COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
"WILLOW GLEN"
Columbus, Georgia

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
Management's Discussion and Analysis	3-10
FINANCIAL STATEMENTS	
Statement of Net Assets	11
Statement of Revenues, Expenses, & Changes in Net Assets	12
Statement of Cash Flow	13
Notes to Financial Statements	14-19
AUDIT SECTION	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	20-21
SUPPLEMENTAL INFORMATION	
Schedule of Budget to Actual Revenues and Expenditures	22
Mortgagor's Certifications	23

RECTOR REEDER & LOFTON PC

INDEPENDENT AUDITORS' REPORT

To the Members
Columbus Permanent Supportive Housing, LLC
Columbus, Georgia

Report on Financial Statements

Opinions

We have audited the accompanying financial statements of the Columbus Permanent Supportive Housing, LLC for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Columbus Permanent Supportive Housing, LLC, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing applicable to financial audits contained in Government Auditing Standards (*Government Auditing Standards*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Columbus Permanent Supportive Housing, LLC 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 opinions.

Responsibilities of Management for Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Columbus Permanent Supportive Housing, LLC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 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

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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 financial statements.

In performing an audit in accordance with Government Auditing Standards, we

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and Schedule of Budget to Actual Revenues and Expenditures, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedure did not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 22, 2025, on our consideration of the Columbus Permanent Supportive Housing, LLC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Columbus Permanent Supportive Housing, LLC'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 Columbus Permanent Supportive Housing, LLC's internal control over financial reporting and compliance.

Rector, Reeder & Lofton, P.C.
Certified Public Accountants

Loganville, Georgia
July 22, 2025

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
"WILLOW GLEN"
Columbus, Georgia

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2024

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2024

The Columbus Permanent Supportive Housing, LLC (the Company) Management's Discussion and Analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Company's financial activity, identify changes in the Company's financial position, and identify individual issues or concerns. It is helpful to consider the information presented here in conjunction with the Company's financial statements.

This Management's Discussion and Analysis is presented in accordance with the requirements of the Government Accounting Standards Board Statement No. 34 (GASB 34).

FINANCIAL HIGHLIGHTS

- The Company's net position increased by $18,643 during FY 2024. At December 31, 2024, assets exceeded liabilities by $717,976.

- The Company had total revenues of $230,744 and total expenses of $212,101 for the fiscal year ended December 31, 2024. The Company's revenues decreased by 31.31% and expenses decreased by 48.37% from the prior fiscal year.

- When comparing the income and expense items between FY2024 and FY2023, please note the reporting period for FY2023 represents eighteen months as compared to twelve months in FY2024.

OVERVIEW OF THE ANNUAL FINANCIAL REPORTS

Management's Discussion and Analysis (MD&A) serves as an introduction to, and should be read in conjunction with, the basic audited financial statements and supplementary information. The MD&A represents management's examination and analysis of the Company's financial condition and performance.

The financial statements report information about the Company by using full accrual accounting methods as utilized by similar business activities in the private sector. In management's opinion, the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in conformity with generally accepted accounting principles.

The Company is engaged only in "Business-Type Activities" and is considered a Component Unit of a "Special Purpose" government (the Housing Authority of Columbus, GA) under Paragraph 138 of GASB 34. The Company will present its financial statements according to Paragraph 138 of GASB 34 and will consist of the following: (a) Statement of Net Position (balance sheet), (b) Statement of Revenues, Expenses and Changes in Net Position (income statement), and (c) Statement of Cash Flows. In addition to the basic financial statements, the Company will present notes to the financial statements and required supplementary information.

The **Statement of Net Position** presents information on all of the Company's assets and liabilities, with the difference between the two as net position. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year) and "Noncurrent". Over time,

increases and decreases in net position serve as a useful indicator of whether the financial position of the Company is improving or deteriorating.

The **Statement of Revenues, Expenses, and Changes in Net Position** (income statement) presents the results of the business activities of the Company over the course of the fiscal year. The focus of this statement is the "Change in Net Position", which is similar to Net Income or Loss. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The **Statement of Cash Flows** presents changes in cash and cash equivalents, resulting from operating, financing, and investing activities. This statement presents cash receipts and cash disbursement information, without consideration of the earnings event, when an obligation arises, or depreciation of capital assets.

The **Notes to the Financial Statements** provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the Company's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any. Also, included is the required **Supplementary Information** containing items such as budget to actual comparisons, debt information, and grant activity.

The financial statements were prepared by the Company's staff from the detailed general ledgers and supporting documentation in conformity with generally accepted accounting principles (GAAP). The financial statements were audited and adjusted, if material, during the independent external audit process.

ORGANIZATION

Columbus Permanent Supportive Housing, LLC (the Company), a Georgia limited liability company, was incorporated under the laws of the State of Georgia. The Company is a single-member LLC with the sole member being the Housing Authority of Columbus, Georgia. The Company entered into a financing agreement with Georgia Housing Finance Agency (GHFA) for the development and construction of a 28-unit multifamily rental housing project in Muscogee County, Georgia, known as "Willow Glen" (the Project).

FINANCIAL ANALYSIS OF THE COMPANY

One question frequently asked about a Company's finances is "did the Company's operations and financial position improve or deteriorate over the previous fiscal year?" For FY 2024, the answer to this question is: *the Company's financial condition improved*. The Statements of Net Position and the Statements of Revenues, Expenses, and Change in Net Position provide information about the Company's activities, as summarized in the following sections.

To begin the analysis, a summary of the Company's Statements of Net Position is presented in Table I.

Table I: Statement of Net Position

December 31, 2024 and 2023

	2024	2023	Change	% Change
ASSETS				
Cash and Investments	$ 921,428	$ 845,440	$ 75,988	8.99%
Other Current Assets	3,631	3,966	(335)	-8.45%
Net Capital Assets	2,974,760	3,038,759	(63,999)	-2.11%
Total Assets	$ 3,899,819	$ 3,888,165	$ 11,654	0.30%
LIABILITIES				
Current Liabilities	$ 39,773	$ 30,084	$ 9,689	32.21%
Non-Current Liabilities	3,142,070	3,158,748	(16,678)	-0.53%
Total Liabilities	3,181,843	3,188,832	(6,989)	-0.22%
NET POSITION				
Investment in Capital Assets	(183,678)	(137,391)	(46,287)	33.69%
Restricted Net Position	527,435	478,913	48,522	10.13%
Unrestricted Net Position	374,219	357,811	16,408	4.59%
Total Net Position	717,976	699,333	18,643	2.67%
Total Liabilities and Net Position	$ 3,899,819	$ 3,888,165	$ 11,654	0.30%

Total assets increased by $11,654 or less than one percent. This change was primarily due to an increase in cash and investments of $75,988 as a result of operations and is further detailed in the accompanying Statement of Cash Flows. Net Capital Assets decreased by $63,999 due entirely to depreciation expense.

Current Liabilities increased by $9,689 or 32.21% due to increases in accounts payable and PILOT payable, due to the timing of payments during the year. Noncurrent liabilities decreased by $16,678 or 0.53%, due to the repayment of long-term debt.

Net Position

As illustrated in the Statements of Net Position, the overall Total Net Position of the Company increased by $18,643 or 2.67% during FY 2024. Unrestricted net position increased by $16,408 or 4.59%, Net Investment in Capital Assets decreased by $46,287 or 33.69% due to depreciation expense and repayment of debt, and restricted net position increased by $48,522 or 10.13% due to increases in reserves.

While the Statement of Net Position shows the change in financial position, the Statement of Revenues, Expenses, and Changes in Net Position breaks down revenues and expenses further.

Table II, the Statements of Revenues, Expenses, and Changes in Net Position, provides additional details regarding the Company's change in financial position.

Table II: Comparative Statement of Revenues, Expenses and Changes in Net Position
For the years ended December 31, 2024 and 2023

	2024	2023	Total Change	% Change
Tenant Revenue	$ 70,658	$ 99,526	$ (28,868)	-29.01%
Grant Funding	117,873	189,176	(71,303)	-37.69%
Interest Income	39,129	44,651	(5,522)	-12.37%
Other Income	3,084	2,586	498	19.26%
Total Revenue	**230,744**	**335,939**	**(105,195)**	**-31.31%**
Administration	58,564	81,857	(23,293)	-28.46%
Tenant services	173	163	10	6.13%
Utilities	17,260	26,947	(9,687)	-35.95%
Maintenance	39,213	60,120	(20,907)	-34.78%
Protective services	4,378	3,356	1,022	30.45%
Insurance premiums	23,294	24,976	(1,682)	-6.73%
General expense	5,220	21,373	(16,153)	-75.58%
Depreciation	63,999	191,998	(127,999)	-66.67%
Total Expenses	**212,101**	**410,790**	**(198,689)**	**-48.37%**
Change in Net Position	18,643	(74,851)	93,494	-124.91%
Beginning Net Position	699,333	774,184	(74,851)	-9.67%
Ending Net Position	$ **717,976**	$ **699,333**	$ **18,643**	**2.67%**

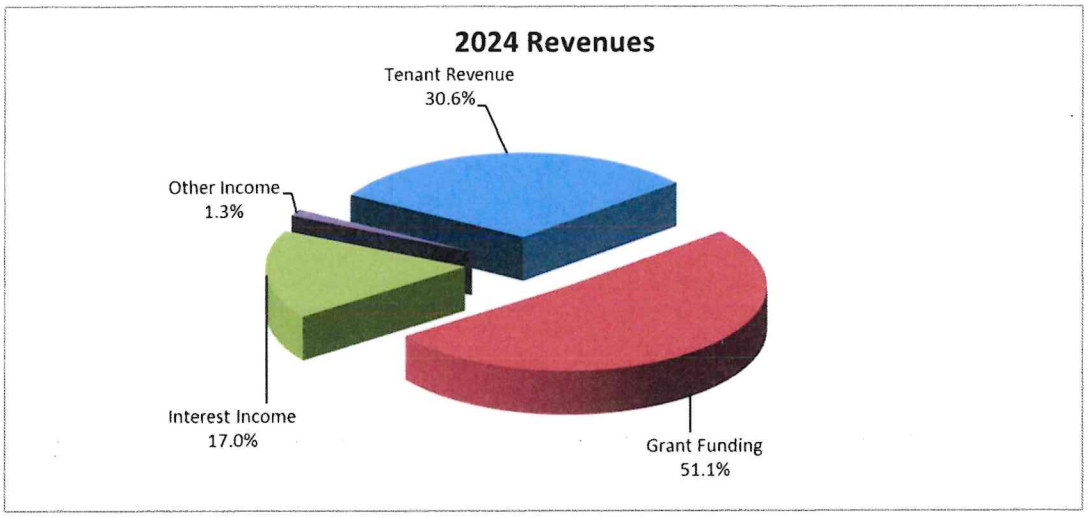
Table III, the Statement of Revenues, Expenses, and Changes in Net Position – Revenue by Source provides additional details by breaking out the amounts relating to the different sources of revenue.

Table III: Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2024

		2024
Tenant Revenue	$	70,658
Grant Funding		117,873
Interest Income		39,129
Other Income		3,084
Total Revenues		**230,744**
Administration		58,564
Tenant Services		173
Utilities		17,260
Maintenance		39,213
Protective services		4,378
Insurance premiums		23,294
General expense		5,220
Depreciation		63,999
Total Expenses		**212,101**
Change in Net Position		**18,643**
Beginning Net Position		699,333
Ending Net Position	$	**717,976**

REVENUES

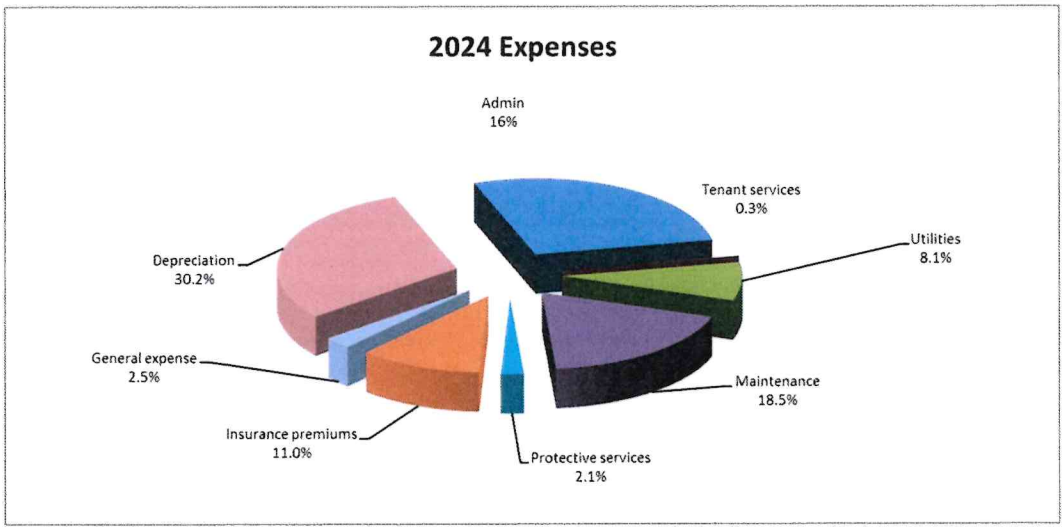
In reviewing the Statement of Revenues, Expenses, and Changes in Net Position – Revenue by Source, as shown in the following chart, 51.1% of the Company's revenues were derived from grants from the Department of Housing and Urban Development (HUD) transferred from the Housing Authority of Georgia while residents provided 30.6% of the total revenue for dwelling rental charges, excess utilities charges, and miscellaneous charges. Other income provided 1.3% of the Company's revenue and interest income was 17% of the total revenue.



The overall decrease in revenue was primarily due to a decrease of $100,171 or 34.70% due to decreases in HAP revenue received. Other income increased slightly by $498 and interest income decreased by $5,522.

EXPENSES

The Company experienced a $198,689 or 48.37% decrease in total expenses for the current year. The highlights of the expenses for the current year are as follows:



Administration – Administration expenses for the Company decreased from $81,857 in FY 2023 to $58,564 in FY 2024. Administrative costs for FY 2024 included salaries, benefits, audit costs, management fees, and other sundry items. The majority of this decrease was in salaries, benefits, and other sundry expenses.

Resident Services – Resident services expenses were for relocation and transportation costs which occurred in the prior year. Resident services were $173 in the current year.

Utilities - The total utilities expense for the Company decreased by $9,687 for FY2024 compared to FY2023 due to normal fluctuations.

Maintenance – Maintenance costs are all costs incurred by the Company to maintain 28 units. Maintenance costs decreased by $20,907 or 34.78% due to decreases in labor, materials, and contract costs.

Protective Services – Protective services include monthly monitoring services and locks/fire extinguishers. Protective services costs for FY 2024 were $1,022 more than in FY 2023.

Insurance Expense – Insurance expense includes costs for property, liability, workmen's compensation, and auto policies. Insurance expense decreased by $1,682 or 6.73% in the current year.

General Expense – General expense includes collection losses, compensated absence expense, and payment in lieu of taxes to Muscogee County. General expenses decreased by $17,835 or 38.48% due primarily to write-offs in the prior year of $9,284. PILOT also decreased by $5,590.

Depreciation –The costs of all capitalized property (excluding land) are expensed over the estimated useful life of an asset; therefore, the estimated current year costs of capitalized items are recorded as depreciation. The depreciation expense for the current year was $63,999.

CAPITAL ASSETS

At the end of FY 2023, the Company had a Capital Asset investment of $3,038,759, net of depreciation. As of December 31, 2024, the Company had a net capital asset investment of $2,974,760. This represents a decrease of $63,999. The decrease in net capital assets was due to current year depreciation expense. Table IV illustrates the Capital Asset values for 2024 and 2023 for the various asset categories.

Table IV: Capital Asset Analysis
December 31, 2024 and 2023

	2024	2023	Total Change	% Change
Land	$ 89,144	$ 89,144	$ -	0.00%
Buildings & improvements	4,230,341	4,230,341	-	0.00%
Equipment	25,664	25,664	-	0.00%
Total capital assets	4,345,149	4,345,149	-	0.00%
Accumulated Depreciation	(1,370,389)	(1,306,390)	(63,999)	4.90%
Capital assets, net of accumulated depreciation	**$ 2,974,760**	**$ 3,038,759**	**$ (63,999)**	**-2.11%**

LONG-TERM DEBT

As of December 31, 2024, the Company had outstanding debt of $3,159,932. This represents the balance of two loans that were provided by Georgia Housing Finance Agency when the Project was built.

ECONOMIC FACTORS AND EVENTS AFFECTING OPERATIONS:

Several factors will affect the financial position of the Company in subsequent fiscal years. These factors include:

(1) The buildings underwent extensive structural repair in FY 2020. This should sustain the buildings for many years to come which will help keep major repair costs down. There will continue to be repair costs for individual units on an as-needed basis.

(2) The variability of resident income will continue to impact the Company's revenues. Actual income always differs from estimates used to calculate resident income. Resident revenues stayed fairly stable in the current year compared to the prior year. Whenever actual incomes are more than those used in the estimate, the Company will receive more revenue than budgeted. The opposite is also true. This variability is beyond the Company's control.

CONCLUSIONS

Overall, Columbus Permanent Supportive Housing, LLC had a good year financially. Its management is committed to staying abreast of regulations and appropriations as well as to maintaining an ongoing analysis of all budgets and expenses to ensure that the Company continues to operate at the highest standards established by the U. S. Department of Housing and Urban Development.

This financial report is designed to provide the Company's residents, the citizens of Columbus, Georgia, as well as all federal and state regulatory bodies, and any creditors with a general analytical overview of the Company's finances. Questions regarding these financial statements or requests for supplemental information may be addressed by contacting Lisa Walters, Chief Executive Officer, at 706-571-2800, or by writing:

Lisa L. Walters
Executive Director
The Housing Authority of Columbus, Georgia
P.O. Box 630
Columbus, Georgia 31902

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
"WILLOW GLEN"
Columbus, Georgia

BASIC FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
Columbus, Georgia

STATEMENT OF NET POSITION
DECEMBER 31, 2024

ASSETS

CURRENT ASSETS:		
Cash & cash equivalents - unrestricted		$ -
Cash & cash equivalents - restricted		-
Residents accounts receivable, net		621
Prepaid expenses		873
Investments - unrestricted		384,193
Investments - restricted		-
Inventory, net of obsolete		2,137
Total Current Assets		387,824
RESTRICTED DEPOSITS AND FUNDED RESERVES:		
Resident security deposits		9,800
Replacement reserve		132,428
Real estate & insurance escrow		47,864
Operating deficit reserve		347,143
Total Restricted Deposits & Funded Reserves		537,235
CAPITAL ASSETS:		
Land	$ 89,144	
Buildings & improvements	4,230,341	
Office furniture and equipment	25,664	
Construction in progress	-	
Total Capital Assets	4,345,149	
Less: Accumulated depreciation	(1,370,389)	2,974,760
TOTAL ASSETS		$ 3,899,819

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

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable	$	5,019
Accrued liabilities		2,455
Mortgage payable - current portion		16,517
Other current liabilities		5,263
Prepaid rents		719
TOTAL CURRENT LIABILITIES		29,973
DEPOSITS:		
Resident security deposits (contra)		9,800
LONG-TERM LIABILITIES:		
Other noncurrent liabilities		149
Mortgage payable, net of current portion		3,141,921
TOTAL NONCURRENT LIABILITIES		3,142,070
TOTAL LIABILITIES		3,181,843
NET POSITION		
Restricted net postion		527,435
Net investment in capital assets		(183,678)
Unrestricted net position		374,219
TOTAL NET POSITION		717,976
TOTAL LIABILITIES & NET POSITION	$	3,899,819

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

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
Columbus, Georgia

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

Operating Revenue		
Dwelling rent	$	188,531
Other income		3,084
Total Operating Revenue		191,615
Operating Expenses		
Administration		58,564
Resident services		173
Utilities		17,260
Maintenance & operations		39,213
Protective services		4,378
General		28,514
Depreciation & amortization		63,999
Total Operating Expense		212,101
Net Operating Income/(Loss)		(20,486)
Nonoperating Revenues/(Expenses)		
Investment income		39,129
Net Nonoperating Revenues/(Expenses)		39,129
Increase/(Decrease) in Net Position		18,643
Total Net Position - beginning		699,333
Total Net Position - ending	$	717,976

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
Columbus, Georgia

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2024

CASH FLOW FROM OPERATING ACTIVITIES:		
Receipts from customers and users	$	73,742
Receipts from HAP		117,873
Payments to suppliers		(158,432)
Payments to employees		(27,134)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		6,049
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments		(51,872)
Investment income received		39,129
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		(12,743)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Principal payments - first mortgage (or bonds)		(17,712)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES		(17,712)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(24,406)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		24,406
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$	-
CASH FLOW FROM OPERATING ACTIVITIES:		
Net operating income/(loss)	$	(20,486)
Adjustment to reconcile net income (loss)		
to net cash provided (used) by operating activities:		
Depreciation		63,999
Decrease/(increase) in:		
Resident/member accounts receivable		(337)
Accounts receivable - other		-
Prepaid expenses		721
Inventory		(49)
Mortgage escrow/reserve accounts		(48,522)
Increase/(decrease) in:		
Accounts payable		5,019
Accrued liabilities		5,827
Other noncurrent liabilities		(160)
Resident security deposits		-
Prepaid rents		37
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$	6,049

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

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
"WILLOW GLEN"
Columbus, Georgia

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - ORGANIZATION:

Columbus Permanent Supportive Housing, LLC (the Company), a Georgia limited liability company, was incorporated under the laws of the State of Georgia. The Company is a single-member LLC with the sole member being the Housing Authority of Columbus, Georgia. The Company entered into a financing agreement with Georgia Housing Finance Agency (GHFA) for the development and construction of a 28-unit multifamily rental housing project in Muscogee County, Georgia, known as "Willow Glen" (the Project).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation and Accounting

The financial statements are prepared on the accrual basis of accounting. The financial statements include only the financial position and related income and expenses of the "Willow Glen" project.

B. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the use of estimates that affect reported amounts of assets, liabilities, revenues and expenses and related disclosures. Actual amounts could differ from those estimates.

C. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit with financial institutions and other debt securities that are readily convertible into cash and purchased with original maturities of three months or less.

D. Accounts Receivable

Resident receivables are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of resident accounts receivable. It is reasonably possible that management's estimate of the allowance will change.

E. Income Taxes

The Company is an exempt organization under Section 501(c)(3) of the Internal Revenue Code and is not subject to federal tax on its activities in furtherance of its exempt purpose. The Company is not a private foundation. For the year ended December 31, 2024, the Organization has determined that no income taxes are due for its activities. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements. Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd)

F. Capitalization and Depreciation

Rental property includes property, furniture, equipment and machinery with initial, individual costs that equal or exceed $5,000 and estimated useful lives of more than one year. Rental property is recorded at historical cost or estimated historical cost if purchased or constructed. Major outlays for rental property and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Rental property is depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Land and Building Improvements	5-40 years
Furniture, Equipment and Machinery	3-10 years

G. Impairment of Long-lived Assets

The Company reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended December 31, 2024.

H. Concentration of Credit Risk

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. The Company believes it is not exposed to any significant credit risk on such accounts.

I. Rental Income

Rental income is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Company and residents of the property are operating leases.

J. Restrictions and Distributions

In accordance with the GHFA regulatory agreement, no distributions from escrow earnings or net proceeds from development or operations may be made to the Company unless approved by GHFA.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd)

K. Economic Concentrations

The Company operates one property located in Columbus, Georgia. Future operations could be affected by changes in economic or other conditions in that geographical area or by changes in federal low-income housing subsidies or the demand for such housing.

L. Inventories

Materials inventories are recorded at average cost. The consumption method is used to account for inventories. Under the consumption method, inventories are charged to expense when consumed.

NOTE 3 - RESTRICTED DEPOSITS AND FUNDED RESERVES:

Restricted deposits and funded reserves consist of cash accounts in banks held by the Company that are required by GHFA, as described in the regulatory agreement, to be maintained as separate from the general cash fund. These accounts, which are funded by operations, can be drawn upon only with the permission of GHFA.

Replacement Reserves

The regulatory agreement requires that a replacement reserve be established with deposits of $6,720 in total and increased monthly by 3%. Any withdrawals from the reserve must be approved by the lender.

As of December 31, 2024, the balance of the replacement reserve was $132,428.

Operating Reserves

The Company is required to fund an operating reserve in the amount of $60,000 to be used for operating deficits of the Project. Any withdrawals from the reserve must be approved by the lender. The balance in the reserve as of December 31, 2024 was $71,002.

Real Estate Tax and Insurance Escrow

The Company is required to deposit an amount sufficient to cover all taxes and fire and property insurance premiums associated with the property. Every month the Company is to deposit 1/12th of the actual or estimated payments, which are then used to pay such expenses. The balance in the reserve as of December 31, 2024, was $47,864.

Residents' Security Deposits

This account represents resident security deposits plus earned interest thereon and is offset by a liability for the amount of the initial deposit plus accrued interest.

NOTE 3 - RESTRICTED DEPOSITS AND FUNDED RESERVES: (Cont'd)

Other Restricted Cash

Other restricted cash and investments consisted of the following:

Mortgage escrow accounts	$ 527,435

Investments

As of December 31, 2024, the Company's investment balances were as follows:

Investment Type	Market Value	Maturity	Rating
Certificates of Deposit	$ 384,193	varies	N/A

NOTE 4 - RENTAL PROPERTY:

The following is a summary of changes in rental property and related accumulated depreciation:

	December 31, 2023	Increases	Decreases	December 31, 2024
Rental property not being depreciated				
Land and land improvements	$ 89,144	$ -	$ -	$ 89,144
Construction in progress	-	-	-	-
Total rental property not being depreciated	89,144	-	-	89,144
Other rental property				
Buildings	4,230,341	-	-	4,230,341
Furniture, equipment & machinery	25,664	-	-	25,664
Total other rental property	4,256,005	-	-	4,256,005
Less accumulated depreciation				
Buildings	(1,280,726)	(63,999)	-	(1,344,725)
Furniture, equipment & machinery	(25,664)	-	-	(25,664)
Total accumulated depreciation	(1,306,390)	(63,999)	-	(1,370,389)
Rental property, net	$ 3,038,759	$ (63,999)	$ -	$ 2,974,760

NOTE 5 - RELATED PARTY TRANSACTIONS:

Due from Affiliates

During the year ended December 31, 2024, the Company advanced funds to affiliates. The advances are non-interest bearing and due upon demand. As of December 31, 2024, there were no outstanding advances.

Property Management Fee

The management agreement provides for the payment of an annual property management fee to the Housing Authority of Columbus, Georgia. The annual fee of $10,864 is non-cumulative.

NOTE 6 - MORTGAGE PAYABLE:

The Company entered into a mortgage with both the State Housing Trust Fund for the Homeless Commission (SHTF) for $250,000 and the Georgia Housing and Finance Authority (GFHA) for $3,250,000 dated December 18, 2008 to finance the construction of its 28-unit multifamily rental housing project. Each loan is non-interest bearing. For the SHTF loan, payments of principal of $833.33 are due monthly, starting on the completion date of July 18, 2009. A balloon payment of $50,000 is due at maturity. For the GFHA loan, principal payments vary each year, and were paid in monthly increments of $1,089.99 during 2024. A balloon payment of an estimated $2,783,959 is due at the maturity date, July 1, 2030. The liability of the Company under the loan is limited to the underlying value of the real estate collateral improvements, easements of other interests, assignment of rents, assignment of leases, and personal property.

The loans will amortize as follows:

Year	Principal Payments
2025	$ 16,517
2026	15,251
2027	13,913
2028	12,498
2029	11,004
Thereafter	3,089,255
	$ 3,158,438

NOTE 7 - REAL ESTATE TAXES:

Property owned by the Company is subject to local property taxes. Property tax for the year ended December 31, 2024, was $5,268.

NOTE 8 - SUBSEQUENT EVENTS:

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Company through July 22, 2025 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
"WILLOW GLEN"
Columbus, Georgia

AUDIT SECTION

YEAR ENDED DECEMBER 31, 2024

RECTOR REEDER & LOFTON PC

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members
Columbus Permanent Supportive Housing, LLC
Columbus, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Columbus Permanent Supportive Housing, LLC, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Columbus Permanent Supportive Housing, LLC's basic financial statements, and have issued our report thereon dated July 22, 2025.

Internal Control Over Financial Reporting

Management of the Columbus Permanent Supportive Housing, LLC is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit of the financial statements, we considered the Housing Authority's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control.

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

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

Compliance and Other Matters

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

623 TOM BREWER ROAD | LOGANVILLE, GA 30052 | O: 770.879.8411 | F: 770.879.8431 | WWW.CPA-RRL.COM

Purpose of this Report

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

Rector, Reeder & Lofton, PC
Certified Public Accountants

Loganville, Georgia
July 22, 2025

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
"WILLOW GLEN"
Columbus, Georgia

SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2024

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
Columbus, Georgia

SCHEDULE OF BUDGET TO ACTUAL REVENUES AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2024

	ACTUAL	BUDGET	VARIANCE	%
Revenues				
Net rental income	$ 70,658	$ 59,988	$ 10,670	17.79%
Resident assistance payments	117,873	127,564	(9,691)	-7.60%
Interest income	39,129	20,000	19,129	95.65%
Other income	3,084	2,500	584	23.36%
Total Revenues	230,744	210,052	20,692	9.85%
Expenditures				
Administrative Expenditures				
Salaries	17,860	19,157	(1,297)	-6.77%
Management fee	10,864	10,840	24	0.22%
Sundry administration	24,075	22,212	1,863	8.39%
Total Administrative Expenditures	52,799	52,209	590	1.13%
Utilities Expenditures				
Total Utilities	17,260	17,533	17,260	98.44%
Ordinary Maintenance & Operations Expenditures				
Labor	9,274	11,600	(2,326)	-20.05%
Materials & supplies	12,499	9,132	3,367	36.87%
Contract costs	21,991	13,226	8,765	66.27%
Total Maintenance & Operations Expenditures	43,764	33,958	9,806	28.88%
General Expenses				
Insurance	23,294	16,610	6,684	40.24%
Payments in lieu of taxes	5,268	4,245	1,023	24.10%
Employee benefit contributions	5,717	8,793	(3,076)	-34.98%
Other general expenses	-	-	-	0.00%
Total General Expenses	34,279	29,648	4,631	15.62%
TOTAL ROUTINE EXPENDITURES	148,102	133,348	32,287	24.21%
Casualty Loss	-	-	-	0.00%
Depreciation Expense	63,999	-	63,999	100.00%
TOTAL COST OF OPERATIONS	212,101	133,348	96,286	72.21%
NET INCOME/(LOSS)	$ 18,643	$ 76,704	$ (75,594)	-98.55%

COLUMBUS PERMANENT SUPPORTIVE HOUSING, LLC
"WILLOW GLEN"
1000 Wynnton Road, PO Box 630
Columbus, Georgia 31902

Georgia Housing and Finance Authority
60 Executive Park South, NE
Atlanta, GA 30329-2229
Attention: Housing Finance Division, Asset Management Section

RE: Subject: **Mortgagor's Certifications**
Reference: GHFA Loan Agreement
Columbus Permanent Supportive Housing, LLC

Gentlemen:

I hereby certify that I have examined the accompanying financials statements and supplemental data of Columbus Permanent Supportive Housing, LLC for the year ended December 31, 2024, and to the best of my knowledge and belief the financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied, correct in all material respects and presented fairly the financial position of the Company.

I also hereby certify that to the best of my knowledge and belief no default exists under and of the Loan Documents.

_____
Lisa L. Walters

_____
Date