

AUDITED FINANCIAL STATEMENTS
OF
CRESCENT HALLS RENO, L.L.C.
DECEMBER 31, 2024

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OF

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Dooley & Vicars

Certified Public Accountants, L.L.P.

Daniel J. Dooley, C.P.A.

Michael H. Vicars, C.P.A.

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INDEPENDENT AUDITOR'S REPORT

To the Members
of Crescent Halls Reno, L.L.C.

Opinion

We have audited the accompanying financial statements of Crescent Halls Reno, L.L.C. (the Company), which comprise the balance sheet as of December 31, 2024, and the related statements of income, members' capital, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 16 to 23 is presented for purposes of additional analysis, and is not a required part of the financial statements of Crescent Halls Reno, L.L.C. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above-described supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Responsibilities of Management for the Financial Statements

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

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

INDEPENDENT AUDITOR'S REPORT
(CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company'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.

Dooley & Vicars

Dooley & Vicars
Certified Public Accountants, L.L.P.

Richmond, Virginia
April 22, 2025

**CRESCENT HALLS RENO, L.L.C.
BALANCE SHEET
AS OF DECEMBER 31, 2024**

ASSETS

Current Assets

Cash	\$ 404,734
Accounts Receivable - Tenant, Net Allowance of \$9,733	48,877
Accounts Receivable - Subsidy	13,725
Prepaid Insurance	12,161
Total Current Assets	<u>479,497</u>

Deposits and Funded Reserves

Tenant Security Deposits	18,891
Escrow Deposits	38,044
Other Escrows	19,700
Reserve for Replacements	5,426
Total Deposits and Funded Reserves	<u>82,061</u>

Fixed Assets

Land	730,000
Land Improvements	991,524
Building	26,671,093
Furnishings	257,521
Accumulated Depreciation	(952,151)
Total Fixed Assets	<u>27,697,987</u>

Other Assets

Tax Credit Fees, Net Accumulated Amortization of \$8,300	53,950
Total Other Assets	<u>53,950</u>

TOTAL ASSETS	<u><u>\$ 28,313,495</u></u>
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**CRESCENT HALLS RENO, L.L.C.
BALANCE SHEET
AS OF DECEMBER 31, 2024
(CONTINUED)**

LIABILITIES AND MEMBERS' CAPITAL

Current Liabilities

Accounts Payable	\$ 41,476
Accounts Payable - Construction	24,057
Accounts Payable - Due to Affiliate	93,224
Accrued Expenses	12,926
Prepaid Rent	39,345
VH Mortgage Payable - Current Portion	92,998
Total Current Liabilities	<u>304,026</u>

Other Liabilities

Tenant Security Deposit Liability	<u>23,069</u>
Total Other Liabilities	<u>23,069</u>

Long-Term Liabilities

Developer Fee Payable	1,000,000
VH Mortgage Payable	2,984,545
Notes Payable	18,658,469
Long-Term Interest Payable	147,946
Less: Current Portion Long-Term Debt	(92,998)
Less: Deferred Loan Cost, Net Accumulated Amortization of \$1,396	(127,937)
Total Long-Term Liabilities	<u>22,570,025</u>
 Total Liabilities	 <u>22,897,120</u>

Members' Capital

VAHM, L.L.C.	(14)
Crescent Halls Reno Management, L.L.C.	(120)
Housing Equity Fund of Virginia XXIII, L.L.C.	5,416,509
Total Members' Capital	<u>5,416,375</u>

TOTAL LIABILITIES AND MEMBERS' CAPITAL

\$ 28,313,495

CRESCENT HALLS RENO, L.L.C.
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

Revenues

Rental Income	\$ 661,916
Interest Income	1,191
Other Income	576,243
	<u>1,239,350</u>

Expenses

Administrative	235,832
Management Fee	57,091
Utilities	105,700
Operating and Maintenance	497,544
Property and Liability Insurance	96,943
Miscellaneous Taxes and Insurance	35,166
Interest and Financial	534,937
Other Financial	613
Depreciation and Amortization	788,533
	<u>2,352,359</u>

NET INCOME (LOSS)	<u>\$ (1,113,009)</u>
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**CRESCENT HALLS RENO, L.L.C.
STATEMENT OF MEMBERS' CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>VAHM, L.L.C.</u>	<u>Crescent Halls Reno Management, L.L.C.</u>	<u>Housing Equity Fund of Virginia XXIII, L.L.C.</u>	<u>TOTAL</u>
Percentage of Ownership	0.001%	0.009%	99.990%	100.000%
Balance at Beginning of Year	\$ (4)	\$ (30)	\$ 159,850	\$ 159,816
Capital Contributions	-	-	6,257,303	6,257,303
Prior Period Adjustment	1	10	112,254	112,265
Income (Loss)	<u>(11)</u>	<u>(100)</u>	<u>(1,112,898)</u>	<u>(1,113,009)</u>
 BALANCE AT END OF YEAR	 <u>\$ (14)</u>	 <u>\$ (120)</u>	 <u>\$ 5,416,509</u>	 <u>\$ 5,416,375</u>

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

CRESCENT HALLS RENO, L.L.C.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

Cash Flows from Operating Activities

Rental Receipts	\$ 747,544
Interest Receipts	1,191
Other Receipts	576,243
Total Income	<u>1,324,978</u>
Administrative Expenses	41,870
Management Fees	57,091
Utilities	105,700
Salaries and Wages	372,253
Operating and Maintenance	212,477
Property and Liability Insurance	109,104
Misc. Taxes, Licenses, and Permits	35,166
Tenant Security Deposits	(6,637)
Interest on Mortgages and Notes	484,633
Financial Fees	613
Total Expenses	<u>1,412,270</u>
Net Cash Provided By (Used In) Operating Activities	<u>(87,292)</u>

Cash Flows from Investing Activities

(Increase)/Decrease in Building and Improvements	<u>(3,716,395)</u>
Net Cash Provided By (Used In) Investing Activities	<u>(3,716,395)</u>

Cash Flows from Financing Activities

Capital Contributions	6,257,303
Payments of Short-Term Borrowings	(10,760,425)
Proceeds of Long-Term Borrowings	8,839,545
Payment of Permanent Loan Costs	<u>(95,043)</u>
Net Cash Provided By (Used In) Financing Activities	<u>4,241,380</u>
Net Increase/(Decrease) in Cash	437,693
Cash - Beginning of Year	<u>49,102</u>
CASH - END OF YEAR	<u><u>\$ 486,795</u></u>

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

CRESCENT HALLS RENO, L.L.C.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

Reconciliation of Cash and Cash Equivalents

Cash	\$ 404,734
Tenant Security Deposits	18,891
Escrow Deposits	57,744
Replacement Reserves	5,426
Total Cash and Cash Equivalents	<u>\$ 486,795</u>

Reconciliation of Cash Provided By (Used In) Operating Activities

Net Profit<Loss> \$ (1,113,009)

Add <Deduct> Adjustment to Reconcile Net <Loss> Income
to Net Cash Provided By (Used In) Operating Activities

Depreciation and Amortization	788,533
Prior Period Adjustments	112,265
 (Increase)/Decrease in Accounts Receivable - Tenants	 (42,957)
(Increase)/Decrease in Accounts Receivable - Other	(13,725)
(Increase)/Decrease in Prepaid Expenses	(12,161)
Increase/(Decrease) in Accounts Payable	93,850
Increase/(Decrease) in Accrued Expenses	12,926
Increase/(Decrease) in Prepaid and Deferred Revenues	30,045
Increase/(Decrease) in Security Deposit Liability	6,637
Non-Cash Interest Expense	50,304
Net Cash Provided By (Used In) Operating Activities	<u>\$ (87,292)</u>

Supplemental Disclosure of Cash Flow Information

Non-Cash Items Disclosure

Increase in Accounts Payable - Construction	<u>\$ 15,099</u>
Increase in Fixed Assets	<u>\$ 15,099</u>
 Increase in Long Term Interest Payable	 \$ 48,908
Increase in Loan Cost Amortization	1,396
Non-Cash Interest Expense	<u>\$ 50,304</u>

CRESCENT HALLS RENO, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1: Nature of Business and Significant Accounting Policies

Nature of Business - Crescent Halls Reno Management, L.L.C. (the Company), is a Virginia limited liability company formed in 2019 to ground lease, develop, construct, own, maintain and operate a 105-unit apartment complex located in Charlottesville, Virginia known as Crescent Halls (the "Project"). As of December 31, 2024, the Company has three members -- Crescent Halls Reno Management, L.L.C. owns a 0.009% managing member interest, VAHM, L.L.C. owns a 0.001% special member interest, and the Housing Equity Fund of Virginia XXIII, L.L.C., owns a 99.99% investor member interest. Profits, losses, tax credits and cash disbursements are allocated among the members based on their respective ownership interest.

A summary of the Company's significant accounting policies follows:

Cash and Cash Equivalents - For purposes of reporting, the Company includes all cash accounts and all highly liquid debt instruments purchased with a maturity of three months or less as cash and cash equivalents.

Real Estate Costs - Costs that clearly relate to the acquisition, development, and construction of the apartments are capitalized. Interest costs were capitalized while development and construction were in progress.

Depreciation - The buildings are depreciated using the straight-line method over their estimated useful life of 40 years. Land improvements are depreciated using the straight-line method over their estimated useful life of 15 years. Depreciation of equipment, furniture, and fixtures is computed using the straight-line method over the estimated useful life, generally 5 years.

Income Taxes - No provision or liability for income taxes has been recorded because the members are taxed on their proportionate shares of the Company's income. Income for tax purposes will differ from book income due to timing differences in depreciation and amortization expenses. The Company has no material uncertain tax positions requiring disclosure. Fiscal years ending on or after December 31, 2021, remain subject to examination by federal and state tax authorities.

Deferred Charges - Financing costs are amortized over the term of the mortgage loan using the effective yield method. Tax credit fees are amortized over fifteen years using the straight-line method.

Tenant Security Deposits - The Company collects security deposits from each tenant to provide for costs incurred or unpaid rent when a tenant vacates the apartment. The cash collected is kept separate from operating funds and interest is paid on the security deposits in accordance with the lease agreement.

CRESCENT HALLS RENO, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

Note 1: Nature of Business and Significant Accounting Policies (Cont.)

Subsequent Events - Management has evaluated subsequent events through April 22, 2025, the date on which the financial statements were available to be issued.

Advertising Costs - Advertising costs are charged to operations when incurred.

Accounts Receivable and Bad Debts - Tenant receivables are charged to bad debt when they are determined to be uncollectible based on a periodic review of the accounts by management. U.S. generally accepted accounting principles require that the allowance method be used to recognize bad debts. Management's allowance is for delinquent accounts over 90 days old.

Impairment of Long-Term Assets - The Company reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property. There were no impairment losses recognized in 2024.

Use of Estimates in the Preparation of Financial Statements - Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition - Revenue from residential leases is recorded when due, generally upon the first day of each month. Leases are for periods of up to one year, with rental payments due monthly. Other income includes fees for late payments, cleaning, damages, storage, parking, laundry facilities and other charges and is recorded when earned. Prepayments of revenue are deferred and classified as liabilities until earned.

Note 2: Mortgage Escrow Deposits

The Company has a reserve for taxes and insurance, held by Virginia Housing. Activity for the reserve account is as follows:

December 31, 2023	\$ -
Deposits	38,757
Interest Earned During the Year	-
Payments	(713)
December 31, 2024	<u>\$ 38,044</u>

CRESCENT HALLS RENO, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

Note 3: Reserve Funds - Reserve for Replacement

Under the mortgage agreement, the Company is required to set aside amounts for the replacement of property and other project expenditures approved by Virginia Housing. Activity for the reserve account is as follows:

December 31, 2023	\$ -
Monthly Deposits	5,250
Interest Earned During the Year	176
December 31, 2024	<u>\$ 5,426</u>

Note 4: Fixed Assets

Crescent Halls is a 105-unit apartment project in Charlottesville, Virginia.

	Balance 12/31/2023	Additions	Transfers/ Retirements	Balance 12/31/2024
Land	\$ 730,000	\$ -	\$ -	\$ 730,000
Land				
Improvements	959,874	31,650	-	991,524
Building	23,030,120	3,629,598	11,375	26,671,093
Furnishings	187,275	70,246	-	257,521
Construction in Progress	11,375	-	(11,375)	-
TOTAL	<u>\$ 24,918,644</u>	<u>\$ 3,731,494</u>	<u>\$ -</u>	<u>\$ 28,650,138</u>

Changes in Accumulated Depreciation:

	Balance 12/31/2023	Current Provision	Deductions	Balance	Net Book Value 12/31/2024
Land	\$ -	\$ -	\$ -	\$ -	\$ 730,000
Land					
Improvements	175	66,102	-	66,277	925,247
Building	167,490	666,777	-	834,267	25,836,826
Appliances	103	51,504	-	51,607	205,914
TOTAL	<u>\$ 167,768</u>	<u>\$ 784,383</u>	<u>\$ -</u>	<u>\$ 952,151</u>	<u>\$ 27,697,987</u>

CRESCENT HALLS RENO, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

Note 5: Notes and Mortgages Payable

At December 31, 2024, the Company, had the following notes payable:

Charlottesville Redevelopment and Housing Authority (CRHA)	\$ 2,920,000
CCDC - Affordable Housing Opportunity Fund Loan	9,528,469
CCDC - City Bond Loan	1,875,000
Virginia Housing	2,984,545
CRHA FHLB Loan	500,000
VHDA Loan	500,000
VHTF Loan	900,000
HIEE Loan	1,935,000
NHTF Loan	250,000
HOME Loan	250,000
Less: Current Portion Long-Term Debt	(92,998)
Long-Term Interest Payable	147,946
Less: Deferred Loan Cost, Net of Accumulated Amortization	(127,937)
	\$ 21,570,025

The note payable to CRHA was made on March 16, 2021 in the original amount of \$2,920,000, bearing interest of 1.62% per annum. The note is secured by a deed of trust and the entire principal and accrued interest on the note are due in full March 16, 2021. At December 31, 2024, accrued interest on the note totaled \$147,946.

The CCDC - Affordable Housing Opportunity Fund Loan is comprised of two notes payable with an aggregate total of \$9,528,469, bearing interest of 0% per annum. The loan is payable from Net Cash Flow as stated in the Operating Agreement and is due in full in 2051. At December 31, 2024, \$9,528,469 has been drawn from this loan.

The CCDC - City Bond Loan is for \$1,875,000, bearing interest of 0% per annum. The loan is payable from Net Cash Flow as stated in the Operating Agreement and is due in full in 2051. At December 31, 2024, the balance of this loan is \$1,875,000.

The Virginia Housing note has a stated interest rate of 0.5%. Payments of \$8,976 are to be made monthly beginning November 1, 2024, and consist of principal and interest. The note and any accrued interest are due in full October 1, 2054.

Established principal payments for the next five years are as follows:

2025	\$ 92,998
2026	93,464
2027	93,933
2028	94,404
2029	94,877
Thereafter	2,514,869
	\$ 2,984,545

CRESCENT HALLS RENO, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

Note 5: Notes and Mortgages Payable (Cont.)

The CRHA FHLB Loan is for \$500,000, bearing interest of 0% per annum. The loan is payable from Net Cash Flow as stated in the Operating Agreement and is due in full in 2054. At December 31, 2024, the balance of this loan is \$500,000.

The VHDA note is for \$500,000, bearing interest of 0% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was \$500,000.

The VHTF Loan is for \$900,000, bearing interest of 0.5% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was \$900,000.

The HIIE Loan is for \$1,935,000, bearing interest of 0% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was \$1,935,000.

The NHTF Loan is for \$250,000, bearing interest of 0.5% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was \$250,000.

The HOME Loan is for \$250,000, bearing interest of 0.5% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was \$250,000.

Note 6: Interest Cost

The total interest cost incurred during the year ended December 31, 2024, was \$53,984. Of this amount, \$1,396 was capitalized during project construction.

**CRESCENT HALLS RENO, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)**

Note 7: Related Party Transactions

As discussed in Note 5, the Company has deed of trust notes payable to Charlottesville Redevelopment and Housing Authority (CRHA), an affiliate of the managing member, in the amounts of \$2,920,000 and \$500,000.

CHRA is the management agent for the Project and was paid a management fee of \$57,091 during 2024.

As discussed in Note 5, the Company has deed of trust notes payable to the Charlottesville Community Development Corporation (CCDC), an affiliate of the managing member, in the amounts of \$9,528,469 and \$1,875,000.

CCDC is also the Project developer and shall be due a developer fee in the amount of \$1,000,000. Developer fee payments shall be paid from available cash flow as stated in the operating agreement. At December 31, 2024, developer fees earned by and payable to CDCC are \$1,000,000.

The Company paid Housing Capital Corporation, an affiliate of the Housing Equity Fund of Virginia XXIII, L.L.C., \$23,091 in accounting fees for the year ended December 31, 2024 and prior accrued fees.

Note 8: Risk and Uncertainties

Financial instruments which potentially subject the Company to concentration of credit risks consist principally of temporary cash investments and restricted deposits and funded reserves held by the mortgagee. The Company places its temporary cash investments with high-credit quality financial institutions and, by policy, limits the amount of temporary cash investments held at any one financial institution. Deposit accounts, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash and cash equivalents. Restricted deposits and funded reserves of \$43,470 are administered by the mortgagee.

CRESCENT HALLS RENO, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(CONTINUED)

Note 9: Current Vulnerability Due to Certain Concentrations

The Company's primary asset is the Crescent Halls apartment complex. The Company's operations are concentrated in the multifamily real estate market. In addition, the Company operates in a heavily regulated environment. The operations of the Company are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Note 10: Contingencies and Commitments

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

Note 11: Prior Period Adjustment

In 2024, The Company discovered errors in outstanding reconciling items in the preceding year, resulting in the understatement of cash balances. These items were identified and removed from the outstanding item list during the current period. The corrected items totaled \$112,265.

SUPPLEMENTAL INFORMATION



Version 10/30/2020

VIRGINIA HOUSING BALANCE SHEET

Development Name: CRESCENT HALLS RENO, L.L.C.

VHDA/DHCD #: 10-0209936; 30-0242253; 75-0242255; 70-0209937; & 80-0242254

As of: DECEMBER 31, 2024

ASSETS

CURRENT ASSETS

Cash on Hand	\$ -	
Cash in Bank	\$ 404,734.00	
Cash - Investments	\$ -	
Cash - Mortgagor Entity	\$ -	
Accounts Receivable - Tenant	\$ 48,877.00	
Accounts Receivable - Net HAP	\$ 13,725.00	
Accounts Receivable - Other	\$ -	
Prepaid Expenses		
Property Insurance	\$ 12,161.00	
Mortgage Insurance	\$ -	
Taxes	\$ -	
Miscellaneous (Attach detail)	\$ -	\$ 479,497.00

DEPOSITS HELD IN TRUST - FUNDED

Tenant Security Deposits	\$ 18,891.00	
Other Deposits	\$ -	\$ 18,891.00

RESTRICTED DEPOSITS & FUNDED RESERVES

Mortgage Escrow Deposits (Attach detail)	\$ 38,044.00	
Replacement Reserve	\$ 5,426.00	
Miscellaneous Reserve	\$ 19,700.00	
Operating/Residual Receipts Reserve	\$ -	
Development-Held Reserve	\$ -	\$ 63,170.00

FIXED ASSETS

Net Book Value		
Land	\$ 730,000.00	
Land Improvements	\$ 925,247.00	
Buildings	\$ 25,836,826.00	
Equipment	\$ -	
Furniture and Fixtures	\$ 205,914.00	
Other	\$ -	\$ 27,697,987.00

OTHER ASSETS

(Attach detail)	\$ 53,950.00	\$ 53,950.00
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TOTAL ASSETS		\$ 28,313,495.00
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LIABILITY & OWNER EQUITY

LIABILITIES

CURRENT LIABILITIES

Accounts Payable - 30 Days	\$ 134,700.00	
Accounts Payable - Over 30 Days	\$ -	
Accrued Mortgage Interest Payable - Virginia Housing	\$ -	
Accrued Mortgage Interest Payable - Other	\$ -	
Accrued Interest Payable - Other	\$ -	
Accrued Expenses Not Escrowed	\$ 12,926.00	
Net HAP Payable	\$ -	
Notes Payable - Short Term	\$ -	
Rent Deferred Credits	\$ 39,345.00	
Virginia Housing Mortgage Payable	\$ 92,998.00	
Non-Virginia Housing Mortgage Payable	\$ -	
Miscellaneous Current Liabilities (Attach detail)	\$ 24,057.00	\$ 304,026.00

DEPOSIT & PREPAYMENT LIABILITIES

Tenant Security Deposits	\$ 23,069.00	
Other Deposits	\$ -	
Interest Deferred Credit	\$ -	\$ 23,069.00

LONG TERM LIABILITIES

Virginia Housing Mortgage Payable	\$ 2,763,610.00	
Non-Virginia Housing Mortgage Payable	\$ 3,835,000.00	
Notes Payable (Attach detail)	\$ 14,971,415.00	\$ 21,570,025.00

OTHER LIABILITIES

(Attach detail)	\$ 1,000,000.00	\$ 1,000,000.00
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TOTAL LIABILITIES	<u>\$ 22,897,120.00</u>
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OWNER EQUITY

TOTAL OWNER EQUITY/PARTNERS CAPITAL (DEFICIT)	<u>\$ 5,416,375.00</u>
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TOTAL LIABILITIES & OWNER EQUITY	<u>\$ 28,313,495.00</u>
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Version 10/30/2020

VIRGINIA HOUSING STATEMENT OF PROFIT AND LOSS

Month/Period

Beginning: JANUARY 1, 2024 Ending: DECEMBER 31, 2024

Development Name: CRESCENT HALLS RENO, L.L.C.

VHDA/DHCD #: 10-0209936; 30-0242253; 75-0242255; 70-0209937; & 80-0242254

Part I	Description of Account	Acct. No.	Amount	
Rental Income 5100	Apartments	5120	\$ 224,438.00	
	Tenant Assistance Payments	5121	\$ 437,478.00	
	Furniture and Equipment	5130	\$ -	
	Stores and Commercial	5140	\$ -	
	Garage and Parking Spaces	5170	\$ -	
	Flexible Subsidy Income	5180	\$ -	
	Miscellaneous Income (attach detail)	5190	\$ -	
	Total Rental Income Potential at 100% Occupancy			\$ 661,916.00
Vacancies 5200	Apartments	5220	\$ -	
	Furniture and Equipment	5230	\$ -	
	Stores and Commercial	5240	\$ -	
	Garage and Parking Spaces	5270	\$ -	
	Concessions	5280	\$ -	
	Miscellaneous (attach detail)	5290	\$ -	
	Total Vacancies		\$ -	\$ -
	Net Rental Income - Rental Income Less Vacancies		\$ -	\$ 661,916.00
Financial Income 5400	Elderly and Congregate Services Income -- 5300		\$ -	
	Total Service Income (attach detail)	5300	\$ -	\$ -
	Interest Income--Development Operations	5410	\$ 1,191.00	
	Income from Investments--Residual Receipts	5430	\$ -	
	Income from Investments--Reserve for Replacements	5440	\$ -	
	Income from Investments--Miscellaneous	5490	\$ -	
	Total Financial Income			\$ 1,191.00
Other Income 5900	Laundry and Vending	5910	\$ -	
	NSF and Late Charges	5920	\$ 77.00	
	Damages and Cleaning Fees	5930	\$ -	
	Forfeited Tenant Security Deposits	5940	\$ -	
	Other Income (attach detail)	5990	\$ 576,166.00	
	Total Other Income			\$ 576,243.00
	Total Income			\$ 1,239,350.00
Administrative Expenses 6200/6300	Advertising	6210	\$ 1,299.00	
	Other Administrative Expenses	6250	\$ 38,749.00	
	Office Salaries	6310	\$ 134,111.00	
	Office Supplies	6311	\$ 21,945.00	
	Office or Model Apartment Rent	6312	\$ -	
	Management Fee	6320	\$ 57,091.00	
	Manager's or Superintendent's Salaries	6330	\$ -	
	Manager's or Superintendent's Rent Free Unit	6331	\$ -	
	Legal Expenses (Development)	6340	\$ 2,610.00	
	Auditing Expenses (Development)	6350	\$ 23,966.00	
	Bookkeeping Fees/Accounting Services	6351	\$ -	
	Telephone and Answering Service	6360	\$ 2,393.00	
	Bad Debts	6370	\$ 261.00	
	Miscellaneous Administrative Expenses (attach detail)	6390	\$ 10,498.00	
	Total Administrative Expenses			\$ 292,923.00
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ -	
	Electricity (Light and Miscellaneous Power)	6450	\$ 76,665.00	
	Water	6451	\$ 8,646.00	
	Gas	6452	\$ 10,278.00	
	Sewer	6453	\$ 10,111.00	
	Total Utilities Expense			\$ 105,700.00

Operating and Maintenance Expenses 6500	Janitor and Cleaning Payroll	6510	\$ -	
	Janitor and Cleaning Supplies	6515	\$ 4,710.00	
	Janitor and Cleaning Contract	6517	\$ 1,150.00	
	Exterminating Payroll/Contract	6519	\$ 3,870.00	
	Exterminating Supplies	6520	\$ 320.00	
	Garbage and Trash Removal	6525	\$ 12,183.00	
	Security Payroll/Contract	6530	\$ 49,727.00	
	Grounds Payroll	6535	\$ -	
	Grounds Supplies	6536	\$ 5,139.00	
	Grounds Contract	6537	\$ 2,064.00	
	Repairs Payroll	6540	\$ 238,142.00	
	Repairs Materials	6541	49,393.00	
	Repairs Contract	6542	\$ 18,660.00	
	Elevator Maintenance/Contract	6545	\$ 69,947.00	
	Heating/Cooling Repairs and Maintenance	6546	\$ 22,466.00	
	Swimming Pool Maintenance/Contract	6547	\$ -	
	Snow Removal	6548	\$ 189.00	
	Decorating Payroll/Contract	6560	\$ -	
	Decorating Supplies	6561	\$ 1,253.00	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 12,712.00	
	Miscellaneous Operating and Maintenance Expenses	6590	\$ 5,619.00	
	Total Operating and Maintenance Expenses			\$497,544.00
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ -	
	Payroll Taxes (Development's Share)	6711	\$ 18,452.00	
	Miscellaneous Taxes, Licenses and Permits	6719	\$ 2,200.00	
	Property and Liability Insurance (Hazard)	6720	\$ 96,943.00	
	Fidelity Bond Insurance	6721	\$ -	
	Workmen's Compensation	6722	\$ -	
	Health Insurance and Other Employee Benefits	6723	\$ 14,514.00	
	Other Insurance (attach detail)	6729	\$ -	
	Total Taxes and Insurance			\$ 132,109.00
Financial Expenses 6800	Interest on Bonds Payable	6810	\$ -	
	Interest on Mortgages Payable - Virginia Housing	6820	\$ -	
	Interest on Mortgages Payable - Other	6825	\$ -	
	Interest on Notes Payable (Short -Term)	6830	\$ 480,953.00	
	Interest on Notes Payable (Long -Term)	6840	\$ 53,984.00	
	Mortgage Insurance Premium/Service Charges	6850	\$ -	
	Miscellaneous Financial Expenses	6890	\$ 613.00	
	Total Financial Expenses			\$ 535,550.00
Services Expenses 6900	Total Services Expenses (attach detail)	6900		\$ -
	Total Cost of Operations Before Depreciation			\$ 1,563,826.00
	Profit (Loss) Before Depreciation			\$ (324,476.00)
	Depreciation (Total)---6600	6600	\$ 788,533.00	\$ 788,533.00
Depreciation 6600	Operating Profit or (Loss)			\$ (1,113,009.00)
Corporate or Mortgagor Entity Expenses 7100	Officer Salaries	7110		
	Legal Expenses (Entity)	7120		
	Taxes (Federal - State - Entity)	7130-32		
	Other Expenses (Entity)	7190		
	Total Corporate Expenses			\$ -
	Net Profit or (Loss)			\$ (1,113,009.00)
Miscellaneous or Other Income and Expense Sub-account Groups. If Miscellaneous or Other Income and/or Expense Sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6729, 6890 and 7190) exceed the Account Groupings by 10% or more, attach detail describing or explaining the Miscellaneous Income or Expense.				
Part II				
1a. Total principal payments required under the Virginia Housing mortgage(s), even if payments under a Workout Agreement are less or more than those required under the mortgage(s).				\$ 15,455.00
1b. Total principal payments required under non-Virginia Housing mortgage(s), even if payments under a Workout Agreement are less or more than those required under the mortgage(s).				\$ -
2. Replacement, Miscellaneous and Operating Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.				\$ 5,250.00
3. Replacement, Miscellaneous or Operating Reserve releases included as expense items on this Statement of Profit and Loss.				\$ -
4. Development Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Statement of Profit and Loss.				\$ -



form updated 10/30/2020

VIRGINIA HOUSING

Development Name: CRESCENT HALLS RENO, L.L.C.

VHDA/DHCD Number(s): 10-0209936; 30-0242253; 75-0242255; 70-0209937; & 80-0242254

Accounts Payable Other than Trade Creditors

Due Mortgagor/Grantee

Payable Within 30 Days *	<u>\$0.00</u> *
Payable in More Than 30 Days	<u>\$0.00</u>
Balance	<u>\$0.00</u>

* Of this amount, \$_____ is past due.

Due Management Agent

Payable Within 30 Days *	<u>\$95,940.00</u> *
Payable in More Than 30 Days	<u>\$0.00</u>
Balance	<u>\$95,940.00</u>

* Of this amount, \$_____ is past due.

Due Others

Payable Within 30 Days *	<u>\$0.00</u> *
Payable in More Than 30 Days	<u>\$0.00</u>
Balance	<u>\$0.00</u>

* Of this amount, \$_____ is past due.

Accounts Payable Trade Creditors

Payable Within 30 Days *	<u>\$65,532.00</u> *
Payable in More Than 30 Days	<u>\$0.00</u>
Balance	<u>\$65,532.00</u>

* Of this amount, \$_____ is past due.



VIRGINIA HOUSING

COMPUTATION OF SURPLUS CASH / RESIDUAL RECEIPTS AND DISTRIBUTIONS

Development Name: CRESCENT HALLS RENO, L.L.C.

VHDA/DHCD Number(s): 10-0209936; 30-0242253; 75-0242255; 70-0209937; & 80-0242254

Cash

Operating Account - Cash in Bank	\$404,734.00
Operating Account - Investments	\$0.00
Operating Account - Cash On Hand	\$0.00
Security Deposit Account	\$18,891.00
Net HAP Receivable	\$13,725.00
Other (<i>Attach detail</i>)	\$0.00

TOTAL CASH

\$437,350.00

Current Obligations

Mortgage Interest Payable First of Next Month	\$0.00
Accounts Payable (Due Within 30 Days)	\$134,700.00
Accrued Expenses Not Escrowed	\$12,926.00
Tenant Security Deposits	\$23,069.00
Net HAP Payable	\$0.00
Prepaid Rent	\$39,345.00
Other (<i>Attach detail</i>)	\$0.00

TOTAL CURRENT OBLIGATIONS

\$210,040.00

Surplus Cash

\$227,310.00

Distribution / Residual Receipts (Limited Distribution Developments Only)

Beginning Balance: Accrued Distributions From Prior Year(s) Unpaid	\$0.00
Distribution Earned During Audit Year	\$0.00
Distribution Paid During Audit Year Against Audit Year	\$0.00
Distribution Paid During Audit Year Against Prior Year(s)	\$0.00
Ending Balance: Distributions Unpaid From Audit Year and Prior Year(s) at Audit Year End	\$0.00

Allowable Distribution to be Paid From Audit Year	\$0.00
Allowable Distribution to be Paid From Prior Year(s)	\$0.00

Total Allowable Distributions to be Paid as of Audit Year End

\$0.00

Residual Receipts to be Deposited into Operating Reserve Account

\$0.00

Supplement to Virginia Housing Financial Statements

Month/Period

Beginning: JANUARY 1, 2024

Ending: DECEMBER 31, 2024

Development Name/ Crescent Halls Reno, L.L.C.

VH/DHCD

Number(s): 10-0209936; 30-0242253; 75-0242255; 70-0209937; & 80-0242254

Balance Sheet

Mortgage Escrow Deposits

Real Estate Tax Escrow	\$ 119.00
Insurance Escrow	<u>37,925.00</u>

Total Mortgage Escrow Deposits	<u><u>\$ 38,044.00</u></u>
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Other Assets

Deferred Tax Credit Fee, Net Accumulated Amortization	<u>\$ 53,950.00</u>
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Total Other Assets	<u><u>\$ 53,950.00</u></u>
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Miscellaneous Current Liabilities

Due to Affiliates	\$ 93,224.00
Accrued Expenses	<u>12,926.00</u>

Total Misc. Current Liabilities	<u><u>\$ 106,150.00</u></u>
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Notes Payable

Charlottesville Redevelopment and Housing Authority (CRH)	\$ 2,920,000.00
CCDC - Affordable Housing Opportunity Fund Loan	9,528,469.00
CCDC - City Bond Loan	1,875,000.00
CRHA FHLB Loan	500,000.00
Long-Term Interest Payable	<u>147,946.00</u>

	<u><u>\$ 14,971,415.00</u></u>
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Other Liabilities

Developer Fee	<u>\$ 1,000,000.00</u>
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Total Other Liabilities	<u><u>\$ 1,000,000.00</u></u>
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Statement of Profit and Loss

5990 Other Income

Operating Transfers IN	\$ 493,135.00
Other Government Grants	200.00
Miscellaneous Other Income	641.00
Other Income	<u>82,190.00</u>

Total Other Income	<u><u>\$ 576,166.00</u></u>
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Supplement to
Virginia Housing Development Authority
Financial Statements
(Continued)

Month/Period

Beginning: JANUARY 1, 2024

DECEMBER 31, 2024

Development Name/ Crescent Halls Reno, L.L.C.

VH/DHCD

Number(s): 10-0209936; 30-0242253; 75-0242255; 70-0209937; & 80-0242254

Statement of Cash Flows

Other Financing Activities

Capital Contribution

\$ 6,257,303.00

Total Other Financing Activities

\$ 6,257,303.00

Statement of Surplus Cash

Other Current Obligations

Due to Affiliates

\$ 95,940.00

Total Other Current Obligations

\$ 95,940.00