

Westlawn Renaissance II LLC  
and Subsidiaries

Consolidated Financial Report

December 31, 2024



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**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

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## **WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES**

### **PRELIMINARY DRAFT**

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## INDEPENDENT AUDITOR'S REPORT

To the Members  
Westlawn Renaissance II LLC and Subsidiaries  
Milwaukee, WI

### Opinion

We have audited the accompanying financial statements of Westlawn Renaissance II LLC and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Westlawn Renaissance II LLC and Subsidiaries as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

## Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and is not a required part of the financial statements. The supplemental information required by the Wisconsin Housing and Economic Development Authority (WHEDA) is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The consolidating information and supplemental information required by WHEDA have been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Madison, Wisconsin

REPORT DATE

Lead auditor: Sheri Springer, CPA  
SVA Certified Public Accountants, S.C.  
ID #39-1203191  
Phone number: (608) 831-8181

# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS December 31, 2024 and 2023

	2024	2023
<b>ASSETS</b>		
Cash and cash equivalents	\$ 237,142	\$ 275,776
Restricted cash	767,178	681,592
Accounts receivable	223,449	169,384
Prepaid expenses	33,433	26,803
Rental property, net	20,787,344	21,439,245
Tax credit fees, net	57,128	63,477
<b>TOTAL ASSETS</b>	<b>\$22,105,674</b>	<b>\$22,656,277</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>LIABILITIES</b>		
Mortgage notes payable, net	\$14,733,343	\$14,758,009
Development fee payable	162,284	162,284
Accounts payable	4,196	37,379
Related party payables	155,796	106,113
Accrued interest	1,675,820	1,393,488
Accrued PILOT	153,641	129,755
Accrued asset management fees	4,695	4,558
Accrued company management fees	14,157	6,331
Other accrued expenses	55,003	63,778
Prepaid rents	26,871	14,582
Tenants' security deposits payable	53,237	51,469
<b>Total liabilities</b>	<b>17,039,043</b>	<b>16,727,746</b>
<b>MEMBERS' EQUITY</b>	<b>5,066,631</b>	<b>5,928,531</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$22,105,674</b>	<b>\$22,656,277</b>

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

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**  
CONSOLIDATED STATEMENTS OF OPERATIONS  
Years ended December 31, 2024 and 2023

	2024	2023
Revenues:		
Rental income	\$ 836,856	\$ 839,905
Vacancies and concessions	(127,548)	(130,515)
Bad debt expense	(13,329)	(148,586)
Other revenue	54,307	39,987
Total revenues	750,286	600,791
Rental expenses:		
Administrative	128,960	125,538
Utilities	113,479	113,393
Operating and maintenance	238,979	187,077
Taxes and insurance	99,684	101,750
Total rental expenses	581,102	527,758
Net rental income	169,184	73,033
Financial income (expense):		
Interest income	17,065	13,449
Interest expense	(374,770)	(376,112)
Total financial income (expense)	(357,705)	(362,663)
Loss before other expenses	(188,521)	(289,630)
Other expenses:		
Depreciation	651,901	651,897
Amortization	6,349	6,348
Asset management fee	7,303	7,090
Company management fee	7,826	7,597
Total other expenses	673,379	672,932
Net loss	\$ (861,900)	\$ (962,562)

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



**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY  
Years ended December 31, 2024 and 2023

	Manager member	Special member	Investor member	Total
Members' equity:				
Balances, December 31, 2022	\$ 621	\$ 10	\$ 6,890,462	\$ 6,891,093
Net loss	(96)	0	(962,466)	(962,562)
Balances, December 31, 2023	525	10	5,927,996	5,928,531
Net loss	(86)	0	(861,814)	(861,900)
Balances, December 31, 2024	<u>\$ 439</u>	<u>\$ 10</u>	<u>\$ 5,066,182</u>	<u>\$ 5,066,631</u>
Ownership percentages	<u>0.01%</u>	<u>0.00%</u>	<u>99.99%</u>	<u>100.00%</u>



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

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
Years ended December 31, 2024 and 2023

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (861,900)	\$ (962,562)
Adjustments to reconcile net loss provided by (used in) operating activities:		
Depreciation	651,901	651,897
Amortization of tax credit fees	6,349	6,348
Amortization of debt issuance costs	1,478	1,478
Bad debt expense	13,329	148,586
Increase (decrease) in cash due to changes in:		
Accounts receivable	(67,394)	(147,665)
Prepaid expenses	(6,630)	(2,456)
Accounts payable	(33,183)	16,640
Related party payables	49,683	(46,020)
Accrued company management fees	7,826	(21,909)
Accrued asset management fees	137	132
Accrued interest	282,332	282,334
Accrued PILOT	23,886	20,043
Other accrued expenses	(8,775)	5,138
Prepaid rents	12,289	697
Tenants' security deposits payable	1,768	(111)
Net cash provided by (used in) operating activities	73,096	(47,430)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of rental property	0	0
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on mortgage notes payable	(26,144)	(24,940)
Change in cash, cash equivalents, and restricted cash	46,952	(72,370)
Cash, cash equivalents, and restricted cash:		
Beginning	957,368	1,029,738
Ending	\$ 1,004,320	\$ 957,368
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH TO CONSOLIDATED BALANCE SHEET</b>		
Cash and cash equivalents	\$ 237,142	\$ 275,776
Restricted cash	767,178	681,592
Total cash, cash equivalents, and restricted cash	\$ 1,004,320	\$ 957,368
<b>SUPPLEMENTAL DISCLOSURE(S) OF CASH FLOW INFORMATION</b>		
Cash payments for interest	\$ 90,960	\$ 92,300

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

# **WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES**

## **NOTES TO FINANCIAL STATEMENTS**

December 31, 2024

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### **NOTE A -- Nature of business and significant accounting policies**

#### **Nature of business**

Westlawn Renaissance II LLC and subsidiaries (the company), was formed on September 6, 2016, as a limited liability company (LLC) under the Wisconsin Limited Liability Company Act (the Act). The company was formed to acquire, construct, and operate Victory Manor Apartments and WG Scattered Sites Apartments (collectively, the projects) located in Milwaukee, Wisconsin. Victory Manor Apartments consists of 60 units in one building, with up to 33 parking spaces and is owned by Victory Manor LLC (Victory Manor), of which the company is the sole member. The units in Victory Manor Apartments will be targeted, but not restricted, to veterans. WG Scattered Sites Apartments consists of 30 single-family townhomes in 10 buildings, with up to 23 parking spaces on-site and 8 off-site, and is owned by WG Scattered Sites LLC (WG Scattered Sites), of which the company is the sole member (Victory Manor and WG Scattered Sites are collectively referred to as the lower tier entities). The projects qualify for low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code (IRC). The projects were placed in service on various dates between October 2018 and February 2019.

The company consists of one manager member, one investor member, and one special member with rights, preferences, and privileges as described in the Amended and Restated Operating Agreement (operating agreement). Each member's liability for the debts and obligations of the company shall be limited to the maximum extent permitted by the Act and other applicable laws.

The company shall be operated in a manner consistent with its treatment as a partnership for federal and state income tax purposes. Therefore, the accompanying financial statements do not include the personal or corporate assets and liabilities of the members, their obligation for income taxes on their distributive shares of the net income of the company or their rights to refunds on its net loss, nor any provision for income tax expense.

The operating agreement states that the company shall continue in perpetuity unless sooner terminated in accordance with the operating agreement.

A summary of significant accounting policies follows:

#### **Basis of accounting and consolidation**

The financial statements include the accounts of the company, Victory Manor, and WG Scattered Sites, and have been prepared on the accrual basis of accounting. Accordingly, the financial statements reflect all significant receivables, payables, and other liabilities. All significant intercompany accounts and transactions have been eliminated in consolidation.

#### **Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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**NOTE A -- Nature of business and significant accounting policies (Continued)**

**Cash and cash equivalents**

For purposes of reporting cash flows, the company considers all investments purchased with a maturity of three months or less to be cash equivalents, with the exception of cash not available to the company due to restrictions placed on it.

The company maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The company has not experienced any losses in such accounts. Management believes it is not exposed to any significant credit risk on cash and cash equivalents.

**Accounts receivable and revenue recognition**

The company utilizes the direct write-off method of accounting for credit losses for any accounts receivable outside the scope of FASB Codification Topic 842 Leases. The use of this method has no material effect on the financial statements. The company follows FASB Codification Topic 842 Leases to account for its operating lease receivables included in accounts receivable. When the company concludes collectability of specific operating lease receivables is not probable, those receivables are written off to bad debt expense which is presented as a reduction to revenue in the statement of operations.

The company leases apartments to eligible residents under operating leases which are substantially all on a yearly basis. Rental revenue is recognized, net of vacancies and concessions, on a straight-line basis over the term of the leases.

Other revenue also consists of various tenant charges provided for in the lease contract, such as late fees, cleaning fees, and damages fees which are variable payments that do not provide a transfer of a good or service to the tenants and are not considered components of the lease contract. These fees are recognized as revenue when assessed. Certain services are also provided to tenants outside of the lease contract and are recognized when the service is complete.

As of December 31, 2024 and 2023, all of the company's real estate assets are subject to operating leases.

The residential leases do not provide extension options. A new lease agreement is executed if both parties wish to continue the tenancy upon expiration of the existing lease term. As of December 31, 2024, the average remaining term of the company's residential leases is less than 12 months.

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

**NOTE A -- Nature of business and significant accounting policies (Continued)**

**Accounts receivable and revenue recognition**

The components of rental revenue for all resident operating leases are as follows for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Fixed operating lease revenue from apartment rentals, net of vacancies, concessions and bad debt expenses	\$ 695,979	\$ 560,804
Variable operating lease revenue included in other revenue	<u>9,324</u>	<u>11,491</u>
Total lease income	<u>\$ 705,303</u>	<u>\$ 572,295</u>

Supplemental statement of cash flows information related to leases as of December 31, is as follows:

	<u>2024</u>	<u>2023</u>
Cash received from operating leases		
Operating cash flows from operating leases	\$ 775,273	\$ 587,472

**Rental property**

Rental property is stated at cost. Depreciation of rental property is computed on the straight-line method based upon the following estimated useful lives of the assets:

	<u>Years</u>
Land improvements	20
Buildings and improvements	40
Furnishings and equipment	10

Maintenance and repairs of rental property are charged to operations, and major improvements are capitalized. Upon retirement, sale or other disposition of rental property, the cost and accumulated depreciation are eliminated from the accounts, and any resulting gain or loss is included in operations.

**Impairment of long-lived assets**

The company reviews long-lived assets, including rental property and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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### NOTE A -- Nature of business and significant accounting policies (Continued)

#### Debt issuance costs

Debt issuance costs totaled \$53,345 as of December 31, 2024 and 2023 and were incurred in connection with financing with the Wisconsin Housing and Economic Development Authority (WHEDA) multifamily notes described in Note D. Of this amount, the company paid \$26,787 and \$26,558 associated with the Victory Manor WHEDA Note #1 and the WG Scattered Sites WHEDA Bond #1, respectively. The company is amortizing these costs into interest expense using the straight-line method over life of the respective loans, 35 years. The use of the straight-line method rather than the effective interest method has no material effect on the financial statements.

Amortized costs included in interest expense amounted to \$1,478 for each of the years ended December 31, 2024 and 2023.

#### Tax credit fees

In connection with obtaining an allocation of low-income housing tax credits, the company paid fees totaling \$95,215 to the Wisconsin Housing and Economic Development Authority (WHEDA). The company is amortizing these fees on a straight-line basis over the related tax credit compliance period of 15 years.

#### Current vulnerability due to certain concentrations

The projects' operations are concentrated in the low-income housing residential real estate market. In addition, the projects operate in a heavily regulated environment. The operations of the projects are subject to administrative directives, rules, and regulations of federal, state, and local regulatory agencies including, but not limited to the Housing Authority of the City of Milwaukee (HACM) under the Project Based Voucher Housing Assistance Payments Contract (see Note F), and the U.S. Department of Housing and Urban Development (HUD). Such administrative directives, rules, and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including additional administrative burden to comply with a change.

#### Reclassifications

Some items in the 2023 financial statements have been reclassified to be consistent with the current year's presentation.

#### Subsequent events

These financial statements have not been updated for subsequent events occurring after REPORT DATE, which is the date these financial statements were available to be issued. The company has no responsibility to update these financial statements for events and circumstances occurring after this date.

# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

### NOTE B -- Restricted cash

Restricted cash is comprised of the following:

	<u>2024</u>	<u>2023</u>
Tenants' security deposits	\$ 57,364	\$ 38,729
Replacement reserve	219,576	182,834
Operating reserve	344,531	337,663
Mortgage escrow deposits	136,618	113,732
Construction cash	<u>9,089</u>	<u>8,634</u>
	<u>\$ 767,178</u>	<u>\$ 681,592</u>

#### Replacement reserve

##### *Victory Manor*

Under provisions of the operating agreement, the company is required to make an initial deposit of \$18,000 from the second capital contribution related to Victory Manor from the investor member. An additional deposit of \$300 per unit is required on the date of the third capital contribution related to Victory Manor from the investor member. Beginning with the date required by HACM or the six-month anniversary of the completion date, but in no event later than July 1, 2019, annual deposits are required in the initial amount of \$300 per unit to the replacement reserve, made in equal monthly deposits, which are also required by the Replacement Reserve and Security Agreement with WHEDA. Under the operating agreement, the deposits are to increase by 3% each anniversary of the replacement reserve commencement date. Disbursements are restricted to capital improvements and repairs to Victory Manor Apartments. Withdrawals require approval of the investor member.

#### Replacement reserve

##### *WG Scattered Sites*

Under provisions of the operating agreement, the company is required to make an initial deposit of \$9,000 from the second capital contribution related to WG Scattered Sites from the investor member. An additional deposit of \$300 per unit is required on the date of the third capital contribution related to WG Scattered Sites from the investor member. Beginning with the date required by HACM or the six-month anniversary of the completion date, but in no event later than July 1, 2019, annual deposits are required in the initial amount of \$300 per unit to the replacement reserve, made in equal monthly deposits, which are also required by the Replacement Reserve and Security Agreement with WHEDA. Under the operating agreement, the deposits are to increase by 3% on each anniversary of the replacement reserve commencement date. Disbursements are restricted to capital improvements and repairs to WG Scattered Sites Apartments. Withdrawals require the approval of the investor member.



# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

### NOTE B -- Restricted cash (Continued)

	<u>2024</u>	<u>2023</u>
Balance, beginning	\$ 182,834	\$ 143,523
Annual deposits	27,000	32,239
Interest income	<u>9,742</u>	<u>7,072</u>
Balance, ending	<u>\$ 219,576</u>	<u>\$ 182,834</u>

#### Operating reserve

##### *Victory Manor*

Under provisions of the operating agreement, the company shall establish an operating reserve in the amount of at least \$200,000 from the investor member's third capital contribution related to Victory Manor. Funds from the operating reserve may be used to pay for operating or other expenses, which require consent of the investor member if the balance of the operating reserve falls below \$200,000 after such withdrawal. The company is required to fund the operating reserve from available cash flow as defined in the operating agreement in order to maintain a balance of \$200,000 at all times. The reserve shall be maintained throughout the 15-year tax credit compliance period. Upon the 3-year anniversary of the achievement of stabilized occupancy, as defined in the operating agreement, any excess amounts in the operating reserve shall be released to pay applicable principal and interest on the mortgage notes payable due to the Housing Authority of the City of Milwaukee (HACM), sole member of managing member. Beginning on the eleventh anniversary of the completion date, and each year thereafter, the required balance in the operating reserve may be reduced in accordance with the operating agreement.

#### Operating reserve

##### *WG Scattered Sites*

Under provisions of the operating agreement, the company shall establish an operating reserve in the amount of at least \$130,000 from the investor member's fourth capital contribution related to WG Scattered Sites. Funds from the operating reserve may be used to pay for operating or other expenses, which require consent of the investor member if the balance of the operating reserve falls below \$130,000 after such withdrawal. The company is required to fund the operating reserve from available cash flow as defined in the operating agreement in order to maintain a balance of \$130,000 at all times. The reserve shall be maintained throughout the 15-year tax credit compliance period. Upon the 3-year anniversary of the achievement of stabilized occupancy, as defined in the operating agreement, any excess amounts in the operating reserve shall be released to pay applicable principal and interest on the mortgage notes payable due to HACM. Beginning on the eleventh anniversary of the completion date, and each year thereafter, the required balance in the operating reserve may be reduced in accordance with the operating agreement.



# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS  
December 31, 2024

## NOTE B -- Restricted cash (Continued)

	<u>2024</u>	<u>2023</u>
Balance, beginning	\$ 337,663	\$ 331,683
Interest income	6,868	5,980
Balance, ending	<u>\$ 344,531</u>	<u>\$ 337,663</u>

## NOTE C -- Rental property, net

Rental property, net is comprised of the following:

	<u>2024</u>	<u>2023</u>
Land	\$ 385,493	\$ 385,493
Land improvements	748,418	748,418
Buildings and improvements	23,238,321	23,238,321
Furnishings and equipment	<u>335,200</u>	<u>335,200</u>
	24,707,432	24,707,432
Less accumulated depreciation	<u>3,920,088</u>	<u>3,268,187</u>
	<u>\$ 20,787,344</u>	<u>\$ 21,439,245</u>

## NOTE D -- Mortgage notes payable, net

Mortgage notes payable, net consist of the following:

	<u>2024</u>	<u>2023</u>
<i>Victory Manor</i>		
WHEDA; up to \$1,125,000 mortgage note (WHEDA Note #1); monthly payments are due of \$3,938, including interest at 5.9% (effective rate of 6.06%); due August 31, 2054; collateralized by a first mortgage on the project's rental property and assignment of leases and rents thereon; nonrecourse; subject to a prepayment penalty as defined in the note; unamortized debt issuance costs associated with this note totaled \$22,578 and \$23,343 as of December 31, 2024 and 2023, respectively.	\$ 656,909	\$ 665,133
Balance carried forward	\$ 656,909	\$ 665,133

# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

### NOTE D -- Mortgage notes payable, net (Continued)

	<u>2024</u>	<u>2023</u>
Balance brought forward	\$ 656,909	\$ 665,133
<i>Victory Manor</i> WHEDA; up to \$24,786 mortgage note (WHEDA Note #2); This is a non-interest bearing loan; due August 31, 2054; collateralized by a first mortgage on the project's rental property and assignment of leases and rents thereon; nonrecourse; subject to a prepayment penalty as defined in the note.	24,786	24,786
<i>Victory Manor</i> HACM; \$240,000 land loan note; accrues interest at 2.78%; payments required to the extent of available cash flow as defined in the operating agreement; unpaid principal and interest due March 30, 2067; collateralized by a second mortgage on the project's rental property and a general business security agreement; full recourse; prepayment allowed any time; interest expense was \$6,672 for each of the years ended December 31, 2024 and 2023; accrued interest was \$51,708 and \$45,036 as of December 31, 2024 and 2023, respectively.	240,000	240,000
<i>Victory Manor</i> HACM; \$5,422,200 construction and term mortgage note; accrues interest at 2.45%; annual payments required to the extent of available cash flow as defined in the operating agreement; unpaid principal and interest due March 30, 2057; collateralized by a third mortgage on the project's rental property and a general business agreement; full recourse; prepayment allowed any time; interest expense was \$132,844 for each of the years ended December 31, 2024 and 2023; accrued interest was \$874,922 and \$742,078 as of December 31, 2024 and 2023, respectively.	<u>5,422,200</u>	<u>5,422,200</u>
Balance carried forward	\$ 6,343,895	\$ 6,352,119

# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

### NOTE D -- Mortgage notes payable, net (Continued)

	<u>2024</u>	<u>2023</u>
Balance brought forward	\$ 6,343,895	\$ 6,352,119
<i>Victory Manor</i>		
HACM; \$6,625,521 amended construction and term mortgage note; accrues interest at 2.45%; single payment to reduce principal to maximum of \$2,841,072 was due upon receipt of second capital contribution from the investor member; payments required to the extent of available cash flow as defined in the operating agreement; unpaid principal and interest due March 30, 2057; collateralized by a fourth mortgage on the project's rental property and a general business agreement; full recourse; prepayment allowed any time; interest expense was \$65,163 for each of the years ended December 31, 2024 and 2023; accrued interest was \$357,236 and \$292,073 as of December 31, 2024 and 2023, respectively.	2,659,705	2,659,705
<i>WG Scattered Sites</i>		
WHEDA; mortgage note in initial amount up to \$1,230,000 (WHEDA Bond #1); monthly payments are due of \$5,821, including interest at 4.5% (effective rate of 4.59%); due August 31, 2054; collateralized by a first mortgage on the project's rental property and assignment of leases and rents thereon; nonrecourse; prepayment not allowed prior to conversion; subject to a prepayment penalty as defined in the note; unamortized debt issuance costs associated with this note totaled \$21,032 and \$21,745 as of December 31, 2024 and 2023, respectively.	1,144,136	1,162,056
<i>WG Scattered Sites</i>		
HACM; \$116,100 land loan note; accrues interest at 2.78%; payments required to the extent of available cash flow as defined in the operating agreement; unpaid principal and interest due March 30, 2067; collateralized by a second mortgage on the project's rental property and a general business security agreement; full recourse; prepayment allowed any time; interest expense was \$3,228 for each of the years ended December 31, 2024 and 2023; accrued interest was \$25,114 and \$21,886 as of December 31, 2024 and 2023, respectively.	<u>116,100</u>	<u>116,100</u>
Balance carried forward	\$ 10,263,836	\$ 10,289,980

# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

### NOTE D -- Mortgage notes payable, net (Continued)

	<u>2024</u>	<u>2023</u>
Balance brought forward	\$ 10,263,836	\$ 10,289,980
<i>WG Scattered Sites</i> HACM; \$3,217,169 construction and term mortgage note; accrues interest at 1.65%; annual payments required to the extent of available cash flow as defined in the operating agreement; unpaid principal and interest due March 30, 2057; collateralized by a fourth mortgage on the project's rental property and a general business agreement; full recourse; prepayment allowed any time; interest expense was \$53,083 for each of the years ended December 31, 2024 and 2023; accrued interest was \$299,462 and \$246,379 as of December 31, 2024 and 2023, respectively.	3,217,169	3,217,169
<i>WG Scattered Sites</i> HACM; \$1,295,948 amended construction and term mortgage note; accrues interest at 1.65%; annual payments required to the extent of available cash flow as defined in the operating agreement; unpaid principal and interest due March 30, 2057; collateralized by a third mortgage on the project's rental property and a general business agreement; full recourse; prepayment allowed any time; interest expense was \$21,383 for each of the years ended December 31, 2024 and 2023; accrued interest was \$64,149 and \$42,766 as of December 31, 2024 and 2023, respectively.	<u>1,295,948</u>	<u>1,295,948</u>
Total mortgage notes payable	14,776,953	14,803,097
Less unamortized debt issuance costs	<u>43,610</u>	<u>45,088</u>
	<u>\$ 14,733,343</u>	<u>\$ 14,758,009</u>

# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

### NOTE D -- Mortgage notes payable, net (Continued)

Repayment of principal on the mortgage notes payable as of December 31, 2024, is as follows:

Year ending December 31,

2025	\$	27,466
2026		28,856
2027		30,318
2028		31,855
2029		33,470
Thereafter		<u>14,624,988</u>
	\$	<u>14,776,953</u>

### NOTE E -- Related-party transactions

#### Operating deficit guaranty

The operating agreement requires the managing member to fund operating deficits occurring after the period in which the projects reach Stabilized Occupancy, as defined in the operating agreement, and continue until the 60-month anniversary of the achievement of Stabilized Occupancy. The managing member's obligation shall be limited to \$176,000 for the Victory Manor project and \$118,000 for the WG Scattered Sites project. All advances shall constitute unsecured, non-interest-bearing loans and are repayable from available cash flow as defined in the operating agreement. There were no operating deficit loans as of December 31, 2024 and 2023.

#### Development fee

The lower tier entities entered into development services agreements with the managing member, which provide for the payment of a development fee of \$1,338,140 and \$1,618,939 for Victory Manor and WG Scattered Sites, respectively. The entire fee has been capitalized into the cost of the rental property. The total fee is to be paid from capital contributions and project cash flow as set forth in the operating agreement. In the event the entire development fees have not been paid by the 13<sup>th</sup> anniversary of the completion date, as defined in the agreement, the managing member shall immediately make a capital contribution to the company sufficient to satisfy the remaining unpaid portion of the fee. Development fee payable was \$162,284 as of December 31, 2024 and 2023.

# WESTLAWN RENAISSANCE II LLC AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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### NOTE E -- Related-party transactions (Continued)

#### Asset management fee

The operating agreement provides for the company to pay an annual asset management fee commencing in 2019 and continuing until the expiration of the compliance period to the investor member in the initial amount of \$75 per credit unit, increased by 3% annually. The fee is payable out of operating cash flow as defined in the operating agreement and shall be cumulative and accrued if not paid. Asset management fees incurred totaled \$7,303 and \$7,090 for the years ended December 31, 2024 and 2023, respectively. Net accrued asset management fees totaled \$2,599 (\$4,695 accrued for WG Scattered Sites and \$(2,096) prepaid for Victory Manor) and \$2,386 (\$4,558 accrued for WG Scattered Sites and \$(2,172) prepaid for Victory Manor) as of December 31, 2024 and 2023, respectively.

#### Company management fee

The operating agreement provides for the company to pay an annual company management fee to the managing member in the initial amount of \$4,500 and \$2,250 for Victory Manor and WG Scattered Sites, respectively, commencing in 2019. The company management fees are to increase by 3% annually. The fee is payable out of operating cash flow as defined in the operating agreement and shall be cumulative and accrued if not paid. Company management fees incurred totaled \$7,826 and \$7,597 for the years ended December 31, 2024 and 2023, respectively. Accrued company management fees totaled \$14,157 and \$6,331 as of December 31, 2024 and 2023, respectively.

#### Right of first refusal

After the expiration of the 15-year compliance period, the company may not sell the projects to any third party that has made a bona fide purchase offer, without first offering HACM the right of first refusal to purchase the property. The company shall offer the property to the manager member at a price equal to the sum of the company's outstanding debt plus an amount sufficient to enable the company to make liquidation distributions pursuant to the operating agreement.

#### Put option

After the end of the credit period, the investor member has the right to put its interest to HACM. The option price to purchase will be the balance of all unpaid amounts due to the investor member plus \$1,000 and the costs of transfer of interest.

#### Management agreement

The company entered into a management agreement with HACM, under which the company is obligated to pay a management fee equal to 6% of gross residential rents on a monthly basis. The management agreement automatically renews from year to year unless terminated. Management fees incurred under this agreement totaled \$34,837 and \$35,697 for the year ended December 31, 2024 and 2023, respectively. Accrued management fees totaled \$14,113 and \$35,697 as of December 31, 2024 and 2023, respectively.

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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**NOTE E -- Related-party transactions (Continued)**

**Related party payables**

Included in related party payable are amounts due HACM of \$33,263 and \$65,526 and as of December 31, 2024 and 2023, respectively, for operating expenses. Also included in related party payables are amounts due Travaux, Inc., an affiliate of HACM, of \$122,533 and \$40,587 as of December 31, 2024 and 2023, respectively, for billbacks of operating expenses.

**NOTE F -- Commitments and contingencies**

**Cooperation Agreement**

HACM anticipates entering into a cooperation agreement with the City of Milwaukee whereby any low-rent housing developed by HACM receiving federal assistance from the United States of America shall make annual payments in lieu of taxes (PILOT) in an amount equal to 10% of the shelter rent. Shelter rent is defined as the total of all rents charged to tenants less the cost of utilities. The company is subject to the same agreement with respect to the low-income housing units.

**Project Based Voucher Housing Assistance Payments (HAP) Contract**

The lower tier entities and HACM entered into RAD Conversion Commitments with HUD in December 2016 pursuant to which the public housing units were converted to Section 8 project based-vouchers effective April 1, 2017.

The lower tier entities entered into Project Based Voucher Housing Assistance Payments Contracts with HACM whereby HACM agrees to make housing assistance payments to the projects for 44 of the units in Victory Manor and 18 of the units in WG Scattered Sites. The HAP contract is effective April 1, 2017 and has an initial term of 20 years set to expire February 28, 2037. Rental revenue under the HAP contract represents approximately 53% and 51% of rental income for the years ended December 31, 2024 and 2023. Included in accounts receivable are amounts due under this contract of \$139,688 and \$62,873 as of December 31, 2024 and 2023, respectively. The HAP receivable as of December 31, 2024 will be repaid either from HACM unrestricted funds or coincide with repayment of current operating payables due to HACM as the balance is a result of either tenants not certified under the program or HAP received by HACM but that did not flow through to the company.

The lower tier entities entered into RAD Use Agreements with HUD pursuant to the RAD HAP contract which will coincide with the term of the HAP contract. The assisted units are to be leased in accordance with the RAD HAP contract, including applicable eligibility and income requirements.



**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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**NOTE F -- Commitments and contingencies (Continued)**

**Land Use Restriction Agreements (LURAs)**

The lower tier entities entered into LURAs with WHEDA as conditions to receiving an allocation of low-income housing tax credits and obtaining financing from WHEDA (see Note D). Under these agreements, the lower tier entities must continuously comply with IRC Section 42 and other applicable sections of the IRC. The agreements place occupancy restrictions on rents and the minimum percent of units that shall be occupied by individuals or families whose income meets the requirements set under IRC Section 42. If the lower tier entities fail to comply with these agreements or with the IRC, they may be ineligible for low-income housing tax credits and the members may be required to recapture a portion of the tax credits previously claimed on their income tax returns. In addition, noncompliance may require an adjustment to the contributed capital of the investor member. The company is obligated to certify tenant eligibility.

The lower tier entities entered into LURAs with WHEDA as condition to obtaining financing (see Note D). The agreements with WHEDA place occupancy restrictions on rents charged and the minimum set aside of units occupied by targeted individuals or families whose income meets the requirements as described in the LURAs. The agreements expire when the WHEDA loans (Note D) are paid in full.

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**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**  
CONSOLIDATING BALANCE SHEET  
December 31, 2024

	Victory Manor	WG Scattered Sites	Eliminations	Consolidated
<b>ASSETS</b>				
Cash and cash equivalents	72,840	164,302	\$ 0	237,142
Restricted cash	478,183	288,995	0	767,178
Accounts receivable	94,365	129,084	0	223,449
Prepaid expenses	9,074	24,359	0	33,433
Rental property, net	12,788,214	7,999,130	0	20,787,344
Tax credit fees, net	45,459	11,669	0	57,128
<b>TOTAL ASSETS</b>	<b>\$ 13,488,135</b>	<b>\$ 8,617,539</b>	<b>\$ 0</b>	<b>\$ 22,105,674</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>				
<b>LIABILITIES</b>				
Mortgage notes payable, net	\$ 8,981,022	\$ 5,752,321	\$ 0	\$ 14,733,343
Development fee payable	0	162,284	0	162,284
Accounts payable	2,424	1,772	0	4,196
Related party payables	138,752	17,044	0	155,796
Accrued interest	1,287,095	388,725	0	1,675,820
Accrued PILOT	91,378	62,263	0	153,641
Accrued asset management fees	4,695	0	0	4,695
Accrued company management fees	10,282	3,875	0	14,157
Other accrued expenses	40,205	14,798	0	55,003
Prepaid rents	23,918	2,953	0	26,871
Tenants' security deposits payable	32,287	20,950	0	53,237
<b>Total liabilities</b>	<b>10,612,058</b>	<b>6,426,985</b>	<b>0</b>	<b>17,039,043</b>
<b>MEMBERS' EQUITY</b>	<b>2,876,077</b>	<b>2,190,554</b>	<b>0</b>	<b>5,066,631</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$ 13,488,135</b>	<b>\$ 8,617,539</b>	<b>\$ 0</b>	<b>\$ 22,105,674</b>

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

CONSOLIDATING BALANCE SHEET

December 31, 2023

	Victory Manor	WG Scattered Sites	Eliminations	Consolidated
<b>ASSETS</b>				
Cash and cash equivalents	\$ 140,808	\$ 134,968	\$ 0	\$ 275,776
Restricted cash	422,947	258,645	0	681,592
Accounts receivable	70,959	98,425	0	169,384
Prepaid expenses	3,164	23,639	0	26,803
Rental property, net	13,191,271	8,247,974	0	21,439,245
Tax credit fees, net	50,511	12,966	0	63,477
<b>TOTAL ASSETS</b>	<b>\$ 13,879,660</b>	<b>\$ 8,776,617</b>	<b>\$ 0</b>	<b>\$ 22,656,277</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>				
<b>LIABILITIES</b>				
Mortgage notes payable, net	\$ 8,988,481	\$ 5,769,528	\$ 0	\$ 14,758,009
Development fee payable	(0)	162,284	0	162,284
Accounts payable	6,227	31,152	0	37,379
Related party payables	96,500	9,613	0	106,113
Accrued interest	1,082,457	311,031	0	1,393,488
Accrued PILOT	81,346	48,409	0	129,755
Accrued asset management fees	4,558	0	0	4,558
Accrued company management fees	5,065	1,266	0	6,331
Other accrued expenses	41,912	21,866	0	63,778
Prepaid rents	6,638	7,944	0	14,582
Tenants' security deposits payable	31,288	20,181	0	51,469
Total liabilities	10,344,472	6,383,274	0	16,727,746
<b>MEMBERS' EQUITY</b>	<b>3,535,188</b>	<b>2,393,343</b>	<b>0</b>	<b>5,928,531</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$ 13,879,660</b>	<b>\$ 8,776,617</b>	<b>\$ 0</b>	<b>\$ 22,656,277</b>

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**  
CONSOLIDATING STATEMENT OF OPERATIONS  
December 31, 2024

	Victory Manor	WG Scattered Sites	Eliminations	Consolidated
Revenues:				
Rental income	\$ 464,069	\$ 372,787	\$ 0	\$ 836,856
Vacancies and concessions	(94,360)	(33,188)	0	(127,548)
Bad debt expense	0	(13,329)	0	(13,329)
Other revenue	54,224	83	0	54,307
Total revenues	423,933	326,353	0	750,286
Rental expenses:				
Rent and administrative	78,972	49,988	0	128,960
Utilities	77,461	36,018	0	113,479
Operating and maintenance	222,238	16,741	0	238,979
Taxes and insurance	52,919	46,765	0	99,684
Total rental expenses	431,590	149,512	0	581,102
Net rental income (loss)	(7,657)	176,841	0	169,184
Financial income (expense):				
Interest income	10,997	6,068	0	17,065
Interest expense	(244,430)	(130,340)	0	(374,770)
Total financial income (expense)	(233,433)	(124,272)	0	(357,705)
Income (loss) before other expenses	(241,090)	52,569	0	(188,521)
Other expenses:				
Depreciation	403,057	248,844	0	651,901
Amortization	5,052	1,297	0	6,349
Asset management fee	4,695	2,608	0	7,303
Company management fee	5,217	2,609	0	7,826
Total other expenses	418,021	255,358	0	673,379
Net loss	\$ (659,111)	\$ (202,789)	\$ 0	\$ (861,900)

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**  
CONSOLIDATING STATEMENT OF OPERATIONS  
December 31, 2023

	Victory Manor	WG Scattered Sites	Eliminations	Consolidated
Revenues:				
Rental income	\$ 509,564	\$ 330,341	\$ 0	\$ 839,905
Vacancies and concessions	(93,481)	(37,034)	0	(130,515)
Bad debt expense	(73,785)	(74,801)	0	(148,586)
Other revenue	36,358	3,629	0	39,987
Total revenues	378,656	222,135	0	600,791
Rental expenses:				
Rent and administrative	85,936	39,602	0	125,538
Utilities	80,132	33,261	0	113,393
Operating and maintenance	127,157	59,920	0	187,077
Taxes and insurance	62,628	39,122	0	101,750
Total rental expenses	355,853	171,905	0	527,758
Net rental income	22,803	50,230	0	73,033
Financial income (expense):				
Interest income	8,635	4,814	0	13,449
Interest expense	(244,985)	(131,127)	0	(376,112)
Total financial income (expense)	(236,350)	(126,313)	0	(362,663)
Loss before other expenses	(213,547)	(76,083)	0	(289,630)
Other expenses:				
Depreciation	403,055	248,842	0	651,897
Amortization	5,051	1,297	0	6,348
Asset management fee	4,558	2,532	0	7,090
Company management fee	5,065	2,532	0	7,597
Total other expenses	417,729	255,203	0	672,932
Net loss	\$ (631,276)	\$ (331,286)	\$ 0	\$ (962,562)

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**  
CONSOLIDATING STATEMENTS OF MEMBERS' EQUITY  
Years ended December 31, 2024 and 2023

	Victory Manor				WG Scattered Sites				Consolidated			
	Manager member	Special member	Investor member	Total	Manager member	Special member	Investor member	Total	Manager member	Special member	Investor member	Total
Members' equity:												
Balances, December 31, 2022	\$ 415	\$ 10	\$ 4,166,039	\$ 4,166,464	\$ 206	\$ 0	\$ 2,724,423	\$ 2,724,629	\$ 621	\$ 10	\$ 6,890,462	\$ 6,891,093
Net loss	(63)	0	(631,213)	(631,276)	(33)	0	(331,253)	(331,286)	(96)	0	(962,466)	(962,562)
Balances, December 31, 2023	352	10	3,534,826	3,535,188	173	0	2,393,170	2,393,343	525	10	5,927,996	5,928,531
Net loss	(66)	0	(659,045)	(659,111)	(20)	0	(202,769)	(202,789)	(86)	0	(861,814)	(861,900)
Total members' equity	<u>\$ 286</u>	<u>\$ 10</u>	<u>\$ 2,875,781</u>	<u>\$ 2,876,077</u>	<u>\$ 153</u>	<u>\$ 0</u>	<u>\$ 2,190,401</u>	<u>\$ 2,190,554</u>	<u>\$ 439</u>	<u>\$ 10</u>	<u>\$ 5,066,182</u>	<u>\$ 5,066,631</u>
Ownership percentages	<u>0.01%</u>	<u>0.00%</u>	<u>99.99%</u>	<u>100.00%</u>	<u>0.01%</u>	<u>0.00%</u>	<u>99.99%</u>	<u>100.00%</u>	<u>0.01%</u>	<u>0.00%</u>	<u>99.99%</u>	<u>100.00%</u>



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## WESTLAWN RENAISSANCE II LLC

WHEDA Project No. 6183

SUPPLEMENTAL INFORMATION REQUIRED BY WHEDA - VICTORY MANOR

December 31, 2024

### ACCOUNTS AND NOTES RECEIVABLE (OTHER THAN FROM REGULAR TENANTS)

Accounts receivable, other	\$ 17,898
Accounts receivable, related party	54,449
	<u>\$ 72,347</u>

### DELINQUENT TENANTS' ACCOUNTS RECEIVABLE

	Number of tenants	Amount past due
Delinquent 30 days	0	\$ 0
Delinquent 31 to 60 days	25	8,966
Delinquent 61 to 90 days	21	7,416
Delinquent over 90 days	0	0
		<u>\$ 16,382</u>

### DISTRIBUTIONS

Asset management fee	<u>\$ 4,558</u>
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### PARTNERSHIP CASH AND RESERVE FUNDS NOT HELD BY WHEDA

None.

## WESTLAWN RENAISSANCE II LLC

WHEDA Project No. 6183

SUPPLEMENTAL INFORMATION REQUIRED BY WHEDA - VICTORY MANOR (Continued)

December 31, 2024

### RELATED PARTY TRANSACTIONS

Company management fee		
Beginning accrual	\$	5,065
Current year expense		5,217
Fee paid		0
Ending accrual	\$	<u>10,282</u>
Asset management fee		
Beginning accrual	\$	4,558
Current year expense		4,695
Fee paid		<u>(4,558)</u>
Ending accrual	\$	<u>4,695</u>

### COMPUTATION OF SURPLUS CASH

#### CURRENT ASSETS

Project cash on hand	\$	72,840
MEMO - Tenants' security deposits	\$ 35,053	
Accounts receivable, other		72,347
Real estate tax escrow		<u>87,154</u>
Total current assets		232,341

#### CURRENT LIABILITIES

MEMO - Tenants' security deposits payable	\$ 32,287	
Accounts payable		141,176
Accrued expenses		40,205
Accrued interest, WHEDA		3,229
Prepaid rent		23,918
Accrued real estate taxes		<u>91,378</u>
Total current liabilities		<u>299,906</u>

<b>SURPLUS CASH (DEFICIENCY)</b>	<b>\$</b>	<b><u>(67,565)</u></b>
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# STANDARDIZED FINANCIAL TEMPLATE

## Main Information

Field Name	Value
<b>Property Info</b>	
Property Name	Victory Manor LLC
Project Number	6183
HFA Number	52936
Balance Sheet Date of Statement:	12/31/2024
P&L Statement Period:	01/01/2024 - 12/31/2024

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# BALANCE SHEET

**6183 Victory Manor LLC**

**Date of Statement:**

**12/31/2024**

Account ID	Agency Label	Amount	Comment
<b>1100 CURRENT ASSETS</b>	1120.01 Cash - Operations	\$ 72,840	
	1121.01 Construction Cash Account		
	1125.11 Cash - Entity		
	1130.01 Tenant Accounts Receivable	\$ 16,382	
	1130.02 Allowance for Doubtful Accounts (enter a negative amount)		
	1140.01 Accounts and Notes Receivable-Operations	72,347	
	1140.91 Accounts Receivable-WHEDA		
	1145.01 Accounts and Notes Receivable-Entity		
	1160.01 Accounts Receivable-Interest		
	1160.11 Interest Reduction Payment Receivable		
	1170.11 Short Term Investments- Operations		
	1170.21 Short Term Investments-Entity		
	1190.01 Misc Current Assets	\$ 5,636	Due from HUD
	1191.01 Tenant Security Deposits	\$ 35,053	
	<b>1100 Total Current Assets</b>	<b>\$ 202,258</b>	
<b>1200 PREPAID EXPENSES</b>	1210.01 Misc Prepaid Expenses	\$ 9,074	
	<b>1200 Total Prepaid Expenses</b>	<b>\$ 9,074</b>	
<b>1300 FUNDED RESERVES</b>	1310.01 Escrow Deposits		
	1310.21 Insurance Escrow		
	1310.22 Real Estate Tax or PILOT Escrow	\$ 87,154	
	1320.01 Reserve for Replacements	\$ 147,169	
	1330.01 Other Reserve	\$ 208,807	Operating Deficit Reserve
	1340.01 Residual Receipts Reserve		
	1360.01 Development Cost Escrow		
	1360.41 FHA Insurance Reserve		
	1380.01 Management Improvement and Operating Plan		
	<b>1300 Total Funded Reserves</b>	<b>\$ 443,130</b>	
<b>1400 FIXED ASSETS</b>	1410.01 Land	\$ 240,000	
	1420.01 Building	\$ 14,271,723	
	1440.01 Building Equipment (portable)		
	1450.01 Furnishings	\$ 239,475	
	1450.31 Furniture for Project/Tenant Use		
	1450.91 Office Furniture and Equipment		
	1470.01 Maintenance Equipment		
	1480.01 Motor Vehicles		
	1490.01 Misc Fixed Assets	\$ 446,301	Land Improvements
	1490.11 Accumulated Depreciation (enter a negative amount)	\$ (2,409,285)	
	<b>1400 Total Fixed Assets</b>	<b>\$ 12,788,214</b>	
<b>1500 INVESTMENTS</b>	1510.01 Investments-Operations		
	1515.01 Investments-Entity		
	1530.01 Intangible Assets	\$ 45,459	Tax Credit Fees - Net of Amortization
	<b>1500 Total Investment Long-term</b>	<b>\$ 45,459</b>	
<b>1900 MISC ASSETS</b>	1910.01 Misc Other Assets		
	<b>1900 Total Other Assets</b>	<b>\$ -</b>	
<b>TOTAL ASSETS</b>		<b>\$ 13,488,135</b>	



# BALANCE SHEET

**6183 Victory Manor LLC**

**Date of Statement:**

**12/31/2024**

Account ID	Agency Label	Amount	Comment
<b>2100 CURRENT LIABILITIES</b>	2105.01 Bank Overdraft-Operations		
	2110.01 Accounts Payable-Operations		
	2110.11 Accounts Payable-Construction/Development		
	2110.91 Accounts Payable-30 Days	\$ 141,176	
	2112.01 Accounts Payable-Project Improvements Items		
	2113.01 Accounts Payable-Entity	\$ 14,977	
	2115.11 Accounts Payable-236 Excess Income Due HUD		
	2115.21 Accounts Payable-WHEDA/HUD		
	2120.01 Accrued Wages Payable		
	2120.11 Accrued Payroll Taxes Payable		
	2120.31 Accrued Management Fee Payable	\$ -	
	2130.01 Accrued Interest Payable-First Mortgage	\$ 3,229	
	2130.31 Accrued Interest Payable-Second Mortgage		
	2130.41 Accrued Interest Payable-Section 236		
	2131.11 Accrued Interest Payable-Other Loans (Surp. Cash)	\$ 1,283,866	
	2131.12 Accrued Interest Payable-Other Loans and Notes		
	2131.21 Accrued Interest Payable-Flexible Subsidy Loan		
	2131.31 Accrued Interest Payable-Capital Improvement Loan		
	2131.32 Accrued Interest Payable-Operating Loss Loan		
	2150.11 Accrued Real Estate & Property Tax Payable	\$ 91,378	
	2160.01 Short Term Notes Payable		
	2160.31 Other Loans and Notes Payable, Surplus Cash ST		
	2160.32 Other Loans and Notes (Short Term)		
	2160.41 Flexible Subsidy Loan Payable (Short Term)		
	2160.51 Capital Improvement Loan Payable (Short Term)		
	2160.52 Operating Loss Loan Payable (Short Term)		
	2170.11 Mortgage Payable-First Mortgage (Short Term)	\$ 8,723	
	2170.31 Mortgage Payable-Second Mortgage (Short Term)		
	2180.01 Utility Allowances		
	2190.01 Misc Current Liabilities/Preservation Fee	\$ 40,205	
	2191.01 Tenant Security Deposits	\$ 32,287	
	2210.01 Prepaid Revenue	\$ 23,918	
<b>2100</b>	<b>Current Liabilities</b>	<b>\$ 1,639,759</b>	
<b>2300 LONG-TERM LIABILITIES</b>	2310.01 Notes Payable-Long Term		
	2310.31 Notes Payable-Surplus Cash		
	2310.32 Other Loans and Notes Payable		
	2310.33 Other Loans and Notes Payable-Surplus Cash	\$ 8,346,691	
	2310.41 Flexible Subsidy Loan Payable		
	2310.51 Capital Improvement Loan Payable		
	2310.52 Operating Loss Loan Payable		
	2320.11 Mortgage Payable-First Mortgage	\$ 625,608	
	2320.31 Mortgage Payable-Second Mortgage		
	2390.01 Misc Long Term Liabilities		
<b>2300</b>	<b>Long-Term Liabilities</b>	<b>\$ 8,972,299</b>	
<b>TOTAL LIABILITIES</b>		<b>\$ 10,612,058</b>	
3110.11 Total Equity/Retained Earnings		\$ 2,876,077	
<b>TOTAL EQUITY</b>		<b>\$ 2,876,077</b>	
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>\$ 13,488,135</b>	



## PROFIT & LOSS STATEMENT

**6183 Victory Manor LLC**

**Statement Period:**

**01/01/2024 - 12/31/2024**

Account ID	Agency Label	Amount	Comment
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5100 RENT REVENUE	5120.11	Rent Revenue-Gross Potential	\$	272,134
	5120.21	Tenant Assistance Payments	\$	191,935
	5140.01	Rent Revenue - Commercial/Stores @ 100%		
	5170.01	Rent Revenue-Garage/Parking @ 100%	\$	-
	5180.01	Flexible Subsidy Revenue		
	5190.01	Misc Rent Revenue		
	5190.11	Excess Rent		
	5190.12	Rent Revenue/Insurance		
	5190.13	Special Claims Revenue		
	5190.14	Retained Excess Income		
	5100	Rent Revenue	\$	464,069
5200 VACANCY	5220.01	Apartment Vacancies (enter a negative amount)	\$	(94,360)
	5240.01	Stores/Commercial Vacancies or Concessions (enter a negative amount)		
	5250.01	Rental Concessions (enter a negative amount)	\$	-
	5270.01	Garage/Parking Vacancies or Concessions (enter a negative amount)	\$	-
	5290.01	Miscellaneous (enter a negative amount)		
	5200	Vacancy	\$	(94,360)
5300 ELDERLY SERVICE REVENUE	5310.14	Priv Pay Room / Board		
	5310.24	Medicare Room / Board		
	5310.34	Medicaid Room / Board		
	5310.44	VA Room / Board		
	5320.34	Food		
	5320.51	Housekeeping		
	5320.71	Laundry / Linen		
	5300	Eldery Service Revenue	\$	-
5400 FINANCIAL REVENUE	5410.01	Financial Revenue-Project Operations	\$	4,162
	5430.01	Revenue from Investments-Residual Receipts		
	5440.01	Revenue from Investments-Replacement Reserve	\$	6,835
	5490.01	Revenue from Investments-Miscellaneous	\$	-
	5400	Financial Revenue	\$	10,997
5900 OTHER REVENUE	5910.01	Laundry/Vending Income (Net)	\$	3,240
	5920.01	Tenant Charges	\$	6,001
	5990.01	Miscellaneous Revenue	\$	44,983
	5900	Other Revenue	\$	54,224
	5000	REVENUE	\$	434,930
6200-6300 RENT/ADMIN EXPENSES	6210.01	Advertising/Marketing Expense	\$	76
	6250.01	Other Rent Expense	\$	-
	6310.01	Office Salaries	\$	31,838
	6311.01	Office Expenses	\$	6,552
	6311.21	Office or Model Apartment Rent		
	6320.01	Management Fees All	\$	20,278
	6330.11	Manager/Superintendent Salaries		
	6330.21	Administrative Rent-Free Unit	\$	-
	6340.01	Legal Expense-Project Only	\$	213
	6350.01	Audit Expense - Project Only	\$	8,900
	6351.01	Bookkeeping Fees/Accounting Services	\$	5,400
	6370.01	Bad Debt Expense	\$	-
	6390.01	Misc Administrative Expenses	\$	5,715
	6200	Administrative Expense	\$	78,972
6400 UTILITY EXPENSE	6420.01	Fuel Oil		
	6450.11	Electricity	\$	49,541
	6450.21	Gas	\$	8,260
	6450.32	Water	\$	19,660
	6450.33	Sewer		
	6400	Utility Expense	\$	77,461
6500 OPERATING & MAINTENANCE EXPENSE	6510.01	Payroll	\$	22,036
	6510.31	Operating and Maintenance Rent Free Unit		
	6515.01	Supplies	\$	52,143
	6520.01	Contracts	\$	44,849
	6525.01	Garbage & Trash Removal	\$	20,705
	6530.11	Security Payroll/Contract (incl taxes and benefits)	\$	-
	6530.21	Security Rent Free Unit		
	6540.11	Heating/Cooling Repairs & Maintenance	\$	12,411
	6540.21	Snow Removal	\$	3,931
	6570.01	Vehicle/Maintenance Equipment Operation & Repairs		
	6580.01	RR releases to reimburse expensed items (enter a negative amount) (MEMO ONLY)		
	6590.01	Misc Operating & Maintenance Expense	\$	66,163
	6500	Operating and Maintenance Expense	\$	222,238



## PROFIT & LOSS STATEMENT

**6183 Victory Manor LLC**

**Statement Period:**

**01/01/2024 - 12/31/2024**

	Account ID	Agency Label	Amount	Comment
<b>6700 TAXES AND INSURANCE</b>	6710.01	Real Estate & Personal Property Taxes	\$	10,031
	6711.01	Payroll Taxes - Project Share		
	6720.01	Property & Liability Insurance (Hazard)	\$	29,360
	6723.01	Health Insurance and Other Employee Benefits	\$	12,760
	6723.11	Fidelity Bond Insurance		
	6723.21	Workmens Compensation		768
	6790.01	Misc Taxes, Licenses, Permits, and Insurance	\$	-
	<b>6700</b>	<b>Tax and Insurance Expense</b>	<b>\$</b>	<b>52,919</b>
<b>6900 ELDERLY SERVICE EXPENSE</b>	6930.11	Dietary Salaries		
	6930.21	Food		
	6930.22	Dietary Prchsd Serv		
	6940.11	Regstrd Nurse Salary		
	6950.11	Housekeeping Salary		
	6950.21	Housekeeping Supply		
	6950.31	Other Housekeeping		
	6960.22	Medical Supplies		
	6960.29	Medical Prchsd Serv		
	6970.01	Laundry Expenses		
	6975.01	Medical Records		
	6980.11	Recreation/Rehab		
	6980.21	Activity Supplies		
	6990.01	Elderly Service Other		
	<b>6900</b>	<b>Elderly Service Expense</b>	<b>\$</b>	<b>-</b>
<b>RR DEPOSITS</b>	11320.01	Annual Replacement Reserve Deposits (MEMO ONLY)	\$	18,000
		<b>TOTAL OPERATING EXPENSES</b>	<b>\$</b>	<b>431,590</b>
		<b>NET OPERATING INCOME (NOI)</b>	<b>\$</b>	<b>3,340</b>
<b>6800 FINANCIAL EXPENSE</b>	6810.01	WHEDA Senior Hard Debt Interest	\$	39,751
	6820.01	WHEDA Junior Hard Debt Interest		
	6825.01	Other Mortgage Interest	\$	-
	6850.01	Mortgage Insurance Premium/Service Charge		
	6890.01	Misc Financial Expense/Preservation Fee		
	<b>6800</b>	<b>Financial Expense</b>	<b>\$</b>	<b>39,751</b>
<b>DEPRECIATION AMORTIZATION</b>	6610.01	Depreciation Expense	\$	403,057
	6620.01	Amortization Expense	\$	5,052
		<b>OPERATING PROFIT OR LOSS</b>	<b>\$</b>	<b>(444,520)</b>
<b>7100 CORPORATE OR MORTGAGOR EXPENSE</b>	7110.01	Officer's Salaries		
	7120.01	Legal Expense		
	7130.01	Federal, State, and Other Income Taxes		
	7140.01	Interest Income		
	7140.11	Interest on Notes Payable		
	7140.21	Interest on Mortgage Payable	\$	204,679
	7190.01	Other Expense	\$	9,912
	<b>7100</b>	<b>Net Entity Expenses</b>	<b>\$</b>	<b>214,591</b>
<b>TOTAL PRINCIPAL PAYMENTS</b>	16810.01	WHEDA Senior Hard Debt Principal	\$	8,224
	16820.01	WHEDA Junior Hard Debt Principal		
	16825.01	Other Debt Principal		

## WESTLAWN RENAISSANCE II LLC

WHEDA Project No. 6228

SUPPLEMENTAL INFORMATION REQUIRED BY WHEDA - WG SCATTERED SITES

December 31, 2024

### ACCOUNTS AND NOTES RECEIVABLE (OTHER THAN FROM REGULAR TENANTS)

Accounts receivable, other	\$ 24,682
Accounts receivable, related party	77,854
	<u>\$ 102,536</u>

### DELINQUENT TENANTS' ACCOUNTS RECEIVABLE

	Number of tenants	Amount past due
Delinquent 30 days	0	\$ 0
Delinquent 31 to 60 days	21	13,390
Delinquent 61 to 90 days	18	11,619
Delinquent over 90 days	0	0
		<u>\$ 25,009</u>

### DISTRIBUTIONS

Asset management fee	<u>\$ 4,704</u>
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### PARTNERSHIP CASH AND RESERVE FUNDS NOT HELD BY WHEDA

None.

## WESTLAWN RENAISSANCE II LLC

WHEDA Project No. 6228

SUPPLEMENTAL INFORMATION REQUIRED BY WHEDA - WG SCATTERED SITES (Continued)

December 31, 2024

### RELATED PARTY TRANSACTIONS

Development fee payable		
Beginning balance	\$	162,284
Fee paid		<u>0</u>
Ending accrual	\$	<u><u>162,284</u></u>
Company management fee		
Beginning accrual	\$	1,266
Current year expense		2,609
Fee paid		<u>0</u>
Ending accrual	\$	<u><u>3,875</u></u>
Asset management fee		
Beginning accrual	\$	-
Current year expense		2,608
Fee paid		<u>(4,704)</u>
Ending prepaid fee asset management fee	\$	<u><u>(2,096)</u></u>

### COMPUTATION OF SURPLUS CASH

#### CURRENT ASSETS

Project cash on hand		\$	164,302
MEMO - Tenants' security deposits	\$	22,311	
Accounts receivable, other			102,536
Real estate tax escrow			<u>49,464</u>
Total current assets			316,302

#### CURRENT LIABILITIES

MEMO - Tenants' security deposits payable	\$	20,950	
Accounts payable			18,816
Accrued expenses			685
Prepaid rent			2,953
Accrued real estate taxes			<u>62,263</u>
Total current liabilities			<u><u>84,717</u></u>

<b>SURPLUS CASH</b>	\$	<u><u>231,585</u></u>
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# STANDARDIZED FINANCIAL TEMPLATE

## Main Information

Field Name	Value
<b>Property Info</b>	
Property Name	WG Scattered Sites
Project Number	6228
HFA Number	52979
Balance Sheet Date of Statement:	12/31/2024
P&L Statement Period:	01/01/2024 - 12/31/2024

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(c) SVA CERTIFIED PUBLIC ACCOUNTANTS, S.C.





## BALANCE SHEET

**6228 WG Scattered Sites**

**Date of Statement:**

**12/31/2024**

Account ID	Agency Label	Amount	Comment
<b>1100 CURRENT ASSETS</b>	1120.01 Cash - Operations	\$	164,302
	1121.01 Construction Cash Account		
	1125.11 Cash - Entity		
	1130.01 Tenant Accounts Receivable	\$	24,800
	1130.02 Allowance for Doubtful Accounts (enter a negative amount)		
	1140.01 Accounts and Notes Receivable-Operations	\$	102,536
	1140.91 Accounts Receivable-WHEDA		
	1145.01 Accounts and Notes Receivable-Entity		
	1160.01 Accounts Receivable-Interest		
	1160.11 Interest Reduction Payment Receivable		
	1170.11 Short Term Investments- Operations		
	1170.21 Short Term Investments-Entity		
	1190.01 Misc Current Assets	\$	1,748 Due from HUD
	1191.01 Tenant Security Deposits	\$	22,311
<b>1100</b>	<b>Total Current Assets</b>	<b>\$</b>	<b>315,697</b>
<b>1200 PREPAID EXPENSES</b>	1210.01 Misc Prepaid Expenses	\$	24,359
	<b>1200 Total Prepaid Expenses</b>	<b>\$</b>	<b>24,359</b>
<b>1300 FUNDED RESERVES</b>	1310.01 Escrow Deposits	\$	9,089
	1310.21 Insurance Escrow		
	1310.22 Real Estate Tax or PILOT Escrow	\$	49,464
	1320.01 Reserve for Replacements	\$	72,407
	1330.01 Other Reserve	\$	135,724 Operating Deficit Reserve
	1340.01 Residual Receipts Reserve		
	1360.01 Development Cost Escrow		
	1360.41 FHA Insurance Reserve		
	1380.01 Management Improvement and Operating Plan		
<b>1300</b>	<b>Total Funded Reserves</b>	<b>\$</b>	<b>266,684</b>
<b>1400 FIXED ASSETS</b>	1410.01 Land	\$	145,493
	1420.01 Building	\$	8,966,598
	1440.01 Building Equipment (portable)		
	1450.01 Furnishings	\$	95,725
	1450.31 Furniture for Project/Tenant Use		
	1450.91 Office Furniture and Equipment		
	1470.01 Maintenance Equipment		
	1480.01 Motor Vehicles		
	1490.01 Misc Fixed Assets	\$	302,117 Land Improvements
	1490.11 Accumulated Depreciation (enter a negative amount)	\$	(1,510,803)
<b>1400</b>	<b>Total Fixed Assets</b>	<b>\$</b>	<b>7,999,130</b>
<b>1500 INVESTMENTS</b>	1510.01 Investments-Operations		
	1515.01 Investments-Entity		
	1530.01 Intangible Assets	\$	11,669 Tax Credit Fees - Net of Amortization
<b>1500</b>	<b>Total Investment Long-term</b>	<b>\$</b>	<b>11,669</b>
<b>1900 MISC ASSETS</b>	1910.01 Misc Other Assets		
	<b>1900 Total Other Assets</b>	<b>\$</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>\$</b>	<b>8,617,539</b>



Date of Statement:

12/31/2024

Account ID	Agency Label	Amount	Comment
2105.01	Bank Overdraft-Operations		
2110.01	Accounts Payable-Operations		
2110.11	Accounts Payable-Construction/Development		
2110.91	Accounts Payable-30 Days	\$ 18,816	
2112.01	Accounts Payable-Project Improvements Items		
2113.01	Accounts Payable-Entity	\$ 166,159	
2115.11	Accounts Payable-236 Excess Income Due HUD		
2115.21	Accounts Payable-WHEDA/HUD		
2120.01	Accrued Wages Payable		
2120.11	Accrued Payroll Taxes Payable		
2120.31	Accrued Management Fee Payable	\$ 14,113	
2130.01	Accrued Interest Payable-First Mortgage	\$ -	
2130.31	Accrued Interest Payable-Second Mortgage		
2130.41	Accrued Interest Payable-Section 236		
2131.11	Accrued Interest Payable-Other Loans (Surp Cash)	\$ 388,725	
2131.12	Accrued Interest Payable-Other Loans and Notes		
2131.21	Accrued Interest Payable-Flexible Subsidy Loan		
2131.31	Accrued Interest Payable-Capital Improvement Loan		
2131.32	Accrued Interest Payable-Operating Loss Loan		
2150.11	Accrued Real Estate & Property Tax Payable	\$ 62,263	
2160.01	Short Term Notes Payable		
2160.31	Other Loans and Notes Payable, Surplus Cash ST		
2160.32	Other Loans and Notes (Short Term)		
2160.41	Flexible Subsidy Loan Payable (Short Term)		
2160.51	Capital Improvement Loan Payable (Short Term)		
2160.52	Operating Loss Loan Payable (Short Term)		
2170.11	Mortgage Payable-First Mortgage (Short Term)	\$ 18,743	
2170.31	Mortgage Payable-Second Mortgage (Short Term)		
2180.01	Utility Allowances		
2190.01	Misc Current Liabilities/Preservation Fee	\$ 685	
2191.01	Tenant Security Deposits	\$ 20,950	
2210.01	Prepaid Revenue	\$ 2,953	
2100	Current Liabilities	\$ 693,407	
2310.01	Notes Payable-Long Term		
2310.31	Notes Payable-Surplus Cash		
2310.32	Other Loans and Notes Payable		
2310.33	Other Loans and Notes Payable-Surplus Cash	\$ 4,629,217	
2310.41	Flexible Subsidy Loan Payable		
2310.51	Capital Improvement Loan Payable		
2310.52	Operating Loss Loan Payable		
2320.11	Mortgage Payable-First Mortgage	\$ 1,104,361	
2320.31	Mortgage Payable-Second Mortgage		
2390.01	Misc Long Term Liabilities		
2300	Long-Term Liabilities	\$ 5,733,578	
TOTAL LIABILITIES		\$ 6,426,985	
3110.11	Total Equity/Retained Earnings	\$ 2,190,554	
TOTAL EQUITY		\$ 2,190,554	
TOTAL LIABILITIES & EQUITY		\$ 8,617,539	



## PROFIT & LOSS STATEMENT

6228 WG Scattered Sites

Statement Period:

01/01/2024 - 12/31/2024

Account ID Agency Label

Amount

Comment

5100  
RENT  
REVENUE

5120.11	Rent Revenue-Gross Potential	\$	213,150
5120.21	Tenant Assistance Payments	\$	159,637
5140.01	Rent Revenue - Commercial/Stores @ 100%		
5170.01	Rent Revenue-Garage/Parking @ 100%	\$	-
5180.01	Flexible Subsidy Revenue		
5190.01	Misc Rent Revenue		
5190.11	Excess Rent		
5190.12	Rent Revenue/Insurance		
5190.13	Special Claims Revenue		
5190.14	Retained Excess Income		

5100 Rent Revenue \$ 372,787

5200  
VACANCY

5220.01	Apartment Vacancies (enter a negative amount)	\$	(33,188)
5240.01	Stores/Commercial Vacancies or Concessions (enter a negative amount)		
5250.01	Rental Concessions (enter a negative amount)	\$	-
5270.01	Garage/Parking Vacancies or Concessions (enter a negative amount)	\$	-
5290.01	Miscellaneous (enter a negative amount)		

5200 Vacancy \$ (33,188)

5300  
ELDERLY  
SERVICE  
REVENUE

5310.14	Priv Pay Room / Board		
5310.24	Medicare Room / Board		
5310.34	Medicaid Room / Board		
5310.44	VA Room / Board		
5320.34	Food		
5320.51	Housekeeping		
5320.71	Laundry / Linen		

5300 Elderly Service Revenue \$ -

5400  
FINANCIAL  
REVENUE

5410.01	Financial Revenue-Project Operations	\$	3,161
5430.01	Revenue from Investments-Residual Receipts		
5440.01	Revenue from Investments-Replacement Reserve	\$	2,907
5490.01	Revenue from Investments-Miscellaneous	\$	-

5400 Financial Revenue \$ 6,068

5900  
OTHER  
REVENUE

5910.01	Laundry/Vending Income (Net)	\$	-
5920.01	Tenant Charges	\$	-
5990.01	Miscellaneous Revenue	\$	83

5900 Other Revenue \$ 83

5000 REVENUE \$ 345,750

6200-6300  
RENT/ADMIN  
EXPENSES

6210.01	Advertising/Marketing Expense	\$	-
6250.01	Other Rent Expense	\$	-
6310.01	Office Salaries	\$	15,919
6311.01	Office Expenses	\$	1,985
6311.21	Office or Model Apartment Rent		
6320.01	Management Fees All	\$	14,559
6330.11	Manager/Superintendent Salaries		
6330.21	Administrative Rent-Free Unit	\$	-
6340.01	Legal Expense-Project Only	\$	270
6350.01	Audit Expense - Project Only	\$	8,900
6351.01	Bookkeeping Fees/Accounting Services	\$	2,859
6370.01	Bad Debt Expense	\$	13,329
6390.01	Misc Administrative Expenses	\$	5,496

6200 Administrative Expense \$ 63,317

6400  
UTILITY  
EXPENSE

6420.01	Fuel Oil		
6450.11	Electricity	\$	1,562
6450.21	Gas	\$	807
6450.32	Water	\$	33,649
6450.33	Sewer		

6400 Utility Expense \$ 36,018

6500  
OPERATING &  
MAINTENANCE  
EXPENSE

6510.01	Payroll	\$	10,974
6510.31	Operating and Maintenance Rent Free Unit		
6515.01	Supplies	\$	744
6520.01	Contracts		0
6525.01	Garbage & Trash Removal	\$	-
6530.11	Security Payroll/Contract (incl taxes and benefits)	\$	-
6530.21	Security Rent Free Unit		
6540.11	Heating/Cooling Repairs & Maintenance	\$	721
6540.21	Snow Removal	\$	4,302
6570.01	Vehicle/Maintenance Equipment Operation & Repairs		
6580.01	RR releases to reimburse expensed items (enter a negative amount) (MEMO ONLY)		
6590.01	Misc Operating & Maintenance Expense	\$	-

6500 Operating and Maintenance Expense \$ 16,741



## PROFIT & LOSS STATEMENT

**6228 WG Scattered Sites**

**Statement Period:**

**01/01/2024 - 12/31/2024**

	Account ID	Agency Label	Amount	Comment
<b>6700 TAXES AND INSURANCE</b>	6710.01	Real Estate & Personal Property Taxes	\$	13,853
	6711.01	Payroll Taxes - Project Share		
	6720.01	Property & Liability Insurance (Hazard)	\$	26,163
	6723.01	Health Insurance and Other Employee Benefits	\$	6,366
	6723.11	Fidelity Bond Insurance		
	6723.21	Workmens Compensation		383
	6790.01	Misc Taxes, Licenses, Permits, and Insurance	\$	-
	<b>6700</b>	<b>Tax and Insurance Expense</b>	<b>\$</b>	<b>46,765</b>
<b>6900 ELDERLY SERVICE EXPENSE</b>	6930.11	Dietary Salaries		
	6930.21	Food		
	6930.22	Dietary Prchsd Serv		
	6940.11	Regstrd Nurse Salary		
	6950.11	Housekeeping Salary		
	6950.21	Housekeeping Supply		
	6950.31	Other Housekeeping		
	6960.22	Medical Supplies		
	6960.29	Medical Prchsd Serv		
	6970.01	Laundry Expenses		
	6975.01	Medical Records		
	6980.11	Recreation/Rehab		
	6980.21	Activity Supplies		
	6990.01	Elderly Service Other		
	<b>6900</b>	<b>Elderly Service Expense</b>	<b>\$</b>	<b>-</b>
<b>RR DEPOSITS</b>	11320.01	Annual Replacement Reserve Deposits (MEMO ONLY)	\$	9,000
		<b>TOTAL OPERATING EXPENSES</b>	<b>\$</b>	<b>162,841</b>
		<b>NET OPERATING INCOME (NOI)</b>	<b>\$</b>	<b>182,909</b>
<b>6800 FINANCIAL EXPENSE</b>	6810.01	WHEDA Senior Hard Debt Interest	\$	52,646
	6820.01	WHEDA Junior Hard Debt Interest		
	6825.01	Other Mortgage Interest	\$	-
	6850.01	Mortgage Insurance Premium/Service Charge		
	6890.01	Misc Financial Expense/Preservation Fee		
	<b>6800</b>	<b>Financial Expense</b>	<b>\$</b>	<b>52,646</b>
<b>DEPRECIATION AMORTIZATION</b>	6610.01	Depreciation Expense	\$	248,844
	6620.01	Amortization Expense	\$	1,297
		<b>OPERATING PROFIT OR LOSS</b>	<b>\$</b>	<b>(119,878)</b>
<b>7100 CORPORATE OR MORTGAGOR EXPENSE</b>	7110.01	Officer's Salaries		
	7120.01	Legal Expense		
	7130.01	Federal, State, and Other Income Taxes		
	7140.01	Interest Income		
	7140.11	Interest on Notes Payable		
	7140.21	Interest on Mortgage Payable		77,694
	7190.01	Other Expense	\$	5,217
	<b>7100</b>	<b>Net Entity Expenses</b>	<b>\$</b>	<b>82,911</b>
<b>TOTAL PRINCIPAL PAYMENTS</b>	16810.01	WHEDA Senior Hard Debt Principal	\$	17,920
	16820.01	WHEDA Junior Hard Debt Principal		
	16825.01	Other Debt Principal		

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

WHEDA Project No. 6183 and 6228  
CERTIFICATION BY MORTGAGOR  
December 31, 2024

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I hereby certify that I have examined the accompanying financial statements and supplementary information of Westlawn Renaissance II LLC and Subsidiaries and, to the best of my knowledge and belief, the same are complete and accurate.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Name of Signatory:

Title of Certifying Official:

Telephone Number:

Ken Barbeau

Interim Secretary-Executive Director,

Housing Authority of the City of Milwaukee

Managing Member

414-286-5824

(c) SVA CERTIFIED PUBLIC ACCOUNTANTS, S.C.

**WESTLAWN RENAISSANCE II LLC  
AND SUBSIDIARIES**

WHEDA Project No. 6183 and 6228  
CERTIFICATION BY MANAGEMENT AGENT  
December 31, 2024

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I hereby certify that I have examined the accompanying financial statements and supplementary information of Westlawn Renaissance II LLC and Subsidiaries and, to the best of my knowledge and belief, the same are complete and accurate.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Name of Signatory:

Title of Certifying Official:

Telephone Number:

Ken Barbeau

Interim Secretary-Executive Director,  
Housing Authority of the City of Milwaukee  
Managing Member  
414-286-5824



**(c) SVA CERTIFIED PUBLIC ACCOUNTANTS, S.C.**