interest are due upon the sale or refinancing of the underlying property but no later than March 8, 2030. The note is secured by the apartment complex and an assignment of leases and rents. The note is reflected net of unamortized discount of $174,180 (effective rate of 9.05%) with a face amount of $500,000.	-	325,820
Mortgage note payable to the EOHLC under the Housing Stabilization Fund Program. The note is non-interest bearing requiring no payments until April 24, 2030, provided the intended use of the property does not change. The note is secured by the apartment complex and an assignment of leases and rents. The note is reflected net of unamortized discount of $176,619 (effective rate of 9.05%) with a face amount of $500,000.	-	323,381
Mortgage note payable to the City of Northampton, due March 14, 2030, with an option for a ten year extension. The note is non-interest bearing, does not require any payments until the due date, and is secured by the apartment complex. The note is reflected net of unamortized discount of $59,221 (effective rate of 9.05%) with a face amount of $170,000.	-	110,779
Common Capital, Inc.:		
Note payable to SBA, payable in monthly installments of $5,844 including interest of 0.5%, and matures August 8, 2027. Interest is reviewed periodically and adjusted to either 1.75% or 0.5% based on the loan portfolio balances held by Common Capital, Inc. The note is secured by an interest in the micro loans issued and by the funds held in Microloan Revolving Loan Funds.	151,199	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
The Lorraine:		
Mortgage note payable to CEDAC under the Housing Innovations Fund II Program. The note is non-interest bearing and will be repaid out of surplus cash. The unpaid balance and accrued interest are due upon the sale or refinancing of the underlying property but no later than March 8, 2030. The note is secured by the apartment complex and an assignment of leases and rents. The note is reflected net of unamortized discount of $174,180 (effective rate of 9.05%) with a face amount of $500,000.	-	325,820
Mortgage note payable to the EOHLC under the Housing Stabilization Fund Program. The note is non-interest bearing requiring no payments until April 24, 2030, provided the intended use of the property does not change. The note is secured by the apartment complex and an assignment of leases and rents. The note is reflected net of unamortized discount of $176,619 (effective rate of 9.05%) with a face amount of $500,000.	-	323,381
Mortgage note payable to the City of Northampton, due March 14, 2030, with an option for a ten year extension. The note is non-interest bearing, does not require any payments until the due date, and is secured by the apartment complex. The note is reflected net of unamortized discount of $59,221 (effective rate of 9.05%) with a face amount of $170,000.	-	110,779
Common Capital, Inc.:		
Note payable to SBA, payable in monthly installments of $5,844 including interest of 0.5%, and matures August 8, 2027. Interest is reviewed periodically and adjusted to either 1.75% or 0.5% based on the loan portfolio balances held by Common Capital, Inc. The note is secured by an interest in the micro loans issued and by the funds held in Microloan Revolving Loan Funds.	151,199	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Note payable to SBA, payable in monthly installments of $5,888 including interest of 1.25%, and matures May 7, 2029. Interest is reviewed periodically and adjusted to either 2.5% or 1.25% based on the loan portfolio balances held by Common Capital, Inc. The note is secured by an interest in the micro loans issued and by the funds held in Microloan Revolving Loan Funds.	270,454	-
Note payable to SBA, payable in monthly installments of $3,241 beginning December 2021 including interest of 0%, and matures November 19, 2030. Interest is reviewed periodically and adjusted to either 0% or 2% based on the loan portfolio balances held by Common Capital, Inc. The note is secured by an interest in the micro loans issued and by the funds held in Microloan Revolving Loan Funds.	481,481	-
Note payable to SBA, payable in monthly installments of $5,119 beginning February 2025 including interest of 2.25%, and matures January 10, 2034. Interest is reviewed periodically and adjusted to either 3% or 4.25% based on the loan portfolio balances held by Common Capital, Inc. The note is secured by an interest in the micro loans issued and by the funds held in Microloan Revolving Loan Funds.	479,658	-
Note payable to the Sisters of Charity of St. Elizabeth, bearing interest at 1% and payable in annual payments of interest only. The principal and all accrued but unpaid interest shall be due in full on June 12, 2027.	25,000	-
Note payable to the Trustees for the Diocese of Western Massachusetts, bearing interest at 4% and payable in quarterly payments of interest only. The principal and all accrued but unpaid interest shall be due in full on February 20, 2027.	100,000	-
Note payable to NBT Bank, bearing interest at 2% interest based on a 360 day year and payable in annual payments of interest only. The principal and all accrued but unpaid interest shall be due in full on August 2, 2032.	500,000	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Note payable to Berkshire Bank, bearing interest at 3% interest based on a 360 day year and payable in quarterly payments of interest only. The principal and all accrued but unpaid interest shall be due in full on December 10, 2029.	1,000,000	-
Notes payable consisting of loans from various organizations, trusts and individuals. These parties have chosen to lend to Common Capital, Inc. to support the Community First Fund. Interest between 2% and 2.65% is due and payable semi-annually. Principal is due and payable on the third or fifth anniversary of the date of the agreements, unless the lender elects to renew the loan for an additional three or five year term or donate the principal and/or interest to Common Capital, Inc. These notes are unsecured.	1,642,842	-
Affordable Housing Subsidiaries:		
Butternut Properties Limited Partnership:		
Mortgage note payable to EOHLC under the HOME Investment Partnership Program. The note is non-interest bearing requiring no payments until March 8, 2041 and is secured by the apartment complex. The note is reflected net of unamortized discount of $455,538 (effective rate of 7%) with a face amount of $683,073.	-	227,535
Mortgage note payable to EOHLC administered by the Massachusetts Housing Finance Agency (MHFA) under the Affordable Housing Trust Fund Program. The note is non-interest bearing requiring no payments until March 8, 2041 and is secured by the apartment complex. The note is reflected net of unamortized discount of $666,895 (effective rate of 7%) with a face amount of $1,000,000.	-	333,105
Mountain View Apartments of HAP-CHS:		
Mortgage notes payable to the United States Department of Agriculture (USDA), Rural Development Agency, bearing interest at 8.5%, payable in monthly installments of $8,359 to maturity, June 1, 2037. The notes are secured by a mortgage on the apartment complex and assignment of certain leases and rents. The Project receives a monthly interest subsidy in the amount of $5,899, for a reduced monthly loan payment of $2,460.	751,161	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to Massachusetts Housing Partnership Fund Board under Housing Stabilization Fund Program. The note is non-interest bearing with no payments due until the maturity date of April 28, 2033. The note is carried net of unamortized discount of $303,907 (effective rate of 9.05%) with a face amount of $600,000. The note is secured by the apartment complex and assignments of certain leases and rents.	-	296,093
Paradise Pond LLC:		
Mortgage note payable to Massachusetts Housing Partnership Fund, payable in monthly installments of $650, including interest at 6.1%, and matures October 31, 2026. The loan is secured by the apartment complex.	42,231	-
Mortgage note payable to Massachusetts Housing Partnership Fund, bearing interest at 2%, payable in monthly interest payments only. The note is due October 31, 2026, and is secured by the apartment complex.	134,263	-
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program. The note is non-interest bearing requiring no payments until August 15, 2035. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of unamortized discount of $412,605 (effective rate of 7.5%) with a face amount of $775,000.	-	362,395
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program. The note is non-interest bearing requiring no payments until August 15, 2055. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of unamortized discount of $640,050 (effective rate of 7.5%) with a face amount of $715,000.	-	74,950

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to CEDAC, non-interest bearing, payable annually to the extent that cash receipts exceed 105% of cash disbursements. Any remaining unpaid principal is due and payable on August 15, 2035. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of unamortized discount of $452,535 (effective rate of 7.5%) with a face amount of $850,000.	-	397,465
Southampton Housing for the Elderly, Inc.:		
The Organization has a thirty-five year 2.6% HUD insured mortgage note payable to Walker and Dunlop LLC. The note requires monthly payments for principal and interest of $11,881. The final payment is due February 1, 2032. The note is secured by the apartment complex and assignment of certain leases and rents. The outstanding principal balance at June 30, 2025 was $2,433,222.		
Financing costs of $140,307 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 2.89%. Accumulated amortization at June 30, 2025 was $68,264.	2,361,179	-
Stevens Senior Housing of Ludlow, Inc.:		
Mortgage note payable to EOHLC under the HOME Investment Partnership Program. The note is non-interest bearing requiring no payments until September 25, 2044. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of unamortized discount of $243,848 (effective rate of 4.61%) with a face amount of $415,000.		
Financing costs of $14,302 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 5.37%. Accumulated amortization at June 30, 2025 was $5,127.	-	161,977

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program. The note is non-interest bearing requiring no payments until September 25, 2064. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of unamortized discount of $831,290 (effective rate of 4.61%) with a face amount of $994,743.		
Financing costs of $34,282 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 5.27%. Accumulated amortization at June 30, 2025 was $7,374.	-	136,545
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program. The note is non-interest bearing requiring no payments until September 25, 2054. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of unamortized discount of $739,679 (effective rate of 4.61%) with a face amount of $1,000,000.		
Financing costs of $34,462 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 5.5%. Accumulated amortization at June 30, 2025 was $9,266.	-	235,125
Mortgage note payable to CEDAC, non-interest bearing, payable annually to the extent that cash receipts exceed 105% of cash disbursements. Any remaining unpaid principal is due and payable on September 25, 2044. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of unamortized discount of $181,839 (effective rate of 4.61%) with a face amount of $300,000.		
Financing costs of $10,339 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 5.37%. Accumulated amortization at June 30, 2025 was $3,708.	-	117,094

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
CBA Housing Limited Partnership:		
Mortgage note payable to USDA Rural Development is payable in monthly installments of $2,876, net of a monthly subsidy of $3,164 and bears interest at 4.875% per annum. The agreement provides for an interest subsidy making the effective rate 1% over the life of the note. Final payment is due in January 22, 2060, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	1,211,546	-
Mortgage note payable to EOHLC under the HOME Investment Partnership Program, accrues no interest except on delinquent payments. The note is payable on November 21, 2040, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage. The outstanding principal balance at June 30, 2025 was $715,000.		
Financing costs of $13,028 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 0.06%. Accumulated amortization at June 30, 2025 was $6,151.	-	708,123
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program, accrues no interest except on delinquent payments. All interest and principal due under this note are payable on November 21, 2040, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage. The outstanding principal balance at June 30, 2025 was $1,000,000.		
Financing costs of $18,222 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 0.06%. Accumulated amortization at June 30, 2025 was $8,603.	-	990,381

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Church Street School Limited Partnership:		
Mortgage note payable to USDA Rural Development is payable in monthly installments of $2,123, net of a monthly subsidy of $2,691 and bears interest at 5.375% per annum. The agreement provides for an interest subsidy making the effective rate 1% over the life of the note. Final payment is due on October 1, 2038, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	893,869	-
Mortgage note payable to EOHLC under the HOME Investment Partnership Program, accrues interest at a rate of 7.50% compounded annually. All interest and principal due under this note are payable on May 24, 2038, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	243,890
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund, accrues interest at a rate of 7.50% compounded annually. All interest and principal due under this note are payable on May 24, 2038, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	733,960
Greenstead Grove Limited Partnership:		
Life Insurance Community Investment Initiative, LLC provided construction funding of $13,900,000 with interest at a rate of 7.5% per annum fixed for the term of the loan. The loan requires interest only payments and matures April 30, 2026. The apartment complex is pledged as collateral for the mortgage.	7,847,304	-
Mortgage note payable to EOHLC under the Housing Trust Fund Program and accrues interest at a rate of 1% compounded annually. All interest and principal due under this note are payable on August 30, 2075, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	1,080,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to EOHLC under the HOME Investment Partnership Program and accrues interest at a rate of 1% compounded annually. All interest and principal due under this note are payable on August 30, 2075, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	900,000
Mortgage note payable to Massachusetts Housing Partnership Fund under the Housing Stabilization Fund Program and accrues interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on August 30, 2075, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,080,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program and accrues interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on August 30, 2075, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	2,590,303
Mortgage note payable to CEDAC under the Facilities Consolidated Fund Program and accrues interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on August 30, 2055, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	760,000
Mortgage note payable to Massachusetts Housing Partnership Fund under the American Rescue Plan Act Fund Program and accrues interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on August 30, 2075, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	1,649,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to MHEF Greenstead Grove LLC, accrues no interest except on delinquent payments. All interest and principal due under this note are payable on the earlier of the receipt of the second equity instalment payment or December 1, 2025. The apartment complex is pledged as collateral for the mortgage.	-	947,845
KenQuad Limited Partnership:		
Mortgage note payable to Massachusetts Housing Partnership Fund is secured by the real estate and personal property in the original amount of $650,000. Monthly payments of interest at a rate equal to the LIBOR daily floating rate plus 2.25% are due through the July 1, 2017. Thereafter, the note requires monthly principal and interest payments of $3,470, bears an interest rate of 4.95% per annum, and matures in June 2034. The outstanding principal balance at June 30, 2025 was $558,551. Financing costs of $76,257 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 3.24%. Accumulated amortization at June 30, 2025 was $39,109.	521,403	-
Mortgage note payable under the HOME Investments Partnership Program through EOHLC and the City of Springfield bearing simple interest at a rate of 1% interest per annum. The note and accrued interest are due and payable in full on June 16, 2047, net of amortized discount of $375,188 (effective rate of 2.5%) with a face amount of $1,127,000. The note is secured by the apartment complex and assignment of certain leases and rents.	-	751,812
Mortgage note payable under the HOME Investments Partnership Program through EOHLC and the City of Springfield bearing simple interest at a rate of 1% interest per annum. The note and accrued interest are due and payable in full on June 16, 2047, net of amortized discount of $144,815 (effective rate of 2.5%) with a face amount of $435,000. The note is secured by the apartment complex and assignment of certain leases and rents.	-	290,185

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to Valley CDC funded through the sale of the Project's Massachusetts low-income housing tax credits. The note bears interest at 2.5% compounded annually. Unpaid principal and interest is due December 2065. The note is secured by a mortgage on the apartment complex.	-	1,128,125
Mortgage note payable to Valley CDC funded through the sale of the Project's Massachusetts historic rehabilitation tax credits. The note bears interest at 2.5% compounded annually. Unpaid principal and interest is due December 2065. The note is secured by a mortgage on the apartment complex.	-	1,979,731
Library Commons Limited Partnership:		
Massachusetts Housing Partnership Fund has provided funding in the amount of $550,000. The loan bears interest at 4.71% and is payable in monthly installments of principal and interest of $2,856 through March 2042. The note is secured by the apartment complex. The outstanding principal balance at June 30, 2025 was $521,495.		
Financing costs of $50,035 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 5.29%. Accumulated amortization at June 30, 2025 was $6,880.	478,340	-
Mortgage note payable to CEDAC under the Housing Innovations Fund Program and accrues interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on February 17, 2071, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	2,000,000
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program and accrues interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on February 17, 2071, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	937,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to EOHLC under the HOME Investment Partnership Program and accrues interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on February 17, 2071, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	825,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program and accrues interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on February 17, 2071, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	1,000,000
Mortgage note payable to the City of Holyoke accruing interest at a rate of 1% simple interest based on a 360 day year. All interest and principal due under this note are payable on February 17, 2071, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	400,000
Mortgage note payable to Regional Housing Network funded through the sale of the Project's Massachusetts low-income housing tax credits. The note bears interest at 2.5% compounded annually. Unpaid principal and interest is due December 2069. The note is secured by a mortgage on the apartment complex.	-	2,800,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Live Pleasant Limited Partnership:		
Easthampton Savings Bank provided construction funding of $8,480,710 with interest at a rate of 4% per annum fixed for the construction period. On December 16, 2018, the construction period ended and the interest rate was set at 5.93% per annum. The note required interest only payments thru the construction period. At the end of the construction period a principal payment was made to reduce the principal balance to $2,314,310 with monthly payments of principal and interest required for the subsequent 30 years thereafter. The apartment complex is pledged as collateral for the mortgage. The outstanding principal balance at June 30, 2025 was $2,095,805. Financing costs of $48,962 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 6.13%. Accumulated amortization at June 30, 2025 was $9,792.	2,056,635	-
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program and accrues interest at a rate of 1% compounded annually. All interest and principal due under this note are payable on December 16, 2066, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	500,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund, accrues interest at a rate of 1% compounded annually. All interest and principal due under this note are payable on December 16, 2046, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	1,083,000
Mortgage note payable to CEDAC under the Housing Preservation and Stabilization Trust Fund Program and accrues interest at a rate of 1% compounded annually. All interest and principal due under this note are payable on February 16, 2048, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	1,500,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to CEDAC under the Housing Innovations Fund Program and accrues interest at a rate of 1% compounded annually. All interest and principal due under this note are payable on February 16, 2048, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	1,000,000
Mortgage note payable to CEDAC under the Facilities Consolidation Fund Program and accrues interest at a rate of 1% compounded annually. All interest and principal due under this note are payable on February 16, 2048, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	707,000
Lumber Yard Northampton Limited Partnership:		
TD Bank provided construction funding of $2,500,000 with interest at a rate of 5.53% per annum fixed for the term of the loan. On December 19, 2019, the note converted to permanent financing and the maturity date extended to December 19, 2039, with monthly payments of principal and interest required based on a 30 year amortization schedule. The apartment complex is pledged as collateral for the mortgage. The outstanding principal balance at June 30, 2025 was $2,292,411.		
Financing costs of $79,908 are being amortized using the straight-line method. The effective interest rate on the loan approximates to 5.85%. Accumulated amortization at June 30, 2025 was $22,142.	2,234,645	-
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program, accrues no interest except on delinquent payments. The note is payable on February 19, 2069, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,000,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program, accrues no interest except on delinquent payments. All interest and principal due under this note are payable on February 19, 2049 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,000,000
Mortgage note payable to EOHLC under the Commercial Area Transit Node Housing Program, accrues no interest except on delinquent payments. The note is payable on February 19, 2049, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,000,000
Mortgage note payable to CEDAC under the Community Based Housing Program, accrues no interest except on delinquent payments. The note is payable on February 19, 2049, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	325,000
Mortgage note payable to Valley CDC accruing interest at 3.5% compounded annually. All interest and principal due under this note are payable on December 19, 2049 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	755,023
New Court Terrace LLC:		
Mortgage note payable to EOHLC under the HOME Investment Partnership Program, accrues interest compounded annually at a rate of 5.75% per annum. All interest and principal due under this note are payable on October 2, 2033, or upon the occurrence of an event of default, as specified in the loan agreement. The apartment complex is pledged as collateral for the mortgage.	-	550,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to the City of Springfield Office of Housing and Neighborhood Services under the Lead Hazard Abatement Program, accrues interest at a rate of 5.75% per annum. All interest and principal due under this note are payable January 26, 2025, or on demand if the premises are not used as required in Section 3 of the loan agreement. The apartment complex is pledged as collateral for the mortgage.	-	220,000
Mortgage note payable to the City of Springfield Community Development Department under the HOME Investment Partnership Program, accrues interest thereon compounded annually at a rate of 6.5% per annum. All interest, principal, and other payments due under this note are payable July 25, 2042, or upon sale or refinance of the Project. The apartment complex is pledged as collateral for the mortgage.	-	450,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program, accrues interest at a rate of 5% per annum. All interest and principal due under this note are payable on October 1, 2033, or upon the occurrence of an event of default or the sale or other transfer of the Project. Under these circumstances, the note becomes immediately payable and due. The apartment complex is pledged as collateral for the mortgage.	-	667,612
Olympia Amherst Limited Partnership:		
Massachusetts Housing Partnership Fund has provided funding in the amount of $535,000. The loan bears interest at 6.97% and is payable in monthly installments of principal and interest of $3,549 through April 2035. The note is secured by the apartment complex. The outstanding principal balance at June 30, 2025 was $457,887.		
Financing costs of $99,823 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 9.28%. Accumulated amortization at June 30, 2025 was $50,749.	408,813	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program, accrues interest at 1% per annum. The note is payable on September 5, 2063, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,715,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program, accrues interest at 1% per annum. All interest and principal due under this note are payable on September 5, 2044 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,000,000
Parsons Limited Partnership:		
Easthampton Savings Bank provided construction funding of $4,656,447 with interest at a rate of 3.75% per annum fixed for the term of the loan The note requires interest only payments thru the construction period. At the end of the construction period a $750,000 principal payment is due with monthly payments of principal and interest for the subsequent 30 years required thereafter. The apartment complex is pledged as collateral for the mortgage. The outstanding principal balance at June 30, 2025 was $605,145.		
Financing costs of $38,340 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 4.285%. Accumulated amortization at June 30, 2025 was $11,183.	577,988	-
Mortgage note payable to EOHLC under the Non-Federal Investment Trust Fund Program, accrues no interest except on delinquent payments. The note is payable on July 27, 2045, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	490,217

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program, accrues no interest except on delinquent payments. The note is payable on July 27, 2065, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,000,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program, accrues no interest except on delinquent payments. All interest and principal due under this note are payable on July 27, 2065 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,175,000
Mortgage note payable to Valley CDC, accrues no interest except on delinquent payments. All interest and principal due under this note are payable on July 28, 2065 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	300,000
Rosewood Way Townhomes Limited Partnership:		
TD Bank provided a construction line of credit authorized up to $18,250,000 to fund construction costs. The line of credit bears interest at the secured overnight financing rate (SOFR) published by the SOFR Administrator plus 2.5% based on a 360-day year with interest only payments due monthly. The line matures October 26, 2025. The apartment complex is pledged as collateral for the mortgage.	11,434,319	
Mortgage note payable to EOHLC under the HOME Investment Partnership Program, accrues no interest except on delinquent payments. The note is payable on December 31, 2065, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	990,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to CEDAC under the Housing Innovations Fund Program, accrues no interest except on delinquent payments. The note is payable on June 26, 2054, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,200,000
Mortgage note payable to CEDAC under the Facilities Consolidation Fund Program, accrues no interest except on delinquent payments. The note is payable on June 26, 2054, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	749,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program, accrues no interest except on delinquent payments. All interest and principal due under this note are payable on December 31, 2065 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,000,000
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program, accrues no interest except on delinquent payments. The note is payable on June 26, 2074, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,200,000
Sergeant House Limited Partnership:		
Mortgage note payable to CEDAC under the Housing Innovations Fund I Program non-interest bearing, payable annually to the extent that cash receipts exceed 105% of cash disbursements. Any remaining unpaid principal is due and payable on March 15, 2050. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of amortized discount of $158,435 (effective rate of 2.74%) with a face amount of $240,735.	-	82,300

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to CEDAC under the Housing Innovations Fund III Program non-interest bearing, payable annually to the extent that cash receipts exceed 105% of cash disbursements. Any remaining unpaid principal is due and payable on March 15, 2050. The note is secured by the apartment complex and assignment of certain leases and rents. The note is reflected net of amortized discount of $241,324 (effective rate of 2.74%) with a face amount of $362,500.	-	121,176
Mortgage note payable to CEDAC under the Housing Innovations Fund Program and accrues interest at a rate of 2% simple interest based on a 360 day year. All interest and principal due under this note are payable on May 17, 2050, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	492,094
Mortgage note payable to CEDAC under the Facilities Consolidation Fund Program and accrues interest at a rate of 2% simple interest based on a 360 day year. All interest and principal due under this note are payable on May 17, 2050, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	260,810
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program and accrues interest at a rate of 2% simple interest based on a 360 day year. All interest and principal due under this note are payable on May 17, 2050, or upon the occurrence of an event of default or the sale or other transfer of the Project. The note is secured by a mortgage on the apartment complex and assignment of certain leases and rents.	-	836,559
Mortgage note payable to Valley CDC accruing interest at 2.1% compounded annually. All interest and principal due under this note are payable on March 1, 2065 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	580,051

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to Bridge Street LLC, a subsidiary of Valley CDC accruing interest at 3% compounded annually. All interest and principal due under this note are payable on March 1, 2065 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	181,226
Verano Apartments Limited Partnership:		
Massachusetts Housing Partnership Fund has provided funding in the amount of $415,000. The loan bears interest at 6.23% and is payable in monthly installments of principal and interest of $2,550 through October 2026. The note is secured by the apartment complex.	249,533	-
Mortgage note payable to EOHLC under the HOME Investment Partnership Program, accrues interest at a rate of 5.5% per annum. All interest and principal due under this note are payable on August 14, 2035, or upon the occurrence of an event of default or the sale or other transfer of the Project. Under these circumstances, the note becomes immediately payable and due. The note is secured by the apartment complex and assignment of certain leases and rents.	-	550,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund, accrues interest at a rate of 4% per annum. All interest and principal due under this note are payable on August 14, 2035, or upon the occurrence of an event of default or the sale or other transfer of the Project. Under these circumstances, the note becomes immediately payable and due. The note is secured by the apartment complex and assignment of certain leases and rents.	-	550,000
Mortgage note payable to the City of Holyoke Office for Community Development, accrues interest at a rate of 5.5% per annum. All principal and interest payments under this note shall be payable on August 14, 2035. No payments shall be due before the maturity date. The note is secured by the apartment complex and assignment of certain leases and rents.	-	100,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Self Help Shelters, Inc. and HAP CHS, doing business as the joint venture Rehab Shelters, acting by and through HAP CHS, have provided funding of $247,500. This note bears interest compounding annually at a rate of 9%. Payment began two years after date of borrowing, and continuing every 12 months thereafter during the entire term of this note to an amount equal to the prior calendar year's net cash flow. The note is secured by the apartment complex and assignment of certain leases and rents. The entire outstanding balance of principal and unpaid interest shall be due upon the sooner of: (a) the date which is 20 years from the borrowing date, or (b) the sale or transfer of the real property comprising collateral for this note. Under these circumstances, the note becomes immediately payable and due. HAP-CHS's 45% share of principal and accrued interest have been eliminated in the consolidating financial statements.	-	136,350
Windrush Commons Limited Partnership:		
Mortgage note payable to Berkshire Bank is secured by the real estate and personal property in the original amount of $2,000,000. The note requires monthly principal and interest payments of $12,502, bears an interest rate of 4.3% per annum, and matures in January 2042. The outstanding principal balance at June 30, 2025 was $1,919,626.		
Financing costs of $57,764 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 4.56%. Accumulated amortization at June 30, 2025 was $3,748.	1,865,610	-
Mortgage note payable to CEDAC under the Housing Innovations Fund Program accrues no interest except on delinquent payments. The note is payable on April 28, 2053, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.		1,100,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to CEDAC under the Facilities Consolidation Fund Program accrues no interest except on delinquent payments. The note is payable on April 28, 2053, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.		397,000
Mortgage note payable to EOHLC under the HOME Investment Partnership Program accrues no interest except on delinquent payments. The note is payable on April 28, 2073, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,100,000
Mortgage note payable to EOHLC under the Housing Stabilization Fund Program accrues no interest except on delinquent payments. The note is payable on April 28, 2073, or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	990,000
Mortgage note payable to EOHLC administered by MHFA under the Affordable Housing Trust Fund Program, accrues no interest except on delinquent payments. All interest and principal due under this note are payable on April 28, 2063 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	1,000,000
Mortgage note payable to Community Development Corporation of South Berkshire, Inc., accrues no interest except on delinquent payments. All interest and principal due under this note are payable on January 28, 2062 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	450,000
Mortgage note payable to Community Development Corporation of South Berkshire, Inc., accrues no interest except on delinquent payments. All interest and principal due under this note are payable on January 28, 2062 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	100,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Mortgage note payable to Community Development Corporation of South Berkshire, Inc., accrues no interest except on delinquent payments. All interest and principal due under this note are payable on April 19, 2063 or upon the occurrence of an event of default or the sale or other transfer of the Project. The apartment complex is pledged as collateral for the mortgage.	-	127,000
Other Subsidiaries:		
WF Real Estate Holding LLC		
Note payable to Life Insurance Community Investment Initiative, LLC approved up to $1,170,000, bearing interest at 5% and payable in quarterly interest payments only. The outstanding principal balance and all accrued but unpaid interest is payable upon obtaining permanent financing, but no later than October 20, 2025. Proceeds have been used to fund the acquisition of 501 Newton Street in South Hadley, Massachusetts.	1,170,000	-
Note payable to Property and Casualty Initiative, LLC approved up to $500,000, bearing interest at 5.5% and payable in monthly interest payments only. The outstanding principal balance and all accrued but unpaid interest is payable upon obtaining permanent financing, but no later than January 17, 2027. Proceeds have been used to fund the acquisition of 384 High Street in Holyoke, Massachusetts.	500,000	-
LC2 Holyoke LLC:		
Note payable to CEDAC approved up to $101,500, bearing interest at 5.6% and payable in quarterly interest payments only. The outstanding principal balance and all accrued but unpaid interest is payable upon obtaining permanent financing, but no later than June 30, 2025. Proceeds have been used to fund the acquisition of 207 Elm Street in Holyoke Massachusetts.	101,500	-
Note payable to CEDAC approved up to $250,000. Interest accrues at 7% and is payable along with the outstanding principal balance upon obtaining permanent financing. Proceeds have been used to fund the predevelopment costs at Library Commons II in Holyoke, Massachusetts.		250,000

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Note payable to CEDAC approved up to $150,000. Interest accrues at 3% and is payable along with the outstanding principal balance upon obtaining permanent financing. Proceeds have been used to fund the predevelopment costs at Library Commons II in Holyoke, Massachusetts.	-	150,000
1780 HCHQ, Inc.		
Note payable to 18 VRV 2008 LLC in the amount of $2,383,562 bearing interest at 1% and payable in quarterly interest payments only through December 2025. Thereafter, quarterly payments of principal and interest of $25,211 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts. Financing costs of $53,313 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $8,362.	2,338,611	-
Note payable to 18 VRV 2008 LLC in the amount of $1,056,438 bearing interest at 1% and payable in quarterly interest payments only through December 2025. Thereafter, quarterly payments of principal and interest of $11,174 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts. Financing costs of $23,629 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $3,708.	1,036,517	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Note payable to 18 VRV 2008 LLC in the amount of $1,435,000 bearing interest at 1% and payable in quarterly interest payments only through December 2025 and a $50,000 principal payment on December 20, 2025. Thereafter, quarterly payments of principal and interest of $14,649 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts. Financing costs of $32,096 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $5,032.	1,407,936	-
Note payable to MHIC NE CDE II Subsidiary 51 LLC in the amount of $4,099,726 bearing interest at 1% and payable in quarterly interest payments only through December 2025. Thereafter, quarterly payments of principal and interest of $43,363 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts. Financing costs of $91,698 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $14,381.	4,022,409	-
Note payable to MHIC NE CDE II Subsidiary 51 LLC in the amount of $1,817,074 bearing interest at 1% and payable in quarterly interest payments only through December 2025. Thereafter, quarterly payments of principal and interest of $19,219 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts. Financing costs of $40,642 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $6,372.	1,782,804	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Note payable to MHIC NE CDE II Subsidiary 51 LLC in the amount of $2,425,200 bearing interest at 1% and payable in quarterly interest payments only through December 2025 and a $86,000 principal payment on December 20, 2025. Thereafter, quarterly payments of principal and interest of $24,742 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts.		
Financing costs of $54,244 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $8,505.	2,379,461	-
Note payable to COCRF SubCDE 79 LLC in the amount of $476,712 bearing interest at 1% and payable in quarterly interest payments only through December 2025. Thereafter, quarterly payments of principal and interest of $5,042 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts.		
Financing costs of $10,663 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $1,672.	467,721	-
Note payable to COCRF SubCDE 79 LLC in the amount of $211,288 bearing interest at 1% and payable in quarterly interest payments only through December 2025. Thereafter, quarterly payments of principal and interest of $2,235 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts.		
Financing costs of $4,726 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $742.	207,304	-

***9. Mortgages and Notes Payable** – Continued*

	Active	*Deferred*
Note payable to COCRF SubCDE 79 LLC in the amount of $312,000 bearing interest at 1% and payable in quarterly interest payments only through December 2025. Thereafter, quarterly payments of principal and interest of $3,300 will commence and continue through December 2052. The note is secure by the property located at 1780 Main Street, Springfield, Massachusetts. Financing costs of $6,978 are being amortized using the straight-line rate method. The effective interest rate on the loan approximates to 1.07%. Accumulated amortization at June 30, 2025 was $1,094.	306,116	-
Total notes payable	67,839,775	58,703,307
Less current portion	(18,971,538)	(1,621,385)
Total long-term liabilities	$ 48,868,237	$ 57,081,922

The maturities of the mortgages and notes for the ensuing five years and thereafter are summarized as follows:

Fiscal Year	*Amount*
2026	$ 20,592,923
2027	11,199,449
2028	4,565,987
2029	1,879,218
2030	4,055,426
Thereafter	91,533,169
Total note payments	133,826,172
Unamortized financing fees	(732,056)
Unamortized discount	(6,551,034)
Present value of note payments	$ 126,543,082

Interest costs for the year ended June 30, 2025 was $4,579,946, of which $1,002,258 was capitalized. Additionally, amortized financing fees charged to interest expense for the year ended June 30, 2025 was $38,096.

10. Operating Lease

Other than short term leases, the Organization has operating leases for equipment maturing between March 2026 and October 2028; office space maturing May 2029 and a ground lease maturing in August 2112.

***10. Operating Lease** – Continued*

As of June 30, 2025, the right-of-use (ROU) asset had a balance of $243,211 as shown in other assets and the lease liability is included in current liabilities and noncurrent liabilities with a balance of $73,250 and $169,961, respectively, on the consolidating statement of financial position. The lease asset and liability were calculated utilizing the risk free discount rate according to the Organization's elected policy.

Additional information about the Organization's operating leases is as follows:

	Space	*Equipment*	*Ground*
Lease costs:			
Operating lease cost	$ 32,561	$ 63,933	$ 1,350
Other Information:			
Cash paid for amounts included in measuring operating lease liabilities:			
Operating cash flows from operating leases	$ 31,254	$ 63,933	$ 1,350
Weighted average remaining lease terms	47 months	22.7 months	87 years
Weighted average discount rate	4.64%	4.06%	2.05%

Maturities of operating lease liabilities as of June 30, 2025 are as follows:

Year ending June 30	*Amount*
2026	$ 81,270
2027	55,453
2028	37,278
2029	33,959
2030	1,350
Thereafter	110,700
Total	320,010
Less: interest	(76,799)
Present value of lease liabilities	$ 243,211

11. Net Assets

Board Designated

The Board of Directors has designated $2,696,157 in net assets without donor restrictions to be used in support of affordable housing programs.

Additionally, the Board has designated $300,000 in net assets without donor restrictions to fund pilot programs that further Way Finders strategic goals and priorities.

Net Assets with Donor Restrictions

The following summarizes the activity of net assets with donor restrictions for the year ended June 30, 2025:

	Balance June 30, 2024	*Donor Restricted Contributions*	*Releases from Restriction*	*Balance June 30, 2025*
City of Homes Vacant Properties Initiative	$ 1,808,079	$ 2,000,000	$ (235,905)	$ 3,572,174
Capital campaign	163,041	-	-	163,041
Springfield loan fund	28,111	-	-	28,111
Asset management reserve	186,000	-	-	186,000
Organizational development	11,250	-	-	11,250
Green energy development	5,000	-	-	5,000
Elderly supportive housing	4,391,300	-	-	4,391,300
Below market rate loans	5,895,598	-	(264,329)	5,631,269
Time restricted	94,609	60,000	(93,334)	61,275
Total	$ 12,582,988	$ 2,060,000	$ (593,568)	$ 14,049,420

Non-controlling Interest

During the year ended June 30, 2025, affordable housing subsidiaries received capital contributions from non-controlling interest owners totaling $1,575,592 and made equity distributions to non-controlling interest owners totaling $5,734.

12. Related Party Transactions

Financing

Members of Common Capital, Inc.'s Board of Directors and employees of the Organization have loaned $6,500 to Common Capital, Inc.'s Community First Fund as described in Note 9.

13. Income Taxes

Way Finders' for-profit subsidiaries had provisions for income taxes for the year ended June 30, 2025, consisting of the following:

Description	*Amount*
State tax expense	$ 6,384
Federal tax expense	-
Total	$ 6,384

As of June 30, 2025, Way Finders' for-profit subsidiaries had net operating loss carry-forwards totaling approximately $321,704 available to offset future taxable income. Certain net operating loss carry-forwards will expire at various times between 2024 and 2044. Additionally, Way Finders' for-profit subsidiaries had net passive loss carry-forwards totaling approximately $150,578 and passive tax credit carry-forwards totaling approximately $6,074 available to offset future passive taxable income. It is unclear if Way Finders will realize value from these credits and loss carry-forwards; accordingly a related tax deferred asset has not been recorded.

14. Retirement Plans

Way Finders Tax Sheltered Annuity Retirement Plan

Way Finders provides retirement benefits for its full-time employees through its tax sheltered annuity retirement plan. This plan constitutes a defined contribution plan under section 403(b) of the Internal Revenue Code. All employees are eligible to make elective contributions to the plan upon the beginning of employment and employees who have completed 1.5 years of service as defined by the plan are eligible for employer contributions. The Plan requires Way Finders to make a 20% employer match of employee contributions of up to 2% of annual compensation. Additionally, Way Finders may make discretionary employer contributions to eligible employees based on their compensation as defined by the Plan. Employer contributions for the year ended June 30, 2025 was $355,371.

Common Capital SIMPLE IRA Plan

Common Capital, Inc. has a SIMPLE IRA plan which is available to all employees who have completed 90 days of service. Employees may contribute into the plan on a tax-deferred basis. Common Capital, Inc. contributes a matching contribution on a semi-monthly basis. The amount of such contribution is equal to the amount of salary reduction employees elect to defer to a maximum of 3% of the employee's compensation. During 2017, the plan was frozen and eligible employees now are enrolled in Way Finders Tax Sheltered Annuity Retirement Plan.

15. Rental Income Under Operating Leases

The Organization has operating lease agreements with tenants for its commercial space that expire at various dates through June 2039. The leases do not does not include any variable rent payments. Rental revenue under these leases was $108,838 for the year ended June 30, 2025. Cash receipts from these tenants during the year ended June 30, 2025 totaled $104,580, which are included within the cash flows from operating activities on the statement of cash flows.

The Organization is scheduled to receive the following minimum rent payments from these leases over the next five years and thereafter:

Fiscal Year	*Amount*
2026	$ 93,879
2027	87,263
2028	32,397
2029	33,044
2030	33,705
Thereafter	335,359
Total	$ 615,647

16. Commitments

Construction Contract

On May 25, 2024, Greenstead Grove Limited Partnership executed a $16,241,234 contract for the construction of the Greenstead Grove Apartments Project. Through June 30, 2025, change orders were approved increasing the contract amount to $16,802,599. At June 30, 2025, costs incurred under the contract totaled $15,976,188. The remaining $826,411 in construction costs under the contract will be incurred in fiscal year 2026.

On March 20, 2025, LC2 Holyoke LLC executed a $19,868,458 contract for the construction of the Essex Village Project. At June 30, 2025, costs incurred under the contract totaled $1,299,756. The remaining $18,568,702 in construction costs under the contract will be incurred in fiscal years 2026 and 2027.

16. Commitments – Continued

Financing Commitments

The Organization has received various financing commitments to fund acquisition, predevelopment and construction costs related to development and renovations at several of its projects. As of June 30, 2025, the following commitments were received:

Lender	*Project*	*Commitment*	*Amount* Received	*Outstanding*
Mass Housing	Rosewood Way	$ 5,227,000	$ -	$ 5,227,000
Life Insurance Community Investment Initiative, LLC	Greenstead Grove	13,900,000	7,847,304	6,052,696
MHP	Greenstead Grove	2,849,000	2,729,000	120,000
CEDAC	Greenstead Grove	800,000	760,000	40,000
EOHLC	Greenstead Grove	2,200,000	1,920,000	280,000
CEDAC	NewCourt Terrace	400,000	53,540	346,460
	Total	$ 25,376,000	$ 13,309,844	$ 12,066,156

17. Liquidity and Availability

The following represents the Organization's financial assets at June 30, 2025:

Financial assets:	
Cash	$ 6,733,454
Restricted cash	12,267,516
Grants receivable	4,651,740
Accounts receivable, net	1,685,361
Small business loans receivable, net	1,667,203
Other loans receivable, net	26,971
Investments	63,194
Total financial assets	27,095,439
Less amounts not available to be used within one year	
Net assets with donor restrictions	14,049,420
Less net assets with donor restrictions invested in long term assets	(10,022,569)
Board designated net assets	2,996,157
Loan receivable repayments restricted for lending	1,667,203
Total	8,690,211
Financial assets available to meet general expenditures over the next twelve months	$ 18,405,228

***17. Liquidity and Availability** – Continued*

As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Additionally, Way Finders' affordable housing subsidiaries maintain restricted deposits and funded reserves totaling $8,745,588 included in non-current restricted cash and restricted investments at June 30, 2025. The ability to use these restricted deposits and funded reserves are subject to lender and investor approval. The restricted deposits and funded reserves are closely monitored by management, lenders and investors to ensure they are adequately funded to meet future expenditures.

18. Concentrations

Cash

The Organization maintains its cash accounts in several commercial banks located in Massachusetts. Accounts at each bank are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per bank. Additionally, deposits in excess of FDIC coverage are covered by Depositors Insurance Fund (DIF) at certain Massachusetts banks. The Organization does not believe it is exposed to significant risk as it periodically reviews the credit standings of the related institutions.

A summary of the total insured and uninsured cash balances at June 30, 2025 is as follows:

Total cash in all banks	$ 33,719,680
Portion insured by FDIC and DIF	(29,430,405)
Uninsured cash balances	$ 4,289,275

Small Business Loans Receivable

All small business loans receivable are from businesses located in western Massachusetts. The lending policies of Common Capital, Inc. consider collateral in its underwriting. Common Capital, Inc. will obtain sufficient available collateral, but due to Common Capital, Inc.'s mission, it may approve loans which are either completely unsecured or are functionally unsecured based on the likely collateral value in a liquidation scenario. Common Capital, Inc. also recognizes that in instances where it is a subordinate lender, it will be at financial disadvantage in liquidation scenarios.

Support

The Organization's main source of funding is provided from grants and contracts with EOHLC, which is approximately 83% of its revenue and 78% of its grants receivable for the year ended June 30, 2025.

19. Contingencies

Operations

The Organization's real estate holdings are concentrated in the multifamily real estate market. In addition, the Organization operates in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to HUD, SBA, U.S. Department of the Treasury, EOHLC and MassHousing (the Agencies). Such administrative directives, rules and regulations are subject to change by an Act of Congress or an administrative change mandated by the Agencies. Changes may occur with little notice or inadequate funding to pay for the related costs, including the additional administrative burden, to comply with such changes.

Litigation

The Organization is defending complaints (judicial and administrative) for discrimination by current and former employees and clients. The Organization believes it has meritorious defenses against each of the complaints and intends to vigorously contest them, and expects that the resolution of such complaints will not have a material adverse effect on its financial position. Therefore, no adjustment has been made to the 2025 financial statements.

Grant Funding

The Organization's various grants and contracts are subject to audit by appropriate governmental agencies. Acceptance of final costs incurred under these grants and contracts resides with these grantors. As of the date of these statements, the materiality of adjustments to final costs, if any, cannot be determined although management does not anticipate any. Therefore, no adjustment has been made to the 2025 financial statements.

CDFI Certification Status

On September 17, 2013, Common Capital, Inc. was re-certified by the U.S. Department of the Treasury's Community Development Financial Institution Fund as a Community Development Financial Institution. Common Capital, Inc.'s certification is subject to annual reviews by U.S. Department of the Treasury's Community Development Financial Institution Fund. Common Capital, Inc. satisfied its annual review during 2025.

***19. Contingencies** – Continued*

SBA Community Advantage

Common Capital, Inc. is required to maintain loan loss reserve accounts to cover potential losses arising from defaulted Community Advantage loans. The minimum requirement is 5% of the unguaranteed portion of Common Capital, Inc.'s Community Advantage loan portfolio. Common Capital, Inc. was in compliance with this requirement for the year ended June 30, 2025 by maintaining restricted bank accounts that exceed the required minimum.

Surplus Revenue Retention

Surplus generated under Commonwealth of Massachusetts unit rate contracts must comply with 808 CMR 1.03(7), "Surplus Revenue Retention Policy". In accordance with these requirements, Way Finders is entitled to retain surplus up to twenty percent (20%) of the total revenue of all Commonwealth programs per year as unrestricted net assets. The surplus can be used to further Way Finders' charitable purposes, but may not be used for non-reimbursable expenses as defined in 808 CMR 1.05. For the year ended June 30, 2025, the current year surplus revenue did not exceed 20% of the total revenue of all of the Commonwealth programs.

20. Conditional Promise to Give

Way Finders received a pledged donation to the rights on Massachusetts low-income housing tax credits for a low-income housing project. The donation is conditional upon the project qualifying for and receiving the tax credits. The credits are expected to be sold to a third party upon receipt with the proceeds loaned back to the projects.

Additionally, Way Finders has several government grants and contracts whose revenue is conditional upon delivering specific services to clients or incurring qualifying expenditures. These conditional grants and contacts will be recognized in the financial statements when the conditions on which they depend are substantially met.

At June 30, 2025, conditional promises to give totaled $16,034,405 of which $11,201,280 has been received and included in advances on grants and contracts in the consolidating statement of financial position.

21. Subsequent Events

On September 6, 2025, there was a fire at the project owned by Olympia Amherst Limited Partnership. The fire resulted in one building incurring significant damage which will require significant restoration or replacement. This building had a carrying value of $474,303 at June 30, 2025. Management has estimated the costs to restore the building to be approximately $1,003,000 with approximately $792,000 of the costs being covered by insurance proceeds. No gain or loss on the fire has been recognized as of June 30, 2025. It is at least reasonably possible that management's estimate of the repair costs will change within the next year.

The Organization has performed an evaluation of subsequent events through January 8, 2026, which is the date the Organization's consolidating financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

Way Finders, Inc. and Subsidiaries
Schedule of Financial Position for Way Finders, Inc.
June 30, 2025

Assets

	Operations	Assistance Payments	Rental Properties	Intra-company Eliminations	Way Finders
Current Assets					
Cash	$ 2,355,541	$ -	$ 108,161	$ -	$ 2,463,702
Restricted cash	4,705,597	7,432,039	-	-	12,137,636
Restricted investments	1,785,259	-	-	-	1,785,259
Grants receivable	4,531,729	73,723	14,658	-	4,620,110
Accounts receivable, net	1,029,129	-	34,536	-	1,063,665
Related party receivables, net	13,299,710	-	-	(196,660)	13,103,050
Loans receivable	136,971	-	-	-	136,971
Prepaid expenses and other assets	381,669	-	35,695	-	417,364
Total current assets	28,225,605	7,505,762	193,050	(196,660)	35,727,757
Property and Equipment					
Land	-	-	193,333	-	193,333
Buildings and improvements	1,053,634	-	4,050,118	-	5,103,752
Furniture and equipment	3,970,828	-	66,497	-	4,037,325
Software	603,421	-	-	-	603,421
Less: accumulated depreciation	(3,790,998)	-	(2,687,115)	-	(6,478,113)
Total property and equipment	1,836,885	-	1,622,833	-	3,459,718
Other Assets					
Investments	676,340	-	-	-	676,340
Restricted cash	-	320,255	901,359	-	1,221,614
Work in progress	2,811,411	-	-	(155,057)	2,656,354
Operating lease right-of-use asset	8,545,421	-	-	-	8,545,421
Loans receivable, net	21,469,396	-	-	(305,000)	21,164,396
Intangible assets, net	142,312	-	-	-	142,312
Total other assets	33,644,880	320,255	901,359	(460,057)	34,406,437
Total assets	$ 63,707,370	$ 7,826,017	$ 2,717,242	$ (656,717)	$ 73,593,912

Way Finders, Inc. and Subsidiaries
Schedule of Financial Position for Way Finders, Inc. - *Continued*
June 30, 2025

Liabilities and Net Assets

	Operations	Assistance Payments	Rental Properties	Intra-company Eliminations	Way Finders
Current Liabilities					
Accounts payable	$ 1,162,404	$ -	$ 55,541	$ -	$ 1,217,945
Related party payables	-	122,181	76,562	(198,743)	-
Accrued expenses	2,899,361	-	150	-	2,899,511
Advances on grants and contracts	1,196,361	7,294,836	76,370	-	8,567,567
Mortgages and notes payable	4,466,649	-	13,027	-	4,479,676
Deferred notes payable	53,540	-	-	-	53,540
Operating lease liability	390,911	-	-	-	390,911
Deferred revenue	1,912	-	19,582	-	21,494
Total current liabilities	10,171,138	7,417,017	241,232	(198,743)	17,630,644
Noncurrent liabilities					
Mortgages and notes payable	9,960,437	-	92,881	-	10,053,318
Deferred notes payable	-	-	1,685,710	(305,000)	1,380,710
Operating lease liability	9,573,613	-	-	-	9,573,613
Escrow liabilities	-	409,000	34,943	-	443,943
Advances on grants and contracts	12,465,576	-	-	-	12,465,576
Total noncurrent liabilities	31,999,626	409,000	1,813,534	(305,000)	33,917,160
Total liabilities	42,170,764	7,826,017	2,054,766	(503,743)	51,547,804
Net Assets					
Without donor restrictions					
Board designated	2,996,157	-	-	-	2,996,157
Undesignated	14,541,711	-	(46,173)	(152,974)	14,342,564
With donor restrictions	3,998,738	-	708,649	-	4,707,387
Total net assets	21,536,606	-	662,476	(152,974)	22,046,108
Total liabilities and net assets	$ 63,707,370	$ 7,826,017	$ 2,717,242	$ (656,717)	$ 73,593,912

Way Finders, Inc. and Subsidiaries
Schedule of Revenue, Support and Expenses for Way Finders, Inc.
For the Year Ended June 30, 2025

	Without Donor Restrictions			With Donor Restrictions			
	Operations	Assistance Payments	Rental Properties	Operations	Rental Properties	Intra-company Eliminations	Way Finders
Revenue and Support							
Contributions	$ 1,609,655	$ -	$ 71,633	$ 2,060,000	$ -	$ -	$ 3,741,288
Grant assistance payments	-	113,615,756	-	-	-	-	113,615,756
Grants - Neighbor Works America	397,500	-	-	-	-	-	397,500
Government grants and contracts	32,042,148	-	-	-	-	-	32,042,148
Program fees	623,533	-	10,644	-	-	-	634,177
Property and asset management fees	826,499	-	-	-	-	(69,281)	757,218
Developer fees	1,460,516	-	-	-	-	(88,723)	1,371,793
Lending interest income	481,463	-	-	-	-	(65,552)	415,911
Investment income	260,720	-	15,810	-	-	-	276,530
Rental income	-	-	715,121	-	-	-	715,121
Gain on sale of Massachusetts tax credits	6,560,000	-	-	-	-	-	6,560,000
Release from restriction	295,905	-	108,547	(295,905)	(108,547)	-	-
Total revenue and support	44,557,939	113,615,756	921,755	1,764,095	(108,547)	(223,556)	160,527,442
Expenses							
Salaries	17,740,435	-	130,309	-	-	(75,175)	17,795,569
Payroll tax and fringe benefits	4,763,800	-	34,034	-	-	(13,548)	4,784,286
Employee training	163,248	-	-	-	-	-	163,248
Professional services	942,136	-	28,496	-	-	-	970,632
Contract services	883,760	-	-	-	-	-	883,760
Communications	268,241	-	10,462	-	-	-	278,703
Postage	107,098	-	237	-	-	-	107,335
Materials production	143,768	-	687	-	-	-	144,455
Management fees	-	-	69,281	-	-	(69,281)	-
Program expense	7,421,491	-	-	-	-	-	7,421,491
Office supplies	123,059	-	718	-	-	-	123,777
Licenses, dues and fees	361,590	-	639	-	-	-	362,229
Travel	153,118	-	2,117	-	-	-	155,235
Audit expense	196,703	-	-	-	-	-	196,703
Legal expense	24,180	-	23,039	-	-	-	47,219
Insurance	185,262	-	25,477	-	-	-	210,739
Bad debt and credit losses	7,763,418	-	41,432	-	-	(2,083)	7,802,767
Repairs and maintenance	56,172	-	208,154	-	-	-	264,326
Utilities	10,416	-	118,052	-	-	-	128,468
Recruitment	140,509	-	-	-	-	-	140,509
Other taxes	403	-	44,477	-	-	-	44,880
Interest	699,420	-	116,707	-	-	-	816,127
Provider reimbursement	54,643	-	-	-	-	-	54,643
Other expenses	128,615	-	269	-	-	-	128,884
Depreciation and amortization	573,245	-	111,338	-	-	-	684,583
Client assistance disbursed	-	113,615,756	-	-	-	-	113,615,756
Computer operations	(82)	-	5,557	-	-	-	5,475
Occupancy	876,857	-	-	-	-	-	876,857
Grant expense	-	-	-	-	-	-	-
Marketing and outreach	7,445	-	-	-	-	-	7,445
Other administrative expenses	(404,166)	-	5,687	-	-	-	(398,479)
Total expenses	43,384,784	113,615,756	977,169	-	-	(160,087)	157,817,622
Change in net assets	$ 1,173,155	$ -	$ (55,414)	$ 1,764,095	$ (108,547)	$ (63,469)	$ 2,709,820

Way Finders, Inc. and Subsidiaries
Schedule of Financial Position for Housing Assistance Programs
June 30, 2025

	Federal Voucher	*Moderate Rehab*	*MRVP*	*Other Programs*	*Total*
Assets					
Restricted cash	$ 4,628,437	$ 103,908	$ 2,648,989	$ 284,365	$ 7,665,699
Grants receivable - EOHLC	75,180	38,700	-	33,324	147,204
Accounts receivable	-	-	180	90	270
Related party receivables	1,200,813	1,887,307	-	622,414	3,710,534
Buildings and improvements	47	-	-	-	47
Software	137,324	23,935	-	-	161,259
Less: accumulated depreciation	(121,989)	(23,935)	-	-	(145,924)
Total assets	$ 5,919,812	$ 2,029,915	$ 2,649,169	$ 940,193	$ 11,539,089
Liabilities					
Accounts payable	$ 13,393	$ 467	$ -	$ 310	$ 14,170
Related party payables	-	-	642,181	-	642,181
Accrued expenses	71,749	83,538	7,681	799	163,767
Escrow liabilities	382,548	-	-	26,452	409,000
Advances on grants and contracts	4,268,777	408,098	2,555,909	36,090	7,268,874
Total liabilities	4,736,467	492,103	3,205,771	63,651	8,497,992
Net Assets					
Without donor restrictions					
Undesignated	-	-	(556,602)	876,542	319,940
Board designated for affordable housing program	1,158,345	1,537,812	-	-	2,696,157
With donor restrictions	25,000	-	-	-	25,000
Total net assets	1,183,345	1,537,812	(556,602)	876,542	3,041,097
Total liabilities and net assets	$ 5,919,812	$ 2,029,915	$ 2,649,169	$ 940,193	$ 11,539,089

Way Finders, Inc. and Subsidiaries
Schedule of Revenue, Expenses, and Changes in Net Assets for Housing Assistance Programs
For the Year Ended June 30, 2025

	Federal Voucher	*Moderate Rehab*	*MRVP*	*Other Programs*	*Total*
Revenue and Support					
Contributions	$ 25,000	$ -	$ -	$ -	$ 25,000
Grant assistance payments	55,176,154	4,410,125	11,233,648	-	70,819,927
Government grants and contracts	5,433,951	481,647	768,205	157,634	6,841,437
Program fees	6,130	-	386	32,641	39,157
Investment income	-	-	4,077	4,134	8,211
Total revenue and support	60,641,235	4,891,772	12,006,316	194,409	77,733,732
Expenses					
Salaries	2,770,802	210,692	306,651	105,447	3,393,592
Payroll tax and fringe benefits	839,421	61,085	96,534	30,690	1,027,730
Employee training	4,539	-	-	-	4,539
Professional services	23,863	-	-	-	23,863
Contract services	23,653	-	14,696	-	38,349
Communications	7,459	4,896	-	815	13,170
Postage	75,780	3	13,679	-	89,462
Materials production	21,250	1,272	2,207	700	25,429
Program expense	302,588	-	36,000	4,081	342,669
Office supplies	25,538	932	1,613	1,290	29,373
Licenses, dues and fees	6,066	-	-	-	6,066
Travel	29,122	3,992	731	-	33,845
Audit expense	37,560	21,333	4,495	1,466	64,854
Insurance	23,638	1,659	2,835	924	29,056
Recruitment	1,929	-	-	-	1,929
Provider reimbursement	54,643	-	-	-	54,643
Depreciation and amortization	8,042	-	-	-	8,042
Client assistance disbursed	55,176,154	4,410,125	11,233,648	-	70,819,927
Computer operations	218,486	15,346	26,555	8,544	268,931
Occupancy	344,668	24,212	41,151	13,488	423,519
Marketing and outreach	66,134	4,628	7,856	2,570	81,188
Administrative allocation	755,864	53,000	90,051	29,464	928,379
Total expenses	60,817,199	4,813,175	11,878,702	199,479	77,708,555
Change in net assets	(175,964)	78,597	127,614	(5,070)	25,177
Net assets - beginning of year	1,359,309	1,459,215	(684,216)	881,612	3,015,920
Net assets - end of year	$ 1,183,345	$ 1,537,812	$ (556,602)	$ 876,542	$ 3,041,097

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Way Finders, Inc. and Subsidiaries
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor *Cluster or Program Title* *Pass-through Grantor*	*Federal Assistance Listing Number*	*Federal Pass-through Entity Identifying Number*	*Total Federal Expenditures*	*Expenditures to Subrecipients*
U.S. Department of Housing and Urban Development				
Fair Housing Initiatives Program				
Direct Program	14.408	FEOI230027	$ 66,629	$ 25,435
Moving to Work Demonstration Program				
Passed through Massachusetts Executive Office of Housing and Livable Communities (EOHLC)	14.881	SCOCD2645245869015MTW	56,866,249	-
Passed through Massachusetts EOHLC	14.881	SCOCD2640228690022EHV	1,655,059	
Passed through Massachusetts EOHLC	14.881	SCOCD2645245869015SUP	98,741	-
Passed through Massachusetts EOHLC	14.881	SCOCD2645245869015SNO	185,591	-
Passed through Massachusetts EOHLC	14.881	SCOCD2645245869015MHC	86,220	-
Total Moving to Work Demonstration Program			58,891,860	-
Section 8 Project-Based Cluster:				
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation				
Passed through Massachusetts EOHLC	14.856	SCOCD264024589019MRB	4,891,772	-
Continuum of Care Program				
Passed through City of Springfield	14.267	MA0459U1T042310	71,633	-
Family Self Sufficiency Program				
Passed through Massachusetts EOHLC	14.896	SCOCD264024589021FSS	237,250	-
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers				
Passed through Massachusetts EOHLC	14.871	SCOCD264024589014HCV	442,408	-
Family Unification Program				
Passed through Massachusetts EOHLC	14.880	SCOCD264124589016FUP	494,230	-
Total Housing Voucher Cluster			936,638	-

See accompanying notes to the schedule

Way Finders, Inc. and Subsidiaries
Schedule of Expenditures of Federal Awards – *Continued*
For the Year Ended June 30, 2025

Federal Grantor *Cluster or Program Title* *Pass-through Grantor*	*Federal Assistance Listing Number*	*Federal Pass-through Entity Identifying Number*	*Total Federal Expenditures*	*Expenditures to Subrecipients*
Supportive Housing for Persons with Disabilities				
Passed through Massachusetts EOHLC	14.181	SCOCD264224869017MS5	$ 656,451	$ -
CDBG - Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants				
Passed through Massachusetts EOHLC (Loan)	14.218	N/A	170,000	-
Housing Counseling Assistance Program				
Passed through Housing Partnership Network	14.169	23-16	40,000	-
Total U.S. Department of Housing and Urban Development			65,962,233	25,435
U.S. Department of Treasury				
NeighborWorks Grant Funds				
Passed through Neighborworks Reinvestment Corporation	21.U01	G-SUPINT-2024-75856	4,000	-
Passed through Neighborworks Reinvestment Corporation	21.U01	G-SUPINT-2025-76581	6,500	-
Passed through Neighborworks Reinvestment Corporation	21.U01	G-NWW-2025-77604	1,000	-
Passed through Neighborworks Reinvestment Corporation	21.U01	G-IMPACT-2025-76297	386,000	-
Total NeighborWorks Grant Funds			397,500	-
COVID 19 Emergency Rental Assistance Program				
Passed through Massachusetts EOHLC	21.023	OCD2650HSLERAFT22250	115,400	-
Total U.S. Department of Treasury			512,900	-
U.S. Department of Commerce				
Economic Development Cluster				
Economic Adjustment Assistance				
Direct Program	11.307	01-79-08851	490,054	-
Direct Program	11.307	01-79-14260	561,549	-
Total Economic Adjustment Assistance			1,051,603	-
Distressed Area Recompete Pilot Program				
Direct Program	11.040	N/A	52,864	-
Total U.S. Department of Commerce			1,104,467	-

See accompanying notes to the schedule

Way Finders, Inc. and Subsidiaries
Schedule of Expenditures of Federal Awards – *Continued*
For the Year Ended June 30, 2025

Federal Grantor / Cluster or Program Title / Pass-through Grantor	*Federal Assistance Listing Number*	*Federal Pass-through Entity Identifying Number*	*Total Federal Expenditures*	*Expenditures to Subrecipients*
Small Business Administration				
Microloan Program				
Direct Program (Loan)	59.046	702-510-5007 SBA	$ 18,242	$ -
Direct Program (Loan)	59.046	960-371-5003 SBA	219,663	-
Direct Program (Loan)	59.046	365-889-7003 SBA	334,981	-
Direct Program (Loan)	59.046	839-167-8202 SBA	570,370	-
Direct Program (Loan)	59.046	537-107-9107 SBA	500,000	-
Direct Program (Grant)	59.046	SBAOCAML240657	229,634	-
Total Microloan Program			1,872,890	-
7(a) Loan Guarantees				
Direct Program (Loan Guarantees)	59.012	N/A	3,052,534	-
Total Small Business Administration			4,925,424	-
U.S. Department of Agriculture				
SNAP Cluster				
Pilot Projects to Reduce Dependency and Increase Work Requirements and Work Effort under SNAP				
Passed through the University of Massachusetts Medical School	10.596	N/A	14,457	-
Total U.S. Department of Agriculture			14,457	-
Total expenditures of federal awards			$ 72,519,481	$ 25,435

See accompanying notes to the schedule

Way Finders, Inc. and Subsidiaries
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Way Finders, Inc. (Way Finders) under programs of the Federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion Way Finders' operations, it is not intended to and does not present the financial position, changes in net assets or cash flows of Way Finders.

2. Summary of Significant Accounting Policies

a) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

b) The Organization has elected to use the de minimus indirect cost rate as allowed under the Uniform Guidance.

3. Loan and Guarantee Assistance

Community Development Block Grant (Assistance Listing #14.218)

The Community Development Block Grant loan which was received in a prior fiscal year, is included on the Schedule at its outstanding balance as of July 1, 2024 as it includes continuing compliance requirements. During 2025, no additional proceeds were received or payments made. At June 30, 2025, the loan balance was $170,000.

Microloan Program (Assistance Listing #59.046)

Federal awards in the form of loans from the U.S. Small Business Administration (SBA) are included on the Schedule at their outstanding balances as of July 1, 2024 plus any new proceeds received during fiscal year 2025 as they include continuing compliance requirements. The activity on these loans for the year ended June 30, 2025 is as follows:

Federal Award Number	*702-510-5007 SBA*	*960-371-5003 SBA*	*365-889-7003 SBA*	*839-167-8202 SBA*	*537-107-9107 SBA*
Balance July 1, 2024	$ 18,242	$ 219,663	$ 334,981	$ 570,370	$ 500,000
Proceeds received	-	-	-	-	-
Payments made	(18,242)	(68,464)	(64,527)	(88,889)	(20,342)
Balance June 30, 2025	$ -	$ 151,199	$ 270,454	$ 481,481	$ 479,658

3. Loan and Guarantee Assistance *– Continued*

7(a) Loan Guarantees (Assistance Listing #59.012)

The SBA has guaranteed between 75% and 90% of qualifying outstanding balances on loans receivable made by Common Capital, Inc. The federal award expenditures reported on the Schedule is equal to the outstanding guarantees at July 1, 2024 plus any additional guarantees made during the year ended June 30, 2025. At June 30, 2024, the guarantees covered $2,260,884 of $2,844,592 qualifying loans. At June 30, 2025, the guarantees covered $2,685,333 of $3,347,618 qualifying loans. SBA provided an additional $791,650 in guarantees for $963,000 in new loans made during the year ended June 30, 2025.

4. Economic Adjustment Assistance (Assistance Listing #11.307)

In accordance with the U.S. Office of Management and Budget (OMB) *Compliance Supplement* for this program, expenditures reported on the Schedule are calculated as follows:

Federal Award Number	*01-79-14260*	*01-79-08851*
Revolving Loan Fund principal at June 30, 2025	$ 647,727	$ 822,925
Revolving Loan Fund cash and investment balances at June 30, 2025	47,978	148,375
Administrative expenses paid out of the Revolving Loan Fund during fiscal year 2025	6,231	8,807
Total program expenditures for the year ended June 30, 2025	701,936	980,107
Federal share of the Revolving Loan Fund	80%	50%
Federal expenditures for the year ended June 30, 2025	$ 561,549	$ 490,054

REPORTS ON INTERNAL CONTROL AND COMPLIANCE

DANIEL DENNIS & Co
Certified Public Accountants

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards

The Board of Directors of
Way Finders, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidating financial statements of Way Finders, Inc. and subsidiaries (the Organization) which comprise the consolidating statement of financial position as of June 30, 2025, and the related consolidating statements of activities, changes in net assets/(deficit), functional expenses, and cash flows for the year then ended, and the related notes to the consolidating financial statements, and have issued our report thereon dated January 8, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidating financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidating financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Daniel Dennis & Company LLP

January 8, 2026

DANIEL DENNIS & Co
Certified Public Accountants

Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

The Board of Directors of
Way Finders, Inc.

Report on Compliance for Each Major Federal Program

Opinion on the Major Federal Program
We have audited Way Finders, Inc. and subsidiaries' (the Organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Organization's major federal programs for the year ended June 30, 2025. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The Organization's consolidating financial statements include the operations of Southampton Housing for the Elderly, Inc. and Stevens Senior Housing of Ludlow, Inc., which expended $3,010,602 and $4,910,013, respectively, in federal awards, which are not included in the schedule of expenditures of federal awards during the year ended June 30, 2025. Our audit, as described below, did not include the operations of Southampton Housing for the Elderly, Inc. and Stevens Senior Housing of Ludlow, Inc. because their federal awards are audited within each organization's stand-alone audit performed in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance).

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the Uniform Guidance. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each of the major federal programs. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditors' Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each of the major federal programs as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Daniel Dennis & Company LLP

January 8, 2026

Way Finders, Inc. and Subsidiaries
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued - Unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____ yes __X__ no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes __X__ none reported

Noncompliance material to financial statements noted? _____ yes __X__ no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? _____ yes __X__ no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes __X__ none reported

Type of auditor's report issued on compliance for major programs - Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? _____ yes __X__ no

Indentification of major programs:

AL Number	Name of Program or Cluster
14.881	*Move to Work Demonstration Program*
59.012	*7(a) Loan Guarantees*

Dollar threshold used to distinguish between type A and type B programs: $ 2,175,584

Auditee qualified as low-risk auditee? __X__ yes _____ no

II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

Way Finders, Inc. and Subsidiaries
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2025

2024-001 Payments on behalf of Ineligible Participants

Condition
Management identified payments on behalf of ineligible participants under the Rental Assistance for Families in Transition (RAFT) and Emergency Rental Assistance Program (ERAP) during the period January 1, 2023 through June 30, 2024. Management identified 19 ineligible payments totaling $123,836 made under the two programs for the period January 1, 2023 through June 30, 2024.

Status
Management has adopted additional policies and procedures over the review, approval and payment process for program disbursements. No similar issues were noted during the current year audit. This issue is resolved.

2023-001 Payments on behalf of Ineligible Participants

Condition
Management identified four payments under the ERAP totaling $40,000 for the year ended June 30, 2023, that were made on behalf of ineligible participants. Additionally, management identified additional payments on behalf of ineligible participants under the non-federal Rental Assistance for Families in Transition (RAFT) program during the period July 1, 2021 through December 31, 2023. Management identified 27 ineligible payments totaling $226,190 made under the two programs for the period July 1, 2021 through December 31, 2023.

Status
Management has adopted additional policies and procedures over the review, approval and payment process for program disbursements. No similar issues were noted during the current year audit. This issue is resolved.