State of Florida Audit Reporting Package
For

NEIGHBORHOOD LENDING PARTNERS, INC.
Tampa, Florida

For the Year Ended March 31, 2026

Reports

The following reports were delivered on July 7, 2026 to Neighborhood Lending Partners, Inc.:

- Auditor General – Florida Single Audit Act – Nonprofit and For-Profit Entities Financial Reporting Package Submittal Checklist (Section 215.97, Florida Statutes)

- Combined Statements of Financial Position at March 31, 2026 and 2025 and Combined Statements of Activities, Functional Expenses and Cash Flows for the Years Then Ended

- Summary Schedule of Prior Audit Findings

- Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Combined Financial Statements Performed in Accordance with *Government Auditing Standards*

- Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

- Schedule of Findings and Questioned Costs

- Corrective Action Plan

AUDIT REPORT SUBMITTAL CHECKLIST
PURSUANT TO CHAPTER 10.700, RULES OF THE AUDITOR GENERAL

Entity Name: Neighborhood Lending Partners, Inc.

Entity Address: 3615 West Spruce Street, Tampa, FL 33607

Entity Contact Person:

Name: Debra Reyes

Title: President

Phone Number: 813-879-4525

E-mail Address: dreyes@nlp-inc.com

CPA Firm Contact Person:

Name: Stephen R. Kania

Title: Partner

Phone Number: 813-286-2424

E-mail Address: steve@hackerjohnson.com

Fiscal Year Audited: 4/1/25 - 3/31/26

Date the auditor delivered the audit report to the entity: July 7, 2026

Does the audit report include the following items required by Section 10.730(4), Rules of the Auditor General:

Yes	The financial statements reported on, together with related notes to the financial statements and required supplementary information, required by generally accepted accounting principles (see Section 10.730(4)(d), Rules of the Auditor General)?
Yes	The auditor's report on the financial statements (see Section 10.730(4)(b), Rules of the Auditor General)?
Yes	The auditor's report on internal control and compliance based on an audit of the financial statements (see Section 10.730(4)(b), Rules of the Auditor General)?
Yes	If applicable, management's response to audit findings (see Sections 10.730(4)(e) and 10.740(2), Rules of the Auditor General)?
Yes	If applicable, any other auditor's reports, related financial information, and auditee-prepared documents required pursuant to Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); the Florida Single Audit Act*;* Chapter 10.650, Rules of the Auditor General; or other applicable Federal and State law (see Section 10.730(4)(c), Rules of the Auditor General)?

In addition to the above, have the following requirements been complied with:

Yes — Are all the above elements of the audit report included in a ***single document*** as required by Section 10.730(4), Rules of the Auditor General)?

Yes — Are **one** paper copy and **one** electronic copy of the audit report being submitted as required by Section 10.740(2), Rules of the Auditor General?

Yes — Is the audit report being submitted within the following time periods prescribed by Section 10.740(1), Rules of the Auditor General? **NOTE**: There is no provision in law authorizing an extension for filing the audit report.

- For direct-support and citizen-support organizations, no later than 9 months after the end of the fiscal year.
- For scholarship funding-organizations, no later than 180 days after completion of the fiscal year of the auditee.
- For Enterprise Florida, Inc., within 45 days of delivery of the audit report to the auditee, but no later than 9 months after the end of the fiscal year of the auditee.
- For Florida Is For Veterans, Inc., within 45 days of delivery of the audit report to the auditee, but no later than December 1 after the end of the fiscal year of the auditee.
- For the Florida Scholars Academy, within 45 days of delivery of the audit report to the auditee, but no later than 9 months after the end of the fiscal year of the auditee.
- For Scripps Florida Funding Corporation, within 45 days of delivery of the audit report to the auditee, but no later than December 1 after the end of the fiscal year of the auditee.
- For nonprofit entities operating schools of hope, within 45 days of delivery of the audit report to the auditee, but no later than 9 months after the end of the fiscal year of the auditee.
- For eligible charitable organizations, within 45 days of delivery of the audit report to the auditee, but no later than 9 months after the end of the fiscal year of the auditee. Audit reports must also be provided to the Department of Children and Families within 180 days after completion of the fiscal year of the auditee.

Yes — Is the electronic copy named using all lower-case letters as follows? [fiscal year] [name of entity].pdf. For example, the converted document for the 2023-24 fiscal year for "Example Nonprofit" entity should be named "2024 example nonprofit.pdf".

This checklist should accompany the audit report. It is suggested that you retain a copy of the checklist for your files. Do not hesitate to contact us if assistance or clarification is needed regarding reporting requirements. Our contact information is as follows:

Auditor General
Local Government Audits/251
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

Telephone: (850) 412-2892

E-mail Address: flaudgen_dsb_charter@aud.state.fl.us
Web site Address: FLAuditor.gov

Combined Statements of Financial Position at March 31, 2026 and 2025 and Combined Statements of Activities, Functional Expenses and Cash Flows for the Years Then Ended

NEIGHBORHOOD LENDING
PARTNERS

Lifting Communities.

Audited Combined Financial Statements

At March 31, 2026 and 2025 and For the Years Then Ended
With Supplementary Schedules for Fiscal 2026

(Together with Independent Auditor's Report)

Unmodified Opinion on the Combined Financial Statements and Supplementary Schedules

Independent Auditor's Report

Board of Directors
Neighborhood Lending Partners, Inc.
Tampa, Florida:

Opinion

We have audited the accompanying combined financial statements of Neighborhood Lending Partners, Inc. and Affiliates (the "Company"), which comprise the combined statements of financial position as of March 31, 2026 and 2025, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of the Company as of March 31, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined 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 audits. 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 Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined 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 for a period of one year after the date the financial statements were available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the combined 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 GAAS 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 combined financial statements.

In performing an audit in accordance with GAAS 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 combined 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 combined 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 combined 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2026 on our consideration of the Company'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining statement of financial position at March 31, 2026 and combining statement of activities for the year ended March 31, 2026 are presented for purposes of additional analysis of the combined financial statements rather than to present the financial position and changes in net assets of the individual companies. Such information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the *Title 2 U.S. Code of Federal Regulations (CFR) Part 200* Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and is not a required part of the 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 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 accounting 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Hacker, Johnson & Smith PA

HACKER, JOHNSON & SMITH PA
Tampa, Florida
July 7, 2026

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Combined Statements of Financial Position

Assets	At March 31, **2026**	**2025**
Current assets:		
Cash:		
Restricted	$ 52,085,772	55,516,004
Unrestricted	5,128,644	2,530,869
Total cash	57,214,416	58,046,873
Short-term investments - money market	1,016,693	1,040,168
Cash and cash equivalents	58,231,109	59,087,041
Accrued interest receivable	121,150	99,564
Servicing fees receivable	107,592	91,768
Other receivables	34,755	5,410
Total current assets	58,494,606	59,283,783
Commercial loans, net of allowance for credit losses of $22,289 and $37,423 in 2026 and 2025	54,739	86,926
Mortgage loans, net of allowance for credit losses of $17,785 and $179,358 in 2026 and 2025	3,264,491	5,738,059
Mortgage loans, CDFI, net of allowance for credit losses of $34,512 and $27,047 in 2026 and 2025	7,967,583	6,888,731
Mortgage loans, HHRP	3,689,174	3,721,823
Property and equipment, net	885,008	856,010
Other assets	936,474	824,142
Total assets	$ 75,292,075	77,399,474
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	2,933,529	1,165,568
Neighborhood Stabilization Program payables	10,326,575	10,544,119
Escrow deposits	19,006,799	16,825,963
Due to Desoto County	3,004,529	3,004,529
Due to Orange County	13,054,879	19,660,130
Notes payable, current	55,903	53,957
Current liabilities	48,382,214	51,254,266
Notes payable, net of current portion	2,452,037	2,508,132
Debenture	966,479	985,969
Total liabilities	51,800,730	54,748,367
Net assets:		
Without donor restrictions	9,018,080	8,177,842
With donor restrictions	14,473,265	14,473,265
Total net assets	23,491,345	22,651,107
Total liabilities and net assets	$ 75,292,075	77,399,474

See accompanying Notes to Combined Financial Statements.

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Combined Statement of Activities

Year Ended March 31, 2026

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Neighborhood Stabilization Program income	$ -	903,096	903,096
Grant revenue	13,500	-	13,500
Loan servicing fees	1,851,916	-	1,851,916
Loan facilitation fees	699,170	-	699,170
Interest income loans	628,524	-	628,524
Interest income and other	800,791	-	800,791
Net assets released from restrictions	903,096	(903,096)	-
Total revenues	4,896,997	-	4,896,997
Expenses:			
Program services:			
Multifamily	1,956,299	-	1,956,299
Single family	161,291	-	161,291
Government relations	188,645	-	188,645
Supporting services:			
Management and general	1,590,524	-	1,590,524
Fundraising	160,000	-	160,000
Total expenses	4,056,759	-	4,056,759
Increase in net assets	840,238	-	840,238
Net assets at beginning of year	8,177,842	14,473,265	22,651,107
Net assets at end of year	$ 9,018,080	14,473,265	23,491,345

See accompanying Notes to Combined Financial Statements.

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Combined Statement of Activities

Year Ended March 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Neighborhood Stabilization Program income	$ -	105,706	105,706
Grant revenue	127,763	-	127,763
Loan servicing fees	1,387,258	-	1,387,258
Loan facilitation fees	1,092,660	-	1,092,660
Interest income loans	521,764	-	521,764
Interest income and other	720,260	-	720,260
Net assets released from restrictions	105,706	(105,706)	-
Total revenues	3,955,411	-	3,955,411
Expenses:			
Program services:			
Multifamily	2,369,602	-	2,369,602
Small business	(17,317)	-	(17,317)
Single family	285,220	-	285,220
Government relations	185,421	-	185,421
Supporting services:			
Management and general	298,583	-	298,583
Fundraising	147,000	-	147,000
Total expenses	3,268,509	-	3,268,509
Increase in net assets	686,902	-	686,902
Net assets at beginning of year	7,490,940	14,473,265	21,964,205
Net assets at end of year	$ 8,177,842	14,473,265	22,651,107

See accompanying Notes to Combined Financial Statements.

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Combined Statement of Functional Expenses

Year Ended March 31, 2026

	Program Activities				Supporting Activities			
	Multi Family	Single Family	Government Relations	Total Program	Management and General	Fundraising	Total Supporting	Total
Salaries and employee benefits	$ 1,496,385	82,647	110,000	1,689,032	577,434	160,000	737,434	2,426,466
Professional fees	124,236	15,529	15,529	155,294	-	-	-	155,294
Rental and maintenance	54,104	6,763	6,763	67,630	-	-	-	67,630
Office	119,975	14,997	14,997	149,969	-	-	-	149,969
Depreciation	66,714	8,339	8,339	83,392	-	-	-	83,392
Credit loss income	(169,242)	-	-	(169,242)	-	-	-	(169,242)
Interest expense	-	-	-	-	109,994	-	109,994	109,994
Travel	113,125	14,141	14,141	141,407	-	-	-	141,407
NSP2	-	-	-	-	903,096	-	903,096	903,096
Other	151,002	18,875	18,876	188,753	-	-	-	188,753
Total expenses	$ 1,956,299	161,291	188,645	2,306,235	1,590,524	160,000	1,750,524	4,056,759

See accompanying Notes to Combined Financial Statements.

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Combined Statement of Functional Expenses

Year Ended March 31, 2025

	Program Activities					Supporting Activities			
	Multi Family	Small Business	Single Family	Government Relations	Total Program	Management and General	Fundraising	Total Supporting	Total
Salaries and employee benefits	$ 1,614,609	-	198,799	99,000	1,912,408	75,577	147,000	222,577	2,134,985
Professional fees	112,037	-	14,005	14,005	140,047	-	-	-	140,047
Rental and maintenance	62,282	-	7,785	7,785	77,852	-	-	-	77,852
Office	111,850	-	13,981	13,981	139,812	-	-	-	139,812
Depreciation	46,652	-	5,832	5,832	58,316	-	-	-	58,316
Credit loss expense (income)	172,821	(20,797)	-	-	152,024	-	-	-	152,024
Interest expense	-	-	-	-	-	117,300	-	117,300	117,300
Travel	126,751	-	15,844	15,844	158,439	-	-	-	158,439
NSP2	-	-	-	-	-	105,706	-	105,706	105,706
Other	122,600	3,480	28,974	28,974	184,028	-	-	-	184,028
Total expenses	$ 2,369,602	(17,317)	285,220	185,421	2,822,926	298,583	147,000	445,583	3,268,509

See accompanying Notes to Combined Financial Statements.

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Combined Statements of Cash Flows

	Year Ended March 31, 2026	2025
Cash flows from operating activities:		
Increase in net assets	$ 840,238	686,902
Adjustments to reconcile increase in net assets to net cash (used in) provided by operating activities:		
Depreciation	83,392	58,315
Credit loss (income) expense	(169,242)	152,024
Amortization of deferred loan fees and costs, net	(1,685)	(1,685)
Increase in accrued interest receivable	(21,586)	(16,326)
Increase in servicing fees receivable	(15,824)	(24,565)
(Increase) decrease in other receivables	(29,345)	5,670
(Decrease) increase in Neighborhood Stabilization Program payables	(217,544)	522,070
Increase in other assets	(112,332)	(114,711)
Increase in accounts payable and accrued expenses	1,767,961	63,913
Increase in escrow deposits	2,180,836	2,848,859
(Decrease) increase in due to Orange County	(6,605,251)	17,776,297
Net cash (used in) provided by operating activities	(2,300,382)	21,956,763
Cash flows from investing activities:		
Net commercial loan repayments	47,321	58,756
Net mortgage loan repayments (originations)	2,635,141	(1,921,443)
Net mortgage loan originations - CDFI	(1,084,632)	(2,914,901)
Net mortgage loan repayments - HHRP	32,649	33,226
Purchase of property and equipment	(112,390)	(120,520)
Net cash provided by (used in) investing activities	1,518,089	(4,864,882)
Cash flows from financing activities:		
(Repayment) proceeds from debenture	(19,490)	4,667
Repayment of notes payable	(54,149)	(52,238)
Net cash used in financing activities	(73,639)	(47,571)
Net (decrease) increase in cash and cash equivalents	(855,932)	17,044,310
Cash and cash equivalents at beginning of year	59,087,041	42,042,731
Cash and cash equivalents at end of year	$ 58,231,109	59,087,041
Supplemental disclosure of cash flow information-		
Cash paid for interest	$ 109,994	122,717

See accompanying Notes to Combined Financial Statements.

(1) Organization and Summary of Significant Accounting Policies

Organization. Neighborhood Lending Partners, Inc. ("NLP or Company") is a private not-for-profit organization established to arrange for financing and provide technical assistance to facilitate the development of affordable housing, and to otherwise support community development and redevelopment needs. NLP lessened the burden of government jurisdictions by working with public agencies to achieve maximum leverage of public and private dollars and provide technical assistance to project sponsors. NLP is the parent affiliated company for Neighborhood Lending Partners of Florida, Inc. ("NLPF") and Neighborhood Lending Partners of Georgia, Inc. ("NLPG"). NLPF conducts its operations in nineteen counties located in the West Florida area, four South Florida counties, and in forty-four North Florida counties. NLPG's primary market is Georgia.

The only activity of NLP is the operations of its affiliates. NLP, NLPF and NLPG are combined due to common control.

Funding has been received under grants from the Community Development Financial Institutions Fund ("CDFI"), State Housing Initiatives Partnership ("SHIP") funds and Hurricane Housing Recovery Program ("HHRP") funds from local jurisdictions in which NLPF operates. These funds are used to provide second or third mortgage loans in housing developments that provide for low-income families and residents and for residents with "special housing needs."

Subsequent Events. Management has evaluated events occurring subsequent to the balance sheet date through July 7, 2026 (the date the financial statement were available to be issued), determining no events require additional disclosure in these combined financial statements.

Basis of Presentation. The accompanying combined financial statements include NLP, NLPF and NLPG (collectively the "Company"). All significant intercompany accounts and transactions have been eliminated.

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America ("GAAP"). The following summarizes the more significant of these policies and practices.

Estimates. The preparation of combined financial statements in conformity with GAAP 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for credit losses.

(continued)

(1) Organization and Summary of Significant Accounting Policies, Continued

Financial Statement Presentation. The Company is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions. Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Company.

Net Assets With Donor Restrictions. Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Company or by the passage of time.

Restricted Cash. At March 31, 2026, restricted cash represented $4,880,192 of principal, interest and risk-free payments received from borrowers and held on behalf of the local jurisdictions under the CDFI and SHIP programs. In addition, $18,973,674 was restricted for future loan programs. Also, restricted cash included $17,851,057 of escrow payments received from borrowers. Restricted cash related to the Neighborhood Stabilization Program was $10,326,575. At March 31, 2026, restricted cash includes $54,274 on deposit as a requirement of other agreements.

At March 31, 2025, restricted cash represented $4,368,534 of principal, interest and risk-free payments received from borrowers and held on behalf of the local jurisdictions under the CDFI and SHIP programs. In addition, $24,095,657 was restricted for future loan programs. Also, restricted cash included $16,453,420 of escrow payments received from borrowers. Restricted cash related to the Neighborhood Stabilization Program was $10,544,119. At March 31, 2025, restricted cash includes $54,274 on deposit as a requirement of other agreements.

Revenue Recognition. All revenues are recognized in accordance with Accounting Standards Codification ASC 606, Revenue from Contracts with Customers ("ASC 606"). Revenue is recognized when: (i) a contract with a customer has been identified, (ii) the performance obligation(s) in the contract have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to each performance obligation in the contract, and (v) the Company has satisfied the applicable performance obligation over time or at a point in time. Substantially all of the Company's revenue is derived from financial assets which are outside the scope of ASC 606 except for loan facilitation fees which are recognized at loan closing which is the point in time when the performance obligation is satisfied.

Grants. Grants received are recognized as revenue in the period received at their fair values. The Company also distinguishes between grants received with donor restrictions and without donor restrictions. The expiration of donor-imposed restrictions is recognized in the period in which the restrictions expire. When the grant restriction expires, that is, when the stipulated time restriction ends and the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statement of activities as net assets released from restrictions. The grants received from counties and cities in connection with the CDFI program will always be classified as net assets with donor restrictions. CDFI program funds are required to be used primarily for affordable housing and economic development.

(continued)

(1) Organization and Summary of Significant Accounting Policies, Continued

Cash and Cash Equivalents. Cash and cash equivalents consist of cash on deposit and money market funds in financial institutions with original maturities of less than three months.

Loans. Loans that management has the intent and ability to hold for the foreseeable future or until maturity or pay-off are reported at their outstanding principal adjusted for any charge-offs, the allowance for credit losses, and any deferred fees or costs on originated loans.

Loan origination fees are deferred, and certain direct origination costs are capitalized and recognized as an adjustment of the yield of the related loan. Commitment fees are deferred and amortized over the commitment and loan term using the level yield method. If the commitment expires unexercised, the unamortized fee is recognized in revenue.

The accrual of interest on loans is discontinued at the time the loan is ninety days delinquent unless the loan is well collateralized and in process of collection. In all cases, loans are placed on nonaccrual or charged-off at an earlier date if collection of principal or interest is considered doubtful.

Allowance for Credit Losses ("ACL").

ACL - Loans. The ACL reflects management's estimate of losses that will result from the inability of our borrowers to make required loan payments. The Company records loans charged-off against the ACL when management believes the uncollectability of a loan balance is confirmed and subsequent recoveries, if any, increase the ACL when they are recognized.

Management uses systematic methodologies to determine its ACL for loans. The ACL is a valuation account that is deducted from the amortized cost basis to present the net amount expected to be collected on the loan portfolio. Management estimates the ACL using relevant available information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. Historical credit loss experience provides the basis for the estimation of the expected credit losses. Adjustments to historical loss information are made for the differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, delinquency level, or term as well as changes in environmental conditions, such as changes in unemployment rates, property values, or other relevant factors.

The Company's estimate of its ACL involves a high degree of judgment; therefore, management's process for determining expected credit losses may result in a range of expected credit losses. The Company's ACL recorded in the combined statements of financial position reflects management's best estimate within the range of expected credit losses. The Company recognizes in the combined statements of activities the amount needed to adjust the ACL for management's current estimate of expected credit losses. The Company's ACL is calculated using collectively evaluated and individually evaluated loans.

The ACL is measured on a collective pool basis when similar risk characteristics exist. Loans with similar risk characteristics are grouped into homogenous segments for analysis.

(continued)

(1) Organization and Summary of Significant Accounting Policies, Continued

Allowance for Credit Losses ("ACL"), Continued.

ACL - Loans, Continued. The ACL for each segment is measured through the use of an incurred loss rate method which relies on the performance of an entire segment of the loan portfolio to best represent the performance of these segments over time. The estimated loss rate is applied to the amortized cost of an asset or pool of assets. The annual loss rate consists of historical and forecasted loss components. The forecasted component is applied using loss rates from historical periods.

Included in its systematic methodology to determine its ACL, management considers the need to qualitatively adjust model results for risk factors that are not considered within the Company's loss estimation process but are nonetheless relevant in assessing the expected credit losses within our loan pools.

These qualitative factors ("Q-Factors") may increase or decrease management's estimate of expected credit losses by a calculated percentage based upon the estimated level of risk. The various risks that may be considered in making Q-Factor adjustments include, among other things, the impact of 1) changes in lending policies and procedures, including changes in underwriting standards; 2) changes in economic conditions; 3) changes in the volume and severity of past due and nonaccrual status; 4) the effect of any concentrations of credit and changes in the levels of such concentrations; 5) changes in the experience, depth, and ability of lending management; 6) changes in nature and volume of the portfolio; 7) trends in underlying collateral values; 8) changes in the quality of the loan review system and 9) the effect of other external factors (i.e., competition, legal and regulatory requirements) on the level of estimated credit losses.

The annual loss rates, as defined above, adjusted for Q-Factors, are applied to the amortized loan balances over each subsequent period and aggregated to arrive at the General ACL. The amortized loan balances are adjusted based on management's estimate of loan repayments in future periods.

When a loan no longer shares similar risk characteristics with its segment, the asset is assessed to determine whether it should be included in another segment or should be individually evaluated. The Company has adopted the collateral maintenance practical expedient to measure the ACL based on the fair value of collateral. Collateral dependent loans are loans for which the repayment is expected to be provided substantially through the operation or sale of the collateral and the borrower is experiencing financial difficulty. These loans do not share common risk characteristics and are not included within the collectively evaluated loans for determining ACL. A Specific ACL is calculated on an individual loan basis based on the shortfall between the fair value of the loan's collateral, which is adjusted for selling costs, and amortized cost. If the fair value of the collateral exceeds the amortized cost, no allowance is required. Financial assets that have been individually evaluated can be returned to a pool for purposes of estimating the expected credit loss to the extent as their credit profile improves and that the repayment terms were not considered to be unique to the asset.

(continued)

(1) Organization and Summary of Significant Accounting Policies, Continued

Allowance for Credit Losses ("ACL"), Continued.

ACL - Loans, Continued. Management measures expected credit losses over the contractual term of a loan. 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 loan modification will be executed with an individual borrower.
- The extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancellable by the Company.

The Company follows its nonaccrual policy by reversing contractual interest income in the combined statements of activities when the Company places a loan on nonaccrual status. Therefore, management excludes the accrued interest receivable balance from the amortized cost basis in measuring expected credit losses on the portfolio and does not record an ACL on accrued interest receivable. As of March 31, 2026 and 2025, the accrued interest receivable for loans was $121,150 and $99,564, respectively.

Transfer of Financial Assets. Transfers of financial assets or a participating interest in an entire financial asset are accounted for as sales, when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Company, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity. A participating interest is a portion of an entire financial asset that (1) conveys proportionate ownership rights with equal priority to each participating interest holder (2) involves no recourse (other than standard representations and warranties) to, or subordination by, any participating interest holder, and (3) does not entitle any participating interest holder to receive cash before any other participating interest holder.

Property and Equipment. Land is carried at cost. Building, furniture, fixtures and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the respective assets. The Company capitalizes property and equipment additions in excess of $1,500.

Loan Servicing Fees. Loan servicing fees totaled $1,851,916 and $1,387,258 for the years ended March 31, 2026 and 2025, respectively. The servicing portfolio totaled approximately $175,438,632 and $178,182,780 at March 31, 2026 and 2025, respectively. Loans serviced for other entities are not included in the accompanying combined statements of financial position.

Loan Facilitation Fees. Loan facilitation fees totaled $699,170 and $1,092,660 for the years ended March 31, 2026 and 2025, respectively on loans originated by the Company. Loan facilitation fees are recognized at loan closing which is the period in time when the performance obligation is satisfied.

(continued)

(1) Organization and Summary of Significant Accounting Policies, Continued

Functional Expenses. The costs of providing program services and supporting activities have been summarized on a functional basis in the combined statements of activities. Accordingly, certain costs have been allocated among program services and supporting services. Such allocations are determined by management based on an equitable basis. Salaries and employee benefits are allocated on the basis of employee time records. Other expenses are assigned to specific activities as expenditures are made.

Fair Value Measurements. Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy describes three levels of inputs that may be used to measure fair value:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities that are not active; and model-driven valuations whose inputs are observable or whose significant value drivers are observable. Valuations may be obtained from, or corroborated by, third-party pricing services.

Level 3: Unobservable inputs to measure fair value of assets and liabilities for which there is little, if any market activity at the measurement date, using reasonable inputs and assumptions based upon the best information at the time, to the extent that inputs are available without undue cost and effort.

The following describes valuation methodologies used for assets measured at fair value-

Individually Evaluated Loans. Estimates of fair value are determined based on a variety of information, including the use of available appraisals, estimates of market value by licensed appraisers or local real estate brokers and the knowledge and experience of the Company's management related to values of properties in the Company's market areas. Management takes into consideration the type, location and occupancy of the property as well as current economic conditions in the area the property is located in assessing estimates of fair value. Accordingly, fair value estimates for individually evaluated loans are classified as Level 3.

Reclassifications. Certain reclassifications of prior year amounts have been made to conform to the current year presentation.

(continued)

(2) Loans and Allowance for Credit Losses

The Company's loan portfolio has two portfolio segments: commercial real estate and commercial. Commercial real estate loans consist of loans to finance real estate purchases, refinancing, expansions and improvements to commercial properties. These loans are secured by liens on the properties located within the market area. The Company's underwriting analysis includes credit verification, independent appraisals, a review of the borrower's financial condition, and a detailed analysis of the borrower's underlying cash flows. The repayment of these loans largely depends on the results of operations and management of these properties. Adverse economic conditions also affect the repayment ability on commercial real estate loans.

Commercial business loans consist of loans to small- and medium-sized companies in the Company's market area. Commercial loans are generally used for working capital purposes or for acquiring equipment, inventory or furniture. Primarily all of the Company's commercial loans are secured loans. The Company's underwriting analysis consists of a review of the financial statements of the borrower, the lending history of the borrower, the debt service capabilities of the borrower, the projected cash flows of the business, the value of the collateral, if any, and whether the loan is guaranteed by the principals of the borrower. Commercial loans are typically made on the basis of the borrower's ability to make repayment from the cash flow of the borrower's business, which makes them of higher risk than real estate loans and the collateral securing these loans may be difficult to appraise and may fluctuate in value based on the success of the business. The Company seeks to minimize these risks through their underwriting standards. Certain commercial loans are also made under the SBA Community Advantage Program.

The Company categorizes loans into risk categories based on relevant information about the ability of borrowers to service their debt such as: current financial information, historical payment experience, credit documentation, public information, and current economic trends, among other factors. The Company analyzes loans individually by classifying the loans as to credit risk. This analysis is performed on at least an annual basis. The Company uses the following definitions for risk ratings:

Pass – A Pass loan's primary source of loan repayment is satisfactory, with secondary sources very likely to be realized if necessary.

Special Mention – A Special Mention loan has potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in the deterioration of the repayment prospects for the asset or the Company's credit position at some future date. Special Mention loans are not adversely classified and do not expose a company to sufficient risk to warrant adverse classification.

Substandard – A Substandard loan is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the Company will sustain some loss if the deficiencies are not corrected.

(continued)

(2) Loans and Allowance for Credit Losses, Continued

Doubtful – A loan classified Doubtful has all the weaknesses inherent in one classified Substandard with the added characteristics that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable.

Loss – A loan classified Loss is considered uncollectible and of such little value that continuance as a bankable asset is not warranted. This classification does not mean that the asset has absolutely no recovery or salvage value, but rather it is not practical or desirable to defer writing off this basically worthless asset even though partial recovery may be affected in the future.

Loans are summarized as follows:

	At March 31, 2026	At March 31, 2025
Commercial real estate	$ 14,995,536	16,578,694
Commercial	77,028	124,349
	15,072,564	16,703,043
Less:		
Allowance for credit losses	(74,586)	(243,828)
Deferred loan fees, net	(21,991)	(23,676)
Total	$ 14,975,987	16,435,539

The following summarizes the loan credit quality:

	At March 31, 2026	At March 31, 2025
Credit Risk Profile by Internally Assigned Grade:		
Grade:		
Pass	$ 14,988,466	16,386,262
Special mention	-	9,429
Substandard	84,098	307,352
Total	$ 15,072,564	16,703,043

(continued)

(2) Loans and Allowance for Credit Losses, Continued

A summary of the activity in the allowance for credit losses is as follows:

	Commercial Real Estate	Commercial	Total
Year Ended March 31, 2026:			
Beginning balance	$ 206,405	37,423	243,828
Credit loss income	(154,108)	(15,134)	(169,242)
Ending balance [1] [2]	$ 52,297	22,289	74,586
Year Ended March 31, 2025:			
Beginning balance	33,584	58,220	91,804
Credit loss expense (income)	172,821	(20,797)	152,024
Ending balance [1] [2]	$ 206,405	37,423	243,828

(1) Includes the allowance for credit losses for mortgage loans and mortgage loans, CDFI (See Note 10).

(2) Includes the allowance for credit losses for loans originated under the SBA Community Advantage Program ("SBA"). As a Community Advantage Lender, the Company is required to maintain minimum reserves equal to 5% of the unguaranteed portion of their portfolio plus an additional 3% of the guaranteed portion of each loan sold. As of March 31, 2026, the Company maintained $1,499 in reserves based on an unguaranteed portion of $29,979 or 5%. As of March 31, 2026, the Company also maintained reserves of $1,951 based on 3% of the guaranteed portion of loans sold in the secondary market. As of March 31, 2025, the Company maintained $3,250 in reserves based on an unguaranteed portion of $77,430 or 5%. As of March 31, 2025, the Company also maintained reserves of $7,024 based on 3% of the guaranteed portion of loans sold in the secondary market. As required by the SBA, the Company maintains these reserves in a loan loss reserve deposit account.

At March 31, 2026, there were no nonaccrual or individually evaluated loans. At March 31, 2025, all loans were current except for one nonaccrual and individually evaluated loans with an outstanding balance of $299,991 and $149,996 of specific reserves. The average investment in impaired loans was $162,095 during the year ended March 31, 2025. During the years ended March 31, 2026 and 2025, no interest income was recognized and received with respect to individually evaluated loans.

(continued)

(3) Property and Equipment, Net

Property and equipment consist of the following:

	At March 31, 2026	At March 31, 2025
Land	$ 153,032	153,032
Building	1,169,829	1,169,829
Furniture and fixtures	243,384	235,604
Equipment	170,965	66,356
Total, at cost	1,737,210	1,624,821
Less accumulated depreciation	(852,202)	(768,811)
Property and equipment, net	$ 885,008	856,010

(4) Notes Payable and Debenture

The Company has a note payable outstanding with a member bank for the funding of their main office building. At March 31, 2026 and 2025, the balance of this note payable was $257,940 and $312,089, respectively. The note is payable in monthly principal and interest payments totaling $5,360 through August 4, 2030 at which time the unpaid balance is due. The note payable bears interest at a fixed rate of 3.5% and is collateralized by a building with a net book value of $600,519 at March 31, 2026.

The Company entered into a $500,000 uncollateralized term loan with the Opportunity Finance Network on June 17, 2022 which is due June 17, 2032. Principal due in three annual installments beginning June 17, 2030. Interest is due quarterly at 3%. The balance outstanding at March 31, 2026 and 2025 was $500,000.

The Company entered into a $250,000 uncollateralized term loan with Healthcare Georgia Foundation, Inc. Interest only payment is due quarterly at 2.75%. The maturity date of the loan is January 1, 2028. The balance outstanding at March 31, 2026 and 2025 was $250,000.

The Company entered into an equity equivalent investment agreement with Wells Fargo for $500,000 in order to assist in the extension of loans in support of low to moderate-income households and financially underserved geographic markets, more specifically the financing of affordable housing, community revitalization and 504 SBA loans in the geographic markets of Florida. The note is payable in quarterly interest only payments at 2% through March 2033 at which time the loan is payable in eight quarterly installments of $62,500, plus interest beginning April 1, 2033. The balance outstanding at March 31, 2026 and 2025 was $500,000. In addition, the balance outstanding of loans funded through the note totaled $352,131 and $367,412 at March 31, 2026 and 2025, respectively.

(continued)

(4) Notes Payable and Debenture, Continued

The Company entered into an equity equivalent investment agreement with First Citizens Bank for $1,000,000 in order to make investments which promote the public welfare in the Company's targeted neighborhoods. The note is payable in annual interest only payments at 2% through November 2028 at which point the entire principal is due, unless extended. The note has two extension options. The balance outstanding at March 31, 2026 and 2025 was $1 million. As of March 31, 2026, no loans have been funded through the note.

On December 5, 2022, the Company received proceeds from an unsecured 4.9% debenture. Interest is payable quarterly through the maturity date of December 5, 2029. The balance outstanding at March 31, 2026 and 2025 was $966,479 and $985,969, respectively.

On November 24, 2025, the Company amended and restated its loan agreement with PNC that provides for a $1 million convertible line of credit to support community development in Florida, with the focus on benefiting low to moderate income communities. Prior to the conversion date, interest only shall be due and payable quarterly at the Prime Rate minus 2% per annum, commencing on February 24, 2026. After the conversion date and commencing on the 24th day of the month following the month in which the conversion date occurs (the earlier of i) November 24, 2027 or ii) the date when the Bank receives written notice from the Company informing the Bank that the Company does not intend to request further advances hereunder), interest shall be due and payable quarterly at a fixed rate (to be determined) until maturity (the fifth anniversary of the conversion date). At March 31, 2026 and 2025, the Company had no borrowings under this line of credit.

On February 2, 2026, the Company entered into an equity equivalent investment agreement with PNC for $2,000,000 in order to make investments in areas within the State of Florida where PNC has banking facilities. The principal, together with all accrued and unpaid interest, is due February 2, 2031 or upon acceleration; provided, however, the Company has the right to exercise one option to extend repayment of the note for an additional five years. The note bears interest at 3.5% per annum, payable quarterly, and in arrears commencing on April 1, 2026 and continuing on the first day of each January, April, July, and October thereafter. The Company had no borrowings under the note as of March 31, 2026.

The estimated future principal commitments at March 31, 2026 on the notes payable and debenture are as follows:

Year Ending March 31,	Amount
2027	$ 55,903
2028	57,904
2029	310,008
2030	2,195,318
2031	188,619
Thereafter	666,667
	$ 3,474,419

(continued)

(5) Due to Desoto and Orange Counties

Due to Desoto county represents Hurricane Housing Recovery Program ("HHRP") funds received from Desoto county which are available to fund qualifying loans in Desoto county subject to approval of the county and in accordance with CDFI guidelines. Such funds are required to be returned to Desoto county upon request.

Due to Orange county consists of funds from various municipal programs within the county that are being used to fund both multifamily and single-family development projects. Such funds are required to be returned to Orange county upon request.

(6) Related Party Transactions and Concentrations of Credit Risk

The Company had $58,231,109 and $59,087,041 on deposit with member banks in general operating accounts, payroll accounts, escrow accounts and short-term investment accounts as of March 31, 2026 and 2025, respectively.

(7) Tax Status

The Company, based on its Internal Revenue Service determination letter, dated November 13, 1997, is a publicly supported organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the accompanying combined financial statements do not include any provision for income taxes.

The Company is required to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. Any interest and penalties recognized associated with a tax position would be accrued in the Company's combined financial statements. Currently, the tax years ended March 31, 2025, 2024 and 2023 are open and subject to examination by the Internal Revenue Service and the Florida Department of Revenue. However, the Company is not currently under audit nor has the Company been contacted by any of these jurisdictions. Based on the evaluation of the Company's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the years ended March 31, 2026 or 2025.

(8) Retirement Plan

The Company has a profit-sharing plan established in accordance with the provisions of Section 401(k) of the Internal Revenue Code. The profit-sharing plan is available to all employees electing to participate after meeting certain length of service requirements. The Company contributed $46,827 and $44,802 to the plan during the years ended March 31, 2026 and 2025, respectively.

(9) Community Development Financial Institutions Program

In fiscal years 2003, 2002 and 1997, the Company was awarded grants, subject to certain conditions, in the amounts of $1,067,000, $2,000,000 and $2,500,000, respectively, from the CDFI which were matched with grants from certain local jurisdictions in which operations are conducted (Hernando, Hillsborough, Pasco, Pinellas, Sarasota and Polk Counties and the Cities of St. Petersburg and Sarasota). The matching funds were provided from the local allocations from the State of Florida's SHIP Funds. All funds, except for those received from the City of St. Petersburg 1997 grant agreement, are used as a revolving loan fund to provide second or third mortgage loans that are needed to meet gap financing requirements in housing developments for low-income families and residents and for "special needs" housing.

(continued)

(9) Community Development Financial Institutions Program, Continued

During the year ended March 31, 2024, the Company received $806,448 from the CDFI Economic Recovery Program for the purpose of assisting lower or moderate-income communities and borrowers, in declining minorities, that have significant unmet capital or financial service needs and were disproportionately impacted by the COVID-19 pandemic.

Mortgage loans, CDFI, are as follows:

	At March 31, 2026	At March 31, 2025
Mortgage loans	$ 8,024,086	6,939,455
Less:		
Allowance for credit losses	(34,512)	(27,047)
Unamortized loan fees and costs, net	(21,991)	(23,677)
	$ 7,967,583	6,888,731

(10) Net Assets With Donor Restrictions

Net assets with donor restrictions are as follows:

Name	At March 31, 2026	At March 31, 2025
CDFI - 1997	$ -	-
Matching funds:		
Polk County	10,800	10,800
Pasco County	585,971	585,971
Hillsborough County	1,315,135	1,315,135
Pinellas County	50,000	50,000
Total	1,961,906	1,961,906
CDFI – 2002	-	-
Matching funds:		
Hillsborough County	769,100	769,100
City and County of Sarasota	792,275	792,275
Polk County	503,651	503,651
Total	2,065,026	2,065,026
CDFI – 2003	-	-
Matching funds-		
Hernando County	200,000	200,000
CDFI – 2021 Rapid Response Program	550,000	550,000

(continued)

(10) Net Assets With Donor Restrictions, Continued

Name	At March 31, 2026	2025
CDFI – 2022 Capital Magnets Program	$ 7,000,000	7,000,000
CDFI – Economic Recovery Program	806,448	806,448
CDFI grants	$ 12,583,380	12,583,380
Polk county – HHRP	1,889,885	1,889,885
Total net assets with donor restrictions	$ 14,473,265	14,473,265

The matching funds received from the Counties and the City and County of Sarasota are classified as grants and will be maintained as revolving lines to be used for future lending under the program. All principal payments received from borrowers will be retained by the Company and used to fund subsequent loans in the respective counties or cities. All such subsequent loans will require approval of the specific County or City and must be in accordance with the provisions of the CDFI guidelines. Due to the requirement that the Counties and City approve all subsequent loans under these grants, such grants will be recorded as net assets with donor restrictions. The Company retains 50% of all interest collected, a portion of which is to be used for future loan programs and a portion to cover administration costs. The remaining agreements with Counties excluding Hernando County were also modified to allow the Company's portion to be used entirely for administrative costs. The remaining 50% is remitted to the Counties and Cities.

At March 31, 2026 and 2025, principal and interest payments received from borrowers and interest earned but not yet collected from borrowers that is due to local jurisdictions is included in accounts payable and accrued expenses.

The amounts received under the Hurricane Housing Recovery Program ("HHRP") are classified as grants and will be maintained as revolving lines to be used for future lending under the program. All such subsequent loans will require approval of the specific County and must be in accordance with the provisions of the HHRP guidelines. Due to the requirement that the Counties approve all subsequent loans under these grants, such grants are recorded as net assets with donor restrictions. The Company retains 50% of all interest collected, a portion of which is to be used for future loan programs and a portion to cover administration costs. The remaining 50% is remitted to the Counties. All of the County agreements were modified to allow the Company's portion to be used entirely for administrative costs.

During the years ended March 31, 2026 and 2025, all net assets released from restrictions were subject to expenditure for a specific purpose.

(continued)

(11) Neighborhood Stabilization Program 2 ("NSP2")

On February 11, 2010, the Company was awarded a grant, subject to certain conditions, in the amount of $50,000,000 from the Department of Housing and Urban Development ("HUD") under NSP 2. The Company was the lead applicant of a consortium consisting of Pasco County, Florida, Pinellas County, Florida and the Housing Finance Authority of Pinellas County. The Company has entered into agreements with the members of the consortium in accordance with the NSP 2 requirements to determine funding arrangements and allocations. The Company administered the funds and oversaw the NSP 2 activities as defined by the grant. The purpose of NSP 2 was to assist in the redevelopment and rehabilitation of abandoned and foreclosed properties. The NSP 2 grant called for expenditures of 50% of the total initial allocation within two years of the HUD award date and expenditures of 100% of the total initial allocation within three years of the HUD award date. The Company complied with these requirements. The grant had a term of five years which ended in fiscal 2016. Program income earned subsequent to the grant period was $903,096 and $105,706 during the years ended March 31, 2026 and 2025, respectively.

(12) Liquidity

The Company's financial assets available within one year for general expenditures are as follows:

	At March 31,	
	2026	**2025**
Cash - unrestricted	$ 5,128,644	2,530,869
Short-term investments-money market	1,016,693	1,040,168
Accrued interest receivable	121,150	99,564
Servicing fees receivable	107,592	91,768
Other receivables	34,755	5,410
	$ 6,408,834	3,767,779

The Company's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year. The Company is required to obtain approval from the board of directors prior to expending short-term investments-money market funds.

The Company's liquidity management policy provides for structuring financial assets to be available as its general expenditures, liabilities and other obligations come due.

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Combining Statement of Financial Position

At March 31, 2026

			NLP of Florida, Inc.				
	NLP	NLPGA	NSP	NLP of Florida, Inc.	Total NLP of Florida, Inc.	Eliminations	Combined
Assets							
Cash:							
Restricted	$ 1,513,606	-	10,326,575	40,245,591	50,572,166	-	52,085,772
Unrestricted	-	-	-	5,128,644	5,128,644	-	5,128,644
Total cash	1,513,606	-	10,326,575	45,374,235	55,700,810	-	57,214,416
Short-term investments-money market	-	-	-	1,016,693	1,016,693	-	1,016,693
Cash and cash equivalents	1,513,606	-	10,326,575	46,390,928	56,717,503	-	58,231,109
Accrued interest receivable	-	-	-	121,150	121,150	-	121,150
Servicing fees receivable	-	-	-	107,592	107,592	-	107,592
Other receivables	-	-	-	544,807	544,807	(510,052)[b]	34,755
Total current assets	1,513,606	-	10,326,575	47,164,477	57,491,052	(510,052)	58,494,606
Commercial loans, net	-	-	-	54,739	54,739	-	54,739
Mortgage loans, net	-		-	3,264,491	3,264,491	-	3,264,491
Mortgage loans, CDFI, net	-	-	-	7,967,583	7,967,583	-	7,967,583
Mortgage loans, HHRP	-	-	-	3,689,174	3,689,174	-	3,689,174
Property and equipment, net	885,008	-	-	-	-	-	885,008
Investment in affiliates	23,328,271	-	-	-	-	(23,328,271)[a]	-
Other assets	822,330	786	-	113,358	113,358	-	936,474
Total assets	$ 26,549,215	786	10,326,575	62,253,822	72,580,397	(23,838,323)	75,292,075
Liabilities and Net Assets							
Liabilities:							
Accounts payable and accrued expenses	2,799,930	40,677	-	602,974	602,974	(510,052)[b]	2,933,529
Neighborhood Stabilization Program payables	-	-	10,326,575	-	10,326,575	-	10,326,575
Escrow deposits	-	-	-	19,006,799	19,006,799	-	19,006,799
Due to Desoto County	-	-	-	3,004,529	3,004,529	-	3,004,529
Due to Orange County	-	-	-	13,054,879	13,054,879	-	13,054,879
Note payable, current	55,903	-	-	-	-	-	55,903
Total current liabilities	2,855,833	40,677	10,326,575	35,669,181	45,995,756	(510,052)[b]	48,382,214
Note payable, net of current portion	202,037	-	-	2,250,000	2,250,000	-	2,452,037
Debenture	-	-	-	966,479	966,479	-	966,479
Total labilities	3,057,870	40,677	10,326,575	38,885,660	49,212,235	(510,052)[b]	51,800,730
Net assets:							
Without donor restrictions	9,018,080	(39,891)	-	8,894,897	8,894,897	(8,855,006)[a]	9,018,080
With donor restrictions	14,473,265	-	-	14,473,265	14,473,265	(14,473,265)[b]	14,473,265
Total net assets	23,491,345	(39,891)	-	23,368,162	23,368,162	(23,328,271)[a]	23,491,345
Total liabilities and net assets	$ 26,549,215	786	10,326,575	62,253,822	72,580,397	(23,838,323)	75,292,075

(a) to eliminate investment in affiliates
(b) to eliminate intercompany receivables and payables

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Combining Statement of Activities

For the Year Ending March 31, 2026

	NLP	NLPGA	NLP of Florida, Inc.: NSP	NLP of Florida, Inc.: NLP of Florida, Inc.	NLP of Florida, Inc.: Total NLP of Florida, Inc.	Eliminations	Combined
Revenues:							
Neighborhood Stabilization Program income	$ -	-	903,096	-	903,096	-	903,096
Grant revenue	-	5,000	-	8,500	8,500	-	13,500
Loan servicing fees	-	127,777	-	1,724,139	1,724,139	-	1,851,916
Loan facilitation fees	-	-	-	699,170	699,170	-	699,170
Interest income loans	-	-	-	628,524	628,524	-	628,524
Interest income and other	840,238	-	-	800,791	800,791	(840,238)[c]	800,791
Total revenues	840,238	132,777	903,096	3,861,124	4,764,220	(840,238)[c]	4,896,997
Expenses:							
Program services:							
Multifamily	-	45,729	-	1,910,570	1,910,570	-	1,956,299
Single family	-	-	-	161,291	161,291	-	161,291
Government relations	-	-	-	188,645	188,645	-	188,645
Supporting services:							
Management and general	-	-	903,096	687,428	1,590,524	-	1,590,524
Fundraising	-	-	-	160,000	160,000	-	160,000
Total expenses	-	45,729	903,096	3,107,934	4,011,030	-	4,056,759
Increase (decrease) in net assets	840,238	87,048	-	753,190	753,190	(840,238)[a]	840,238
Net assets at beginning of year	22,651,107	(126,941)	-	22,614,973	22,614,973	(22,488,032)[b]	22,651,107
Net assets at end of year	$ 23,491,345	(39,893)	-	23,368,163	23,368,163	(23,328,270)	23,491,345

(a) to eliminate decrease in net assets of affiliates
(b) to eliminate fund balance of affiliates
(c) to eliminate intercompany revenue and expenses

NEIGHBORHOOD LENDING PARTNERS, INC. AND AFFILIATES

Schedule of Expenditures of Federal Awards

Year Ended March 31, 2026

Grantor/Pass-Through/Program Title	Contract or Grant Number	Federal CFDA Number	Grant Period	Federal Expenditures
Federal awards:				
U.S. Department of Treasury passed through the Community Development Financial Institutions Fund-				
Capital Magnet Program	211CM058774	21.011	9/15/22 to 9/15/27	$ 1,404,255
Equity Recovery Program	22ERP060895	21.033	4/10/23 to 3/31/29	48,324
Total expenditures of federal awards				$ 1,452,579

See notes to schedule of expenditures of federal awards.

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Neighborhood Lending Partners, Inc. (the "Organization") under programs of the federal government for the year ended March 31, 2026. The information in this 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 of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

(2) Summary of Significant Accounting Policies

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. Pass-through entity identifying numbers (contract or grant number) are presented where available.

(3) Indirect Costs

Indirect costs are not allocated under the terms of the federal award. Therefore, the 10% de minimis indirect cost rate allowed under the Uniform Guidance is not applicable.

(4) Capital Magnet Program

At March 31, 2026, there were thirteen loans outstanding for $6,140,756.

(5) Equity Recovery Program

At March 31, 2026, there was one loan outstanding for $459,392.

Summary Schedule of Prior Audit Findings

Summary Schedule of Prior Audit Findings

July 7, 2026

There were no prior audit findings or questioned costs relative to Federal awards identified in the audit of Neighborhood Lending Partners, Inc. for the year ended March 31, 2025.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Combined Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Combined Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
Neighborhood Lending Partners, Inc.
Tampa, Florida:

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 Sates, the combined financial statements of Neighborhood Lending Partners, Inc. and Affiliates (the "Company"),which comprise the combined statement of financial position as of March 31, 2026, and the related combined statements of activities, functional expenses and cash flows for the year then ended and the related notes to the combined financial statements, and have issued our report thereon dated July 7, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Company's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company'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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's combined financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention of those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be material weakness 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's combined financial statements are free of 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 are 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 Company'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 Company's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hacker, Johnson & Smith PA

HACKER, JOHNSON & SMITH PA
Tampa, Florida
July 7, 2026

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Board of Directors
Neighborhood Lending Partners, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Neighborhood Lending Partners, Inc.'s (the "Company") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Company's major federal program for the year ended March 31, 2026. The Company's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Company complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2026.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Company 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 major federal program. Our audit does not provide a legal determination of the Company'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 Company's federal program.

Auditor's 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 Company'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 GAAS, *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 Company's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Company'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 Company'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 Company'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 Auditor's 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Company as of and for the year ended March 31, 2026, and have issued our report thereon dated July 7, 2026, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 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 accounting 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Hacker, Johnson & Smith PA

HACKER, JOHNSON & SMITH PA
Tampa, Florida
July 7, 2026

Schedule of Findings and Questioned Costs

HACKER, JOHNSON & SMITH PA

Fort Lauderdale
Orlando
Tampa

Certified Public Accountants

Neighborhood Lending Partners, Inc.

Schedule of Findings and Questioned Costs

For the Year Ended March 31, 2026

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

X	Material weaknesses identified?	____yes__X__ no
X	Significant deficiency(s) identified?	____ yes __X__ none reported

Noncompliance material to financial statements noted? ____ yes __X__ no

Federal Awards

Internal control over major program:

X	Material weaknesses identified?	____ yes __X__ no
X	Significant deficiency(s) identified?	____ yes __X__ no

Type of auditors' report issued on compliance for major program: Unmodified

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

Identification of major program:

CFDA Number	*Name of Federal Program*
21.020	Community Development Financial Program

Dollar threshold used to distinguish between type A and type B programs: $1,000,000

Auditee qualified as low-risk auditee? __X__ yes___ no ___

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal and Questioned Costs for Federal Awards

No matters were reported.

If you have any questions, please call Steve Kania at (813) 282-7228.

Very truly yours,

HACKER, JOHNSON & SMITH PA

Steve Kania

Stephen R. Kania

SRK/yed

Corrective Action Plan

NEIGHBORHOOD LENDING PARTNERS

Lifting Communities.

Corrective Action Plan

July 7, 2026

No corrective action plan is necessary because the auditors' did not identify any audit findings in connection with the audit of Neighborhood Lending Partners, Inc. for the year ended March 31, 2026.