CASA FAMILIA, INC.
AND SUBSIDIARIES AND AFFILIATE

COMBINED FINANCIAL STATEMENTS,
INDEPENDENT AUDITOR'S REPORT AND
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2025

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GUTIERREZ MADARIAGA
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Casa Familia, Inc. and Subsidiaries and Affiliates

Report on the Financial Statements

Opinion

We have audited the accompanying combined financial statements of Casa Familia, Inc. (a not-for-profit organization) and Subsidiaries and Affiliate, hereafter referred to collectively as the Organization, which comprise the combined statement of financial position as of December 31, 2025, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with Chapter 10.650, *Rules of the Auditor General*. 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 Organization 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 the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Organization's 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 combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards* and Chapter 10.650, *Rules of the Auditor General,* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.650, *Rules of the Auditor General*, 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 Organization'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 Organization's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

The financial statements of the Organization as of and for the year ended December 31, 2024 were audited by other auditors, whose report dated September 25, 2025 expressed an unmodified opinion on those financial statements. The summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures, as required by Chapter 10.650*, Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2026, on our consideration of the Organization'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 Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance. In addition, we have also issued our report dated July 15, 2026, applicable to each major state project. Such report should also be read in conjunction with the report in considering the results of our audit.

Gutierrez Madariaga, CPA P.A.

GUTIERREZ MADARIAGA, CPA P.A.
Miami, Florida
July 15, 2026

CASA FAMILIA, INC AND SUBSIDIARIES AND AFFILIATE
COMBINED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2024)

ASSETS

	2025	2024
CURRENT ASSETS		
Cash and cash equivalents	$ 2,751,673	$ 741,728
Restricted cash (Note 2)	1,039,607	833,853
Total cash	3,791,280	1,575,581
Accounts receivable	569,859	460,938
Prepaid expenses	20,717	12,955
Contribution receivable	100,000	100,000
Due from related party (Village of Casa Familia, Ltd- Note 8)	47,138	-
Due from related party (Gardens at Casa Familia, Ltd- Note 8)	33,535	-
TOTAL CURRENT ASSETS	4,562,529	2,149,474
Contribution receivable, long term portion	-	92,326
Accrued interest receivable	183,065	43,018
Loan receivable (Village of Casa Familia, Ltd - Note 8)	1,830,000	1,830,000
Loan receivable (Village of Casa Familia, Ltd - Note 8)	6,364,258	-
Predevelopment costs (Village of Casa Familia, Ltd - Note 8)	2,669,888	2,669,888
Predevelopment costs (Gardens at Casa Familia, Ltd - Note 8)	-	844,714
Predevelopment costs (Residences at Casa Familia, Ltd - Note 8)	1,960,875	-
Other assets	115,851	-
Predevelopment costs (Residences at Casa Familia, Ltd - Note 8)	227,383	587,379
Property and equipment, net	160,924	-
TOTAL ASSETS	$ 18,074,773	$ 8,216,799

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 310,353	$ 219,074
Due to related party (Village of Casa Familia, Ltd - Note 8)	-	255,000
Due to related party	-	139,560
Loan payable	-	456,752
Deferred revenues	50,500	309,665
TOTAL CURRENT LIABILITIES	360,853	1,380,051
Unearned sublease rent (Village of Casa Familia, Ltd)	1,835,526	1,855,263
Unearned sublease rent (Gardens at Casa Familia, Ltd)	1,585,992	-
TOTAL LIABILITIES	3,782,371	3,235,314
NET ASSETS		
Without donor restrictions:		
Other net assets	12,106,131	4,631,597
Capital contribution from partner	1,000,000	-
	13,106,131	4,631,597
With donor restrictions	1,186,271	349,888
TOTAL NET ASSETS	14,292,402	4,981,485
TOTAL LIABILITIES AND NET ASSETS	$ 18,074,773	$ 8,216,799

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

CASA FAMILIA, INC. AND SUBSIDIARIES AND AFFILIATE
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	Combined Totals 2025	Combined Totals 2024
REVENUES AND OTHER SUPPORT				
State grants	$ 1,595,013	$ -	$ 1,595,013	$ 2,896,684
Local grants	6,842,761	-	6,842,761	78,560
Contributions	318,877	964,360	1,283,237	394,685
Interest and other income	267,340	-	267,340	116,083
In-kind space and other	12,000	-	12,000	843,282
Special events (net of direct costs of $8,330)	8,670	-	8,670	39,453
Gain from change in ownership, Gardens at Casa Familia	37,986	-	37,986	-
Net assets released from restrictions	127,977	(127,977)	-	-
TOTAL REVENUES AND OTHER SUPPORT	9,210,624	836,383	10,047,007	4,368,747
EXPENSES				
PROGRAM EXPENSES				
Program services	1,405,788	-	1,405,788	1,390,524
SUPPORTING EXPENSES				
General and support services	203,979	-	203,979	229,192
Fundraising	126,323	-	126,323	113,074
TOTAL EXPENSES	1,736,090	-	1,736,090	1,732,790
Change in assets	7,474,534	836,383	8,310,917	2,635,957
Net assets- Beginning of year	4,631,597	349,888	4,981,485	2,345,528
Capital contribution from partner	1,000,000	-	-	-
Net assets- End of year	$ 13,106,131	$ 1,186,271	$ 14,292,402	$ 4,981,485

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

CASA FAMILIA, INC. AND SUBSIDIARIES AND AFFILIATE
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2024)

	Program Services	Supporting Services		Totals	
	Housing and Planning	Fundraising	General and Support	2025	2024
Personnel costs					
Salaries	$ 315,552	$ 89,419	$ 19,904	424,875	$ 310,330
Payroll taxes	19,424	5,504	1,225	26,153	22,873
Total personnel costs	334,976	94,923	21,129	451,028	333,203
Other expenses					
Professional services	381,157	22,900	128,108	532,165	362,444
Project related expenses	656,334	-	-	656,334	136,557
Travel and conferences	582	-	9,416	9,998	4,921
Insurance	406	-	6,738	7,144	4,942
Engagement	-	2,824	14,708	17,532	-
General office expenses/supplies	19,023	1,176	11,880	32,079	39,041
In-kind space and other	-	-	12,000	12,000	842,332
Depreciation	13,310	-	-	13,310	-
Bad debt expense	-	4,500	-	4,500	9,350
Total expenses	$ 1,405,788	$ 126,323	$ 203,979	$ 1,736,090	$ 1,732,790

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

CASA FAMILIA, INC. AND SUBSIDIARIES AND AFFILIATE
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 8,310,917	$ 2,635,957
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by (Used in) Operating Activities:		
Depreciation	13,310	-
(Increase) Decrease in Operating Assets:		
Due from/to related party	(475,233)	1,711,588
Grants and other receivables	(156,642)	(381,818)
Loans receivable	(6,364,258)	(1,642,500)
Predevelopment costs	(756,165)	(3,766,286)
Other assets	(123,613)	949
Increase (Decrease) in Operating Liabilities:		
Accounts payable and accrued expenses	91,279	159,390
Deferred revenues	(259,165)	(928,921)
Unearned sublease rent	1,566,255	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1,846,685	(2,211,641)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(174,234)	-
NET CASH (USED IN) INVESTING ACTIVITIES	(174,234)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Contribution from partner	1,000,000	-
(Payment) borrowings from loan payable	(456,752)	456,752
NET CASH PROVIDED BY FINANCING ACTIVITIES	543,248	456,752
NET INCREASE (DECREASE) IN CASH	2,215,699	(1,754,889)
CASH, BEGINNING OF YEAR	1,575,581	3,330,470
CASH, END OF YEAR	$ 3,791,280	$ 1,575,581

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

NOTE 1 – ORGANIZATION AND OPERATIONS

Casa Familia, Inc. (the "Organization" and/or "Casa Familia" and/or "CFI") was incorporated in the state of Florida in 2015 as a not-for-profit organization. The Organization is dedicated to creating sustainable, enriched and affordable housing communities, with features, amenities and services designed to benefit adults with intellectual, developmental, and other related disabilities (IDD). The Organization and its partners are currently constructing the first of its kind enriched affordable housing community for adults with IDD in South Florida.

Principle of Combination and Basis of Presentations

The combined financial statements include the accounts of Casa Familia and its combining subsidiaries and affiliate:

- Casa Familia Housing GP, LLC ("CFH") – 100% owned
    - Casa Familia GP, LLC ("General Partner") – 51% owned by CFH, deemed an affiliate
- Casa Familia Housing Developer, LLC ("CFHD") – 100% owned
- Residences at Casa Familia Manager, LLC ("RCFM") – 100% owned, no activity for the year ending December 31, 2024
- Residences at Casa Familia, LLLP ("RCF") – 59% owned effective August 11, 2025, no activity for the year ending December 31, 2024.

During the year ended December 31, 2024, CFI owned 100% of Gardens at Casa Familia, LLLP ("Gardens"), a limited liability company. Accordingly, Gardens was included in the Organization's financial statements as of and for the year ended December 31, 2024. During the year ended December 31, 2025, an ownership change occurred with respect to Gardens. As a result of the ownership change, CFI ceased to have a controlling financial interest in Gardens. Accordingly, the accompanying combined statement of financial position as of December 31, 2025 does not include the assets and liabilities of Gardens, and the accompanying combined statement of activities, statement of functional expenses, and statement of cash flows for the year ended December 31, 2025 do not include the activities and cash flows of Gardens.

Development Projects

The Village

The Village of Casa Familia, Ltd., ("VCF") a related party in which CFH is a minority owner, was formed in the state of Florida in 2018. It was formed to construct, develop, and operate a 50-unit apartment complex known as The Village located in Miami, Florida. Construction on The Village was completed in March 2026.

APC Casa Familia Development, LLC ("APC CF") is a wholly owned subsidiary of Atlantic Pacific, an unrelated developer. APC CF was created to be the co-member of Casa Familia Developer, LLC ("CFD"), a limited liability company. APC CF is a 75% majority owner of CFD and CFHD is a 25% owner of CFD. The purpose of CFD is to act as the developer of the housing community, The Village.

The Residences

Residences at Casa Familia, LLLP ("RCF") was formed in the state of Florida in 2023 to own and operate a housing community known as The Residences. RCF is owned and managed by RCFM and Banc of America Community Development Company, LLC. Construction on The Residences began in May 2025. The project has an anticipated Certificate of Occupancy date of November 2026.

The Gardens

Gardens at Casa Familia, LLLP ("GCF") was formed in the state of Florida in 2022 to own and operate a housing community known as The Gardens as of December 31, 2025. GCF is owned and managed by CFI. CFHD is the developer for The Gardens. The project has an anticipated Temporary Certificate of Occupancy date of July 30, 2026.

Capital contribution from partner

During the year ended December 31, 2025, Residences at Casa Familia, LLLP received a capital contribution from Banc of America Community Development Company, LLC of $1,000,000 to fund construction-related costs. The contribution was recorded as an increase in net assets without donor restrictions and was not recognized as contribution revenue, as the transfer was made in the contributor's capacity as a partner. The related construction costs are included in predevelopment costs in the accompanying combined statement of financial position.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting.

Basis of Combined Financial Statements Presentation

The accompanying combined financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP"). They include the accounts of Casa Familia, Inc. and its Subsidiaries and Affiliate which are under the Organization's control. All intercompany accounts and transactions have been eliminated in the accompanying combined financial statements.

Assets accumulated and resources received and expended by the Organization are classified based on the presence or absence of donor-imposed restrictions as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity (see Note 6).

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Comparative Financial Statements

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

Use of Estimates

In preparing the combined financial statements of the Organization, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the statement of financial position date, and the revenues and expenses for the period then ended. Actual results could differ from those estimates. A description of some of the estimates used in the preparation of the combined financial statements is included in the following significant accounting policies.

Property and Equipment

Property and equipment are stated at cost over $2,000, or, if donated, at the approximate fair value at the date of donation less accumulated depreciation. Depreciation is computed using primarily the straight-line method over the estimated useful lives of the related assets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements

Fair value measurements establish a hierarchy to prioritize the computation of fair value. Such hierarchy consist of a) - valuations based on unadjusted quoted prices in active markets for identical assets or liabilities (Level 1), b) - valuations based on observable unadjusted quoted prices for similar assets and liabilities in active markets (Level 2), and c) - valuations based on inputs that are unobservable and are supported by little or no market activity, therefore, requiring management's best estimate of what market participants would use as fair value (Level 3). A description of the Organization's accounting principles and basis of presentation with regards to the fair market value of its assets and liabilities follows:

Financial Assets and Liabilities

The Organization reflects certain financial assets and liabilities such as accounts receivable, payables, prepaid expense and deferred revenue at their carrying values in accordance with generally accepted accounting principles in the United States.

Non-Financial Assets

The Organization's non-financial assets comprise of assets which are measured at fair value on a nonrecurring basis such as contribution receivable (Note 3). The Organization's contribution receivable as further explained in Note 3 is discounted using present value techniques and adjusted to fair market value based on a Level 2 or 3 type of valuation when circumstances indicate that the carrying value of an asset may not be recoverable.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with initial maturities of three months or less to be cash equivalents. As of December 31, 2025, the Organization held restricted cash of approximately $1,040,000. In addition, approximately $500,000 was held as part of a CFI Guarantor liquid asset reserve account. Such cash is restricted for use of payment of costs related to construction projects as well as operating reserve.

Grants Receivable and Allowance for Credit Losses

The Organization considers the accounts receivable to be collectible; accordingly, no allowance for credit losses is required. When amounts are determined to be uncollectible, they are charged to operations. Management has elected to record bad debts using the direct write-off method. Accounting principles generally accepted in the United States require that an estimate be made of the allowance for credit losses. Management has evaluated the need for an allowance for credit losses based on past experience and creditworthiness of its grantors and general economic conditions. The effect of the use of the direct write-off method, however is not materially different from the results that would have been obtained had the allowance method been followed. In this connection, grant receivables constitute contract assets. In this connection, no allowance was deemed necessary by management as of December 31, 2025 and 2024.

Due from Related Party

Due from related party is comprised of advances made to VCF and GCF. These arise from payments made on behalf of VCF and GCF to further develop the housing community. Due to related party is comprised of payments made on behalf of the Organization (see Note 8).

Grant Revenue

Grant revenue is recorded as revenues in the period the Organization meets the conditions for revenue recognition.

Deferred Revenue

Deferred revenue (contract liabilities) represents revenues collected but not earned as of December 31, 2025 and 2024 totaling approximately $50,500 and $309,000, respectively.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

In Kind Space and Other

In kind space and other is made up of donated space and furniture. Such amounts are reflected in the accompanying combined statement of activities at fair value. Donated space and furniture, absent donor restrictions are recorded as net assets without restrictions. For the years ended December 31, 2025 and 2024, in-kind rent approximated $12,000. For the years ended December 31, 2025 and 2024, donated furniture approximated $0 and $830,000, respectively.

Functional Allocation of Expenses

The costs of providing the program and supporting service activities have been directly charged. General and administrative general costs primarily consist of accounting and audit expenses, and miscellaneous administrative expense.

Measurement of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization’s ongoing program services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Income Taxes

The Organization is organized as a not-for-profit entity and is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Unrelated business income, of which the Organization had none for the year ended December 31, 2025, would be subject to federal income taxes. The Organization’s information returns filed with the Internal Revenue Service have not been examined in the past. The Organization is not aware of any uncertainties that could jeopardize its not-for-profit status. Therefore, no provision or liability for income taxes is deemed necessary.

The wholly-owned subsidiaries and affiliate of the Organization, with the consent of its members', have elected under the Internal Revenue Code to be treated as a partnership. In lieu of corporate income taxes, the members of the Limited Liability Company (LLC) are taxed on their proportionate share of the each subsidiaries taxable income.

The Organization follows the provisions of uncertain tax provisions addressed by FAS ASC 740-10 Accounting for Uncertainty in Income Taxes. The Organization has no uncertain tax positions at December 31, 2025, for which the ultimate deductibility is highly certain but for which there are uncertainty about the timing of such deductibility. The Organization recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expense. The Organization has determined that no amount required to be accrued for taxes or related penalties and interest for any tax position taken through December 31, 2025. The Organization is no longer subject to U.S. Federal and Florida income tax examinations by authorities for the years before 2022.

Subsequent Events

Subsequent events have been evaluated through July 15, 2026, which is the date the financial statements were available to be issued.

NOTE 3 – CONTRIBUTIONS RECEIVABLE
At December 31, 2025, contributions receivable consisted of:

	2025	2024
Time restricted	$ 100,000	$ 200,000
Less: Unamortized discount	-	(7,674)
	$ 100,000	$ 192,326
Amount due in:		
Less than one year	$ 100,000	$ 100,000
More than one year	-	100,000
	$ 100,000	$ 200,000

Promises to give due in more than one year are recognized at fair value, using present value techniques and a discount rate of 3.99%.

NOTE 4 – PROPERTY AND EQUIPMENT, NET
Property and equipment consist of the following as of December 31, 2025:

Vehicles	$ 174,234
Total	174,234
Less: Accumulated depreciation	(13,310)
Property and equipment, net	$ 160,924

Depreciation expense for the year ended December 31, 2025 was $13,310.

NOTE 5 – LOAN PAYABLE
On June 23, 2024, Gardens entered into a promissory note with Florida Housing Finance Corp. as a pre-development loan for $500,000. This loan bears interest at 1% per annum with a maturity date being the earlier of the date of closing on the first source of permanent or construction loan for the project or the date of closing on the tax credit partnership and receipt of the reimbursement. At December 31, 2024, the total unpaid balance amounted to $456,752. The full amount was paid down during the year ended December 31, 2025.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS
Net assets with donor restrictions consists of the following for years ended December 31, 2025 and 2024:

	2025	2024
Time restricted**	$ 100,000	$ 192,326
Purpose restricted	1,086,271	157,562
	$ 1,186,271	$ 349,888

** Includes $0 and $7,674 of discount on receivables recognized in 2025 and 2024, respectively.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)
Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Time restricted	$ 92,326	$ 85,094
Purpose restricted	35,651	14,349
Total net assets released from restrictions	$ 127,977	$ 99,443

NOTE 7 – COMMITMENTS
The Organization entered into a lease agreement with Miami-Dade County for approximately nine acres of land. The terms of this land lease are for a period of fifty-five years, plus two additional twenty-year renewal option periods. Lease payments equal to five percent of the developer's fee. For the year ended December 31, 2025, a lump-sum payment of $117,378 was made to Miami-Dade County.

NOTE 8 – RELATED PARTY TRANSACTIONS
Loan Receivable
On March 20, 2024, the Organization entered into a loan agreement with The Village of Casa Familia, Ltd., a related party, for an amount not to exceed $1,830,000. The loan bears simple interest at a rate of 3% per annum and requires annual payments of principal and interest to the extent of available cash flow. The outstanding principal balance and any accrued but unpaid interest will be due and payable in full upon the maturity date of December 31, 2053. The loan is a recourse obligation of the Partnership and is secured by a fifth-priority lien against the Project. As of December 31, 2025 and 2024, the outstanding principal balance was $1,830,000. As of December 31, 2025 and 2024, accrued interest of $54,900 and $43,018, respectively, remained receivable, which is in accrued interest receivable balance in the combined statements.

On March 20, 2024, the related Organization entered into a loan agreement with The Village of Casa Familia, Ltd., for an amount not to exceed $8,155,028, funded with sale proceeds from Building Better Communities General Obligation Bonds pursuant to a development and grant agreement between Casa Familia, Inc. and Miami-Dade County. The loan bears simple interest at a rate of 3% per annum and requires annual payments of principal and interest to the extent of available cash flow. The outstanding principal balance and any accrued but unpaid interest is due and payable in full upon the maturity date of December 31, 2053. The loan is a recourse obligation of the Partnership and is secured by a fifth-priority lien against the Project. As of December 31, 2025 and 2024, the loan balance was $6,364,258 and $0, respectively. As of December 31, 2025 and 2024, accrued interest of $85,148 and $0, respectively, remained receivable, which is in accrued interest receivable balance in the combined statements.

Due from Related Parties
Advances for costs related to the pre-acquisition stage of construction on RCF approximated $1,961,000 of December 31, 2025 and of GCF approximated $844,000 as of December 31, 2024. The pre-acquisition stage of construction amounting to approximately $227,000 and $587,000 of RCF are also included in the balance sheet for the years ended December 31, 2025 and 2024, respectively. The acquisition stage of construction, which was completed on March 20, 2024, for the VCF amounted to approximately $2,669,888 for the year ended December 31, 2025 and 2024. Due from related parties as of December 31, 2025 were $80,673.

Due to Related Parties
Due to related parties consisted of development and predevelopment costs paid on behalf of CFI by VCF and an affiliate. The balances due at year ending December 31, 2024 amounted to $255,000 for development costs and $139,560 for predevelopment costs.

Sub Lease Agreement
At April 1, 2019, Casa Familia entered into a sublease with The Village of Casa Familia, Ltd. for approximately 4.5 acres of the property leased from Miami-Dade County. On January 2024, management amended this lease to provide payment of rent in the form of an interest-bearing note and mortgage due on or after 15 years after construction costs completion. At December 31, 2025 and 2024, unearned sublease rent for The Village of Casa Familia amounted to $1,835,526 and $1,855,263, respectively.

NOTE 8 – RELATED PARTY TRANSACTIONS (Continued)
On January 31, 2023, the Organization entered into a ground sublease agreement with Gardens at Casa Familia, LLC (the "Sublessee"), which required prepayment in the amount of $1,610,000. The lease agreement has a term of fifty-five years and includes two extension options for twenty years each. On July 31, 2024 the ground lease was paid in the amount of $161,000 in the form of cash, as defined in the sublease agreement, with the balance of $1,449,000 payable in the form of a promissory note. This promissory note was repaid at the time of closing of the construction financing on September 17, 2025. At December 31, 2025 sublease rent at Casa Familia, LLC. was $1,585,992.

NOTE 9 – RISK AND UNCERTAINTIES
Business Concentration
The Organization's state and local grants represented 84% and 84% of total revenues for the years ended December 31, 2025 and 2024, respectively, net of donated assets.

Credit Risk
At times during the year, the Organization's cash balances were in excess of the federal insured limits of $250,000. At December 31, 2025 and 2024, the Organization's uninsured cash balances approximated $2,585,000 and $560,000, respectively. However, the Organization maintains its cash with a high-quality financial institution which the Organization believes limits these risks.

NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS
The following table represents financial assets available for use for general expenditures within one year at December 31, 2025 and 2024:

	2025	2024
Financal assets at year end:		
Cash	$ 2,751,673	$ 741,728
Accounts receivable	569,859	460,938
Contribution receivable	100,000	100,000
	3,421,532	1,302,666
Less amounts not available to be used within one year:		
Donor restrictions for specific purposes	1,186,271	100,000
Financial assets available to meet cash needs for general expenditures within one year	$ 2,235,261	$ 1,202,666

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

NOTE 11 – COMMITMENTS AND CONTINGENCIES- GUARANTEES
In connection with the financing and development of The Village of Casa Familia and Gardens at Casa Familia, the Organization has entered into certain guarantee agreements for the benefit of construction lenders and tax-credit investors.

Gardens at Casa Familia

On September 17, 2025, the Organization entered into a guarantee agreement in favor of a financial institution relating to a construction loan made to Gardens at Casa Familia, LLLP with an original principal commitment of up to $11,000,000. Under the agreement, the Organization guarantees the payment of the borrower's indebtedness, including principal, interest, fees, indemnification obligations, enforcement costs, and certain other amounts payable under the applicable loan documents. The Organization also guarantees the borrower's performance under the loan documents, including completion of construction, funding of required deposits, payment of property assessments and insurance premiums, and performance of certain environmental and other obligations.

NOTE 11 – COMMITMENTS AND CONTINGENCIES- GUARANTEES (Continued)
The guarantee is a continuing guarantee of payment and performance and remains in effect until the guaranteed indebtedness and related obligations have been fully and finally paid and performed and the Organization has been released from its obligations.

The Organization also entered into a guarantee in favor of the Gardens at Casa Familia tax-credit investor. The Organization guarantees certain obligations of the project's general partner and developer, including required capital contributions, construction and development obligations, funding of project expenses and reserves, certain indemnification obligations, potential adjustments or repayments of investor capital contributions, and the potential repurchase of the investor's partnership interest under specified circumstances. The potential amount that could be payable by the Organization under its project guarantees is not reasonably determinable as of December 31, 2025. At December 31, 2025, management was not aware of any defaults or demands for payment under these guarantees and does not consider it probable that the Organization would be required to make payments under the guarantees.

The Village of Casa Familia

The Organization has guaranteed certain obligations of the general partner and developer of The Village of Casa Familia to the project's tax-credit investor. These obligations include specified capital contributions, development and project funding obligations, operating-deficit and reserve-funding obligations, indemnification obligations, and certain investor-interest repurchase and other payment obligations. Such guarantees generally require the named affiliated guarantors to fund operating deficits, complete construction free of liens, and pay specified recourse obligations.

The potential amount that could be payable by the Organization under its project guarantees is not reasonably determinable as of December 31, 2025. At December 31, 2025, management was not aware of any defaults or demands for payment under these guarantees and does not consider it probable that the Organization would be required to make payments under the guarantees.

SUPPLEMENTARY INFORMATION

CASA FAMILIA, INC. AND SUBSIDIARIES AND AFFILIATE
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2025

State Grantor/ Pass-through Grantor/ Program Title	CSFA Number	Grantor's Number	State Funded Expenditures
Florida Department of Commerce			
Division of Housing and Community Development	40.038	N/A	$ 1,595,013
Program Total			1,595,013
Total Expenditures of State Awards			$ 1,595,013

* No amounts were passed through to subrecipients

CASA FAMILIA, INC. AND SUBSIDIARIES AND AFFILIATE
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE – 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of State Projects includes the state projects activity of Casa Familia Inc. under programs for the state for the year ended December 31, 2025. The information in this schedule is presented in accordance with the requirements Chapter 10.650, Rules of the Auditor General.

NOTE – 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Chapter 10.650, *Rules of the Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

GUTIERREZ MADARIAGA
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

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 Board of Trustees
Casa Familia, Inc. And Subsidiaries and Affiliate

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the combined financial statements of Casa Familia, Inc. (a not-for-profit organization) and Subsidiaries and Affiliate, hereafter referred to collectively as the Organization, which comprise the combined statement of financial position as of December 31, 2025, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 15, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 a 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gutierrez Madariaga, CPA P.A.

GUTIERREZ MADARIAGA, CPA P.A.
Miami, Florida
July 15, 2026

GUTIERREZ MADARIAGA
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
STATE PROJECT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Directors of
Casa Familia, Inc. and Subsidiaries and Affiliate

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited Casa Familia, Inc. (a not-for-profit organization) and Subsidiaries and Affiliate, hereafter referred to collectively as the Organization, compliance with the types of compliance requirements identified as subject to audit in the Department of Financial Services' *State Project Compliance Supplement*, that could have a direct and material effect on each of the Organization's major state projects for the year ended December 31, 2025. The Organizations' major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended December 31, 2025.

Basis for Opinion on Each Major State Project
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organizations' state projects.

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organizations' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Chapter 10.650, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

Internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organizations' compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Chapter 10.650, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organizations' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Organizations' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as described above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Gutierrez Madariaga, CPA P.A.

GUTIERREZ MADARIAGA, CPA P.A.
Miami, Florida
July 15, 2026

CASA FAMILIA, INC. AND SUBSIDIARIES AND AFFILIATE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITOR'S RESULTS

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	_____ Yes	__X__ No
Significant deficiency(ies) identified that are not considered to be a material weakness(es)?	_____ Yes	__X__ None reported
Noncompliance material to financial statements noted?	_____ Yes	__X__ No

State Projects Section

Type of auditor's report issued:	Unmodified	
On compliance for major programs		
Internal control over major programs:		
Material weakness(es) identified?	_____ Yes	__X__ No
Significant deficiency(ies) identified that are not considered to be a material weakness(es)?	_____ Yes	__X__ None reported
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650, *Rules of the Auditor General?*	_____ Yes	__X__ No

Identification of major State project:

CSFA Number	Name of State Project
40.038	Division of Housing and Community Development

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

- There are no items relating to State Financial Assistance required to be reported in a management letter in the current and prior years.

Section II – Financial Statement Findings Section

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violation of provisions of contracts and grant agreements, and abuse related to the Schedule that require reporting in a Chapter 10.650*, Rules of the Auditor General* and *Government Auditing Standards* audit.

- No matters were reported.
- No matters were reported in the prior year.

Section III – State Awards Findings and Questioned Cost Section

This section identifies the audit findings required to be reported by the Florida Statute Section 215.97(8)(i) and Chapter 10.650, *Rules of the Auditor General* (for example, material weaknesses, significant deficiencies, and material instances of noncompliance, including questioned costs), as well as any abuse findings involving state financial assistance that are material to a major State project.

- No matters were reported.
- No matters were reported in the prior year.