LACASA OF GOSHEN, INC. AND SUBSIDIARIES
(AN INDIANA NOT-FOR-PROFIT CORPORATION)

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORT

YEARS ENDED DECEMBER 31, 2024 AND 2023

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
(AN INDIANA NOT-FOR-PROFIT CORPORATION)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
LaCasa of Goshen, Inc. and Subsidiaries
(An Indiana Not-for-Profit Corporation)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of LaCasa of Goshen, Inc. and Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of LaCasa of Goshen, Inc. and Subsidiaries as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of LaCasa of Goshen, Inc. and Subsidiaries and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of LaCasa of Goshen, Inc. and Subsidiaries' internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about LaCasa of Goshen, Inc. and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and accompanying supplementary information are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying schedule of expenditures of federal awards and supplementary information are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2025, on our consideration of LaCasa of Goshen, Inc. and Subsidiaries' 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 LaCasa of Goshen, Inc. and Subsidiaries' 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 LaCasa of Goshen, Inc. and Subsidiaries' internal control over financial reporting and compliance.

Dauby O'Connor & Zaleski, LLC

March 27, 2025
Carmel, Indiana

Dauby O'Connor & Zaleski, LLC
Certified Public Accountants

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
(AN INDIANA NOT-FOR-PROFIT CORPORATION)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

ASSETS

	2024	2023
Current assets		
Cash and cash equivalents		
Cash	$ 1,220,108	$ 1,205,718
Resident security deposits	78,891	71,911
Reserve for replacements	865,668	904,171
Operating reserves	774,314	859,878
Total cash and cash equivalents	**2,938,981**	**3,041,678**
Accounts receivable - residential and commercial, net	16,686	4,555
Accounts and notes receivable - operations	151,155	180,610
Investments - properties for resale	22,022	22,022
Prepaid expenses	122,939	109,758
Current portion of mortgages and notes receivable, net	38,175	48,464
Total current assets	**3,289,958**	**3,407,087**
Restricted deposits and funded reserves		
Cash - IDA funds	**711,543**	**657,442**
Property and equipment		
Land	414,057	414,057
Buildings and land improvements	47,013,860	44,960,011
Furniture and equipment	657,881	558,289
Office furniture and equipment	1,059,777	1,059,777
Vehicles	1,163	1,163
Construction in progress	2,362,469	1,579,195
	51,509,207	48,572,492
Less: Accumulated depreciation	(22,286,253)	(20,788,028)
Total property and equipment	**29,222,954**	**27,784,464**
Other assets		
Investments - entity	2,098	2,296
Unamortized costs, net	21,263	25,313
Mortgages and notes receivable, net of current portion	1,184,719	1,200,553
Beneficial interest - CFEC	102,829	93,041
Total other assets	**1,310,909**	**1,321,203**
	$ 34,535,364	**$ 33,170,196**

See notes to consolidated financial statements

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

LIABILITIES AND NET ASSETS

	2024	2023
Current liabilities		
Accounts payable	$ 215,510	$ 224,704
Accrued expenses and other payables	109,148	178,721
Accrued interest	21,732	11,129
Accrued real estate taxes	47,283	70,624
Prepaid revenue	44,976	13,634
Current portion of mortgage notes and notes payable	463,520	359,648
Total current liabilities	**902,169**	**858,460**
Deposit liabilities		
Resident security deposits	224,783	217,938
IDA funds held	106,217	62,615
Total deposit liabilities	**331,000**	**280,553**
Long term liabilities		
Lines of credit	123,256	300,000
Notes payable - entity	40,000	40,000
Notes payable, net of current portion	462,543	668,954
Mortgage notes payable - first mortgages, net of current portion	4,102,444	3,550,111
Less: Unamortized debt issuance costs, net	(1,611)	(1,754)
Notes payable - Elkhart County Housing Fund	420,526	443,554
Total long term liabilities	**5,147,158**	**5,000,865**
Total liabilities	**6,380,327**	**6,139,878**
Net Assets		
Without donor restrictions	24,443,705	23,083,373
With donor restrictions	1,624,344	1,594,827
Non-controlling interest	2,086,988	2,352,118
Total net assets	**28,155,037**	**27,030,318**
	$ 34,535,364	**$ 33,170,196**

See notes to consolidated financial statements

CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Revenue			
Rental income, net of vacancy and concessions	$ 3,103,437	$ -	$ 3,103,437
Fees for services	609,317	-	609,317
Grant income	3,298,403	29,517	3,327,920
Donations income	746,074	-	746,074
Donated labor and assets	10,829	-	10,829
Interest income	66,495	-	66,495
Change in beneficial interest	9,787	-	9,787
Other income	131,038	-	131,038
Total revenue	**7,975,380**	**29,517**	**8,004,897**
Expenses			
Program expenses			
Asset and property management	4,876,572	-	4,876,572
Community building and engagement	95,070	-	95,070
Financial empowerment center	510,869	-	510,869
Real estate development	495,159	-	495,159
Tenant resources	60,754	-	60,754
Total program expenses	**6,038,424**	**-**	**6,038,424**
Supporting services			
Mission advancement	247,499	-	247,499
Management and general	594,255	-	594,255
Total supporting services	**841,754**	**-**	**841,754**
Total expenses	**6,880,178**	**-**	**6,880,178**
Changes in net assets	**$ 1,095,202**	**$ 29,517**	**$ 1,124,719**
Non-controlling interest in net losses of subsidiaries	265,130	-	265,130
Changes in net assets excluding non-controlling interest	**$ 1,360,332**	**$ 29,517**	**$ 1,389,849**

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	2023		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Revenue			
Rental income, net of vacancy and concessions	$ 2,801,561	$ -	$ 2,801,561
Fees for services	714,796	-	714,796
Grant income	3,158,388	63,744	3,222,132
Donations income	584,710	-	584,710
Donated labor and assets	12,606	-	12,606
Interest income	27,102	-	27,102
Change in beneficial interest	3,762	-	3,762
Other income	161,415	-	161,415
Total revenue	**7,464,340**	**63,744**	**7,528,084**
Expenses			
Program expenses			
Asset and property management	4,970,931	-	4,970,931
Community building and engagement	87,333	-	87,333
Financial empowerment center	572,136	-	572,136
Real estate development	1,471,512	-	1,471,512
Tenant resources	627	-	627
Total program expenses	**7,102,539**	**-**	**7,102,539**
Supporting services			
Mission advancement	263,048	-	263,048
Management and general	578,441	-	578,441
Total supporting services	**841,489**	**-**	**841,489**
Total expenses	**7,944,028**	**-**	**7,944,028**
Changes in net assets	**$ (479,688)**	**$ 63,744**	**$ (415,944)**
Non-controlling interest in net losses of subsidiaries	1,685,096	-	1,685,096
Changes in net assets excluding non-controlling interest	**$ 1,205,408**	**$ 63,744**	**$ 1,269,152**

See notes to consolidated financial statements

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	WITHOUT DONOR RESTRICTIONS		WITH DONOR RESTRICTIONS	TOTAL
	Controlling interest	Non-controlling interest		
Net assets, January 1, 2023	**$ 21,035,557**	**$ 4,037,214**	**$ 1,531,083**	**$ 26,603,854**
Transfer of equity	842,408	-	-	842,408
Changes in net assets	1,205,408	(1,685,096)	63,744	(415,944)
Net assets, December 31, 2023	**23,083,373**	**2,352,118**	**1,594,827**	**27,030,318**
Changes in net assets	1,360,332	(265,130)	29,517	1,124,719
Net assets, December 31, 2024	**$ 24,443,705**	**$ 2,086,988**	**$ 1,624,344**	**$ 28,155,037**

See notes to consolidated financial statements

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Cash flow from operating activities		
Changes in net assets	**$ 1,124,719**	**$ (415,944)**
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	1,656,600	1,545,981
Amortization of debt issuance costs	143	2,328
Amortization	4,050	4,050
Change in beneficial interest - CFEC	(9,788)	(3,762)
(Gain) Loss on portfolio asset sales	(203,636)	(115,598)
(Gain) Loss on home sales	50,035	918,353
Change in assets and liabilities:		
Cash - IDA funds	(54,101)	(70,930)
Accounts receivable - residents and commercial, net	(12,131)	(4,496)
Accounts and notes receivable - operations	29,455	(67,979)
Prepaid expenses	(13,181)	39,882
Accounts payable	53,790	(36,070)
IDA funds held	43,602	(29,089)
Accrued expenses and other payables	(69,573)	7,436
Accrued interest	10,603	(110,559)
Accrued real estate taxes	(23,341)	55,651
Prepaid revenue	31,342	(11,935)
Resident security deposits	6,845	15,124
Net cash provided by (used in) operating activities	**2,625,433**	**1,722,443**
Cash flow from investing activities		
Mortgages and notes receivable	26,123	127,028
Purchase of property and equipment (portfolio assets)	(2,869,384)	(2,438,539)
Purchase of property and equipment (homes for sale)	(599,989)	(595,396)
Proceeds from portfolio asset sales	264,900	329,300
Proceeds from home sales	200,000	1,523,463
Investments - entity	198	4,154
Net cash provided by (used in) investing activities	**$ (2,978,152)**	**$ (1,049,990)**

See notes to consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Cash flow from financing activities		
Proceeds from lines of credit	$ 287,996	$ 1,057,610
Payments on lines of credit	(464,740)	(1,913,037)
Payments on notes payable	(119,854)	(31,046)
Proceeds from mortgage notes payable	788,676	422,650
Payments on mortgage notes payable	(219,368)	(239,044)
Payments on notes payable - Elkhart County Housing Fund	(22,688)	(123,708)
Net cash provided by (used in) financing activities	**250,022**	**(826,575)**
Change in cash and cash equivalents	**(102,697)**	**(154,122)**
Cash and cash equivalents, beginning of year	**3,041,678**	**3,195,800**
Cash and cash equivalents, end of year	**$ 2,938,981**	**$ 3,041,678**
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	**$ 229,911**	**$ 291,016**

Supplemental information:
Cash flows from investing activities related to the purchase of property and equipment for the year ended December 31, 2024 excludes $21,303, which was included in accounts payable at December 31, 2024 and includes $84,287, which was included in accounts payable at December 31, 2023.

NOTE 1-ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

LaCasa of Goshen, Inc. was formed as a Not-For-Profit Corporation under the laws of the State of Indiana on February 26, 1970. The mission of the organization is to work in partnership with individuals and community partners to create opportunity for personal empowerment, family stability and neighborhood vitality. This mission is carried out through the following lines of business: 1) real estate development, 2) asset and property management, 3) financial empowerment, 4) tenant resources, and 5) community building and engagement. LaCasa of Goshen, Inc. utilizes a variety of city, county, state and federal grants, as well as private fundraising and program service revenues to fund these activities.

Real Estate Development

This line of business directs all real estate acquisition and development activities including single and multi-family construction and rehabilitation, owner-occupied rehabilitation and support for property maintenance activities.

Asset and Property Management

As of December 31, 2024, LaCasa of Goshen, Inc. and Subsidiaries owned and operated 362 units of affordable rental housing and related commercial space. LaCasa of Goshen, Inc. owns 327 of those units, and the remaining 35 units are owned by a limited partnership further described below. The LaCasa of Goshen, Inc.-owned units include a 28-unit development with one commercial unit known as Shoots & Hattle, a 35-unit multifamily renovated school known as Roosevelt Center, a 52-unit multi-family project which primarily serves senior citizens known as Water Tower Place Apartments, a 72-unit multi-family project known as Arbor Ridge Apartments, 44 units of Permanent Supportive Housing, three 10-unit multi-family residential buildings, two 8-unit multi-family buildings, 47 scattered-site rental units and 3 units of commercial space. All housing and commercial units are located in Elkhart County, Indiana. The permanent supportive housing is operated in collaboration with Oaklawn, the community mental health center who provides case management and other supportive services for tenants in those units. Commercial units are primarily leased to other social service agencies who utilize the space to provide services to their clients.

Residential housing and commercial space

The consolidated financial statements include the transactions and accounts of LaCasa of Goshen, Inc. and its wholly owned subsidiaries: LaCasa WTP Development Corporation, LaCasa RC Development Corporation, LaCasa HAEP Development Corporation, and LaCasa Real Estate Holdings, LLC (collectively, LaCasa) and also Elkhart Senior Housing, LP (Water Tower Place Apartments), Roosevelt Center, L.P. (Roosevelt Center), and Hawks Arts & Enterprise Center, L.P. (Hawks) (collectively, the Subsidiaries), which are reported collectively as LaCasa of Goshen, Inc. and Subsidiaries (the Corporation).

LaCasa WTP Development Corporation was formed to own a general partnership interest in Water Tower Place Apartments. Effective December 31, 2023, LaCasa WTP Development Corporation was dissolved when its general partner interest in Water Tower Place Apartments was transferred to LaCasa of Goshen, Inc.

LaCasa RC Development Corporation was formed to own a general partnership interest in Roosevelt Center. Effective September 30, 2023, LaCasa RC Development Corporation was dissolved when its general partner interest in Roosevelt Center was transferred to LaCasa of Goshen, Inc.

LaCasa HAEP Development Corporation was formed to own a general partnership interest in Hawks.

LaCasa Real Estate Holdings, LLC was formed to participate in the Indiana Housing and Community Development Authority Blight Elimination Program (BEP) to acquire and demolish blighted residential structures and facilitate an end use of newly vacant residential lots.

Water Tower Place Apartments was formed as a limited partnership under the laws of the State of Indiana on October 5, 2006 for the purpose of constructing, developing, improving, maintaining, operating, and leasing a 52-unit affordable senior housing property located in Elkhart, Indiana. Pursuant to the terms of the partnership agreement, the general partner was LaCasa WTP Development Corporation having a 0.1% ownership and the limited partner was Ohio Equity Fund for Housing Limited Partnership XVI having a 99.9% ownership. Effective, December 31, 2023, the limited partner assigned its ownership interest to LaCasa of Goshen, Inc. and the partnership was dissolved. Water Tower Place Apartments qualified for the low-income housing tax credit in accordance with Section 42 of the Internal Revenue Code (LIHTC) and has entered into extended use agreements and loan agreements which govern the operation of the property and restricts the persons eligible to reside at the property.

Roosevelt Center was formed as a limited partnership under the laws of the State of Indiana on August 13, 2007 for the purpose of constructing, developing, improving, maintaining, operating, and leasing a 35-unit affordable housing property located in Elkhart, Indiana. Pursuant to the terms of the partnership agreement, the general partner was LaCasa RC Development Corporation having a 0.01% ownership and the limited partner was GL-Roosevelt Center Elkhart LLC having a 99.99% ownership. Effective September 30, 2023, the limited partner assigned its ownership interests to LaCasa of Goshen, Inc. and the partnership was dissolved. Activity related to Roosevelt Center was being recorded under LaCasa of Goshen, Inc. effective October 1, 2023. Roosevelt Center qualified for the LIHTC and has entered into extended use agreements and loan agreements which govern the operation of the property and restricts the persons eligible to reside at the property.

Hawks was formed as a limited partnership under the laws of the State of Indiana on March 20, 2013 for the purpose of constructing, developing, improving, maintaining, operating, and leasing a 35-unit affordable housing property located in Goshen, Indiana. Pursuant to the terms of the partnership agreement, the general partner is LaCasa HAEP Development Corporation having a 0.01% ownership and the limited partner is Great Lakes Capital Fund for Housing Limited Partnership XXVII having a 99.99% ownership. The term of the partnership shall extend until December 31, 2112, unless sooner terminated as provided in the partnership agreement. Hawks qualifies for the LIHTC and has entered into extended use agreements and loan agreements which govern the operation of the property and restricts the persons eligible to reside at the property.

Financial Empowerment Center

This line of business provides comprehensive training and counseling services covering both Homeownership Promotion and Preservation including administration of Individual Development Accounts (matched savings accounts) and delivers a variety of other financial empowerment services.

Tenant Resources

This line of business works to build strong tenants and communities within the Corporation's rental properties by engaging around activities that promote leadership development, facilitate connections, and equip tenants to lead and collaborate with other tenants and community partners.

Community Building and Engagement

This line of business provides leadership development for neighborhood leaders in Elkhart County, facilitation of neighborhood visioning and action planning, connections and referrals to local resources and information and acts as a bridge between the neighborhood and other stakeholders.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial reporting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The primary intent of the financial statements is for the U.S. Office of Management and Budget. The accounts of the Corporation are maintained, and the consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned, and expenses are recognized when incurred. In addition, the consolidated financial statements are in conformity with the provisions required by the Not-for-Profit Entities Presentation of Financial Statements topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205. This statement established standards for external financial reporting for Not-for-Profit Organizations.

The Not-for-Profit Entities Presentation of Financial Statements topic of the FASB ASC primarily affects the display of the financial statements and requires that the amounts for each of two classes of net assets - with or without donor restrictions be displayed in an aggregate statement of financial position and the amounts of change in each of those classes of net assets be displayed in a statement of changes in net assets. Assets held by the Corporation at December 31, 2024 and 2023 are classified as with donor restrictions (See Note 13) or without donor restrictions (See Note 15).

Consolidation

In accordance with FASB ASC 810-10, the consolidated financial statements include the accounts of LaCasa and its wholly-owned partnerships, after elimination of all material intercompany accounts, transactions, and profits.

The consolidated financial statements include the assets, liabilities, and activities of LaCasa and various limited partnerships for which a wholly-owned subsidiary of LaCasa, as the general partner, has a controlling financial and legal interest. All significant intercompany transactions have been eliminated in the consolidation.

Cash

For the consolidated statements of cash flows, all unrestricted investments are cash. At December 31, 2024 and 2023, cash consists of unrestricted checking accounts, savings accounts and petty cash.

Resident and commercial tenant receivable and bad debt policy

Resident and commercial tenant rent charges for the current month are due on the first of the month. Resident and commercial tenants who are evicted or move out are charged with damages or cleaning fees, if applicable. Resident and commercial tenant receivables consist of amounts due for rents, damages and cleaning fees. The Corporation does not accrue interest on the resident or commercial receivables.

Management periodically reviews resident and commercial tenant receivables and uses an allowance for doubtful accounts to recognize bad debts. Resident and commercial tenant receivables on the consolidated statements of financial position are shown net of the allowance for doubtful accounts, which totaled $47,077 and $35,114 at December 31, 2024 and 2023, respectively. Bad debts included in asset and property management in the consolidated statements of activities expensed for the years ended December 31, 2024 and 2023 totaled $31,362 and $32,911, respectively.

Investments - properties for resale

The real estate held for resale is recorded at estimated fair value after consideration of level 3 inputs within the fair value hierarchy, further described below.

Other receivables and bad debt policy

Mortgages and notes receivable are carried at amounts contractually due, less an allowance for credit losses. Grants receivable consists of formal commitments to provide funding. Pledges receivable consists of written promises to give by donors. Development fees receivable consists of amounts due from related entities for construction development when earned per the development fee agreement and is eliminated in consolidation. The Corporation does not accrue interest on these receivable balances.

Management periodically reviews mortgages, grants, pledges, and development fees receivable and uses an allowance for doubtful accounts to recognize bad debts. Mortgages, grants, pledges, and development fee receivables on the consolidated statements of financial position is shown net of the allowance for doubtful accounts, which totaled $7,488 and $6,083 at December 31, 2024 and 2023, respectively. Bad debts included in Financial Empowerment Center in the consolidated statements of activities expensed for the years ended December 31, 2024 and 2023 totaled $1,405 and $935, respectively.

Notes receivable

Notes receivable are carried at amounts contractually due, less an allowance for credit losses. The Corporation accrues interest on the note receivable balances.

Management periodically reviews notes receivable and uses an allowance for credit losses to recognize bad debts. Notes receivable on the consolidated statements of financial position is shown net of the allowance for credit losses. There were no bad debts expensed for the years ended December 31, 2024 and 2023. There is no allowance for credit losses as of December 31, 2024 and 2023.

Property and equipment

Land, buildings and land improvements, and furniture and equipment are recorded at cost. Depreciation is provided for in amounts sufficient to relate the costs of depreciable assets to operations over their estimated service lives of 7-40 years using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Depreciation expense for the years ended December 31, 2024 and 2023 was $1,656,600 and $1,545,981, respectively.

The Corporation is subject to the provisions of the Impairment or Disposal of Long-Lived Assets topic of the FASB ASC 360-10. Impairment or Disposal of Long-Lived Assets has no retroactive impact on the Corporation's consolidated financial statements. The standard requires impairment losses to be recorded on long-lived assets when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets (excluding interest) are less than the carrying amount of the assets. In such cases, the carrying value of assets to be held and used are adjusted to their estimated fair value and assets held for sale are adjusted to their estimated fair value less selling expenses. No impairment loss was recognized during the years ended December 31, 2024 and 2023.

Debt issuance costs

The Corporation is subject to the provisions of the Interest-Imputation of Interest topic of the FASB ASC 835-30 which requires unamortized debt issuance costs to be presented as a reduction of the outstanding debt and the amortization of the debt issuance costs to be presented as a component of interest expense. Generally accepted accounting principles require that the effective yield method be used to amortize debt issuance costs; however, the effect of using the straight-line method is not material to the financial statements for the years ended December 31, 2024 and 2023.

Donated assets

Donations of property and equipment and other assets are recorded as revenue at their estimated fair value at the date of donation. Such donations are reported as without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment and other assets are reported as with donor restrictions. Absent donor stipulations regarding how long these donated assets must be maintained, the Corporation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Corporation reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Compensated absences

Employees of the Corporation are entitled to paid vacation and paid sick days depending on length of service and other factors. At December 31, 2024 and 2023, accrued compensated absences were $77,303 and $74,202, respectively, and are included in accrued expenses and other payables on the consolidated statements of financial position.

Rental income

Rental income is recognized as rents become due. Rental payments received in advance are deferred until earned. All leases between the Corporation or relevant subsidiary and the residents are operating leases under FASB ASC 842 and are not within the scope of FASB Accounting Standards Update (ASU) 2014-019. All leases will be for terms of no longer than one year. The Corporation also receives rent under commercial leases of terms from one to ten years, some of which provide for increasing noncancelable lease payments. Generally accepted accounting principles require such revenue be recognized over the term of the lease using the straight-line method, when realization is reasonably assured and management follows this method for most leases. However, when the difference in revenue recognition is not material to the consolidated financial statements, management recognizes rental income from commercial leases as payments are due for these leases.

Grant income

Grants that the Corporation receives from various government and nongovernmental agencies may have long-term compliance requirements. As management intends to fulfill the compliance requirements as part of their mission, those amounts are recognized as revenue in the period the grants funds were spent for their intended use.

Contributions and donations

Contributions and donations, including unconditional promises to give, are recognized in the period received or made, in accordance with FASB ASC 958-605 under the Revenue Recognition of Contributions Receivable topic.

Donated labor and assets

In accordance with FASB ASC 958-605, in-kind services are recognized if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Corporation. In addition, the Corporation receives donated services from unpaid volunteers that are essential to the completion of the Corporation's purposes. During the years ended December 31, 2024 and 2023, the Corporation received $10,829 and $12,606, respectively, of in-kind contributions included in donated labor and assets on the consolidated statements of activities.

Developer fee revenue

LaCasa earns developer fees primarily for orchestrating the financing and construction of low and moderate income housing, generally in its capacity as general partner or managing member of various real estate partnerships and limited liability companies. Fees are recognized based on completion of various phases of the property representing its performance obligations, as specified in the respective agreements. Certain fees are deferred and payable from the properties' future available operating cash flow. Generally accepted accounting principles require that an allowance should be established to reserve against balances determined to be uncollectible. However, the receivable balances are eliminated as intercompany transactions, and the difference is considered to not be material to the consolidated financial statements.

Beneficial interest in assets

The Corporation records periodic distributions of income and realizes changes in the market value of its beneficial interest as gains (losses) in the consolidated statements of activities.

Advertising costs

Advertising costs are expensed as incurred and are included in asset and property management in the consolidated statements of activities.

Real estate taxes

The Corporation is exempt from some, but not all, real estate taxes. For those properties that are required to pay real estate taxes, such taxes are expensed in the year of the lien on the property such that twelve months of expense are charged to operations each year.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited based upon direct expenditures incurred or based upon time spent in the activities. For the years ended December 31, 2024 and 2023, fundraising costs were insignificant to the consolidated financial statements as a whole.

Concentration

The Corporation maintains various cash balances with various regional and national financial institutions. The balances in the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of December 31, 2024, the cash balances held at some of these financial institutions exceeded the FDIC insurance limit. The Corporation has not experienced any losses in such accounts. Management believes that LaCasa is not exposed to any significant credit risk on cash and cash equivalents.

The Corporation's operations are concentrated in the multifamily real estate market. In addition, the Corporation operates in a heavily regulated environment. The operations of the Corporation are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by the respective agency. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, if any, to comply with a change.

The Corporation has received grants from various government and nongovernmental agencies. The grants are contingent on periodic budget approvals, tax levies, and annual appropriations. For the years ended December 31, 2024 and 2023, the grants without donor restrictions were 41% and 42% of total revenue, respectively. At December 31, 2024 and 2023, approximately 90% and 98% of the Corporation's total net accounts receivable balance related to grants, respectively.

Use of estimates in the preparation of consolidated financial statements

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

Fair value

The Corporation is subject to the provisions of the Fair Value Measurement topic of the FASB ASC 820-10 which provides guidance for assets and liabilities which are required to be measured at fair value and requires expanded disclosure for fair value measurement. The standard clarifies the principle that fair value should be based on the assumptions that market participants would use when pricing the asset or liability and establishes the following fair value hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities
Level 2 - Quoted prices for similar assets or liabilities in active markets
Level 3 - Unobservable inputs for the asset or liability based on the best available information

For instances in which the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the fair value measurement will fall within the lowest level input that is significant to the fair value measurement in its entirety.

Accounting for income taxes

LaCasa is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and state income tax and has been classified as other than a private foundation. Accordingly, no provision for federal and state taxes on revenue and income has been recognized in the accompanying financial statements. Generally, the Federal and State tax returns are subject to examinations from the three years after the later of the original or extended due date or the date filed with the applicable tax authorities.

Even though LaCasa is recognized as tax exempt, it still may be liable for tax on its unrelated business income (UBI). LaCasa evaluates uncertain tax positions through its review of the sources of income to identify UBI and certain other matters, including those which may affect its tax exempt status. The effect of the uncertainty would be recorded if the outcome was considered probable and reasonably estimable. As of December 31, 2024 and 2023, LaCasa had no uncertain tax positions requiring accrual.

The Subsidiaries are treated as pass-through entities for income tax purposes and, as such, are not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by their owners on their respective income tax returns. These entities' federal tax statuses as pass-through entities are based on their legal status as limited partnerships and limited liability companies. Accordingly, these entities are not required to take any tax positions in order to qualify as pass-through entities. These entities are required to file and do file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these consolidated financial statements do not reflect a provision for income taxes and these entities have no other tax positions which they must consider for disclosure. There has been no interest or penalties recognized in the consolidated statements of activities or consolidated statements of financial position for the years ended December 31, 2024 and 2023. Generally, the federal and state returns are subject to examination for three years after the later of the original or extended due date or the date filed with the applicable tax authorities.

Subsequent events

Management performed an evaluation of the Corporation's activity through March 27, 2025, the audit report date, and has concluded that there were no significant subsequent events requiring disclosure through the date these consolidated financial statements were available to be issued.

NOTE 2-CASH-IDA FUNDS

Cash-IDA Funds consists of cash designated to be used to assist low income individuals and families for the purchase of homes, pay for education costs or start up a business. Individual contributions are matched with grant funds. At December 31, 2024 and 2023, match funds held for individuals and families are included in the consolidated statements of financial position as IDA Funds held in the amount of $711,543 and $657,442, respectively.

NOTE 3-RESTRICTED DEPOSITS AND FUNDED RESERVES

Various operating and loan agreements require the establishment of restricted deposits and funded reserves, including reserve for replacements, operating reserves, or resident security deposits, which must be maintained in separate interest bearing accounts. At December 31, 2024 and 2023, the balance of restricted deposits and funded reserves is $1,639,982 and $1,764,049 and the balance of the deposits held in trust-funded is $78,891 and $71,911, all respectively.

NOTE 4-PROPERTIES FOR RESALE

Properties held for sale consists of the following:

	2024	2023
Held for future development	$ 112,102	$ 112,102
Currently in development	38,530	38,530
Total properties held for resale	150,632	150,632
Fair value adjustment	(128,610)	(128,610)
Fair value of properties held for resale	**$ 22,022**	**$ 22,022**

The properties held for resale are recorded at estimated fair value. The eventual sales proceeds from these properties may be less than the carrying value of the property.

The reconciliation of the changes in properties held for resale measured on a recurring basis using significant unobservable inputs (level 3) is as follows:

	2024	2023
January 1	$ 22,022	$ 22,022
Transfer to rental property and CIP	-	-
December 31	**$ 22,022**	**$ 22,022**

NOTE 5-CONSTRUCTION IN PROGRESS

The Corporation has ten projects in development as of December 31, 2024. The development costs related to the projects in development are included in construction in progress in the accompanying consolidated statements of financial position. As of December 31, 2024 and 2023, construction in progress consisted of:

	2024	2023
209 2nd Street	$ 265,411	$ 22,194
Hattle Building	1,046,135	16,856
1775 Westplains Drive	-	24,320
317 Arbor Court	355,928	36,584
1101 W Lincoln	-	24,320
511 Division	-	881,106
409 Madison	-	346,985
726 Orchard	-	211,470
1789 Westplains Drive	-	15,360
Shoots Building-114	6,636	-
427 Aspenwald	214,355	-
111 Lakeview Dr	74,670	-
107 Lakeview Dr	12,200	-
129 Lakeview Dr	1,500	-
1505 Krau	198,934	-
317 S 10th St	186,700	-
	$ 2,362,469	$ 1,579,195

NOTE 6-UNAMORTIZED COSTS

Unamortized costs consist of $102,515 of tax credit application fees. The tax credit fees are being amortized over the 10 year tax credit period. Amortization expense for of the years ended December 31, 2024 and 2023 was $4,050 and $4,050, respectively. At December 31, 2024 and 2023 accumulated amortization was $81,252 and $77,202, respectively.

NOTE 7-MORTGAGES AND NOTES RECEIVABLE

Mortgages have been granted to low to moderate income residents of Elkhart County, Indiana for the purchase of homes. These mortgages are in accordance with grant restrictions. Interest rates range from 0% to 6.75%. Terms range from 10 to 30 years. All mortgages are secured by deeds of trust.

In a prior year, the Corporation received a $1,000,000 grant from the Indiana Housing and Community Development Authority (IHCDA), which is to be used exclusively as a revolving loan fund for the purpose of promoting affordable, sustainable, decent, safe, and sanitary housing in the State of Indiana. During the years ended December 31, 2024 and 2023, the entities repaid $0 and $0 to the Corporation, respectively. Any repayments made from the entities must be used within rural communities to improve or provide affordable housing to low to moderate income individuals. At December 31, 2024 and 2023, $750,000 and $750,000 remains receivable from the entities, respectively.

Mortgages and notes receivable, net consist of the following at December 31:

	2024	2023
Current portion	$ 38,175	$ 40,271
Long term portion	1,192,207	1,214,829
	1,230,382	**1,255,100**
Less allowance for doubtful accounts	(7,488)	(6,083)
	$ 1,222,894	**$ 1,249,017**

Interest is recognized over the term of the loans and is calculated using the simple interest method.

NOTE 8-NOTES RECEIVABLE

LaCasa has entered into various note receivables with Subsidiaries. The outstanding notes and terms of the notes provide for, among other items, as of December 31, 2024 the following:

				Outstanding Balance	
Date of Note	**Maturity Date**	**Interest Rate**	**Face Amount**	**Long term Portion**	**Current Portion**
Hawks					
03/27/14	12/31/44	6.00%	$ 500,000	$ 500,000	$ -
03/27/14	12/31/44	3.00%	400,000	400,000	-
03/27/14	12/31/44	6.00%	176,345	176,345	-
10/01/14	12/31/44	6.00%	15,000	15,000	-
10/14/20	12/31/31	0.00%	245,571	245,571	-
				$1,336,916	**$ -**

At December 31, 2024 and 2023, intercompany notes receivable of $1,336,916 and $1,336,916 has been eliminated with intercompany notes payable, respectively. For the years ended December 31, 2024 and 2023, intercompany interest income of $53,481 and $225,015, respectively, has been eliminated with intercompany interest expense. At December 31, 2024 and 2023, intercompany accrued interest receivable of $492,484 and $439,003, respectively, has been eliminated with intercompany accrued interest payable.

NOTE 9-BENEFICIAL INTEREST IN COMMUNITY FOUNDATION OF ELKHART COUNTY

The Corporation transferred funds to the Community Foundation of Elkhart County (CFEC) in the amount of $80,000, at cost.

Under the governing agreement for the fund, distributions are determined based on the spending formula adopted by the CFEC's board of directors. Net income in excess of the spending formula distributions, administrative fees and direct expenses will be maintained in each fund unless the Corporation requests a distribution of excess income. Losses in each fund are deducted from the fund balance. Control over the investment of the funds lies solely with CFEC.

The beneficial interest in CFEC is carried at fair value using Level 3 inputs in accordance with FASB Accounting Standards Codification related to fair value measurements, which is based upon the organization's interest in the underlying fair value of pooled investments purchased by CFEC, with the resulting realized and unrealized gain or losses reported in the consolidated statements of activities as change in beneficial interest.

With respect to contributions received by the CFEC on behalf of the LaCasa of Goshen, Inc. from other donors, as prescribed by generally accepted accounting principles, this portion of the Fund (fair value of $95,567 and $81,402 at December 31, 2024 and 2023, respectively) has not been reflected as part of the Corporation's beneficial interest.

During the years ended December 31, 2024 and 2023, the Corporation received distributions of $4,926 and $4,741, respectively, from the CFEC.

The CFEC invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the beneficial interest in each fund at the CFEC.

The following is a summary of the transactions for the fund for the years ended December 31, 2024 and 2023:

	2024	2023
Beginning balance	$ 93,041	$ 89,279
Change in value:		
Interest and dividend income	2,345	1,486
Realized gain on sales of investments	6,080	(650)
Unrealized gain (loss) on sales of investments	6,545	7,901
Distribution	(4,926)	(4,741)
Administration bank fees	(256)	(234)
	$ 102,829	$ 93,041

NOTE 10-MORTGAGE NOTES AND NOTES PAYABLE

The Corporation has entered into various notes payable agreements with multiple financial institutions, individuals, organizations, LaCasa of Goshen, Inc., and governmental agencies to fund acquisitions, pre-development, construction, and normal operations. The outstanding balances and terms of notes payable as of December 31, 2024 are as follows:

					Outstanding Balance	
Date of Note	Maturity Date	Lender	Interest Rate	Face Amount	Long term Portion	Current Portion
LaCasa of Goshen, Inc.						
02/21/19	02/21/25	Individual	1.00%	$ 10,000	$ -	$ 10,000
08/01/18	08/01/25	Individual	3.00%	25,000	-	25,000
02/08/19	02/06/29	Lake City Bank	7.79% (^)	625,021	449,946	26,766
11/22/19	12/31/34	First State Bank	5.04%	375,000	256,700	21,786
10/08/12	10/27/26	1st Source Bank	5.00%	183,000	14,818	17,078
	See Note 12	Elkhart County Housing Fund	Various	1,571,451	420,526	26,594
12/16/22	12/16/27	1st Source Bank	6.14%	1,489,178	1,197,384	101,861
12/31/15	12/31/25	Organization	4.00%	150,000	-	150,000
12/14/18	10/03/28	First State Bank of Middlebury	7.03%	540,000	462,543	21,318
06/05/20	06/05/35	Lake City Bank	4.50%	320,000	294,415	6,506
06/17/20	06/17/30	Centier Bank	4.00% (&)	206,873	113,481	22,861
01/21/21	01/21/36	IHCDA	3.00%	227,840	200,487	5,390
11/11/21	12/01/36	IHCDA	3.00%	206,000	193,692	4,594
10/06/23	10/31/25	IHCDA	1.25%	385,150	385,150	-
11/01/23	11/30/25	IHCDA	1.25%	110,000	110,000	-
11/01/23	11/30/25	IHCDA	1.50%	50,515	50,515	-
11/01/23	11/30/25	IHCDA	1.50%	328,000	328,000	-
12/26/24	12/26/29	Farmers State Bank	7.10%	300,000	292,717	7,283
02/09/15	12/31/45	PIRHL	0.00%	40,000	40,000	-
Hawks						
05/06/16	04/01/36	Lake City Bank	4.01%	350,000	215,139	16,483
03/27/14	12/31/44	LaCasa*	6.00%	500,000	500,000	-
03/27/14	12/31/44	LaCasa*	3.00%	400,000	400,000	-
03/27/14	12/31/44	LaCasa*	6.00%	176,345	176,345	-
10/01/14	12/31/44	LaCasa*	6.00%	15,000	15,000	-
10/14/20	12/31/31	LaCasa*	0.00%	245,571	245,571	-
					6,362,429	463,520
			Less eliminations*		(1,336,916)	-
					$ 5,025,513	$ 463,520

(^) 4.86% through March 6, 2024 and 7.79% thereafter.
(&) 4% through September 17, 2026 and variable thereafter
(*) Eliminated

The loans are generally secured by the real estate and assignments of rents on the properties. The Corporation is not in default on any of the loan agreements.

Maturities of notes payable

The Corporation is obligated for the following estimated principal payments for the next five years and thereafter under notes payable obligations:

2025	$ 463,520
2026	313,916
2027	1,294,731
2028	720,416
2029	767,213
Thereafter	1,929,237
	5,489,033
Unamortized debt issuance costs, net	(1,611)
Total	**$ 5,487,422**

Financing costs of $42,382 were incurred in connection with obtaining various debt financing arrangements. These costs are amortized over the respective terms of the loans using the straight-line method. For the years ended December 31, 2024 and 2023, amortization expense was $143 and $2,328, respectively. At December 31, 2024 and 2023, accumulated amortization was $40,771 and $40,628, respectively.

NOTE 11-LINES OF CREDIT

Lake City Bank

On June 11, 2018, the Corporation entered into a revolving line of credit agreement with Lake City Bank. The agreement provided, among other things, for:

a. A maximum note amount of $700,000 (increased to $1,400,000 on March 22, 2022);
b. An interest rate of prime, as defined in the line of credit agreement, less 0.25% (7.25% at December 31, 2024); and
c. An original maturity date of July 11, 2023.

On July 11, 2023, the revolving line of credit agreement was modified to extend the maturity date until July 11, 2028.

During the years ended December 31, 2024 and 2023, $137,996 and $657,610 was drawn on the line of credit, and $14,740 and $1,505,537 was repaid, all respectively. At December 31, 2024 and 2023, the outstanding principal balance is $123,256 and $0, respectively.

First State Bank of Middlebury

On September 22, 2017, the Corporation entered into a revolving line of credit agreement with First State Bank of Middlebury. On September 7, 2021, the revolving line of credit agreement was modified. The agreement provides, among other things, for:

a. A maximum note amount of $400,000;
b. An interest rate at the greater of (a) the index, as defined, less 0.39% or (b) a minimum of 3.75% (7.11% at December 31, 2024); and
c. An original maturity date of September 10, 2023.

On September 7, 2023, the revolving line of credit agreement was modified to extend the maturity date until September 10, 2025.

During the years ended December 31, 2024 and 2023, $150,000 and $400,000 was drawn on the line of credit, and $450,000 and $407,500 was repaid, all respectively. At December 31, 2024 and 2023, the outstanding principal balance is $0 and $300,000, respectively. See Note 21.

Interest has not been imputed on any of the above mortgages or lines of credit that carry below-market rates as they are payable to governmental entities and carry legal restrictions. The restrictions require the Corporation to use the property for low income housing, as defined by the respective mortgages' regulatory agreements or other restriction agreements. Certain mortgages provide for the deferral of interest payments. Accrued interest totaled $514,216 and $450,132, of which $492,484, and $439,003 was eliminated at December 31, 2024 and 2023, all respectively. For the years ended December 31, 2024 and 2023, the Corporation has incurred interest of $289,995 and $371,999, respectively. For the years ended December 31, 2024 and 2023, the Corporation eliminated interest of $53,481 and $225,015, respectively.

NOTE 12-ELKHART COUNTY HOUSING FUND

Elkhart County Housing Fund is a coalition of banks participating in five loan pools totaling $900,000, $1,050,000, $1,200,000, $2,450,000 and $2,100,000 to provide first or second mortgages for the purchase or rehabilitation of homes. The maximum amount of an individual loan is $100,000, and the minimum individual loan is $5,000.

In Pool #1, prior to 2020, the banks had funded 100% of their commitment, and there are no mortgage receivables or notes payable outstanding.

In Pool #2, prior to 2020, the banks had funded 100% of their commitment, and the Corporation has a $22,022 and $23,908 mortgage receivable and a note payable of $22,022 and $23,908 to the bank coalition, all respectively.

In Pool #3, prior to 2020, the banks had funded 100% of their commitment, and there are no mortgage receivables or notes payable outstanding.

In Pool #4, prior to 2020, the banks had funded 100% of their commitment, and the Corporation has a $3,151 and $4,153 mortgage receivable and a note payable of $3,151 and $4,153 to the bank coalition, all respectively.

In Pool #5, prior to 2020, the banks had funded 100% of their commitment, and the Corporation has a $421,946 and $441,747 mortgage receivable and a note payable of $421,946 and $441,747 to the bank coalition, all respectively.

NOTE 13-NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were for the following purposes at December 31:

	2024	2023
Net assets with donor restrictions not invested in perpetuity, subject to purpose or time restrictions:		
Funds restricted for IDA program	$ 624,344	$ 594,827
IHCDA RD Moving Forward Grant (See Note 7)	1,000,000	1,000,000
	$ 1,624,344	**$ 1,594,827**

NOTE 14-NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor-imposed restrictions for the years ended December 31, 2024 and 2023 by incurring expenses satisfying the restricted purposes, by the passage of time, or by occurrence of other events specified by donors were as follows:

	2024	2023
Satisfaction of purpose and time restrictions	$ -	$ -
Total net assets released from donor restrictions	**$ -**	**$ -**

NOTE 15-NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of the following as of December 31, 2024:

Undesignated controlled interest in net assets	$ 24,036,215
Management restricted:	
NeighborWorks funds to be spent	296,750
Help A House funds to be spent	15,000
KeyBank financial empowerment funds to be spent	58,333
1st Source Bank financial empowerment funds to be spent	25,000
CFEC funds to be spent	11,500
Private donor fundraising workshop funds to be spent	907
Total controlled interest net assets without donor restrictions	**$24,443,705**

Management has restricted NeighborWorks funds, Help A House funds, KeyBank financial empowerment funds, and CFEC funds, internally.

The Board of Directors has established operating and other reserves with the objective of setting funds aside to be drawn upon in the event of financial stress of an immediate liquidity need or if said funds have been designated for a specific purpose. The goal of the Corporation is to maintain operating and other reserves at a level to meet normal operating needs.

NOTE 16-LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Corporation manages its liquidity by completing annual operating budgets that provide sufficient funds for general expenditures in meeting liabilities and other obligations as they become due and maintains cash and cash equivalents that may be drawn upon as needed during the year to manage cash flow and make necessary expenditures. The Corporation's cash and cash equivalents is available within one year of the statement of financial position date to meet cash needs for general expenditures. There are funds (operating and other reserves) established by the governing board that may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. In the event of an unanticipated liquidity need, the Corporation also could draw upon available lines of credit (as further discussed in Note 11).

The following reflects the organizations financial assets as of December 31, 2024, reduced by amounts not available for general use within one year of December 31, 2024, because of internal designations. Amounts not available include amounts set aside as payable on mortgages and investments designated by the Board of Directors as held for future development or currently in development, security deposits held on behalf of residents, and operating and reserve for replacements reserves. These amounts could be drawn upon if needed with approval from the Board of Directors.

Cash	$ 1,220,108
Resident security deposits	78,891
Reserve for replacements	865,668
Operating reserves	774,314
Accounts receivable - residents and commercial net	16,686
Accounts and notes receivable - operations	151,155
Investments - properties for resale	22,022
Current portion of mortgages and notes receivable	38,175
Prepaid expenses	122,939
	3,289,958
Internal designations:	
Investments - properties for resale	(22,022)
Current portion of mortgages and notes receivable	(38,175)
Resident security deposits	(78,891)
Reserve for replacements	(865,668)
Operating reserves	(774,314)
Financial assets available to meet cash needs for general expenditures within one year	**$ 1,510,888**

NOTE 17-RELATED PARTIES

Asset management fee

Pursuant to the Partnership Agreement for Water Tower Place Apartments, Ohio Capital Corporation for Housing (OCCH) earns an asset management fee annually to provide property management oversight, tax credit compliance monitoring and related services. OCCH will be paid asset management fees equal to $4,000 for the first year and increased 3% annually as set forth in the Partnership Agreement. During the years ended December 31, 2024 and 2023, asset management fees of $0 and $6,228 were expensed and asset management fees paid were $0 and $6,228, all respectively. At December 31, 2024 and 2023, accrued asset management fees were $0 and $0, respectively.

Partnership management fee

For its efforts in the administration of the property, Hawks shall pay to the General Partner an annual partnership management fee of $13,000, increasing by 3% per annum. The partnership management fee is cumulative and shall be payable from cash flow, as defined in the Partnership Agreement. During the years ended December 31, 2024 and 2023, partnership management fees of $2,257 and $19,000 were expensed, respectively, and no partnership management fees were paid. The expenses were eliminated with the revenue recognized by LaCasa of Goshen, Inc. As of December 31, 2024 and 2023, $132,068 and $129,811 remained payable, respectively, which are eliminated with accrued expenses and other payables on the consolidated statements of financial position.

Investor services fee

As compensation for its services in handling relations between Hawks and the Investor Limited Partner, Hawks shall pay Great Lakes Capital, an affiliate of the Investor Limited Partner, an annual investor services fee of $3,500. The investor services fee is cumulative and shall be paid out of the investor services fee reserve and shall increase by 3% per annum. During the years ended December 31, 2024 and 2023, investor services fees of $4,433 and $11,097 were expensed, and $4,304 and $9,648 were paid, all respectively. As of December 31, 2024 and 2023, $4,433 and $4,304 remain payable, respectively, and are included in accrued expenses and other payables on the consolidated statements of financial position.

NOTE 18-COMMERCIAL LEASES

The Corporation leases space to two commercial tenants. The base rent ranges from $11,400 to $31,200 per annum. Rent income under these leases were $42,600 and $78,180 for the years ended December 31, 2024 and 2023, respectively.

The commercial leases are accounted for as operating leases under ASC 842, Leases. Under ASC 842, rental income is required to be recognized on a straight-line basis over the lease term excluding renewal periods that are not reasonably certain of being exercised. The Partnership recognizes commercial rental income as rents become due; however, the effect of not recognizing commercial rental income on a straight-line basis over the lease term is not material to the financial statements for the years ended December 31, 2024 and 2023.

As of December 31, 2024, the future minimum rental receipts are as follows:

2025	$ 31,800
2026	950
	$ 32,750

NOTE 19-EMPLOYEE RETIREMENT PLAN

The Corporation has a defined contribution pension plan under Internal Revenue Code Section 403(b) covering all regular employees after they have worked 90 days. A regular employee is defined as one who works 30 hours per week or more. The Corporation will match contributions of regular employees based on the following schedule: a) year 2 - up to 1% of gross wages; b) year 3 - up to 2% of gross wages; c) year 4 - up to 3% of gross wages; and d) year 5 and later - up to 4% of gross wages. The plan is managed by various third parties. The Corporation's contributions to the plan for the years ended December 31, 2024 and 2023 were $85,985 and $76,426, respectively.

NOTE 20-COMMITMENTS AND CONTINGENCIES

LaCasa of Goshen, Inc. receives funds under numerous contracts, grants and agreements with federal, state, and local governmental agencies, some of which were loaned to limited liability entities to carry out the defined requirements. In the event of noncompliance with these requirements, LaCasa of Goshen, Inc. may be subject to repayment of funds received under contracts, grants and agreements with governmental agencies that provide for payments by LaCasa of Goshen, Inc. based on cost or statistical data. Most contracts, grants and agreements are subject to audit by the funding sources.

LaCasa of Goshen, Inc. has provided unconditional construction completion guarantees and in a number of cases is required to make operating deficit contributions for any operating deficits not funded from the operating reserves, as defined. This operating deficit obligation is limited to a stated amount and for a stated period. Operating deficit contributions are repayable from Cash Flow, as defined, in the order of priority documented in the respective partnership or operating agreements.

In accordance with the respective partnership or operating agreements, in a few cases LaCasa of Goshen, Inc. has agreed to unconditionally guarantee the due and punctual performance by the general partner or managing member of all its obligations under the partnership or operating agreement. In accordance with the respective partnership or operating agreements, in a few cases LaCasa of Goshen, Inc. is required to fund required reserve payments or any unpaid portion of developer fee for a period defined in partnership or operating agreement.

Certain properties have received allocations of LIHTC. The tax credits are contingent on the applicable partnerships' ability to maintain compliance with applicable sections of Section 42 of the Internal Revenue Code. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits. In addition, such potential noncompliance may require adjustments as disclosed in the properties' partnership or operating agreements.

In connection with the development of certain affordable housing properties, which are owned by limited partnerships, LaCasa of Goshen, Inc. has the option to purchase the properties at the close of the properties' 15-year compliance period.

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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DECEMBER 31, 2024

ASSETS	LaCasa	Elkhart Senior Housing, L.P.	Roosevelt Center, L.P.	Hawks Arts & Enterprise Center, L.P.	LaCasa Real Estate Holdings, LLC	Eliminations	Total
Current assets							
Cash and cash equivalents							
Cash	$ 1,202,866	$ -	$ -	$ 16,482	$ 760	$ -	$ 1,220,108
Resident security deposits	52,618	-	-	26,273	-	-	78,891
Reserve for replacements	812,174	-	-	53,494	-	-	865,668
Operating reserves	674,190	-	-	100,124	-	-	774,314
Total cash and cash equivalents	**2,741,848**	**-**	**-**	**196,373**	**760**	**-**	**2,938,981**
Accounts receivable - residents and commercial, net	16,620	-	-	66	-	-	16,686
Accounts and notes receivable - operations	268,197	-	-	-	-	(117,042)	151,155
Developer and partnership management fees receivable	132,068	-	-	-	-	(132,068)	-
Investments - properties for resale	22,022	-	-	-	-	-	22,022
Prepaid expenses	122,806	-	-	133	-	-	122,939
Current portion of mortgages and notes receivable	38,175	-	-	-	-	-	38,175
Total current assets	**3,341,736**	**-**	**-**	**196,572**	**760**	**(249,110)**	**3,289,958**
Restricted deposits and funded reserves							
Cash - IDA funds	711,543	-	-	-	-	-	711,543
Property and equipment							
Land	414,057	-	-	-	-	-	414,057
Buildings and land improvements	40,694,418	-	-	6,319,442	-	-	47,013,860
Furniture and equipment	-	-	-	657,881	-	-	657,881
Office furniture and equipment	1,059,777	-	-	-	-	-	1,059,777
Vehicles	1,163	-	-	-	-	-	1,163
Construction in progress	2,362,469	-	-	-	-	-	2,362,469
	44,531,884	**-**	**-**	**6,977,323**	**-**	**-**	**51,509,207**
Less: Accumulated depreciation	(19,444,778)	-	-	(2,841,475)	-	-	(22,286,253)
Total property and equipment	**25,087,106**	**-**	**-**	**4,135,848**	**-**	**-**	**29,222,954**
Other assets							
Investments - entity	2,098	-	-	-	-	-	2,098
Unamortized costs, net	-	-	-	21,263	-	-	21,263
Notes receivable	1,336,916	-	-	-	-	(1,336,916)	-
Interest receivable	492,484	-	-	-	-	(492,484)	-
Mortgages and notes receivable, net of current portion	1,184,719	-	-	-	-	-	1,184,719
Beneficial interest - CFEC	102,829	-	-	-	-	-	102,829
Total other assets	**3,119,046**	**-**	**-**	**21,263**	**-**	**(1,829,400)**	**1,310,909**
	$ 32,259,431	**$ -**	**$ -**	**$ 4,353,683**	**$ 760**	**$ (2,078,510)**	**$ 34,535,364**

SUPPLEMENTARY INFORMATION
DETAIL OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

LIABILITIES AND NET ASSETS	LaCasa	Elkhart Senior Housing, L.P.	Roosevelt Center, L.P.	Hawks Arts & Enterprise Center, L.P.	LaCasa Real Estate Holdings, LLC	Eliminations	Total
Current liabilities							
Accounts payable	$ 207,700	$ -	$ -	$ 7,810	$ -	$ -	$ 215,510
Accounts payable - related party	-	-	-	13,365	103,677	(117,042)	-
Accrued expenses and other payables	104,714	-	-	136,501	-	(132,067)	109,148
Accrued interest	21,732	-	-	-	-	-	21,732
Accrued real estate taxes	20,283	-	-	22,000	5,000	-	47,283
Prepaid revenue	41,298	-	-	3,678	-	-	44,976
Current portion of mortgage notes and notes payable	447,037	-	-	16,483	-	-	463,520
Total current liabilities	**842,764**	**-**	**-**	**199,837**	**108,677**	**(249,109)**	**902,169**
Deposit liabilities							
Resident security deposits	200,502	-	-	24,281	-	-	224,783
IDA funds held	106,217	-	-	-	-	-	106,217
Total deposit liabilities	**306,719**	**-**	**-**	**24,281**	**-**	**-**	**331,000**
Long term liabilities							
Accounts payable - related party	-	-	-	-	-	-	-
Lines of credit	123,256	-	-	-	-	-	123,256
Notes payable - entity	40,000	-	-	1,336,916	-	(1,336,916)	40,000
Notes payable, net of current portion	462,543	-	-	-	-	-	462,543
Mortgage notes payable - first mortgages, net of current portion	3,887,305	-	-	215,139	-	-	4,102,444
Less: Unamortized debt issuance costs, net	-	-	-	(1,611)	-	-	(1,611)
(Investment) deficiency - entity	203,423	-	-	-	-	(203,423)	-
Notes payable - Elkhart County Housing Fund	420,526	-	-	-	-	-	420,526
Accrued interest, net of current portion	-	-	-	492,485	-	(492,485)	-
Total long term liabilities	**5,137,053**	**-**	**-**	**2,042,929**	**-**	**(2,032,824)**	**5,147,158**
Total liabilities	**6,286,536**	**-**	**-**	**2,267,047**	**108,677**	**(2,281,933)**	**6,380,327**
Net Assets							
Without donor restrictions	24,348,551	-	-	(352)	(107,917)	203,423	24,443,705
With donor restrictions	1,624,344	-	-	-	-	-	1,624,344
Non-controlling interest	-	-	-	2,086,988	-	-	2,086,988
Total net assets	**25,972,895**	**-**	**-**	**2,086,636**	**(107,917)**	**203,423**	**28,155,037**
	$ 32,259,431	**$ -**	**$ -**	**$ 4,353,683**	**$ 760**	**$ (2,078,510)**	**$ 34,535,364**

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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DECEMBER 31, 2023

ASSETS	LaCasa	Elkhart Senior Housing, L.P.	Roosevelt Center, L.P.	Hawks Arts & Enterprise Center, L.P.	LaCasa Real Estate Holdings, LLC	Eliminations	Total
Current assets							
Cash and cash equivalents							
Cash	$ 1,191,254	$ -	$ -	$ 9,279	$ 5,185	$ -	$ 1,205,718
Resident security deposits	48,676	-	-	23,235	-	-	71,911
Reserve for replacements	820,463	-	-	83,708	-	-	904,171
Operating reserves	706,801	-	-	153,077	-	-	859,878
Total cash and cash equivalents	**2,767,194**	**-**	**-**	**269,299**	**5,185**	**-**	**3,041,678**
Accounts receivable - residents and commercial, net	1,925	-	-	2,630	-	-	4,555
Accounts and notes receivable - operations	362,067	-	-	-	-	(181,457)	180,610
Developer and partnership management fees receivable	129,811	-	-	-	-	(129,811)	-
Investments - properties for resale	22,022	-	-	-	-	-	22,022
Prepaid expenses	109,758	-	-	-	-	-	109,758
Current portion of mortgages and notes receivable	48,464	-	-	-	-	-	48,464
Total current assets	**3,441,241**	**-**	**-**	**271,929**	**5,185**	**(311,268)**	**3,407,087**
Restricted deposits and funded reserves							
Cash - IDA funds	657,442	-	-	-	-	-	657,442
Property and equipment							
Land	414,057	-	-	-	-	-	414,057
Buildings and land improvements	38,640,569	-	-	6,319,442	-	-	44,960,011
Furniture and equipment	-	-	-	558,289	-	-	558,289
Office furniture and equipment	1,059,777	-	-	-	-	-	1,059,777
Vehicles	1,163	-	-	-	-	-	1,163
Construction in progress	1,579,195	-	-	-	-	-	1,579,195
	41,694,761	**-**	**-**	**6,877,731**	**-**	**-**	**48,572,492**
Less: Accumulated depreciation	(18,196,140)	**-**	**-**	(2,591,888)	**-**	**-**	(20,788,028)
Total property and equipment	**23,498,621**	**-**	**-**	**4,285,843**	**-**	**-**	**27,784,464**
Other assets							
Investments - entity	2,296						2,296
Unamortized costs, net	-	-	-	25,313	-	-	25,313
Notes receivable	1,336,916	-	-	-	-	(1,336,916)	-
Interest receivable	439,003	-	-	-	-	(439,003)	-
Mortgages and notes receivable receivable,		-	-	-	-		
net of current portion	1,200,553	-	-	-	-	-	1,200,553
Beneficial interest - CFEC	93,041	-	-	-	-	-	93,041
Total other assets	**3,071,809**	**-**	**-**	**25,313**	**-**	**(1,775,919)**	**1,321,203**
	$ 30,669,113	**$ -**	**$ -**	**$ 4,583,085**	**$ 5,185**	**$ (2,087,187)**	**$ 33,170,196**

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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DECEMBER 31, 2023

LIABILITIES AND NET ASSETS	**LaCasa**	**Elkhart Senior Housing, L.P.**	**Roosevelt Center, L.P.**	**Hawks Arts & Enterprise Center, L.P.**	**LaCasa Real Estate Holdings, LLC**	**Eliminations**	**Total**
Current liabilities							
Accounts payable	$ 222,301	$ -	$ -	$ 2,403	$ -	$ -	$ 224,704
Accounts payable - related party	-	-	-	30,804	150,653	(181,457)	-
Accrued expenses and other payables	174,417	-	-	134,115	-	(129,811)	178,721
Accrued interest	11,129	-	-	-	-	-	11,129
Accrued real estate taxes	44,598	-	-	16,000	10,026	-	70,624
Prepaid revenue	10,500	-	-	3,134	-	-	13,634
Current portion of mortgage notes							
and notes payable	343,812	-	-	15,836	-	-	359,648
Total current liabilities	**806,757**	**-**	**-**	**202,292**	**160,679**	**(311,268)**	**858,460**
Deposit liabilities							
Resident security deposits	194,703	-	-	23,235	-	-	217,938
IDA funds held	62,615	-	-	-	-	-	62,615
Total deposit liabilities	**257,318**	**-**	**-**	**23,235**	**-**	**-**	**280,553**
Long term liabilities							
Accounts payable - related party	-	-	-	-	-	-	-
Lines of credit	300,000	-	-	-	-	-	300,000
Notes payable - entity, net of current		-	-		-		-
portion	40,000	-	-	1,336,916	-	(1,336,916)	40,000
Notes payable, net of current portion	668,954						668,954
Mortgage notes payable - first mortgages,		-	-	-	-	-	-
net of current portion	3,318,511	-	-	231,600	-	-	3,550,111
Less: Unamortized debt issuance costs, net	-	-	-	(1,754)	-		(1,754)
(Investment) deficiency - entity	155,819					(155,819)	-
Notes payable - Elkhart County		-	-	-	-	-	-
Housing Fund	443,554	-	-	-	-	-	443,554
Accrued interest, net of current portion	-	-	-	439,003	-	(439,003)	-
Total long term liabilities	**4,926,838**	**-**	**-**	**2,005,765**	**-**	**(1,931,738)**	**5,000,865**
Total liabilities	**5,990,913**	**-**	**-**	**2,231,292**	**160,679**	**(2,243,006)**	**6,139,878**
Net Assets							
Without donor restrictions	23,083,373	-	-	(325)	(155,494)	155,819	23,083,373
With donor restrictions	1,594,827	-	-	-	-	-	1,594,827
Non-controlling interest	-	-	-	2,352,118	-	-	2,352,118
Total net assets	**24,678,200**	**-**	**-**	**2,351,793**	**(155,494)**	**155,819**	**27,030,318**
	$ 30,669,113	**$ -**	**$ -**	**$ 4,583,085**	**$ 5,185**	**$ (2,087,187)**	**$ 33,170,196**

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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SUPPLEMENTARY INFORMATION
DETAIL OF CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	LaCasa	Elkhart Senior Housing, L.P.	Roosevelt Center, L.P.	Hawks Arts & Enterprise Center, L.P.	LaCasa Real Estate Holdings, LLC	Eliminations	Total
Revenue							
Rental income, net of vacancy and concessions	$ 2,789,164	$ -	$ -	$ 314,273	$ -	$ -	$ 3,103,437
Fees for services	633,684	-	-	-	-	(24,367)	609,317
Grant income	3,327,920	-	-	-	-	-	3,327,920
Donations income	746,074	-	-	-	-	-	746,074
Donated labor and assets	10,829	-	-	-	-	-	10,829
Interest income	118,008	-	-	1,968	-	(53,481)	66,495
Change in beneficial interest	9,787	-	-	-	-	-	9,787
Other income	10,245	-	-	6,190	67,000	47,603	131,038
Total revenue	**7,645,711**	**-**	**-**	**322,431**	**67,000**	**(30,245)**	**8,004,897**
Expenses							
Program expenses							
Asset and property management	4,347,410	-	-	587,588	19,423	(77,849)	4,876,572
Community building and engagement	95,070	-	-	-	-	-	95,070
Financial empowerment center	510,869	-	-	-	-	-	510,869
Real estate development	495,159	-	-	-	-	-	495,159
Immigration services	60,754	-	-	-	-	-	60,754
Total program expenses	**5,509,262**	**-**	**-**	**587,588**	**19,423**	**(77,849)**	**6,038,424**
Supporting services							
Mission advancement	247,499	-	-	-	-	-	247,499
Management and general	594,255	-	-	-	-	-	594,255
Total supporting services	**841,754**	**-**	**-**	**-**	**-**	**-**	**841,754**
Total expenses	**6,351,016**	**-**	**-**	**587,588**	**19,423**	**(77,849)**	**6,880,178**
Changes in net assets	**$ 1,294,695**	**$ -**	**$ -**	**$ (265,157)**	**$ 47,577**	**$ 47,604**	**$ 1,124,719**

SUPPLEMENTARY INFORMATION
DETAIL OF CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	LaCasa	Elkhart Senior Housing, L.P.	Roosevelt Center, L.P.	Hawks Arts & Enterprise Center, L.P.	LaCasa Real Estate Holdings, LLC	Eliminations	Total
Revenue							
Rental income, net of vacancy and concessions	$ 1,885,716	$ 374,759	$ 235,767	$ 305,319	$ -	$ -	$ 2,801,561
Fees for services	786,209	-	-	-	-	(71,413)	714,796
Grant income	3,222,132	-	-	-	-	-	3,222,132
Donations income	584,710	-	-	-	-	-	584,710
Donated labor and assets	12,606	-	-	-	-	-	12,606
Interest income	249,898	453	111	1,655	-	(225,015)	27,102
Change in beneficial interest	3,762	-	-	-	-	-	3,762
Other income	12,263	130,254	3,481	3,698	4,800	6,919	161,415
Total revenue	**6,757,296**	**505,466**	**239,359**	**310,672**	**4,800**	**(289,509)**	**7,528,084**
Expenses							
Program expenses							
Asset and property management	2,997,489	948,877	524,050	617,847	21,688	(139,020)	4,970,931
Community building and engagement	87,333	-	-	-	-	-	87,333
Financial empowerment center	572,136	-	-	-	-	-	572,136
Real estate development	1,471,512	-	-	-	-	-	1,471,512
Immigration services	627	-	-	-	-	-	627
Total program expenses	**5,129,097**	**948,877**	**524,050**	**617,847**	**21,688**	**(139,020)**	**7,102,539**
Supporting services							
Mission advancement	263,048	-	-	-	-	-	263,048
Management and general	578,441	-	-	-	-	-	578,441
Total supporting services	**841,489**	**-**	**-**	**-**	**-**	**-**	**841,489**
Total expenses	**5,970,586**	**948,877**	**524,050**	**617,847**	**21,688**	**(139,020)**	**7,944,028**
Changes in net assets	**$ 786,710**	**$ (443,411)**	**$ (284,691)**	**$ (307,175)**	**$ (16,888)**	**$ (150,489)**	**$ (415,944)**

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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SUPPLEMENTARY INFORMATION
DETAIL OF CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024

	LaCasa	Elkhart Senior Housing, L.P.	Roosevelt Center, L.P.	Hawks Arts & Enterprise Center, L.P.	LaCasa Real Estate Holdings, LLC	Eliminations	Total
Net assets, January 1, 2024	**$ 24,678,200**	**$ -**	**$ -**	**$ 2,351,793**	**$ (155,494)**	**$ 155,819**	**$ 27,030,318**
Changes in net assets	1,294,695	-	-	(265,157)	47,577	47,604	**1,124,719**
Net assets, December 31, 2024	**$ 25,972,895**	**$ -**	**$ -**	**$ 2,086,636**	**$ (107,917)**	**$ 203,423**	**$ 28,155,037**

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
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SUPPLEMENTARY INFORMATION
DETAIL OF CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023

	LaCasa	Elkhart Senior Housing, L.P.	Roosevelt Center, L.P.	Hawks Arts & Enterprise Center, L.P.	LaCasa Real Estate Holdings, LLC	Eliminations	Total
Net assets, January 1, 2023	**$ 21,726,256**	**$ 1,524,082**	**$ 689,688**	**$ 2,658,968**	**$ (138,606)**	**$ 143,466**	**$ 26,603,854**
Contributions	-	675,000	-	-	-	-	**675,000**
Transfer of net assets	2,165,234	(1,755,671)	(404,997)	-	-	162,842	**167,408**
Changes in net assets	786,710	(443,411)	(284,691)	(307,175)	(16,888)	(150,489)	**(415,944)**
Net assets, December 31, 2023	**$ 24,678,200**	**$ -**	**$ -**	**$ 2,351,793**	**$ (155,494)**	**$ 155,819**	**$ 27,030,318**

Federal Grantor *Pass-through Grantor* "Program Title"	**Assistance Listing**	**Pass-Through Identification Number**	**Federal Expenditures**
U.S. Department of Treasury			
NeighborWorks America - Auto Loan Program	21.000	R-NIHPL-2024-75511	50,000
NeighborWorks America - HUD Contract	21.000	G-OUT-2024-75728	31,300
NeighborWorks America - Neihborworks Week	21.000	R-NWW-2024-74513	1,000
NeighborWorks America - Travel Grant	21.000	G-SUPINT-2024-75769	2,000
NeighborWorks America - Travel Grant	21.000	None	5,500
NeighborWorks America - Expendable Grant	21.000	G-SUPINT-2024-75597	7,000
NeighborWorks America - Expendable Grant	21.000	None	137,000
NeighborWorks America - Expendable Grant	21.000	None	20,000
NeighborWorks America - Expendable Grant	21.000	None	20,000
			273,800
Department of Housing and Urban Development			
Indiana Housing and Community Development Authority			
"Home Investment Partnership Program"	14.239	CH-022-011	114,956
"Home Investment Partnership Program"	14.239	HM-021-004	122,833
"Home Investment Partnership Program"	14.239	HM-021-003	185,562
"Home Investment Partnership Program"	14.239	CH-022-006	333,568
"Home Investment Partnership Program"	14.239	CH-023-001	427,579
"Home Investment Partnership Program"	14.239	CH-023-006	51,533
"Home Investment Partnership Program"	14.239	CH-023-005	58,879
"Home Investment Partnership Program"	14.239	CO-023-001	50,000
"Home Investment Partnership Program"	14.239	HM-020-004	5,000
			2,505,038
City of Goshen			
"Community Development Block Grants/Entitlement Grants"	14.218	None	183,000
"Community Development Block Grants/Entitlement Grants"	14.218	None	4,064
"Community Development Block Grants/Entitlement Grants"	14.218	None	7,000
"Community Development Block Grants/Entitlement Grants"	14.218	None	16,577
"Community Development Block Grants/Entitlement Grants"	14.218	None	4,426
"Community Development Block Grants/Entitlement Grants"	14.218	None	5,348
"Community Development Block Grants/Entitlement Grants"	14.218	None	11,570
"Community Development Block Grants/Entitlement Grants"	14.218	None	81,805
			313,790
City of Elkhart			
"Community Development Block Grants/Entitlement Grants"	14.218	None	239,598
			239,598
Total Department of Housing and Urban Development			**3,058,427**
Total Expenditures of Federal Awards			**$ 3,332,227**

Note 1: The schedule of expenditures of federal awards is prepared on the accrual basis of accounting and the Corporation elected not to use the 10% de minimis cost rule.

Note 2: The accompanying schedule of expenditures of federal awards includes the federal grant activity of LaCasa of Goshen, Inc. and its Subsidiaries and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

DAUBY O'CONNOR & ZALESKI, LLC

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 Directors of
LaCasa of Goshen, Inc. and Subsidiaries
(An Indiana Not-for-Profit Corporation)

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 consolidated financial statements of LaCasa of Goshen, Inc. and Subsidiaries, which comprise the statement of financial position as of December 31, 2024, and the related consolidated statements of activities, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered LaCasa of Goshen, Inc. and Subsidiaries' internal control over financial reporting (internal control) as a basis for designing 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 LaCasa of Goshen, Inc. and Subsidiaries' internal control. Accordingly, we do not express an opinion on the effectiveness of LaCasa of Goshen, Inc. and Subsidiaries' 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Dauby O'Connor & Zaleski, LLC

March 27, 2025
Carmel, Indiana

Dauby O'Connor & Zaleski, LLC
Certified Public Accountants

DAUBY O'CONNOR & ZALESKI, LLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
LaCasa of Goshen, Inc. and Subsidiaries
(An Indiana Not-for-Profit Corporation)

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited LaCasa of Goshen, Inc. and Subsidiaries' compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of LaCasa of Goshen, Inc. and Subsidiaries' major federal programs for the year ended December 31, 2024. LaCasa of Goshen, Inc. and Subsidiaries' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, LaCasa of Goshen, Inc. and Subsidiaries 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 federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Title 2 U.S. *Code of Federal Regulations* Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of LaCasa of Goshen, Inc. and Subsidiaries and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of LaCasa of Goshen, Inc. and Subsidiaries' 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 LaCasa of Goshen, Inc. and Subsidiaries' federal programs.

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 LaCasa of Goshen, Inc. and Subsidiaries' 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 Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about LaCasa of Goshen, Inc. and Subsidiaries' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

- Obtain an understanding of LaCasa of Goshen, Inc. and Subsidiaries' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of LaCasa of Goshen, Inc. and Subsidiaries' internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

Purpose of This Report

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

Dauby O'Connor & Zaleski, LLC

March 27, 2025
Carmel, Indiana

Dauby, O'Connor & Zaleski, LLC
Certified Public Accountants

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 deficiencies identified that are not considered to be material weaknesses? ___ yes _X_ none reported

Noncompliance material to financial statements noted? ___ yes _X_ no

Federal Awards

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

Internal control over major programs:

- Material weakness(es) identified? ___ yes _X_ no
- Auditee qualifies as a low-risk auditee? _X_ yes ___ no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? ___ yes _X_ no

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
14.239	HOME Investment Partnership Program
14.218	Community Development Block Grants/Entitlement Grants

SUMMARY OF AUDITOR'S RESULTS
YEAR ENDED DECEMBER 31, 2024

Section II-Financial Statement Findings

Our audit disclosed no findings that are required to be reported.

Section III-Federal Award Findings and Questioned Costs

Our audit disclosed no findings that are required to be reported.

CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2024

Name of auditee: LaCasa of Goshen, Inc. and Subsidiaries

Name of audit firm: Dauby O'Connor & Zaleski, LLC

Period covered by the audit: Year ended December 31, 2024

CAP prepared by

Name: Amy Call

Position: Chief Financial Officer

Telephone number: 574-533-4450

Current Findings on the Schedule of Findings, Questioned Costs, and Recommendations

No corrective action plan is required to be reported.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2024

There were no findings or questioned costs from the prior audit report.

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
(AN INDIANA NOT-FOR-PROFIT CORPORATION)

SUPPLEMENTARY INFORMATION
CONSOLIDATED STATEMENT OF ACTIVITIES - NATURAL - CURRENT YEAR
YEAR ENDED DECEMBER 31, 2024

	2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Revenue			
Rental income, net of vacancy and concessions	$ 3,103,437	$ -	$ 3,103,437
Fees for services	609,317	-	609,317
Grant income	3,298,403	29,517	3,327,920
Donations income	746,074	-	746,074
Donated labor and assets	10,829	-	10,829
Interest income	66,495	-	66,495
Change in beneficial interest	9,787	-	9,787
Other income	131,038	-	131,038
Total revenue	**7,975,380**	**29,517**	**8,004,897**
Operating Expense			
Salaries and wages	2,381,125	-	2,381,125
Administrative	565,978	-	565,978
Utilities	424,313	-	424,313
Operating and maintenance	1,124,342	-	1,124,342
Taxes and insurance	487,113	-	487,113
Total operating expenses	**4,982,871**	**-**	**4,982,871**
Changes in net assets from operations	**2,992,509**	**29,517**	**3,022,026**
Other expenses			
Interest expense	236,514	-	236,514
Interest - debt issuance costs	143	-	143
Depreciation	1,656,600	-	1,656,600
Amortization	4,050	-	4,050
Total other expenses	**1,897,307**	**-**	**1,897,307**
Changes in net assets	**$ 1,095,202**	**$ 29,517**	**$ 1,124,719**
Non-controlling interest in net losses of subsidiaries	265,130	-	265,130
Changes in net assets excluding non-controlling interest	**$ 1,360,332**	**$ 29,517**	**$ 1,389,849**

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
(AN INDIANA NOT-FOR-PROFIT CORPORATION)

SUPPLEMENTARY INFORMATION
CONSOLIDATED STATEMENT OF ACTIVITIES - NATURAL - PRIOR YEAR
YEAR ENDED DECEMBER 31, 2023

	2023		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Revenue			
Rental income, net of vacancy and concessions	$ 2,801,561	$ -	$ 2,801,561
Fees for services	714,796	-	714,796
Grant income	3,158,388	63,744	3,222,132
Donations income	584,710	-	584,710
Donated labor and assets	12,606	-	12,606
Interest income	27,102	-	27,102
Change in beneficial interest	3,762	-	3,762
Other income	161,415	-	161,415
Total revenue	**7,464,340**	**63,744**	**7,528,084**
Operating Expense			
Salaries and wages	2,171,846	-	2,171,846
Administrative	594,500	-	594,500
Utilities	424,695	-	424,695
Operating and maintenance	2,498,336	-	2,498,336
Taxes and insurance	555,308	-	555,308
Total operating expenses	**6,244,685**	**-**	**6,244,685**
Changes in net assets from operations	**1,219,655**	**63,744**	**1,283,399**
Other expenses			
Interest expense	146,984	-	146,984
Interest - debt issuance costs	2,328	-	2,328
Depreciation	1,545,981	-	1,545,981
Amortization	4,050	-	4,050
Total other expenses	**1,699,343**	**-**	**1,699,343**
Changes in net assets	**$ (479,688)**	**$ 63,744**	**$ (415,944)**
Non-controlling interest in net losses of subsidiaries	1,685,096	-	1,685,096
Changes in net assets excluding non-controlling interest	**$ 1,205,408**	**$ 63,744**	**$ 1,269,152**

LACASA OF GOSHEN, INC. AND SUBSIDIARIES
(AN INDIANA NOT-FOR-PROFIT CORPORATION)

SUPPLEMENTARY INFORMATION
SUPPLEMENTAL SCHEDULES OF FINANCIAL POSITION NEIGHBORWORKS AMERICA (UNAUDITED)
DECEMBER 31, 2024 AND 2023

Schedule I

	2024	2023
Assets		
Notes Receivable - Roosevelt Center	$ -	$ -
Notes Receivable - Hawks Arts & Enterprise Center	-	-
Notes Receivable - Elkhart Senior Housing	-	-
Total assets	**$ -**	**$ -**
Net Assets		
With donor restrictions	$ -	$ -
Total net assets	**$ -**	**$ -**

Schedule II

	2024	2023
Revenue, Gains, and Other Support		
Expendable Grant - NeighborWorks America	$ 273,000	$ 213,000
Capital Grant - NeighborWorks America	75,000	75,000
Funds not yet Expended - NeighborWorks America	116,250	-
Total revenue, gains and other support	**464,250**	**288,000**
Funds expended	378,107	257,893
Change in net assets	86,143	30,107
Net assets released from restrictions	-	-
Net assets at beginning of year	210,607	180,500
Net assets at end of year	**$ 296,750**	**$ 210,607**