



Justine Petersen Housing and Reinvestment Corporation

Independent Auditor's Report and Consolidated Financial Statements

December 31, 2025



Justine Petersen Housing and Reinvestment Corporation
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Independent Auditor's Report

Board of Directors
Justine Petersen Housing and
Reinvestment Corporation
St. Louis, Missouri

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Justine Petersen Housing and Reinvestment Corporation (Corporation), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Corporation, as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Consolidated Financial Statements" section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated 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 consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation'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.

Report on Summarized Comparative Information

We have previously audited the 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 30, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules (collectively “supplementary information”) is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2026, on our consideration of the Corporation’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Corporation’s 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 Corporation’s internal control over financial reporting and compliance.

Forvis Mazars, LLP

**St. Louis, Missouri
April 29, 2026**

Justine Petersen Housing and Reinvestment Corporation
Consolidated Statement of Financial Position
December 31, 2025
(With Summarized Financial Information as of December 31, 2024)

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets		
Cash	\$ 6,257,649	\$ 4,623,553
Restricted funds	11,939,498	10,872,498
Accounts and grants receivable	2,296,434	1,351,169
Interest and fees receivable	3,605,990	2,243,358
Loans receivable, net - current position	22,793,406	15,503,364
Prepaid expenses and other	37,845	37,524
Total Current Assets	<u>46,930,822</u>	<u>34,631,466</u>
Other Assets		
Loans receivable, net	42,132,616	43,570,180
Other note receivable	270,766	189,228
Property and equipment, net	1,117,949	1,202,829
Rental real estate, net	10,090,330	8,326,026
Investment in real estate	8,906,355	7,900,834
Other assets	3,077,530	2,060,789
Deferred income tax asset	193,500	-
Investments in JP SUBCDEs, at fair value	150	-
Investments in private entities, at cost	452,194	452,194
	<u>66,241,390</u>	<u>63,702,080</u>
Total Assets	<u>\$ 113,172,212</u>	<u>\$ 98,333,546</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current portion of long-term debt	\$ 26,805,334	\$ 18,011,829
Accounts payable and accrued expenses	391,411	936,118
Interest payable	16,647	891,505
Income taxes payable	176,918	91,243
Tenant security deposits	34,180	26,120
Deferred revenue	295,783	531,903
Total Current Liabilities	<u>27,720,273</u>	<u>20,488,718</u>
Other Liabilities		
Deferred income taxes	-	65,400
Long-term debt	43,057,483	42,868,668
SSBCI Revolving Capital	14,882,616	7,896,443
	<u>57,940,099</u>	<u>50,830,511</u>
Total Liabilities	<u>85,660,372</u>	<u>71,319,229</u>
Net Assets		
Without donor restrictions		
Undesignated	23,467,004	22,103,652
Noncontrolling interests	4,044,836	4,580,665
With donor restrictions	-	330,000
Total Net Assets	<u>27,511,840</u>	<u>27,014,317</u>
Total Liabilities and Net Assets	<u>\$ 113,172,212</u>	<u>\$ 98,333,546</u>

Justine Petersen Housing and Reinvestment Corporation
Consolidated Statement of Activities
Year Ended December 31, 2025
(With Summarized Financial Information as of December 31, 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	(Comparative Totals Only)
Revenues, Gains, and Other Support				
Contributions and grants	\$ 7,971,106	\$ -	\$ 7,971,106	\$ 8,700,499
Contributed nonfinancial assets (in-kind)	45,349	-	45,349	1,725
Program service fees				
Real estate brokerage income	2,167	-	2,167	-
Loan and administrative fees	2,735,543	-	2,735,543	3,312,119
Credit reporting fees	19,912	-	19,912	9,123
Rental income	857,450	-	857,450	735,390
Miscellaneous	14,624	-	14,624	138,631
Interest	6,201,146	-	6,201,146	4,387,207
Insurance proceeds	330,247	-	330,247	-
Gain (loss) on disposal of assets	-	-	-	17,930
Net assets released from restrictions	330,000	(330,000)	-	-
Total Revenues, Gains, and Other Support	18,507,544	(330,000)	18,177,544	17,302,624
Expenses				
Housing	3,510,505	-	3,510,505	3,005,727
Economic development	12,634,559	-	12,634,559	12,363,014
Savings	201,660	-	201,660	213,207
Total program services	16,346,724	-	16,346,724	15,581,948
Management and general	555,933	-	555,933	681,442
Fundraising	265,754	-	265,754	269,981
Total supporting activities	821,687	-	821,687	951,423
Total expense before income taxes	17,168,411	-	17,168,411	16,533,371
Income tax expense (benefit)	11,610	-	11,610	(144,014)
Total Expenses	17,180,021	-	17,180,021	16,389,357
Change in Net Assets	1,327,523	(330,000)	997,523	913,267
Net Assets Obtained Through Newly Consolidated Affiliates	-	-	-	183,192
Contributed Capital Related to Non-Controlling Interests	1,700,000	-	1,700,000	-
Distribution to Members Related to Non-Controlling Interests	(2,200,000)	-	(2,200,000)	-
Net Assets, Beginning of Year	26,684,317	330,000	27,014,317	25,917,858
Net Assets, End of Year	\$ 27,511,840	\$ -	\$ 27,511,840	\$ 27,014,317

Justine Petersen Housing and Reinvestment Corporation
Consolidated Statement of Functional Expenses
Year Ended December 31, 2025
(With Summarized Financial Information as of December 31, 2024)

	2025							2025 Total	2024 Total
	Program Services			Total Program Services	Support Services				
	Housing	Economic Development	Savings		Management and General	Fundraising	Total Support Services		
Salaries and wages	\$ 661,747	\$ 2,760,808	\$ 100,265	\$ 3,522,820	\$ 264,850	\$ 100,264	\$ 365,114	\$ 3,887,934	\$ 3,339,295
Payroll taxes	51,899	208,336	7,863	268,098	20,771	7,863	28,634	296,732	248,841
Employee benefits	95,262	382,411	14,434	492,107	38,127	14,433	52,560	544,667	436,992
Advertising	6,007	21,026	794	27,827	2,161	825	2,986	30,813	64,189
Client assistance	21,019	25,633	4	46,656	1,783	838	2,621	49,277	126,251
Conferences and seminars	3,858	15,489	585	19,932	1,544	585	2,129	22,061	44,381
Credit report charges	10,219	41,022	1,548	52,789	4,090	1,549	5,639	58,428	65,822
Delivery and postage	4,106	16,482	622	21,210	1,643	622	2,265	23,475	30,047
Depreciation and amortization	21,954	88,132	3,326	113,412	8,787	3,327	12,114	125,526	107,805
Depreciation - rental real estate	457,779	-	-	457,779	-	1,707	1,707	459,486	403,275
Contributed nonfinancial assets (in-kind)	5,073	20,361	769	26,203	2,030	767	2,797	29,000	-
Dues and subscriptions	3,465	13,664	516	17,645	1,368	518	1,886	19,531	47,553
Equipment rental and maintenance	31,693	-	-	31,693	-	-	-	31,693	32,508
Impairment and programmatic subsidized real estate loss	737,050	-	-	737,050	8,010	3,764	11,774	748,824	767,097
Insurance	75,342	126,016	4,756	206,114	12,564	4,757	17,321	223,435	463,943
Interest	94,940	3,265,643	6,720	3,367,303	17,752	6,720	24,472	3,391,775	2,675,596
Miscellaneous	7,289	22,406	846	30,541	2,380	47,761	50,141	80,682	112,811
Occupancy	6,826	23,386	882	31,094	2,332	883	3,215	34,309	33,474
Office supplies	98,717	355,945	13,431	468,093	36,340	13,827	50,167	518,260	330,236
Professional fees	276,412	1,070,632	40,410	1,387,454	119,129	40,795	159,924	1,547,378	1,898,439
Provisions for credit losses	-	4,074,138	-	4,074,138	-	-	-	4,074,138	4,298,830
Rental real estate maintenance	813,581	-	-	813,581	-	10,039	10,039	823,620	541,622
Repairs and maintenance	8,434	33,858	1,278	43,570	3,376	1,278	4,654	48,224	360,683
Taxes and licenses	1,894	7,604	287	9,785	758	287	1,045	10,830	12,538
Telephone	8,301	33,322	1,258	42,881	3,322	1,257	4,579	47,460	48,332
Travel and training	7,638	28,245	1,066	36,949	2,816	1,088	3,904	40,853	42,811
Total expenses before income taxes	3,510,505	12,634,559	201,660	16,346,724	555,933	265,754	821,687	17,168,411	16,533,371
Income tax expense (benefit)	-	11,610	-	11,610	-	-	-	11,610	(144,014)
Total	\$ 3,510,505	\$ 12,646,169	\$ 201,660	\$ 16,358,334	\$ 555,933	\$ 265,754	\$ 821,687	\$ 17,180,021	\$ 16,389,357

See Notes to Consolidated Financial Statements

Justine Petersen Housing and Reinvestment Corporation
Consolidated Statement of Cash Flows
Year Ended December 31, 2025
(With Summarized Financial Information as of December 31, 2024)

	<u>2025</u>	<u>2024</u>
Operating Activities		
Changes in net assets	\$ 997,523	\$ 913,267
Items not requiring (providing) cash		
Depreciation and amortization	585,012	511,080
Amortization of deferred financing fees	1,750	1,750
Deferred income taxes	(258,900)	(278,400)
Impairment and subsidized programmatic real estate loss	748,824	767,097
Loss on sale of assets	-	(17,930)
Provisions for credit losses	4,074,138	4,298,830
Change in assets and liabilities		
Restricted funds	(1,067,000)	(6,771,501)
Accounts, notes, and grants receivable	(1,026,803)	(432,102)
Interest and fees receivable	(1,362,632)	(887,052)
Prepaid expenses and other assets	(321)	62,191
Accounts payable and accrued expenses	(544,707)	174,559
Interest payable	(874,858)	(26,029)
Income taxes prepaid, receivable, and payable	85,675	91,243
Tenant security deposits	8,060	5,608
Deferred revenue	(236,120)	(1,007,482)
Net Cash Provided by (Used in) Operating Activities	<u>1,129,641</u>	<u>(2,594,871)</u>
Investing Activities		
Net change in loans	(9,926,616)	(8,647,794)
Premiums paid on life insurance policies	(1,035,291)	(1,501,593)
Cash paid for investment in JP SUBCDEs	(150)	-
Purchases of property and equipment	(24,490)	(18,126)
Purchases of rental real estate	(876,965)	(564,177)
Purchases of investment real estate	(3,098,776)	(2,362,041)
Cash obtained through newly consolidated affiliates	-	313,724
Proceeds from sale of assets - rental real estate	-	55,747
Proceeds from sale of assets - investment in real estate	-	(26,754)
Transfer of other investments	-	20,000
Net Cash Used in Investing Activities	<u>(14,962,288)</u>	<u>(12,731,014)</u>

Justine Petersen Housing and Reinvestment Corporation
Consolidated Statement of Cash Flows
Year Ended December 31, 2025
(With Summarized Financial Information as of December 31, 2024)

(Continued)

	<u>2025</u>	<u>2024</u>
Financing Activities		
Capital contributed - noncontrolling interest	\$ 1,700,000	\$ -
Capital contributed - controlling interest	6,986,173	7,896,443
Distributions - noncontrolling interest	(2,200,000)	-
Proceeds from long-term debt	14,506,963	11,629,555
Payments on long-term debt	<u>(5,526,393)</u>	<u>(5,466,723)</u>
Net Cash Provided by Financing Activities	<u>15,466,743</u>	<u>14,059,275</u>
Increase (Decrease) in Cash	1,634,096	(1,266,610)
Cash, Beginning of Year	<u>4,623,553</u>	<u>5,890,163</u>
Cash, End of Year	<u>\$ 6,257,649</u>	<u>\$ 4,623,553</u>
Supplemental Cash Flows Information		
Interest paid	\$ 4,266,633	\$ 2,701,625
Income taxes paid	\$ 53,585	\$ 2,300
Net transfers from investment in real estate to rental real estate	\$ 1,590,737	\$ 43,299
During 2024, the Corporation obtained assets and assumed liabilities in newly consolidated affiliates as follows		
Assets obtained		\$ 1,476,001
Cash received		313,724
Liabilities assumed		<u>(1,573,473)</u>
Net assets assumed		<u>\$ 216,252</u>

Justine Petersen Housing and Reinvestment Corporation
Notes to Consolidated Financial Statements
December 31, 2025
(With Summarized Financial Information as of December 31, 2024)

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Justine Petersen Housing and Reinvestment Corporation (“Justine PETERSEN”) is a Missouri not-for-profit corporation, which was established in 1996 to promote housing, savings and economic development of low- and moderate-income families to build assets and create enduring change. Justine PETERSEN has formed several subsidiaries to achieve its mission and maximize funding opportunities from various federal, state, and local agencies. Justine PETERSEN is a qualified U.S. Department of Treasury certified Community Development Financial Institution (“CDFI”) in St. Louis.

Justine PETERSEN is named after the late Justine M. Petersen, who helped hundreds of low- and moderate-income families in the St. Louis area purchase their own homes. Ms. Petersen worked with local banks to develop loan products for good homebuyers who had been shut out of the homeownership process because of income or location preference.

Information on the Justine PETERSEN’s consolidated subsidiaries includes the following:

Subsidiaries	Acronym	Year	State	Ownership/Relationship
Great Rivers Community Capital, Inc.	GRCC	1999	MO	Wholly-owned subsidiary
Twenty First Homes, LP	TFH	2007	IL	99.9% owned subsidiary
Twenty First Homes Developers, NFP	TFHD	2007	IL	Wholly-owned NFP subsidiary (including 0.01% general partnership interest in TFH)
JP Emerging Markets Fund I, LLC	JPEM	2015	CO	Managing member
JP Emerging Markets Fund II, LLC	JPEM II	2025	CO	Managing member
JP COVID-19 Response Fund, LLC	JP COVID-19	2020	DE	Managing member
Justine Petersen Properties, LLC	JP PROP	2021	MO	Managing member
Sanctuary in the Ordinary	SITO	2024	MO	NFP affiliate through board control
Infinite Properties, LLC	Infinite PROP	2024	MO	50.0% owned subsidiary of SITO
IgniteMO Loan Participation Program, LLC	IgniteMO	2024	MO	Wholly-owned subsidiary
JPHRC 2745 N. Grand, LLC	2745 N.	2024	MO	Wholly-owned subsidiary

Great Rivers Community Capital, Inc. (“GRCC”) was the first U.S. Department of the Treasury certified CDFI in St. Louis. GRCC originates loans to low- and moderate-income individuals and families who are unable to access safe, affordable capital any place else. GRCC has its own Board of Directors; however, GRCC’s operations are monitored by Justine PETERSEN’s Board of Directors. GRCC is responsible for certain allocated overhead and administrative expenses, which are eliminated in consolidation.

Twenty First Homes, LP (“TFH”) was established to construct, own and manage 20 low-income single-family homes in Granite City, Illinois. TFH completed the construction of the homes in January 2011. Currently, Justine PETERSEN is the 99.99% limited partner, and the 0.01% general partner listed below, is an entity solely owned by Justine PETERSEN.

Twenty First Homes Developers, NFP (“TFHD”) is a general partner to TFH, the limited partnership that owns the 20 low-income single-family residences in Granite City, Illinois previously mentioned.

Justine Petersen Housing and Reinvestment Corporation
Notes to Consolidated Financial Statements
December 31, 2025
(With Summarized Financial Information as of December 31, 2024)

JP Emerging Markets Fund I, LLC (“JPEM”) was established to further the mission of Justine PETERSEN including investment activities related to economic development in low- and moderate-income areas or targeted redevelopment areas and other investments within certain geographic areas as determined by Justine PETERSEN. JPEM’s members are Justine PETERSEN, who is the managing member, Local Church Ministries Church Building and Loan Fund, First Bank, the William A. Kerr Foundation, FCB Banks, First Mid Bank and Trust, Associated Bank, and Peoples Savings Bank, who are non-manager members. Non-manager member units do not have voting rights, except as otherwise agreed. Members share net income (loss) and distributions of JPEM in accordance with their percentage of units. The interest of non-manager members in JPEM at December 31, 2025 and 2024, of \$0 and \$3,000,000, respectively, is reflected as the ‘non-controlling interest’ portion of net assets without donor restrictions on the accompanying consolidated statement of financial position. JPEM dissolved and wound up its affairs at December 31, 2025.

JP Emerging Markets Fund II, LLC (“JPEM II”) was established in 2025 to further the mission of Justine PETERSEN including investment activities related to economic development in low- and moderate-income areas or targeted redevelopment areas and other investments within certain geographic areas as determined by Justine PETERSEN. JPEM II’s members are Justine PETERSEN, who is the managing member, First Bank, FCB Banks, Carrollton Bank, Dieterich Bank, Peoples Savings Bank, and the Community Foundation of Central Illinois, who are non-manager members. Non-manager member units do not have voting rights, except as otherwise agreed. Members share net income (loss) and distributions of JPEM II in accordance with their percentage of units. The interest of non-manager members in JPEM II at December 31, 2025 and 2024, of \$4,150,001 and \$0, respectively, is reflected as the ‘non-controlling interest’ portion of net assets without donor restrictions on the accompanying consolidated statement of financial position. JPEM II shall dissolve and wind up its affairs at December 31, 2030, unless the operating agreement is amended to extend the term.

JP COVID-19 Response Fund, LLC (“JP COVID-19”) was established in 2020 to provide assistance to small businesses in Central and Southern Illinois impacted by the COVID-19 pandemic. JP COVID-19’s members are Justine PETERSEN, who is the managing member, First Bank, Carrollton Bank, Dieterich Bank, and FCB Banks, who are non-manager members. Non-manager member units do not have voting rights, except as otherwise agreed. Members share net income (loss) and distributions of JP COVID-19 in accordance with their percentage of units. The interest of non-manager members in JP COVID-19 at December 31, 2025 and 2024, of \$0 and \$1,650,001, respectively, is reflected as the ‘non-controlling interest’ portion of net assets without donor restrictions on the accompanying consolidated statement of financial position. JP COVID-19 dissolved and wound up its affairs at December 31, 2025.

Justine Petersen Properties, LLC (“JP Properties”) was established in 2021 to own and manage low-income single-family homes for Justine PETERSEN. Justine PETERSEN is the sole member of JP Properties.

Sanctuary in the Ordinary (“SITO”) was established to revitalize and manage rental housing for low-income residents. Effective January 1, 2024, Justine PETERSEN and SITO entered into an “Agreement” which made Justine PETERSEN the sole member of SITO and replaced the SITO Board of Directors with Justine PETERSEN’s Board of Directors. Either party may terminate this agreement at any time for any reason upon 30 days advance written notice.

Infinite Properties, LLC (“Infinite Properties”) was established to own and manage low-income housing in St. Louis. Infinite Properties’ members are SITO and a third party member, who are managing members. Members share net income (loss) and distributions of Infinite Properties in accordance with their percentage of units. The interest of the non-controlling interest member in Infinite Properties at December 31, 2025 and 2024 of \$(84,847) and \$(69,335), respectively, is reflected as the ‘non-controlling interest’ portion of net assets without donor restrictions on the accompanying consolidated statement of financial position. SITO is responsible for certain allocated overhead and administrative expenses of Infinite Properties, which are eliminated in consolidation.

Justine Petersen Housing and Reinvestment Corporation
Notes to Consolidated Financial Statements
December 31, 2025
(With Summarized Financial Information as of December 31, 2024)

IgniteMO Loan Participation Program, LLC (“IgniteMO”) was established in 2024 to operate the IgniteMO Small Business Loan Participation Program under SSBCI funding. IgniteMO is monitored by Justine PETERSEN’s Board of Directors. Justine PETERSEN is responsible for certain allocated overhead and administrative expenses of IgniteMO, which are eliminated in consolidation.

JPHRC 2745 N. Grand, LLC (“2745 N. Grand”) was established in 2025 to manage the property previously donated to Justine PETERSEN in 2023. Justine PETERSEN is the sole member of 2745 N. Grand. At December 31, 2025, the property had not yet been transferred to 2745 N. Grand and, as such, 2745 N. Grand had no activity.

Basis of Consolidation

The accompanying consolidated financial statements include the accounts of the Justine PETERSEN, GRCC, TFH, TFHD, JPEM, JPEM II, JP COVID-19, JP Properties, SITO, Infinite Properties, IgniteMO and 2745 N. Grand, collectively the “Corporation.” All significant intercompany accounts and transactions have been eliminated in the consolidation.

Summarized Information

The consolidated financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Corporation’s consolidated financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Use of Estimates

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

Cash

At December 31, 2025, the Corporation’s cash accounts exceeded federally insured limits by approximately \$7,867,000.

Restricted Funds

Restricted funds are restricted by donors and/or granting governmental agencies. Restricted funds also include tenant security and escrow deposits. The Corporation is required to keep separate bank accounts for certain funding agencies.

These deposit accounts restricted internally and/or externally by regulators and other funders are not considered to be cash and therefore are excluded from cash totals in the statement of cash flows.

At December 31, 2025, the Corporation’s restricted funds exceeded federally insured limits by approximately \$9,561,000.

Accounts and Grants Receivable

Accounts receivable and grants receivable are stated at the amount of consideration from customers or grantors, of which the Corporation has an unconditional right to receive plus any accrued and unpaid interest. The Corporation considers an allowance for credit losses, based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Management is of the opinion that no allowance for accounts and grants receivable is necessary at December 31, 2025 and 2024.

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Loans Receivable

Loans receivable that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are reported at their outstanding principal balances adjusted for unearned income, charge-offs, and the allowance for credit losses.

For loans receivable at amortized cost, interest income is accrued based on the unpaid principal balance.

The accrual of interest on loans receivable is generally discontinued at the time the loan receivable is 90 days past due unless the credit is well-secured and in process of collection. Past-due status is based on contractual terms of the loan receivable. In all cases, loans receivable are placed on nonaccrual or charged off at an earlier date if collection of principal or interest is considered doubtful.

All interest accrued but not collected for nonaccrual loans receivable or loans that are charged off are reversed against interest income. The interest on these loans receivable is accounted for on the cash-basis or cost-recovery method, until qualifying for return to accrual. Loans receivable are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

Allowance for Credit Losses (ACL) - Loans

The allowance for credit losses is a valuation allowance that is deducted from the loans receivable's amortized cost basis to present the net amount expected to be collected on the loans receivable. Management's determination of the adequacy of the ACL is based on the assessment of expected credit loss on loans receivables over the expected life of the loan receivable. The ACL is increased by provision expense and decreased by charge-offs, net of recoveries of amounts previously charged off. Loans receivables are charged off when management believes the collection of the principal amount owed in full is unlikely. Expected recoveries do not exceed the aggregate of amounts previously charged off and expected to be charged off. The Corporation made the policy election to exclude accrued interest receivable on loans from the estimate of credit losses. As of December 31, 2025 and 2024, accrued interest on loans of \$2,148,534 and \$1,067,357, respectively, were excluded from ACL evaluation. Accrued interest on loans was recorded within interest receivable on the consolidated balance sheet.

Management estimates the allowance balance using relevant available information from both internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. The reasonable and supportable forecast is captured through the Corporation's qualitative factor adjustments, with reversion immediately applied. Historical credit loss experience of the Corporation, paired with economic forecasts provide the basis for the quantitatively modeled estimates of expected credit losses. The Corporation adjusts its quantitative model, as necessary, to reflect conditions not already considered by the quantitative model. These adjustments are commonly known as the qualitative factors.

The allowance for credit losses is measured on a collective (pool) basis when similar risk characteristics exist. The Corporation uses the average historical loss method to measure the quantitative portion of the allowance for credit losses over the forecast and reversion periods. The following portfolio segments have been identified: Mortgage loans receivables; Business loans receivables, which include Small Business Administration loans receivables, Community Development Financial Institutions loans receivables, and Microenterprise loans receivables; and Other loans receivables. Repayment of these is dependent on general economic conditions and adverse situations that may affect the borrower's ability to repay. Business loans are paid primarily from the cash flow of borrower's principal business operation. Credit risk on these loans is driven by credit worthiness of a borrower and the economic conditions that impact the cash flow stability from business operations. Accordingly, the nature of these loans makes them more difficult for management to monitor and evaluate.

Loans receivables that do not share risk characteristics are evaluated on an individual basis. Loans receivables evaluated individually are not also included in the collective evaluation. When management determines that foreclosure is probable, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate.

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

Allowance for Credit Losses Unfunded Commitments

The Corporation estimates expected credit losses over the contractual period in which the Corporation is exposed to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Corporation. The allowance for credit losses on unfunded commitments is adjusted as a provision for credit loss expense and would be reported as a component of interest payable in the consolidated balance sheets. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life consistent with the related allowance for credit losses methodology. The Corporation had no allowance for credit losses related to unfunded commitments as of December 31, 2025 and 2024.

New Markets Tax Credits – Investments in SUBCDEs at Fair Value

Justine PETERSEN received New Markets Tax Credits (NMTC) allocations totaling \$15,000,000. Justine PETERSEN is a designated Community Development Entity (CDE) under the NMTC program administered by the United States Department of the Treasury. In connection with its NMTC allocations, Justine PETERSEN formed several Missouri limited liability companies (JP SUBCDE 1 LLC through JP SUBCDE 5 LLC) to facilitate qualified low-income community investment (QLICI) lending transactions.

The JP SUBCDE entities are special-purpose entities whose activities are limited exclusively to carrying out NMTC-related financing structures. Prior to being activated for a specific transaction, each entity has no significant assets, liabilities, or operating activity, and the membership interests are owned entirely by the Corporation. Upon activation in connection with an NMTC transaction, a tax credit-motivated investor is typically admitted as an investor member with an ownership interest of 99.99%, while the Corporation retains a nominal ownership interest of 0.01%, and serves as the managing member.

The Corporation has elected, in accordance with ASC 958-810-15-4, to measure its investments in the JP SUBCDE entities at fair value, with changes in fair value recognized in the statement of activities.

As of December 31, 2025, only JP SUBCDE 1 LLC had been activated in connection with a NMTC transaction. Under the amended operating agreement for JP SUBCDE 1 LLC, the Corporation holds a nominal economic interest and an initial capital contribution of \$150, while the investor member holds substantially all of the economic interest. Accordingly, the fair value of the Corporation's investment in JP SUBCDE 1 LLC, and any changes in fair value recognized during the year, were nominal. The activities of the JP SUBCDE 1 LLC is governed by restrictive operating agreements designed to ensure compliance with NMTC program requirements. Justine PETERSEN has engaged Advantage Capital to manage program compliance including IRS regulations and reporting.

The JP SUBCDE 1 LLC investment as of December 31, 2025 and 2024 was \$150 and \$0, respectively.

Investments in Private Entities

The Corporation invests money in certain private entities to provide job and business expansion in the community. The Corporation measures equity investments without a readily determinable fair value at cost, minus impairment, if any, plus or minus changes resulting from observable price changes for the identical or similar investment. As of and for the years ended December 31, 2025 and 2024, the Corporation has \$452,194 of investments in private entities without a readily determinable fair value, as disclosed in Note 19.

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Corporation-Owned Life Insurance

The Corporation has purchased life insurance policies on certain key executives. Corporate-owned life insurance is recorded at the amount that can be realized under the insurance contract at the balance sheet date, which is the cash surrender value adjusted for other charges or other amounts due that are probable at settlement. At December 31, 2025 and 2024, the cash surrender value of \$3,054,929 and \$2,012,582, respectively, is included in other assets on the statement of financial position and were pledged as collateral on a line of credit (see Note 10).

Investment in Real Estate

Land, homes, and other developmental costs are stated at cost, plus labor, various maintenance and real estate taxes incurred during the period of development and rehabilitation up to the amount they expect to receive upon sale either from buyer or grantor. If costs exceed expected value, the additional costs will be expensed.

Property and Equipment and Rental Real Estate

Land is carried at cost. Property and equipment and rental real estate acquisitions over \$1,500 are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization is charged to expense on the straight-line basis over the estimated useful life of each asset.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings	40 years
Equipment	3 to 7 years
Furniture and fixtures	3 to 7 years
Rental real estate - buildings	10 to 27.5 years

Asset Impairment

The Corporation evaluates the recoverability of the carrying value of assets whenever events or circumstances indicate the carrying amount may not be recoverable. If an asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

During 2025, the Corporation identified impairment indicators related to property damage resulting from a tornado. The resulting impairment loss and related impacts are discussed further in Note 6.

No asset impairment was recognized during the years ended December 31, 2025 and 2024, for property and equipment. Impairment losses of \$748,824 and \$54,678 was recognized in the consolidated statement of activities for rental real estate and investment in real estate at December 31, 2025 and 2024, respectively, based on on-line real estate marketplaces estimates. This loss is included in the housing expense line within the consolidated statement of activities.

Deferred Revenue

The Corporation received federal State Small Business Credit Initiative (SSBCI) administrative funds to cover the costs of operating the IgniteMO loan participation program. The Corporation pays the expenses and is reimbursed quarterly. Sanctuary in the Ordinary received funds to renovate a property. Once the renovations are complete, the deferred revenue will be recognized in the consolidated statement of activities as revenue.

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Debt Issuance Costs

Debt issuance costs represent costs incurred in connection with the issuance of certain long-term debt. The Corporation records these costs as direct deductions from the related debt. Such costs are being amortized over the term of the respective debt using the effective interest method. As of December 31, 2025 and 2024, the net carrying amount of debt issuance costs was \$1,983 and \$3,500, respectively.

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor or certain grantor restrictions.

Net assets with donor restrictions are subject to donor or certain grantor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

Program Service Fee Revenue

Program service fees are recognized as services are performed and the satisfaction of the contractual performance obligation is met. Loan and administrative fees on the consolidated statement of activities include loan origination fees and fees charged for loans serviced, but not owned by the Corporation.

Rental Income

Rental income is recognized in accordance with the terms set forth in the tenant leases on a monthly basis.

Contributions

Contributions are provided to the Corporation either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<p><i>Conditional gifts, with or without restriction</i> Gifts that depend on the Corporation overcoming a donor-imposed barrier to be entitled to the funds</p>	<p>Not recognized until the gift becomes unconditional, <i>i.e.</i> the donor-imposed barrier is met</p>
<p><i>Unconditional gifts, with or without restriction</i> Received at date of gift – cash and other assets</p>	<p>Fair value</p>
<p>Received at date of gift – property, equipment and long-lived assets</p>	<p>Estimated fair value</p>
<p>Expected to be collected within one year</p>	<p>Net realizable value</p>
<p>Collected in future years</p>	<p>Initially reported at fair value determined using the discounted present value of estimated future cash flows technique</p>

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When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Gifts having donor stipulations which are fully satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions. Gifts having donor stipulations where the restrictions are only partially satisfied in the same year are recorded as revenue and net assets with donor restrictions and the released from restrictions as restrictions are satisfied over time.

Conditional contributions having donor stipulations which are fully satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

Government Grants

Support funded by grants is recognized as the Corporation meets the conditions prescribed by the grant agreement, performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Income Taxes

Justine PETERSEN is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, these entities are subject to federal income tax on any unrelated business income.

GRCC is a Missouri for-profit corporation and files a corporate income tax return. GRCC accounts for income taxes using the asset and liability approach. The asset and liability approach require the recognition of deferred tax assets and liabilities for expected future tax benefits and consequences of temporary differences between the carrying amounts and the tax basis of the assets and liabilities. Valuation allowances are established, if necessary, to reduce a deferred tax asset to an amount more likely than not to be realized.

TFHD is an Illinois not-for-profit corporation and files a corporate income tax return. TFH is an Illinois limited partnership and files a partnership tax return. JPEM is a Colorado limited liability company and files a partnership tax return. JP-COVID-19 is a Delaware limited liability company and files a partnership tax return. JP Properties is a Missouri limited liability company that is considered a disregarded entity for tax purposes and included with Justine PETERSEN for tax filing purposes. SITO is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. IgniteMO is a Missouri limited liability company that is considered a disregarded entity for tax purposes and included with Justine PETERSEN for tax filing purposes. JPEM II is a Colorado limited liability company and files a partnership tax return. 2745 N. Grand is a Missouri limited liability company that is considered a disregarded entity for tax purposes and included with Justine PETERSEN for tax filing purposes.

Management believes there are no uncertain tax positions as of December 31, 2025 and 2024. The Corporation files all tax returns in the U.S. federal jurisdiction. The Corporation's tax returns are subject to examination by the respective taxing authorities, generally for three years after they were filed.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Certain costs have been allocated among the program, management and general and fundraising categories based on time and effort expended.

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Description of Program Services and Supporting Activities

The following program services and supporting activities are included in the accompanying consolidated financial statements.

Program – Includes those expenditures that enable the Corporation to operate its programs:

Housing – The Corporation assists low to moderate income families and individuals to address credit and other barriers to purchasing or refinancing a home through credit building products and services, budgeting, financial education, loan counseling, and homebuyer education.

Economic Development – Counselors provide training, technical assistance, and lending to micro-enterprises and small businesses. As a SBA Micro-Loan Intermediary and USDA Intermediary Re-Lender, the Corporation borrows money directly from the SBA and the USDA and originates micro-enterprise loans in accordance with its own underwriting guidelines to small business owners that may not be able to secure capital elsewhere. Justine PETERSEN is a SBA Community Advantage Small Business Lending Company. Justine PETERSEN and GRCC are United States Department of Treasury certified Community Development Financial Institutions. Each borrows from the bank, corporations, foundations, and other entities to capitalize its loan funds. JP Emerging Markets Loan Fund II is funded by local investors interested in providing access to safe, affordable, capital to small businesses overlooked by mainstream financial institutions. Similarly, the IgniteMO Loan Participation Program provides the same mission as the JP Emerging Markets Loan Fund II.

Savings – Counselors coach individuals on how to take control of their financial future, build a strong credit profile and save on interest rates and financing fees.

Management and General – Includes the functions necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of the Corporation's program strategy, secure proper administrative functioning of the Board, and manage the financial and budgetary responsibility of the Corporation.

Fundraising – Provides the structure necessary to encourage and secure private financial support from corporations, foundations, and individuals.

Reclassification

Certain reclassifications have been made to the December 31, 2024 consolidated financial statements for the Rental Real Estate footnote (Note 8) to conform to the December 31, 2025 presentation. These reclassifications had no effect on change in net assets.

Revisions

Certain immaterial revisions have been made to the 2024 Revenue from Contracts disclosure (Note 21) to remove the loan administrative fees of \$725,128 from being recognized over time to being recognized at a point in time.

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Note 2. Restricted Funds

Restricted funds consist of the following at December 31:

	<u>2025</u>	<u>2024</u>
Loan loss cash reserves		
Micro lending reserves	\$ 2,934,598	\$ 1,440,233
Community Advantage (CA) pilot program	95,247	235,253
Required loan loss reserves	<u>954,404</u>	<u>1,351,586</u>
	3,984,249	3,027,072
Escrow deposits	374,182	325,720
Tenant security deposits	13,385	12,635
IgniteMO loan fund	<u>7,567,682</u>	<u>7,507,071</u>
	<u>\$ 11,939,498</u>	<u>\$ 10,872,498</u>

Certain programs, including the SBA and CA pilot program, require the Corporation to maintain a prescribed minimum credit loss reserve fund in a segregated cash account. As of December 31, 2025 and 2024, the Corporation is in compliance with these requirements.

Note 3. Loans Receivable and Allowance for Credit Losses

Classes of loans at December 31, 2025 and 2024 include:

	<u>2025</u>	<u>2024</u>
Business loans		
Small business administration	\$ 6,262,954	\$ 8,402,949
CDFI	8,646,450	9,602,765
Micro-enterprise	<u>55,255,181</u>	<u>46,037,806</u>
Total business loans	70,164,585	64,043,520
Mortgage loans	233,505	239,928
Other loans	<u>2,662,905</u>	<u>2,393,279</u>
Gross loans	73,060,995	66,676,727
Less allowance for credit losses	<u>8,134,973</u>	<u>7,603,183</u>
Net loans	<u>\$ 64,926,022</u>	<u>\$ 59,073,544</u>

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The following tables present the balance in the allowance for credit losses and the recorded investment in loans based on portfolio segment and impairment method as of December 31, 2025 and 2024:

	2025			Total
	Business	Mortgage	Other	
Allowance for Credit Losses				
Balance, beginning of year	\$ 6,647,361	\$ 71,846	\$ 883,976	\$ 7,603,183
Provision charged to expense	3,705,268	(65,238)	434,108	4,074,138
Losses charged off	(3,731,881)	-	(603,594)	(4,335,475)
Recoveries	704,044	47,249	41,834	793,127
Balance, end of year	<u>\$ 7,324,792</u>	<u>\$ 53,857</u>	<u>\$ 756,324</u>	<u>\$ 8,134,973</u>
	2024			Total
	Business	Mortgage	Other	
Allowance for Credit Losses				
Balance, beginning of year	\$ 5,440,006	\$ 47,583	\$ 865,383	\$ 6,352,972
Provision charged to expense	3,996,088	24,263	278,479	4,298,830
Losses charged off	(3,475,831)	-	(351,278)	(3,827,109)
Recoveries	687,098	-	91,392	778,490
Balance, end of year	<u>\$ 6,647,361</u>	<u>\$ 71,846</u>	<u>\$ 883,976</u>	<u>\$ 7,603,183</u>

Losses charged off during the years ended December 31, 2025 and 2024, totaled \$4,335,475 and \$3,827,109, respectively.

Recoveries during the years ended December 31, 2025 and 2024, totaled \$793,127 and \$778,490, respectively, of which \$500,000 for 2024 related to one individual relationship.

In addition to the allowance for credit losses, the Corporation maintains required cash reserves of \$4,147,182 and \$3,027,072 as of December 31, 2025 and 2024, respectively (Note 2), to cover credit losses.

Internal Risk Categories

Loan grades are: average or lower risk, high risk or impaired, and restructured. Credit risk grades are refreshed each quarter as they become available, at which time management analyzes the resulting scores, as well as other external statistics and factors, to track loan performance. The use and application of these grades by the Corporation will be uniform and shall conform to the Corporation's policy.

Average or lower risk rating consists of a range of loan grades that reflect increasing, though still acceptable risk. Movement of risk through the various grade levels in the "average or lower risk" category is monitored for early identification of credit deterioration.

High risk rating consists of loans where the borrower exhibits material negative financial trends due to borrower specific or systemic conditions that if left uncorrected, threaten the borrower's capacity to meet debt obligations. It is a transitional grade that is closely monitored for improvement or deterioration.

Restructured rating consists of loans modified in the normal course of business and not meeting the definition of a troubled debt restructuring.

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Risk characteristics applicable to each segment of the loan portfolio are described as follows:

Business: The business portfolio includes loans to commercial customers for use in financing working capital needs, equipment purchases and expansions. The loans in this category are repaid primarily from the cash flow of a borrower's principal business operation. Credit risk in these loans is driven by creditworthiness of a borrower and the economic conditions that impact the cash flow stability from business operations.

Mortgage: The mortgage loans are generally secured by owner-occupied 1-4 family residences. Repayment of these loans is primarily dependent on the personal income and credit rating of the borrowers. Credit risk in these loans can be impacted by economic conditions within the Corporation's market areas that might impact either property values or a borrower's personal income. Risk is mitigated by the fact that the loans are of smaller individual amounts and spread over a large number of borrowers.

Other: The other loans portfolio consists of various consumer loans used for other personal purposes. Repayment for these types of loans will come from a borrower's income source that is typically independent of the loan purpose. Credit risk is driven by consumer economic factors (such as employment and general economic conditions in the Corporation's market area) and the creditworthiness of a borrower.

The following tables present the credit risk profile of the Corporation's loan portfolio based on internal rating category and payment activity as of December 31:

	2025			
	Business	Mortgage	Other	Total
Rating				
Average or lower risk	\$ 57,661,406	\$ 233,505	\$ 2,140,317	\$ 60,035,227
High risk	3,174,826	-	82,509	3,257,335
Restructured	9,328,354	-	440,079	9,768,433
Total	<u>\$ 70,164,585</u>	<u>\$ 233,505</u>	<u>\$ 2,662,905</u>	<u>\$ 73,060,995</u>
	2024			
	Business	Mortgage	Other	Total
Rating				
Average or lower risk	\$ 50,734,967	\$ 239,928	\$ 1,799,333	\$ 52,774,228
High risk	2,932,130	-	162,910	3,095,040
Restructured	10,376,423	-	431,036	10,807,459
Total	<u>\$ 64,043,520</u>	<u>\$ 239,928</u>	<u>\$ 2,393,279</u>	<u>\$ 66,676,727</u>

The Corporation evaluates the loan risk grading system definitions and allowance for credit loss methodology on an ongoing basis. No significant changes were made during the past year.

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The following tables present the Corporation's loan portfolio aging analysis of the recorded investment in loans as of December 31, 2025 and 2024:

2025							
	30-59 Past Due	60-89 Days Past Due	90 Days and Greater	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days & Accruing
Business	\$ 2,190,467	\$ 1,223,709	\$ 3,669,374	\$ 7,083,550	\$ 63,081,035	\$ 70,164,585	\$ 494,549
Mortgage	-	-	-	-	233,505	233,505	-
Other	139,986	65,155	130,812	335,953	2,326,952	2,662,905	48,303
Total	\$ 2,330,453	\$ 1,288,864	\$ 3,800,186	\$ 7,419,503	\$ 65,641,492	\$ 73,060,995	\$ 542,852

2024							
	30-59 Past Due	60-89 Days Past Due	90 Days and Greater	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days & Accruing
Business	\$ 835,309	\$ 527,285	\$ 3,031,323	\$ 4,393,917	\$ 59,649,603	\$ 64,043,520	\$ 533,344
Mortgage	-	51,419	-	51,419	188,509	239,928	-
Other	52,234	28,075	164,517	244,826	2,148,453	2,393,279	33,823
Total	\$ 887,543	\$ 606,779	\$ 3,195,840	\$ 4,690,162	\$ 61,986,565	\$ 66,676,727	\$ 567,167

The following tables present the Corporation's nonaccrual loans at December 31, 2025 and 2024:

2025			
	Non-Accrual with no-ACL	Non-Accrual	>90 days still accruing
Business	\$ -	\$ 3,174,826	\$ 494,549
Mortgage	-	-	-
Other	-	82,509	48,303
Total	\$ -	\$ 3,257,335	\$ 542,852

2024			
	Non-Accrual With No-ACL	Non-Accrual	>90 Days Still Accruing
Business	\$ -	\$ 2,932,129	\$ 533,344
Mortgage	-	-	-
Other	-	162,910	33,823
Total	\$ -	\$ 3,095,039	\$ 567,167

The Corporation had no collateral dependent loans at December 31, 2025 and 2024. A loan is considered to be collateral dependent when the borrower is experiencing financial difficulty and the repayment is expected to be provided substantially through the operations or sale of collateral.

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The following tables show the amortized cost basis as of December 31, 2025 and 2024 of the loans modified to borrowers experiencing financial difficulties, disaggregated by class of loans and type of concession granted and describe the financial effect of the modifications made to borrowers experiencing financial difficulty.

2025		
Combination - Interest Rate Reduction & Term Extension		
Amortized Cost Basis	% of Total Loan Type	Financial Effect
Business	\$ 5,941	0.01%
		Weighted-average rate reduced by 13% and term extended by 69 months.
Total	\$ 5,941	0.01%

2024		
Combination - Interest Rate Reduction & Term Extension		
Amortized Cost Basis	% of Total Loan Type	Financial Effect
Business	\$ 98,707	0.15%
		Weighted-average rate reduced by 10% and term extended by 105 months.
Other	1,806	0.08%
		Weighted-average rate reduced by 6% and term extended by 57 months.
Total	\$ 100,513	0.23%

2025		
Combination - Payment Delay & Term Extension		
Amortized Cost Basis	% of Total Loan Type	Financial Effect
Business	\$ 1,391,181	1.98%
Other	20,791	0.78%
		Term extended by 31 months
		Term extended by 28 months
Total	\$ 1,411,972	2.76%

2024		
Combination - Payment Delay & Term Extension		
Amortized Cost Basis	% of Total Loan Type	Financial Effect
Business	\$ 1,400,691	2.19%
Other	7,049	0.29%
		Term extended by 19 months
		Term extended by 38 months
Total	\$ 1,407,740	2.48%

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The following tables depict the performance of loans that have been modified during 2025 and 2024:

	2025		
	Payment Status (Amortized Cost Basis)		
	Current	30-89 Days Past Due	>90 Days Past Due
Business	\$ 1,143,006	\$ 240,202	\$ 13,914
Other	4,468	16,323	-
Total	\$ 1,147,474	\$ 256,525	\$ 13,914

	2024		
	Payment Status (Amortized Cost Basis)		
	Current	30-89 Days Past Due	>90 Days Past Due
Business	\$ 1,362,991	\$ -	\$ 136,407
Other	8,855	-	-
Total	\$ 1,371,846	\$ -	\$ 136,407

Note 4. Loan Servicing

Loans serviced for others are not included in the accompanying consolidated statement of financial position. The Corporation received monthly servicing fees in carrying out this work. The unpaid principal balances of loans serviced for others were approximately \$10.1 million and \$11.4 million at December 31, 2025 and 2024, respectively.

Note 5. Conditional Grants

The Corporation receives its grant support through periodic claims filed with the respective funding sources, not to exceed a limit specified in the funding agreement. Since the consolidated financial statements of the Corporation are prepared on the accrual basis, all earned portions of the grants not yet received as of December 31, 2025, have been recorded as receivables. In addition, the Corporation receives certain grant funding in advance of when it is earned. These funds are included in deferred revenue until earned. Following are the grant commitments that extend beyond December 31, 2025:

Grant	Term	Grant Amount	Earned Through 2025	Funding Available
Small Business Administration Microloan TA Grant	7/1/25-6/30/26	\$ 1,282,402	\$ 699,191	\$ 583,211
FHLBC Housing Counseling Resource Program	7/18/25-7/14/27	100,000	29,493	70,507
City of Urbana	1/1/24-12/31/26	250,000	81,945	168,055
City of Champaign	7/2/24-6/30/27	250,000	68,978	181,022
IgniteMO SSBCI Admin	10/1/24-9/30/34	600,000	354,218	245,782
IgniteIL SSBCI TA	6/1/25-2/28/26	700,000	186,996	513,004
City of St. Louis ARPA - Evans	10/8/24-12/31/26	150,000	126,345	23,655
City of St. Louis ARPA - Baden	7/2/24-12/31/26	1,090,108	890,260	199,848
City of St. Louis AHP - Delmar	9/19/24-12/31/26	575,000	388,956	186,044
		\$ 4,997,510	\$ 2,826,382	\$ 2,171,128

Justine Petersen Housing and Reinvestment Corporation
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Note 6. 2025 Tornado

In May 2025, the Corporation had properties that were impacted by a tornado, resulting in damage to both rental real estate and investment in real estate assets reported on the statement of financial position. As a result of this event, the Corporation recorded an impairment loss of \$625,443 to write down the carrying value of certain properties to their estimated fair value.

The Corporation incurred approximately \$780,600 of repair and restoration costs during 2025, which were either expensed or capitalized as incurred.

The Corporation maintains insurance coverage related to its properties and received \$330,247 of insurance proceeds during 2025 related to the tornado damage. Insurance recoveries were recognized when realized and are reported in insurance proceeds on the statement of activities at December 31, 2025. Additional recoveries, if any, are subject to the terms of the insurance policies and resolution of claims.

Note 7. Property and Equipment

Property and equipment at December 31 consist of:

	<u>2025</u>	<u>2024</u>
Land	\$ 123,212	\$ 123,212
Buildings	1,507,660	1,507,660
Equipment	144,780	131,145
Furniture and fixtures	<u>176,514</u>	<u>175,489</u>
	1,952,166	1,937,506
Less accumulated depreciation	<u>834,217</u>	<u>734,677</u>
	<u>\$ 1,117,949</u>	<u>\$ 1,202,829</u>

Note 8. Rental Real Estate

The Corporation owns and manages rental housing to promote safe, affordable rental housing in low- and moderate-income areas. The houses donated are recorded at the estimated fair market value at the time of the donation based on appraisals or other market information resources. Purchased properties are recorded at cost plus costs to improve, which management believes approximates market after improvements.

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Rental real estate at December 31 consists of:

	<u>2025</u>	<u>2024</u>
Land	\$ 487,382	\$ 374,382
Buildings, net of impairment	<u>13,113,923</u>	<u>11,033,358</u>
	13,601,305	11,407,740
Less accumulated depreciation	<u>3,510,975</u>	<u>3,081,714</u>
	<u>\$ 10,090,330</u>	<u>\$ 8,326,026</u>

Note 9. Investment in Real Estate

Investment in real estate includes land and homes that have been donated to the Corporation or purchased properties for renovation and sale to contribute to the quality of owner-occupied housing in low- and moderate-income areas. The Corporation does not intend to hold these properties and has intent to sell. The properties are recorded at cost and/or donated value plus improvements and less any impairment, which management believes approximates market value after improvements. Total investment in real estate at December 31, 2025 and 2024, was \$8,906,355 and \$7,900,834, respectively.

Foreclosed assets and properties acquired through customer loan default, included in the above investment in real estate, total \$2,133,750 and \$2,157,762 for the years ended December 31, 2025 and 2024, respectively. They are carried at fair value, net of estimated costs to sell, not to exceed the carrying value of the loan receivable upon foreclosure.

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Note 10. Long-Term Debt

Justine PETERSEN	<u>2025</u>	<u>2024</u>
Line of credit of \$1,250,000 with a bank, due August 2026, payable in monthly interest only payments which are calculated at prime rate, secured by loans receivable.	\$ 1,250,000	\$ 1,250,000
Line of credit of \$750,000 with USDA, due October 2043, monthly interest of 1% until October 2017 at which time annual principal and interest of \$31,838 commenced, secured by real and personal property.	548,339	550,181
Unsecured line of credit of \$3,000,000 with a bank, due August 2026 and monthly interest at 7.5%.	2,978,940	2,478,940
Line of credit of \$500,000 with USDA, due October 2045, monthly interest of 1% until October 2018 at which time annual principal and interest of \$16,700 commenced, secured by real and personal property.	382,956	451,624
Unsecured credit agreement with interest at 4%, due July 2031, quarterly interest only payments through maturity date and three annual principal payments starting July 2030.	400,000	400,000
Promissory note of \$865,800 with a bank, due April 2027, payable in monthly installments of \$5,670 including interest at 4.713%, secured by deed of trust and guaranteed by Justine Peterson.	353,043	373,956
SBA notes payable, secured by loans receivable, at the following rates and payments, as adjusted, according to the terms of the loan. Payments on SBA loans adjust according to the terms and conditions of each note:		
Interest at 0 - 1.375%, due July 2025, payable in monthly payments of \$11,574.	-	81,776
Interest at 0 - 1.125%, due November 2026, payable in monthly payments of \$11,574.	127,315	266,204
Interest at .625 - 2.625%, due April 2028, payable in monthly payments of \$7,664.	200,311	291,877
Interest at 0 - 1.875%, due September 2029, payable in monthly payments of \$19,334.	875,000	1,108,334
Interest at 0 - 0.875%, due June 2031, payable in monthly payments of \$23,148.	1,527,778	1,805,556
Interest at 0-1.25%, due February 2032, payable in monthly payments of \$4,630 with no principal or interest required the first 12 months.	342,593	398,148

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Justine PETERSEN	<u>2025</u>	<u>2024</u>
Interest at 1.875 - 3.875%, due July 2033, payable in monthly payments of \$16,353, with no principal or interest required the first 12 months.	\$ 1,399,895	\$ 1,568,288
Interest at 2.375 - 4.375%, due June 2034, payable in monthly payments of \$8,408, with no principal or interest required the first 12 months.	758,967	800,000
Promissory note of \$1,250,000 with a bank, due January 2028, payable in monthly installments of \$29,265 including interest at 5.76%, secured by deposit accounts.	687,366	988,821
Two unsecured promissory notes of \$20,000 each with an individual, principal and interest due September 2027 with interest at 3%.	55,166	53,542
Unsecured note of \$35,000 with a trust, due July 2027, interest and principal payable on due date, interest at 3%.	47,758	46,352
Unsecured promissory note of \$15,000 with an individual, principal and interest due November 2027, interest at 3%.	19,771	19,189
Unsecured promissory note of \$25,000 with an individual, principal and interest due April 2025, interest at 2.50%.	-	26,779
Note payable with interest at 6.5%, due December 2030, payable in monthly payments of \$350 beginning January 2026, secured by real and personal property.	17,824	20,083
Note payable with interest at 6.5%, due December 2030, payable in monthly payments of \$381 beginning January 2026 secured by real and personal property.	19,441	21,711
Note payable with interest at 7.50%, due July 2028, payable in monthly payments of \$400 beginning August 2025, secured by real and personal property.	22,043	24,907
Unsecured promissory note with interest at 4.5%, due November 2027, monthly interest only payments beginning December 2022 through November 2025, and quarterly principal and interest payments of \$130,943 starting December 2025 through maturity date.	872,509	1,000,000
Note payable with interest at 6.5%, due December 2030, payable in monthly payments of \$493 beginning January 2026, secured by real and personal property.	25,158	28,089
Note payable with interest at 6.5%, due December 2030, payable in monthly payments of \$597 beginning January 2026, secured by real and personal property.	30,461	34,009

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Justine PETERSEN	2025	2024
Note payable with interest at 6.5%, due December 2030, payable in monthly payments of \$224 beginning January 2026, secured by real and personal property.	\$ 11,436	\$ 12,772
Note payable with interest at 6.5%, due December 2030, payable in monthly payments of \$1,094 beginning January 2026, secured by real and personal property.	95,905	100,879
Unsecured promissory note with interest at 3%, due January 2026, monthly interest only payments beginning April 2021 and principal payment due at maturity. The loan was renewed in	500,000	500,000
Unsecured promissory note of \$2,000,000 with a bank, due October 2026, with interest at 6.62%, payable in quarterly payments of \$185,426 beginning January 2024.	712,259	1,377,641
Promissory note of \$400,000 with a not-for-profit corporation, payments of principal and interest of \$1,782, interest at 7.50%, secured by a mortgage lien on certain properties, with balloon payment of \$167,921 due February 2030.	177,342	178,282
Unsecured promissory note of \$2,000,000 with a bank, due June 2027, payable in monthly principal and interest payments of \$45,213, interest calculated at WSJ Prime rate.	675,033	1,217,594
Unsecured promissory note of \$1,500,000 with a bank, due June 2027, quarterly interest at 3% until maturity.	1,500,000	1,500,000
Unsecured promissory note of \$200,000 with Madison County Community Development, due December 2025, quarterly interest at 3.00%, until maturity. Subsequent to year-end, in March 2026, the payoff was revised from a balloon to monthly payments of \$18,663 beginning in April 2026 through the updated maturity date in March 2027.	198,942	198,942
Unsecured line of credit of \$1,000,000 with a bank, due November 2026, quarterly interest payments due at 2.75% and remaining unpaid accrued interest and principal on due date.	995,051	1,000,000
Line of credit of \$2,000,000 with a bank, due September 2026, monthly interest only payments at prime rate plus 1.25%, secured by loans receivable. During 2025, the line of credit was increased to \$2,250,000.	2,250,000	2,000,000
Note payable with interest at 6.50%, due December 2030, payable in monthly payments of \$426 beginning January 2026, secured by real and personal property.	21,746	24,284
Promissory note of \$208,000 with a not-for-profit corporation, due October 2034, payable in monthly payments of principal and interest of \$2,083, interest calculated at 8.5%, secured by real property.	168,000	168,000

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Justine PETERSEN	2025	2024
Unsecured promissory note of \$45,000 with an individual, due at an undetermined date, interest payable annually at 2%.	\$ 45,000	\$ -
Unsecured line of credit of \$1,200,000 with a bank, due June 2026, monthly interest payments due at prime rate less 1% and remaining unpaid accrued interest and principal due on due date.	1,199,952	1,199,952
Unsecured line of credit of \$500,000 with a bank, due November 2028, monthly interest payments due at 6.75% through December 2025. Thereafter, monthly payments of principal and interest of \$8,487 through due date. This line of credit contains a Debt Service Coverage Ratio, which the Corporation was not in compliance with at December 31, 2025, therefore the full balance was classified as current at December 31, 2025.	494,326	500,000
Six unsecured promissory notes totaling \$248,000 with varying principal balances, due October 2028, interest payable quarterly at 5%.	153,000	153,000
Unsecured promissory note of \$250,000 with a bank, interest payable quarterly at WSJ Prime rate, and floor of 5%, principal due March 2026.	250,000	250,000
Unsecured line of credit of \$2,000,000 with an organization, due May 2028, monthly interest payments due at 8.50% and remaining accrued interest and principal on due date.	1,753,747	2,000,000
Unsecured promissory note of \$400,000 with a community development company, due June 2027, quarterly interest payments due at 3% and remaining unpaid accrued interest and principal on due date.	400,000	400,000
Line of credit of \$1,000,000 with USDA, due October 2052, annual interest of 1%, secured by real and personal property.	986,551	1,000,000
Unsecured promissory note of \$750,000 with a bank, due June 2028, interest at 6%, payable in quarterly interest only payments from September 2023 through August 2024, then in quarterly principal and interest payments of \$53,165 through due date.	490,085	666,670
Line of credit of \$1,645,382 with a bank, due December 2026, interest and principal payable on demand or at due date, interest at 5.79%, secured by life insurance policies. During 2025, the line of credit was increased to \$2,715,472.	2,715,472	1,652,171
Unsecured note payable of \$1,500,000 with a non profit, due December 2031, interest at 4%, interest and principal payable at a quarterly installments.	1,446,890	1,500,000

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Justine PETERSEN	2025	2024
Unsecured note of \$250,000 with a community foundation due July 2028, interest and principal payable on due date, interest at 3.35%.	\$ 250,000	\$ 250,000
Unsecured note of \$100,000 with a nonprofit corporation due January 2030, interest of 3% due quarterly while the principal is due on the maturity date.	100,000	100,000
A collection of unsecured promissory notes with interest rates from 2.5-4.8% and maturity dates of either 30 or 60 months. Additions of \$1,411,963 in 2025.	3,639,339	4,191,051
Promissory note with a bank with monthly payments of \$414, interest at 8.5%, secured by property, with balloon payment of \$33,608 due March 2030.	40,791	42,196
Unsecured promissory note with a bank with monthly payments of \$1,870, interest at 8.5%, with balloon payment of \$92,754 due August 2028.	126,558	137,566
Unsecured promissory note with interest at 5%, due January 2028, monthly interest only payments beginning April 2023 through January 2026 and quarterly principal and interest payments of \$131,614 starting April 2026 through maturity date.	1,000,000	1,000,000
Unsecured promissory note with a bank of \$250,000 due July 2025 interest of 1% and principal payable monthly at \$4,275.	-	29,784
Unsecured line of credit with a bank of \$500,000, due March 2027, with a fixed interest rate of 4.50% due March 2027, principal and interest payments of \$9,338 monthly until the maturity date.	174,842	269,797
Promissory note with a bank, due April 2026, payable in monthly interest only payments at 8.03%, secured by property.	33,051	35,615
Unsecured line of credit of \$500,000 with a bank, due August 2027, with a fixed interest rate of 7%, principal and interest payments of \$46,915 quarterly until the maturity date.	347,286	465,335
Unsecured promissory note with a corporation of \$1,000,000, interest at 3% payable with principal on the maturity date in December 2030. This promissory note contains an Interest Coverage Ratio, which the Corporation was not in compliance with at December 31, 2025, therefore the full balance was classified as current at December 31, 2025.	1,000,000	1,000,000
Unsecured note payable of \$5,000,000 with a bank, due June 2029, interest and principal payable quarterly, interest at 4%.	5,000,000	5,000,000

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Justine PETERSEN	2025	2024
Unsecured note payable with interest at 3%, due May 2025, payable in annual payments of \$27,223 beginning May 2023.	\$ -	\$ 26,429
Promissory note of \$3,000,000 with a not-for-profit corporation, interest rate at 2% payable annually, principal due at maturity in December 2028, secured by certain Loan Program property or assets.	3,000,000	3,000,000
Unsecured promissory note of \$500,000 with a not-for-profit corporation, interest rate at 3% with accrued interest and principal due at maturity in November 2029.	500,000	500,000
Unsecured promissory note for \$2,000,000 with a bank, interest payable monthly at 5.75%, principal due at maturity in September 2026.	2,000,000	2,000,000
Unsecured promissory note for \$100,000 with a bank, interest at 3.75% with a maturity date of February 2026.	90,558	100,000
Unsecured promissory note for \$2,000,000 with a fixed interest rate of 3%, with a maturity date of May 2030.	2,000,000	2,000,000
Unsecured promissory note for \$500,000 with a not-for-profit corporation, interest at 1.5% payable monthly, remaining principal due at maturity in December 2026. The remaining balance of the note was paid in full in 2025.	-	92,543
Unsecured promissory note for \$300,000 with a not-for-profit corporation, interest at 3%, payable quarterly, principal due at maturity in June 2027.	300,000	300,000
Unsecured promissory note for \$500,000 with a bank, interest at 3.25% payable monthly, principal due at maturity date in April 2025.	-	500,000
Unsecured promissory note for \$52,000 with a bank, interest at 8.51%, payable monthly in monthly payments of \$456 starting October 2023, with the remainder due in September 2026.	49,583	50,897
Unsecured promissory note for \$2,000,000 with a bank, due June 2028, interest at 6.25%, principal and interest payments of \$17,148 due monthly.	1,794,590	1,877,281
Unsecured promissory note for \$100,000 with a not-for-profit corporation, interest at 3%, payable monthly, principal due at maturity date in February 2031.	100,000	100,000
Unsecured line of credit for \$1,000,000 with a bank, interest payable monthly at the wsj prime rate through November 2024, then payable in monthly principal, if any is outstanding, based on a 48-month amortization schedule and interest payments at the U.S. 5-year Treasury rate plus 2.94%, with the last payment for any remaining unpaid principal and interest due November 2028.	756,795	981,884

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Justine PETERSEN	<u>2025</u>	<u>2024</u>
Multiple unsecured promissory notes for \$5,000 each with individuals, interest at 0%; principal due at maturity date in March or April 2026. Amount may be forgiven prior to maturity if needed for a loan loss reserve.	\$ 40,000	\$ 40,000
Unsecured promissory note for \$500,000 with a bank, interest at 6%, monthly payments of interest and principal of \$11,765, with a maturity date in March 2030.	500,000	-
Unsecured promissory note of \$750,000 with a not-for-profit corporation, interest rate at 3% payable annually, principal due at maturity in September 2030.	750,000	-
Secured line of credit of \$2,000,000 with a bank, due October 2027, with a fixed interest rate of 6.50% payable with principal at maturity date. Secured by first priority security interest in IgniteMO notes.	2,000,000	-
Promissory note for \$3,000,000 with a bank, interest at fixed rate of 5.94%, quarterly payments of interest, unpaid principal and interest at maturity, with a maturity date in September 2028. Secured by eligible loan receivables.	3,000,000	-
Unsecured CRA investment funding agreement of \$1,000,000 with a bank, interest rate at 4.10% payable quarterly, principal due at maturity in September 2028.	1,000,000	-
Unsecured promissory note for \$500,000 with a bank, interest at 7.05%, monthly payments of interest and principal of \$9,936, with a maturity date in October 2030.	500,000	-
Unsecured promissory note for \$1,000,000 with a bank, interest at 6.50% payable monthly, principal due at maturity date in June 2028.	1,000,000	-
Unsecured promissory note for \$2,000,000 with a bank, interest at 6.25% payable monthly, principal due at maturity date in April 2028.	<u>2,000,000</u>	<u>-</u>
Total Justine PETERSEN debt	<u><u>\$ 63,276,764</u></u>	<u><u>\$ 55,778,931</u></u>

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GRCC	2025	2024
Unsecured line of credit of \$2,500,000 with a bank, due August 2026, monthly interest of 4% payable monthly, unpaid interest and principal due on maturity in August 2026. During 2025, the line of credit was increased to \$4,000,000.	\$ 4,000,000	\$ 2,500,000
Unsecured note payable to U.S. Department of the Treasury, due April 2031, semi-annual payments of \$66 including interest rate at 1.9%.	6,905	6,905
	4,006,905	2,506,905
Less deferred financing costs	-	-
Total GRCC debt	<u>\$ 4,006,905</u>	<u>\$ 2,506,905</u>
	2025	2024
Promissory note of \$400,000 with Madison County Community Development, due March 2030, payable only if the project has positive cash flow, interest at 1%, secured by deed of trust.	\$ 400,000	\$ 400,000
Promissory note of \$670,000 with Illinois Housing Development Authority ("IHDA"), due April 2031, payable in monthly installments of \$1,767 including interest at 1%, secured by deed of trust.	441,643	459,873
	841,643	859,873
Less deferred financing costs	1,983	3,500
Total TFH debt	<u>\$ 839,660</u>	<u>\$ 856,373</u>

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SITO	2025	2024
Promissory note of \$288,750 with a bank due March 2027, payable in monthly installments of \$1,853 with a balloon payment of \$241,377 due March 2027 including interest at 4.60%, secured by deed of trust and guaranteed by Justine Petersen.	\$ 253,849	\$ 264,274
Promissory note of \$225,000 with a bank due June 2027, payable in monthly installments of \$1,992 with a balloon payment of \$212,741 due June 2027 including interest at 8.65%, secured by real property.	218,789	223,138
Unsecured balloon loan of \$80,000 with an entity, due April 2033, interest at 0%, payable in one balloon payment at maturity date.	80,000	80,000
Nineteen unsecured promissory notes totaling \$294,500 with varying principal balances, varying maturity dates, 0% interest.	289,500	294,500
Promissory note with a revocable trust totaling \$387,000, due January 2029, payable in quarterly interest payments of 5% with principal due at maturity, secured by deed of trust.	387,000	387,000
Unsecured promissory note with a revocable trust totaling \$50,000, due January 2029, payable in quarterly interest payments of 5% with principal due at maturity.	50,000	-
Total SITO debt	\$ 1,279,138	\$ 1,248,912
Infinite Properties	2025	2024
Promissory note of \$590,400 with a bank due September 2040, payable in monthly installments of \$3,596, including interest at 4%, secured by real property.	\$ 460,350	\$ 489,376
Total Infinite Properties debt	\$ 460,350	\$ 489,376
	2025	2024
Total debt	\$ 69,864,800	\$ 60,883,997
Less		
Debt issuance costs	1,983	3,500
Current maturities	26,805,334	18,011,829
	\$ 43,057,483	\$ 42,868,668

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Aggregate annual maturities of long-term at December 31, 2025, are:

2026	\$ 26,805,334
2027	10,715,611
2028	12,906,531
2029	8,437,662
2030	6,346,348
Thereafter	<u>4,651,331</u>
	<u>\$ 69,862,817</u>

Note 11. SSBCI Revolving Capital

During 2024, Justine PETERSEN entered into an agreement under the State Small Business Credit Initiative (SSBCI) with Missouri Technology Corporation (MTC) to operate a loan participation program (IgniteMO) serving socially and economically disadvantaged individuals. The first round of disbursements under the agreement were received in 2024 totaling \$8,312,045, of which \$7,896,443 is considered a program disbursement to create the loan fund. The second round of disbursements under the agreement were received in 2025 totaling \$7,287,955, of which \$7,103,557 is considered a program disbursement to further the loan fund. The intent of the program is to return an amount equal to 100% of the program disbursements to MTC at the end of the 10 year term. The total program disbursements received under the agreement in the years ended December 31, 2025 and 2024 totaled \$15 million. To the extent the loan fund is less than the total amount of program disbursements at the end of the term, there is an additional five year window for repayment. After the five year repayment window, any remaining loan balances are deemed uncollectible and are not subject to repayment.

Under the program, Justine PETERSEN generates qualified loans, of which, 50% is sold to IgniteMO. The IgniteMO loan fund is used to repay Justine PETERSEN for the loans purchased and Justine PETERSEN services the related loans and remits the proportionate share of principal and interest payments to IgniteMO loan fund. The loan fund is held in a restricted account (see Note 2).

Note 12. Contributed Nonfinancial Assets

For the years ended December 31, 2025 and 2024, contributed nonfinancial assets recognized within the statement of activities included:

	<u>2025</u>	<u>2024</u>
Education and counseling services	<u>\$ 45,349</u>	<u>\$ 1,725</u>
	<u>\$ 45,349</u>	<u>\$ 1,725</u>

The nonfinancial assets listed above were recognized within revenue. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Other Contributions

Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated.

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Note 13. Net Assets

Net Assets With Donor Restrictions

Net assets with donor restrictions of \$0 and \$330,000 were subject to expenditure for a specified purpose at December 31, 2025 and 2024, respectively.

Net Assets Released from Restrictions

Net assets released from restriction were \$330,000 and \$654,123 for the years ended December 31, 2025 and 2024, respectively. Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Note 14. Income Taxes

GRCC's provision for income taxes includes these components:

	<u>2025</u>	<u>2024</u>
Taxes currently payable	\$ 270,510	\$ 134,386
Deferred income taxes	(258,900)	(278,400)
Income tax expense (benefit)	<u>\$ 11,610</u>	<u>\$ (144,014)</u>

The income tax expense (benefit) is presented on the consolidated statement of functional expenses under program expense – economic development.

The difference between income tax expense (benefit) and the amount computed by applying the statutory tax rate to income before income taxes for GRCC is primarily due to the deductibility of certain reserves as well as deferred revenue on certain grant funds for income tax purposes.

The tax effects of temporary differences related to deferred taxes shown on the consolidated statement of financial position were:

	<u>2025</u>	<u>2024</u>
Deferred tax assets		
Allowance for credit losses	\$ 524,738	\$ 524,738
Impairment loss	214,434	128,314
	<u>739,172</u>	<u>653,052</u>
Deferred tax liabilities		
Basis reduction in loans receivable related to CDFI grant	532,554	711,172
Other	13,118	7,280
	<u>545,672</u>	<u>718,452</u>
Net deferred tax asset (liability)	<u>\$ 193,500</u>	<u>\$ (65,400)</u>

Justine Petersen Housing and Reinvestment Corporation
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Note 15. Related Party Transactions

Loans Receivable

At December 31, 2025 and 2024, the Corporation had loans receivable outstanding to executive officers, directors, employees, and their affiliates (related parties), in the amount of \$357,903 and \$395,297, respectively. In management's opinion, such loans and other extensions of credit and deposits were made in the ordinary course of business and were made on substantially the same terms (including interest rates and collateral) as those prevailing at the time for comparable transactions with other persons. Further, in management's opinion, these loans did not involve more than normal risk of collectability or present other unfavorable features.

Guarantee

During 2022, Justine PETERSEN guaranteed certain third-party debt of a previously unconsolidated entity, SITO. The guarantee term is for five years. Should Justine PETERSEN be obligated to perform under the guarantee arrangement, Justine PETERSEN may seek reimbursement from SITO of amounts expended under the guarantee. As of January 1, 2024, as mentioned in Note 1, SITO is an affiliate through board control of Justine PETERSEN and is, therefore, included on the consolidated financial statements.

At December 31, 2025 and 2024, the total outstanding balance on the guaranteed loan was \$252,118 and \$262,340, respectively.

Note 16. Affiliation

As mentioned in Note 1, on January 1, 2024, Justine PETERSEN entered into an "Agreement" with SITO, resulting in the consolidation of the net assets of SITO and its' 50% owned affiliate, Infinite Properties. SITO is a not-for-profit established to own and manage rental housing for low-income residents. As a result of this agreement, Justine PETERSEN will have an opportunity to expand its services and service area. The agreement was accomplished by Justine PETERSEN appointing the Board of Directors of SITO.

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The following table summarizes the amounts of the assets acquired and liabilities assumed recognized at January 1, 2024, for both SITO and Infinite Properties:

	<u>SITO</u>	<u>Infinite Properties</u>
Recognized Amounts of Identifiable Assets Acquired and Liabilities Assumed		
Cash	\$ 312,550	\$ 1,174
Accounts and grants receivable	400	1,475
Prepaid expenses and other	-	8,531
Rental real estate	810,397	463,319
Investment in real estate	146,591	-
Due from subsidiaries	12,228	-
Investment in Infinite Properties, LLC	33,060	-
Accounts payable and accrued expenses	-	(498)
Tenant security deposits	(17)	(725)
Due to subsidiaries	-	(12,228)
Long-term debt	(1,034,367)	(525,638)
Total Identifiable Net Assets	<u>\$ 280,842</u>	<u>\$ (64,590)</u>

Note 17. Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Contributions

Approximately 72% and 53% of all contributions and grants were received from three and two government grantors in 2025 and 2024, respectively.

GRCC

In 2018, GRCC began providing financial and technical assistance, including loan origination and servicing, to outside organizations. GRCC's responsibilities include identifying potential loans that satisfy the eligibility criteria under a New Market Tax Credit ("NMTC") program. If, at any time, any loans are more than 90 days past due and the outstanding principal balance exceeds 8% of the current total outstanding principal balance of loans originated by GRCC, or the loan no longer qualifies under the eligibility criteria for the NMTC, GRCC will purchase the loan receivables at a purchase price equal to 100% of the outstanding principal balance plus accrued interest until the portfolio performance is back in line with compliance requirements. As of December 31, 2025 and 2024, 90-day past due balances do not exceed 8% of the total outstanding principal balance, therefore no contingent liabilities are required to be recorded.

Guarantees

In December 2025, Justine PETERSEN guaranteed third-party debt of a related party investor. At December 31, 2025, the total outstanding balance on the guaranteed loan was \$195,901.

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Twenty-First Homes

In January 2011, TFH finalized construction of 20 low-income single-family homes in Granite City, Illinois. Pursuant to several contractual agreements with federal and state agencies, TFH recognized \$3,865,965 of grant revenues from the U.S. Treasury under Internal Revenue Code (“IRC”) Section 1602 under the *Tax Credit Exchange Program* (“TCEP”). These funds were used to pay off the bridge loans used to construct the facilities. In addition, TFH was eligible to receive \$670,000 in loans from the Illinois Housing Development Authority (“IHDA”). The contractual provisions associated with this project include ongoing compliance for 15 years for the federal funding and 20 years for the state funding.

Note 18. Disclosures About Fair Value of Assets

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. The hierarchy comprises three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets
- Level 3** Unobservable inputs supported by little or no market activity and that are significant to the fair value of the assets

Nonrecurring Measurements

The following table presents the fair value measurement of assets measured at fair value on a nonrecurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

	Total Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2025				
Assets				
Long-lived assets held for sale (investments in real estate)	\$ 250,657	\$ -	\$ 250,657	\$ -
Long-lived assets held for use (rental real estate)	305,462	-	305,462	-
December 31, 2024				
Assets				
Long-lived assets held for sale (investments in real estate)	\$ 167,744	\$ -	\$ 167,744	\$ -
Long-lived assets held for use (rental real estate)	-	-	-	-

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Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a nonrecurring basis and recognized in the accompanying consolidated statement of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy.

Long-Lived Assets

Long-lived assets are valued at fair value on December 31, 2025, with related impairment recorded. The fair value is estimated using recent market transactions on similar assets that are observable or that can be corroborated by observable market data and, therefore, are classified within Level 2 of the valuation hierarchy. Impairment of \$748,824 and \$54,678 was recognized in December 31, 2025 and 2024, respectively.

Note 19. Investments in Private Entities

Investment in Good Life Growing, LLC

Justine PETERSEN has a 20% interest in the company, Good Life Growing, LLC, for the purchase price of \$85,000 including legal expenses related to the agreement execution. The Good Life Growing investment as of December 31, 2025 and 2024, was \$163,194. For the years ended December 31, 2025 and 2024, there were no impairments, downward or upward adjustments recognized during the year.

Investment in St. Louis Indoor Produce

Justine PETERSEN initially purchased a 2% interest in St. Louis Indoor Produce ("SLIP"), with a commitment to purchase up to 36 units at \$8,500 per unit. As of December 31, 2025 and 2024, Justine PETERSEN held 34 units of SLIP. Justine PETERSEN's investment in SLIP as of December 31, 2025 and 2024, was \$289,000. For the years ended December 31, 2025 and 2024, there were no impairments, downward or upward adjustments recognized during the year.

Note 20. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2025 and 2024, comprise the following:

	<u>2025</u>	<u>2024</u>
Financial assets		
Cash	\$ 6,257,649	\$ 4,623,553
Accounts and grants receivable	2,296,434	1,351,169
Interest and fees receivable	<u>3,605,990</u>	<u>2,243,358</u>
Total financial assets	12,160,073	8,218,080
Less donor restricted funds available for general expenditures, but subject to grant guidelines	<u>-</u>	<u>330,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 12,160,073</u>	<u>\$ 7,888,080</u>

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The Corporation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To help manage unanticipated liquidity needs, the Corporation has committed lines of credit totaling \$16,250,000, of which \$886,084 is available for operations as of December 31, 2025.

Note 21. Revenue from Contracts

The Corporation's revenue streams accounted for under ASC 606, included in program service fees on the consolidated statement of activities, is as follows:

Real Estate Brokerage, Credit Reporting and Developers' Fees – The Corporation earns fees from real estate brokerage services provided to its customers by a third-party service provider. The Corporation receives commissions from the third-party service provider each time that a property is sold. The fees are recognized at the point in time the services are provided.

Loan Administrative Fees – The Corporation earns fees for servicing loans for third-party companies which relate primarily to daily processing or the payments received and disbursement of notes receivable. The fees are earned in accordance with agreed-upon contractual terms at periodic intervals, e.g., monthly. The Corporation recognized revenues for these arrangements over time as the Corporation satisfies the performance obligation.

Training and Client Service Fees – The Corporation performs training classes such as credit building, assistance in accounting/financial reporting, consulting, and other services for borrowers and potential borrowers. The Corporation recognizes revenues included in miscellaneous income for these arrangements evenly over time as the services are provided and satisfaction of the performance obligation is met.

Disaggregation of Revenue

The composition of revenue by revenue source and timing of revenue recognition for the years ended December 31, 2025 and 2024, is as follows:

	<u>2025</u>	<u>2024, as Revised</u>
Over period of time		
Training and client service fees	\$ 1,350	\$ 1,500
At point in time		
Loan administrative fees	1,742,685	725,128
Real estate brokerage, credit reporting and developers' fees	<u>22,079</u>	<u>40,255</u>
	<u>1,764,764</u>	<u>765,383</u>
Total ASC 606 Revenue	<u>\$ 1,766,114</u>	<u>\$ 766,883</u>

Justine Petersen Housing and Reinvestment Corporation
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Note 22. Profit-Sharing Plan

The Corporation has a 401(k) profit-sharing plan covering substantially all employees. The Corporation's contributions to the plan are determined annually by the board of directors. Contributions from the Corporation to the plan were \$87,569 and \$68,470 for the years ended December 31, 2025 and 2024, respectively.

Note 23. Subsequent Events

In March 2026, Justine PETERSEN was approved for an additional New Markets Tax Credits (NMTC) allocation of up to \$30 million to facilitate qualified low-income community investment (QLICI) lending transactions. NMTC's are earned over 7 years and provide low-cost upfront capital to small businesses. Small businesses must be located in a low-income community. Justine PETERSEN has engaged Advantage Capital to manage program compliance including IRS regulations and reporting.

In March 2026, Justine PETERSEN received approximately \$983,000 of additional insurance proceeds related to the May 2025 Tornado. Insurance recoveries were recognized when realized and are not reported in the statement of activities at December 31, 2025. Additional recoveries, if any, are subject to the terms of the insurance policies and resolution of claims.

Subsequent events have been evaluated through April 29, 2026, which is the date the consolidated financial statements were available to be issued.

Supplementary Information

Justine Petersen Housing and Reinvestment Corporation
Consolidating Schedule of Financial Position
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	2025												2024	
	JPHRC	GRCC	JPEM	JPEM II	TFH	TFHD	JP COVID-19	JP Prop	SITO	Infinite Prop	IgniteMO	Eliminations	Consolidated	(Comparative Totals Only)
ASSETS														
Current Assets														
Cash	\$ 4,904,469	\$ 1,109,886	\$ -	\$ -	\$ 163,287	\$ -	\$ -	\$ -	\$ 79,194	\$ 813	\$ -	\$ -	\$ 6,257,649	\$ 4,623,553
Restricted funds	3,581,963	378,496	-	-	387,567	-	-	3,795	19,995	-	7,567,682	-	11,939,498	10,872,498
Accounts and grants receivable	1,770,878	45,307	-	-	-	-	-	1,807	478,442	-	-	-	2,296,434	1,351,169
Interest and fees receivable	2,640,564	965,426	-	-	-	-	-	-	-	-	-	-	3,605,990	2,243,358
Loans receivable, net - current position	14,238,872	6,589,937	-	-	-	-	-	-	-	-	1,964,597	-	22,793,406	15,503,364
Prepaid expenses and other	688	36,733	-	-	-	-	-	-	-	424	-	-	37,845	37,524
Total Current Assets	27,137,434	9,125,785	-	-	550,854	-	-	5,602	577,631	1,237	9,532,279	-	46,930,822	34,631,466
Other Assets														
Loans receivable, net	28,770,922	8,757,355	-	-	-	-	-	-	-	-	4,604,339	-	42,132,616	43,570,180
Other note receivable	-	-	-	-	-	-	-	270,766	-	-	-	-	270,766	189,228
Property and equipment, net	1,037,277	22,460	-	-	58,212	-	-	-	-	-	-	-	1,117,949	1,202,829
Rental real estate, net	517,625	1,436,431	-	-	2,160,169	-	3,809,640	1,337,998	828,467	-	-	-	10,090,330	8,326,026
Investment in real estate	2,846,813	1,875,947	-	-	-	-	3,309,728	873,867	-	-	-	-	8,906,355	7,900,834
Other assets	3,063,174	-	-	-	14,356	-	-	-	-	-	-	-	3,077,530	2,060,789
Deferred income tax asset	-	193,500	-	-	-	-	-	-	-	-	-	-	193,500	-
Due from subsidiaries	18,486,209	1,059,695	-	4,166,648	-	-	-	-	-	-	978,148	(24,690,700)	-	-
Investment in JP SUBCDEs, at fair value	150	-	-	-	-	-	-	-	-	-	-	-	150	-
Investments in private entities, at cost	452,194	-	-	-	-	-	-	-	-	-	-	-	452,194	452,194
Investment in subsidiaries	4,716,293	20,000	-	-	-	311	-	-	163,164	-	-	(4,899,768)	-	-
Total Other Assets	59,890,657	13,365,388	-	4,166,648	2,232,737	311	-	7,390,134	2,375,029	828,467	5,582,487	(29,590,468)	66,241,390	63,702,080
Total Assets	\$ 87,028,091	\$ 22,491,173	\$ -	\$ 4,166,648	\$ 2,783,591	\$ 311	\$ -	\$ 7,395,736	\$ 2,952,660	\$ 829,704	\$ 15,114,766	\$ (29,590,468)	\$ 113,172,212	\$ 98,333,546

Justine Petersen Housing and Reinvestment Corporation
Consolidating Schedule of Financial Position
December 31, 2025
(With Comparative Totals for December 31, 2024)

(Continued)

	2025												2024	
	JPHRC	GRCC	JPEM	JPEM II	TFH	TFHD	JP COVID-19	JP Prop	SITO	Infinite Prop	IgniteMO	Eliminations	Consolidated	(Comparative Totals Only)
LIABILITIES AND NET ASSETS														
Current Liabilities														
Current portion of long-term debt	\$ 22,789,734	\$ 4,000,000	\$ -	\$ -	\$ 15,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,805,334	\$ 18,011,829
Accounts payable and accrued expenses	283,834	-	-	-	100,968	-	-	173	6,436	-	-	-	391,411	936,118
Interest payable	-	-	-	16,647	-	-	-	-	-	-	-	-	16,647	891,505
Income taxes payable	-	176,918	-	-	-	-	-	-	-	-	-	-	176,918	91,243
Tenant security deposits	800	-	-	-	13,385	-	-	-	19,995	-	-	-	34,180	26,120
Deferred revenue	-	-	-	-	-	-	-	-	50,000	-	245,783	-	295,783	531,903
Total Current Liabilities	23,074,368	4,176,918	-	16,647	129,953	-	-	173	76,431	-	245,783	-	27,720,273	20,488,718
Other Liabilities														
Deferred income taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	65,400
Long-term debt, non-current portion	40,487,030	6,905	-	-	824,060	-	-	-	1,279,138	460,350	-	-	43,057,483	42,868,668
SSBCI Revolving capital	-	-	-	-	-	-	-	-	-	-	14,882,616	-	14,882,616	7,896,443
Due to subsidiaries	-	14,914,140	-	-	425,459	-	-	8,448,939	611,124	291,038	-	(24,690,700)	-	-
Total Other Liabilities	40,487,030	14,921,045	-	-	1,249,519	-	-	8,448,939	1,890,262	751,388	14,882,616	(24,690,700)	57,940,099	50,830,511
Total Liabilities	63,561,398	19,097,963	-	16,647	1,379,472	-	-	8,449,112	1,966,693	751,388	15,128,399	(24,690,700)	85,660,372	71,319,229
Net Assets														
Without donor restrictions														
Undesignated	23,466,693	-	-	-	-	311	-	-	985,967	-	-	(985,967)	23,467,004	22,103,652
Noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	4,044,836	4,044,836	4,580,665
With donor restrictions	-	-	-	-	-	-	-	-	-	-	-	-	-	330,000
Members' capital	-	-	-	4,150,001	-	-	-	-	-	78,316	-	(4,228,317)	-	-
Common stock	-	10,000	-	-	-	-	-	-	-	-	-	(10,000)	-	-
Paid-in capital and partner capital	-	671,560	-	-	-	-	-	-	-	-	-	(671,560)	-	-
Equity	-	2,711,650	-	-	1,404,119	-	(1,053,376)	-	-	-	(13,633)	(3,048,760)	-	-
Total Net Assets	23,466,693	3,393,210	-	4,150,001	1,404,119	311	(1,053,376)	985,967	78,316	(13,633)	(4,899,768)	27,511,840	27,014,317	
Total Liabilities and Net Assets	\$ 87,028,091	\$ 22,491,173	\$ -	\$ 4,166,648	\$ 2,783,591	\$ 311	\$ -	\$ 7,395,736	\$ 2,952,660	\$ 829,704	\$ 15,114,766	\$ (29,590,468)	\$ 113,172,212	\$ 98,333,546

Justine Petersen Housing and Reinvestment Corporation
Consolidating Schedule of Activities
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(With Comparative Totals for December 31, 2024)

	2025												2024	
	JPHRC	GRCC	JPEM	JPEM II	TFH	TFHD	JP COVID-19	JP Prop	SITO	Infinite Prop	IgniteMO	Eliminations	Consolidated	(Comparative Totals Only)
Revenues, Gains, and Other Support														
Contributions and grants	\$ 6,134,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,557,058	\$ -	\$ 279,843	\$ -	\$ 7,971,106	\$ 8,700,499
Contributed nonfinancial assets (in-kind)	45,349	-	-	-	-	-	-	-	-	-	-	-	45,349	1,725
Program service fees														
Real estate brokerage income	2,167	-	-	-	-	-	-	-	-	-	-	-	2,167	-
Loan and administrative fees	2,769,295	381,932	-	-	-	-	-	-	-	-	89,414	(505,098)	2,735,543	3,312,119
Credit reporting fees	19,912	-	-	-	-	-	-	-	-	-	-	-	19,912	9,123
Rental income	53,673	124,686	-	-	145,986	-	-	275,840	167,127	90,138	-	-	857,450	735,390
Miscellaneous	2,826	26	-	-	-	-	-	3,717	1,705	6,350	-	-	14,624	138,631
Interest	4,379,036	1,457,022	129,688	16,647	8,381	-	30,667	-	-	-	356,707	(177,002)	6,201,146	4,387,207
Insurance proceeds	200,000	-	-	-	-	-	-	23,358	106,889	-	-	-	330,247	-
Gain (loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	17,930
Equity earnings (deficit) of subsidiaries	707,629	-	-	-	-	-	-	-	(15,511)	-	-	(692,118)	-	-
Total Revenues, Gains, and Other Support	14,314,092	1,963,666	129,688	16,647	154,367	-	30,667	302,915	1,817,268	96,488	725,964	(1,374,218)	18,177,544	17,302,624
Expenses														
Housing	1,594,293	560,036	-	-	246,432	-	-	455,228	976,341	127,510	-	(449,335)	3,510,505	3,005,727
Economic development	10,817,866	1,163,802	129,688	16,647	-	-	30,667	-	-	-	652,891	(177,002)	12,634,559	12,363,014
Savings	191,533	10,127	-	-	-	-	-	-	-	-	-	-	201,660	213,207
Total program services	12,603,692	1,733,965	129,688	16,647	246,432	-	30,667	455,228	976,341	127,510	652,891	(626,337)	16,346,724	15,581,948
Management and general	505,937	26,750	-	-	20	-	-	11,567	49,590	-	2	(37,933)	555,933	681,442
Fundraising	191,533	56,975	-	-	-	-	-	-	35,076	-	-	(17,830)	265,754	269,981
Total supporting activities	697,470	83,725	-	-	20	-	-	11,567	84,666	-	2	(55,763)	821,687	951,423
Total expense before income taxes	13,301,162	1,817,690	129,688	16,647	246,452	-	30,667	466,795	1,061,007	127,510	652,893	(682,100)	17,168,411	16,533,371
Income tax expense (benefit)	-	11,610	-	-	-	-	-	-	-	-	-	-	11,610	(144,014)
Total Expenses	13,301,162	1,829,300	129,688	16,647	246,452	-	30,667	466,795	1,061,007	127,510	652,893	(682,100)	17,180,021	16,389,357
Change in Net Assets	1,012,930	134,366	-	-	(92,085)	-	-	(163,880)	756,261	(31,022)	73,071	(692,118)	997,523	913,267
Net Assets Obtained Through Newly Consolidated Affiliates	-	-	-	-	-	-	-	-	-	-	-	-	-	183,192
Contributed Capital Related to Non-Controlling Interests	-	-	-	1,700,000	-	-	-	-	-	-	-	-	1,700,000	-
Distribution to Members Related to Non-Controlling Interests	-	-	(1,700,000)	-	-	-	(500,000)	-	-	-	-	-	(2,200,000)	-
Transfer of Members' Capital	-	-	(1,300,001)	2,450,001	-	-	(1,150,000)	-	-	-	-	-	-	-
Net Assets, Beginning of Year	22,453,763	3,258,844	3,000,001	-	1,496,204	311	1,650,000	(889,496)	229,706	109,338	(86,704)	(4,207,650)	27,014,317	25,917,858
Net Assets, End of Year	\$ 23,466,693	\$ 3,393,210	\$ -	\$ 4,150,001	\$ 1,404,119	\$ 311	\$ -	\$ (1,053,376)	\$ 985,967	\$ 78,316	\$ (13,633)	\$ (4,899,768)	\$ 27,511,840	\$ 27,014,317

See Independent Auditor's Report on Supplementary Information

Justine Petersen Housing and Reinvestment Corporation
Consolidating Schedule of Expenses
December 31, 2025
(With Comparative Totals for December 31, 2024)

	2025												2024	
	JPHRC	GRCC	JPEM	JPEM II	TFH	TFHD	JP COVID-19	JP Prop	SITO	Infinite Prop	IgniteMO	Eliminations	Consolidated	(Comparative Totals Only)
Salaries and wages	\$ 3,783,571	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,363	\$ -	\$ 3,887,934	\$ 3,339,295
Payroll taxes	296,732	-	-	-	-	-	-	-	-	-	-	-	296,732	248,841
Employee benefits	544,667	-	-	-	-	-	-	-	-	-	-	-	544,667	436,992
Advertising	29,948	-	-	-	-	-	-	-	865	-	-	-	30,813	64,189
Client assistance	25,519	162	-	-	-	-	-	-	23,596	-	-	-	49,277	126,251
Conferences and seminars	22,061	-	-	-	-	-	-	-	-	-	-	-	22,061	44,381
Credit report charges	58,428	-	-	-	-	-	-	-	-	-	-	-	58,428	65,822
Delivery and postage	23,475	-	-	-	-	-	-	-	-	-	-	-	23,475	30,047
Depreciation and amortization	124,752	774	-	-	-	-	-	-	-	-	-	-	125,526	107,805
Depreciation - rental real estate	14,498	41,455	-	-	174,262	-	-	162,507	48,351	18,413	-	-	459,486	403,275
Contributed nonfinancial assets (in-kind)	29,000	-	-	-	-	-	-	-	-	-	-	-	29,000	-
Dues and subscriptions	19,463	-	-	-	-	-	-	-	68	-	-	-	19,531	47,553
Equipment rental and maintenance	31,693	-	-	-	-	-	-	-	-	-	-	-	31,693	32,508
Impairment and subsidized programmatic real estate loss	265,488	344,569	-	-	-	-	-	32,115	106,652	-	-	-	748,824	767,097
Insurance	168,950	10,535	-	-	13,338	-	-	4,446	26,166	-	-	-	223,435	463,943
Interest	3,087,592	253,597	129,688	16,647	4,488	-	30,667	-	41,174	4,924	(177,002)	3,391,775	2,675,596	
Miscellaneous	31,912	46,848	-	-	-	-	-	-	1,920	-	2	-	80,682	112,811
Occupancy	33,309	-	-	-	-	-	-	1,000	-	-	-	-	34,309	33,474
Office supplies	459,235	47,602	-	-	20	-	-	-	11,203	105	95	-	518,260	330,236
Professional fees	1,456,679	68,221	-	-	-	-	-	11,567	516,009	-	(505,098)	1,547,378	1,898,439	
Provisions for credit losses	2,630,209	895,496	-	-	-	-	-	-	-	-	548,433	-	4,074,138	4,298,830
Rental real estate maintenance	18,495	107,174	-	-	54,344	-	-	255,160	284,379	104,068	-	-	823,620	541,622
Repairs and maintenance	48,224	-	-	-	-	-	-	-	-	-	-	-	48,224	360,683
Taxes and licenses	9,573	1,257	-	-	-	-	-	-	-	-	-	-	10,830	12,538
Telephone	47,460	-	-	-	-	-	-	-	-	-	-	-	47,460	48,332
Travel and training	40,229	-	-	-	-	-	-	-	624	-	-	-	40,853	42,811
Total expenses before income taxes	13,301,162	1,817,690	129,688	16,647	246,452	-	30,667	466,795	1,061,007	127,510	652,893	(682,100)	17,168,411	16,533,371
Income tax expense (benefit)	-	11,610	-	-	-	-	-	-	-	-	-	-	11,610	(144,014)
Total	\$ 13,301,162	\$ 1,829,300	\$ 129,688	\$ 16,647	\$ 246,452	\$ -	\$ 30,667	\$ 466,795	\$ 1,061,007	\$ 127,510	\$ 652,893	\$ (682,100)	\$ 17,180,021	\$ 16,389,357