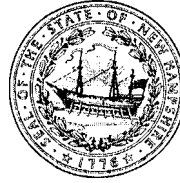


COMMISSIONER
Jared S. Chicoine

DEPUTY COMMISSIONER
Joshua W. Elliott

STATE OF NEW HAMPSHIRE



DEPARTMENT OF ENERGY
21 S. Fruit St., Suite 10
Concord, N.H. 03301-2429

48 - 6/17/26

TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-3670

Website:
www.energy.nh.gov

June 17, 2026

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the New Hampshire Department of Energy (Department) to award a grant to PHA Housing Development Ltd. (PHA), Portsmouth, NH, Vendor #154193, in the amount of \$139,010 to install and operate a roof-mount solar system that will benefit low and moderate income (LMI) residents of Christ Church Building located in Portsmouth, NH, effective upon Governor and Council approval through June 30, 2028. **100% Other (Renewable Energy Fund).**

Funding is available in the Renewable Energy Fund account as follows:

	<u>FY 2026</u>
02-52-52-520510-18900000-073-500579 – Grants Non-Federal	\$139,010

EXPLANATION

Pursuant to RSA 362-F:10, the Department is charged with administering the Renewable Energy Fund (REF), the purpose of which is to support thermal and electrical renewable energy initiatives. On October 22, 2025, the Department issued a Request for Proposals (RFP), #2025-007, pursuant to RSA 362-F:10, X. That statute requires the Department to provide no less than 15 percent of the REF funds annually to benefit low-moderate income (LMI) residential customers through financing or leveraging of financing for, including but not limited to, the development of community solar projects in manufactured housing communities or in multi-family rental housing.

The Department received three proposals requesting a total of \$579,291 in funds in response to the RFP. PHA and one other proposals have been selected to receive a total of \$179,573 in this funding round. Additional information on the grant review and award process is provided along with a summary of all grant awards.

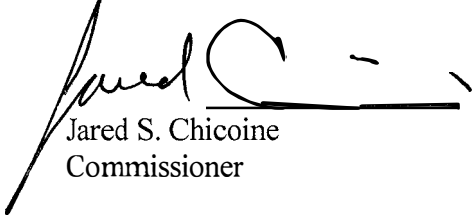
With these funds, PHA will work with a developer to design and build a rooftop solar installation. PHA's program model is structured to maximize direct benefits to the LMI residents living in this affordable housing apartment building. PHA will own the panels and residents will receive direct

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
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Page 2 of 2

benefits from the energy generation in the form of expansion to resident services. Direct ownership will provide additional benefits to PHA, including renewable energy certificate ownership and maximum compensation for energy produced. Attachment 1, Project and Program Overview, provides a description of the project and summarizes the direct net benefits provided to LMI residential customers.

The grant is contingent on sufficient REF funds being available upon the effective date of the grant agreement. The funds have been allocated for this contract and are being held in the fund. In the event that the REF funds are insufficient or are no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Jared S. Chicoine
Commissioner

Attachment 1

PHA Housing Development Ltd. Project and Program Overview

The PHA Housing Development Ltd. (PHA) program model is structured to maximize direct benefits to low-moderate income (LMI) residents residing in affordable housing. The project is designed to install a roof-mounted solar photovoltaic (PV) system connected to the master meter of the new Christ Church Building, an affordable housing property. The Renewable Energy Fund (REF) grant award provides the financing necessary to enable the project to move forward and provides long-term benefits to the Christ Church Building residents.

The PHA project consists of a rooftop solar installation connected to the master meter of the building, which will result in 86 LMI residents benefiting from the energy generated from the PV on the building. There are no non-LMI participants in this project.

Under this program, the LMI residents will receive benefits in the form of expanded resident services. Resident Service Coordinators (RSCs) play a critical role in identifying needs, mitigating risk, and helping residents access services that support stability and personal goals. The benefits from this project would allow PHA to increase hours and/or to add an RSC, increasing capacity to meet rising demand for these services. In addition, RSCs facilitate community-building activities that strengthen long term housing stability and health outcomes by reducing isolation, fostering social connection, and directly coordinating access to essential goods and services. This will provide the LMI residents with improved quality of life and will not impact their eligibility for other assistance programs.

Direct LMI Benefits:

Number of Participants:	86 LMI Participants
Annual Estimated Benefit per LMI Residents:	\$136.84
Total Projected Annual Benefit to LMI Residents:	\$11,769

Project Technical Specifications:

Nameplate Rating: 58.83 kW_{DC} (50 kW_{AC}) Roof Mounted PV System
Projected Energy Generation: approximately 67,903 kilowatt-hours per year

Funding Analysis:

Grant Amount:	\$139,010
Total Project Cost:	\$198,585
Cost per watt:	\$2.92

Other Benefits:




- System life expectancy of 40 years; 5 year labor warranty; one inverter replacement
- System estimated to generate 68 Class II renewable energy certificates (RECs) per year
- Supports fuel diversity and keeps energy dollars in state
- Reduces the amount of greenhouse gases, nitrogen oxides, and particulate matter emissions; thereby improving air quality and public health

RFP #2025-007 Grants for Community Solar Photovoltaic (PV) Projects Providing Direct Benefits to Low and Moderate Income Residential Electric Customers	Date of Review: 2/20/2026 & 3/25/2026
Scoring Team Member: Emily Tomasi, Program Manager; Megan Stone, Legislative Liaison; Denise Sleeper, Utility Analyst IV; Jessica Sternberg, Utility Analyst II; Lucia Roth, Program Manager	
Bidder:	
<p>Net Direct Benefits to LMI Participants. Assessment of project will include evaluation of the net direct annual benefits to be provided to participating low and moderate income residential electric customers during the first 10 years following initial operation of the PV system; the amount of grant funding requested in relation to the net direct LMI benefits being provided; and the percentage of participants who are LMI; inclusion of moderate income participants; and the percentage of energy produced that is effectively allocated to LMI participants. Maximum Point Score 50</p>	<p>PHA Housing Development Ltd. (PHA) 40</p> <p>North Woods Mobil Home Park Cooperative, Inc. 47</p> <p>Plymouth Area Renewable Energy Initiative (PAREI) 36</p>
<p>Technical Project Specifications. Proposal elements evaluated will include cost-effectiveness of project; direct ownership of project; optimal project siting; locational benefits; optimal energy modeling (e.g., Solar Pathfinder) results; labor and equipment warranties; inverter replacement warranty or plan; community solar PV project development team experience. Maximum Point Score 20</p>	<p>20</p> <p>19</p> <p>15</p>
<p>Project Feasibility and Readiness. Proposer proposes a realistic and achievable project with a clear definition of project ownership and team members; secured project site control; identified community solar participants (LMI and non-LMI); a well-defined and feasible project timeline; project personnel demonstrating low moderate income participant experience; all necessary permits obtained or applied for; and financing, funding, and/or investment commitments obtained, if applicable. Maximum Point Score 15</p>	<p>14</p> <p>14</p> <p>12</p>
<p>Project Administration and Management. Proposal presents a clear and detailed approach to initial identification, income verification, recruitment, enrollment, and replacement when necessary, of LMI participants; methods of effective long-term project management and administration; minimal administrative and financial impacts on utility and Department; minimal potential impacts on public benefits program eligibility of LMI customers; and plans for effective LMI participant education, engagement, and outreach. Maximum Point Score 15</p>	<p>12</p> <p>10</p> <p>9</p>
Total Score	<p>86</p> <p>90</p> <p>72</p>
Amount Requested	\$40,563
Amount Funded	\$40,563

GRANT AGREEMENT

The State of New Hampshire and the Grantee hereby
Mutually agree as follows:
GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name Department of Energy		1.2. State Agency Address 21 S. Fruit St., Ste. 10, Concord, NH 03301	
1.3. Grantee Name PHA Housing Development Ltd.		1.4. Grantee Address 245 Middle St., Portsmouth, NH 03801	
1.5. Grantee Phone # 603-436-4310 ext. 118	1.6. Account Number 18900000-073-500579	1.7. Completion Date June 30, 2028	1.8. Grant Limitation \$139,010
1.9. Grant Officer for State Agency Emily Tomasi		1.10. State Agency Telephone Number 603-271-8554	
If Grantee is a municipality or village district: "By signing this form we certify that we have complied with any public meeting requirement for acceptance of this grant, including if applicable RSA 31:95-b."			
1.11. Grantee Signature 1 		1.12. Name & Title of Grantee Signor 1 Craig Welch, Executive Director	
Grantee Signature 2		Name & Title of Grantee Signor 2	
Grantee Signature 3		Name & Title of Grantee Signor 3	
1.13. State Agency Signature(s) 		1.14. Name & Title of State Agency Signor(s) Jared S Chicoine, Commissioner	
1.15. Approval by Attorney General (Form, Substance and Execution) (if G & C approval required)			
By: 		Assistant Attorney General, On: 05/28/2026	
1.16. Approval by Governor and Council (if applicable)			
By:		On: / /	

2. **SCOPE OF WORK:** In exchange for grant funds provided by the State of New Hampshire, acting through the Agency identified in block 1.1 (hereinafter referred to as "the State"), the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT B (the scope of work being hereinafter referred to as "the Project").

3. **AREA COVERED.** Except as otherwise specifically provided for herein, the Grantee shall perform the Project in, and with respect to, the State of New Hampshire.
4. **EFFECTIVE DATE: COMPLETION OF PROJECT.**
 - 4.1 This Agreement, and all obligations of the parties hereunder, shall become effective on the date on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire if required (block 1.16), or upon signature by the State Agency as shown in block 1.14 (“the Effective Date”).
 - 4.2 Except as otherwise specifically provided herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.7 (hereinafter referred to as “the Completion Date”).
5. **GRANT AMOUNT: LIMITATION ON AMOUNT: VOUCHERS: PAYMENT.**
 - 5.1 The Grant Amount is identified and more particularly described in EXHIBIT C, attached hereto.
 - 5.2 The manner of, and schedule of payment shall be as set forth in EXHIBIT C.
 - 5.3 In accordance with the provisions set forth in EXHIBIT C, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 5.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee under this subparagraph 5.3 those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.
 - 5.4 The payment by the State of the Grant amount shall be the only, and the complete payment to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.
 - 5.5 Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.
6. **COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS.** In connection with the performance of the Project, the Grantee shall comply with all statutes, laws regulations, and orders of federal, state, county, or municipal authorities which shall impose any obligations or duty upon the Grantee, including the acquisition of any and all necessary permits and RSA 31-95-b.
7. **RECORDS AND ACCOUNTS.**
 - 7.1 Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency, the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.
 - 7.2 Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency pursuant to subparagraph 7.1, at any time during the Grantee’s normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, “Grantee” includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these provisions.
8. **PERSONNEL.**
 - 8.1 The Grantee shall, at its own expense, provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.
 - 8.2 The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform the Project, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.
 - 8.3 The Grant Officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.
9. **DATA: RETENTION OF DATA: ACCESS.**
 - 9.1 As used in this Agreement, the word “data” shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, paper, and documents, all whether finished or unfinished.
- 9.2 Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever.
- 9.3 No data shall be subject to copyright in the United States or any other country by anyone other than the State.
- 9.4 On and after the Effective Date all data, and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason, whichever shall first occur.
- 9.5 The State, and anyone it shall designate, shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, all data.
10. **CONDITIONAL NATURE OR AGREEMENT.** Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.
11. **EVENT OF DEFAULT: REMEDIES.**
 - 11.1 Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as “Events of Default”):
 - 11.1.1 Failure to perform the Project satisfactorily or on schedule; or
 - 11.1.2 Failure to submit any report required hereunder; or
 - 11.1.3 Failure to maintain, or permit access to, the records required hereunder; or
 - 11.1.4 Failure to perform any of the other covenants and conditions of this Agreement.
 - 11.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
 - 11.2.1 Give the Grantee a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and
 - 11.2.2 Give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the Grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and
 - 11.2.3 Set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and
 - 11.2.4 Treat the agreement as breached and pursue any of its remedies at law or in equity, or both.
12. **TERMINATION.**
 - 12.1 In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the “Termination Report”) describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.
 - 12.2 In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.
 - 12.3 In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee’s breach of its obligations hereunder.
 - 12.4 Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.
13. **CONFLICT OF INTEREST.** No officer, member of employee of the Grantee, and no representative, officer or employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal

- interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.
14. **GRANTEE'S RELATION TO THE STATE.** In the performance of this Agreement the Grantee, its employees, and any subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, workmen's compensation or emoluments provided by the State to its employees.
 15. **ASSIGNMENT AND SUBCONTRACTS.** The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Project Work shall be subcontracted or subgranted by the Grantee other than as set forth in Exhibit B without the prior written consent of the State.
 16. **INDEMNIFICATION.** The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee or subcontractor, or subgrantee or other agent of the Grantee. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.
 17. **INSURANCE.**
 - 17.1 The Grantee shall, at its own expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:
 - 17.1.1 Statutory workers' compensation and employees liability insurance for all employees engaged in the performance of the Project, and
 - 17.1.2 General liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and
 - 17.2 The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Grantee shall furnish to the State, certificates of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy.
 18. **WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure of waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.
 19. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.
 20. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire, if required or by the signing State Agency.
 21. **CONSTRUCTION OF AGREEMENT AND TERMS.** This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intend of the parties hereto.
 22. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.
 23. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.
 24. **SPECIAL PROVISIONS.** The additional or modifying provisions set forth in Exhibit A hereto are incorporated as part of this agreement.



4/20/25

EXHIBIT A

SPECIAL PROVISIONS

1. Prohibition on Boycotting Israel

For the purposes of this Section, the terms shall be defined as follows:

“Boycotting Israel” means engaging in refusals to deal, terminating business activities, or other similar commercial actions intended to limit commercial relations with persons doing business in Israel or in Israeli-controlled territories when the actions are taken (1) in compliance with or adherence to calls for a boycott of Israel other than those boycotts to which Pub. L. No. 96- 78, § 8, 93 Stat. 522 (1979) applies; or (2) in a manner that discriminates on the basis of nationality, national origin, or religion that is not based on a legitimate business reason.

If the New Hampshire Department of Energy (Department) receives evidence that the Grantee is Boycotting Israel, the State shall determine whether the Grantee is Boycotting Israel. A statement indicating that the Grantee engaged in an action of Boycotting Israel or has taken any action of Boycotting Israel at the request, in compliance with, or in furtherance of calls to boycott Israel, may be considered as one type of evidence that the Grantee is, or has been, participating in act of Boycotting Israel. An expressive activity, alone, directed at a specific person or a governmental action may not be considered evidence of an action of Boycotting Israel.

A determination by the Department that the Grantee is engaged in an action of Boycotting Israel constitutes an Event of Default.

EXHIBIT B

SCOPE OF WORK

In exchange for receiving grant funds in an amount not to exceed \$139,010 from the Department, PHA Housing Development Ltd. (Grantee) agrees to build and interconnect no smaller than a 58.83 kW (DC)/50 kW (AC) roof-mounted solar photovoltaic (PV) array on the Christ Church Building, an affordable housing apartment building owned and operated by the Grantee located at 1035 Lafayette Road, in Portsmouth, New Hampshire. Specifically, the Grantee agrees to:

1. Cause to be installed and operated a roof-top solar PV system, including, but not limited to, coordinating and overseeing the design, development, procurement, construction, installation, and interconnection of no smaller than a 58.83 kW (DC)/50 kW (AC) roof-mounted solar PV system (Project). The State in its sole discretion may approve functionally equivalent substitutions for any equipment, materials, methods, or means associated with said described Project work above. The Project scope reimbursable with grant funds hereunder includes all materials and labor required to complete the Project, including that of outside contractors, subcontractors, consultants, engineers, and other members of the Project team, and a minimum of five years' labor warranty shall be applicable.
2. Maintain all components of the Project as recommended by its manufacturer and/or engineering specifications.
3. Uphold the commitment to implement the expansion of resident services benefitting 86 low and moderate income (LMI) residents of the PHA Housing Development Ltd. (PHA), for 20 years or for the full useful life of the Project with 100% of the Project's net benefits allocated to low and moderate income (LMI) participating members.
4. Projects must provide direct benefits to LMI residents from the date of initial operation through the earlier to occur of (i) 20 years, or (ii) the end of the project's useful operational life.
5. Inform the Department promptly, in writing, of any change in direct benefit(s) to participating residents for the duration of the useful life of the Project.
6. Uphold the commitment to ensure that there will be no costs to the LMI participants and continue to ensure that receipt of benefits does not impact LMI participants eligibility to benefit from other state financial assistance programs.
7. Manage the LMI community solar program as described in the "Deliverables" section below.
8. Provide the Department with reports and status updates as specified in the "Deliverables" section below.

9. Submit a complete New Hampshire Class II Renewable Energy Source Eligibility application to the Department for the certification of the output of the Project to produce New Hampshire Class II renewable energy certificates (RECs).
10. Market the Project RECs to electricity providers in New Hampshire for compliance with the state's renewable portfolio standard law, RSA 362-F, if and when the Grantee deems it economically advantageous to do so.
11. Acknowledge the Renewable Energy Fund as a source of funds used for the project in any literature, press release, or public discussion of the Project.

DELIVERABLES

The Grantee agrees to prepare and submit written progress reports to the Department, in a form and manner prescribed by the Department, and to participate in monthly status update meetings or conference calls prior to the Project completion date and in additional status update meetings or conference calls upon Department request following Project completion. The written progress reports shall meet the following specifications:

Report Type	Reporting Period	Due Date	Scope of Report
Report #1	6/1/2026 – 9/30/2026	11/1/2026	Update on community solar program development and enrollment. Overview of Project progress (including, but not limited to, permits, participant recruitment, income verification, development and construction, significant accomplishments, delays, etc.).
Report #2	10/1/2026 - 12/31/2026	2/1/2027	Same as above.
Report #3	1/1/2027 – 3/31/2027	5/1/2027	Same as above.
Report #4	4/1/2027 – 6/30/2027	8/1/2027	Same as above.
Report #5	7/1/2027 – 9/30/2027	11/1/2027	Same as above.
Report #6	10/1/2027 - 12/31/2027	2/1/2028	Same as above.
Report #7	1/1/2028 – 3/31/2028	5/1/2028	Same as above.
Annual Report	Calendar Years 2028 - 2035	2/1 of the immediately following year	LMI Community Solar Program Annual Report (see below for details).

All written reports submitted after the completion of the Project shall include, at a minimum, the following:

1. Identification of the Grantee, project name, RFP 2025-007, and updated contact information;

2. Electric energy produced by the Project (i.e., kilowatt-hours generated) during the preceding calendar year;
3. Total number of participants in the LMI Community Solar Program (Program) and breakdown of participants: low-income, moderate-income, other;
4. Number of LMI participating customers receiving direct benefits through the Program;
5. Description and quantification of facility improvements implemented throughout the year that provide direct benefits to LMI participants through the Program;
6. Quantification of the annual net direct benefits (in dollars) received by each LMI participant;
7. Explanation of any material variation between the direct benefits projected in the Grantee's proposal and the actual direct benefits provided to participating LMI customers through the Program;
8. Certification of annual income verification conducted for each LMI participating customer, and description of the income verification process;
9. Certification that the number of participating customers equaled or exceeded five, and that the majority of participating customers were certified and verified to be LMI;
10. Description of any change in ownership of the Project;
11. Description of any changes made to the overall Program model;
12. Description of any impacts to public benefits received by participating LMI customers, any tax implications, or any rental cost increases related to participation by LMI customers in the Program;
13. The number of RECs produced during the preceding calendar year; and
14. The number of RECs sold during the preceding calendar year.

EXHIBIT C

GRANT AMOUNT, TERMS AND METHODS OF PAYMENT

1. This grant agreement commences upon approval by the New Hampshire Governor and Executive Council (Governor and Executive Council) and concludes on June 30, 2028.
2. In consideration of the satisfactory performance of the obligations described in Exhibit B including the construction and installation of the Project and the agreement of PHA Housing Development Ltd. (Grantee) to perform certain obligations after June 30, 2028 (as detailed in Exhibit B), the State agrees to pay an amount not to exceed \$139,010 to Grantee pursuant to the terms and conditions specified in this Exhibit C.
3. Grantee shall not be paid any grant funds under the grant agreement unless and until all of the following have occurred by the target dates specified:

Provide documentation to the Department that the building construction project is on schedule and not delayed.	December 31, 2026
Confirmation of submission of interconnection application to interconnecting utility. Obtain system upgrade cost estimates from utility and report to the Department to ensure project can move forward within budget.	December 31, 2026
Receipt of all federal, state, and local permits, licenses, consents, and approvals required for construction, and installation of the project.	December 31, 2026

Grantee shall use reasonable best efforts to achieve the foregoing milestones by the dates set forth in the table above. The Department may extend any of such specified dates for good cause shown upon written request by Grantee.

4. Grantee's reimbursement requests shall cover only the costs of materials and equipment delivered to the project site and incorporated into or to be incorporated into the project and only labor costs directly related to the design, construction and installation of the project. Grantee's reimbursement requests shall not include the costs of any deposits or prepayments for equipment or materials ordered or procured for the project unless and until such equipment and materials are delivered to the project site and incorporated into the project, or delivered to the project site for incorporation into the project, or used at the project site for the purpose(s) for which procured. Costs incurred prior to final grant agreement approval by the Governor and Executive Council are not eligible for reimbursement.
5. Grantee may submit reimbursement requests to the Department, with full supporting documentation, as obligations described in Exhibit B have been met and subject to the conditions stated in paragraphs 3 and 4 above, and further consistent with the grant agreement General Provisions. Reimbursement requests shall be submitted not more frequently than once per month. The amount of \$10,028.20 will be retained until the

project is complete and shall be paid to Grantee only when each of the following has occurred:

- (i) the project has been fully constructed and installed,
- (ii) the project has commenced operation,
- (iii) Grantee has submitted an application, deemed complete by the Department, for certification of eligibility of the project to produce Class II renewable energy certificates (RECs),
- (iv) a site visit has been conducted by a member of the Department staff, if the Department deems a site visit necessary.

Grantee shall be responsible for any project expenses incurred that exceed the total grant amount or are not eligible for reimbursement under this Exhibit C.

6. Each reimbursement request shall provide a detailed listing of project expenses incurred with supporting documentation. Grantee shall document all project expenditures for which reimbursement is requested with appropriate back-up documentation, including, but not limited to, receipts, invoices, bills, and other similar documents for all project vendors, contractors, and subcontractors. This includes expenses incurred by subcontractors employed on construction projects funded through the grant. At a minimum, receipts must be provided documenting labor cost, equipment cost, material cost, site work, engineering and permitting fees, and capital expenditures for all vendors, contractors and subcontractors.
7. Each reimbursement request shall also include an express affirmation by Grantee that it and the Project remain in full compliance with all terms and conditions of the grant agreement, and either (i) an express affirmation that there have been no material changes in any rights, interests, direct benefits to LMI participants, permits, licenses, or approvals affecting the Project since the most recent status report submitted to the Department, or (ii) a description in reasonable detail of any such material changes in rights, interests, permits, licenses, or approvals affecting the Project since the most recent status report submitted to the Department.
8. Reimbursement requests shall be reviewed for compliance with the scope of work set forth in Exhibit B, and the reimbursement terms and conditions of this Exhibit C, and approved by the Director of Policy and Programs or his designee. Invoices shall be submitted by email to REFInvoices@energy.nh.gov or as directed by the Department. Additional documentation may be requested as determined by the Department.
9. Grantee agrees to provide economic data, including but not limited to job creation data to the extent possible, for activity performed during construction and operation of the project and after completion of the project.
10. The Department agrees to make payment to Grantee within 30 days after the approval of reimbursement requests as described in paragraph 8 above and submitted in compliance with this Exhibit C and the grant agreement General Provisions.

11. All obligations of the Department under the grant agreement, including the continuance of any payments, are contingent on the availability of funds derived from the Renewable Energy Fund established and existing pursuant to RSA 362-F:10.

State of New Hampshire

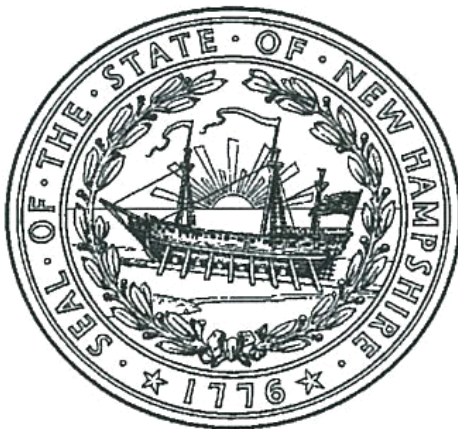
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that PHA HOUSING DEVELOPMENT, LTD. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on February 23, 1995. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **225317**

Certificate Number: **0007897104**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 2nd day of April A.D. 2026.

A handwritten signature in black ink, appearing to read "D. Scanlan", is written over a faint circular outline.

David M. Scanlan
Secretary of State

UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS
OF PHA HOUSING DEVELOPMENT, LTD.
IN LIEU OF A MEETING

The undersigned, being **all of the members of the Board of Directors of PHA Housing Development, LTD**, a New Hampshire nonprofit corporation (the "Corporation"), hereby adopt the following resolution by unanimous written consent, pursuant to the Corporation's governing documents and applicable New Hampshire law, without a meeting and without prior notice, effective as of the date last set forth below.

RECITALS

WHEREAS, the Corporation desires to confirm and evidence the authority of its Executive Director to act on behalf of the Corporation in dealings with the United States Department of Energy ("DOE"), and any federal, state, or local governmental agency administering funds, grants, agreements, or programs in connection therewith; and

WHEREAS, the Board of Directors deems it to be in the best interests of the Corporation to authorize such actions without delay; and

WHEREAS, the Board of Directors has determined that action by unanimous written consent is permissible and appropriate under the circumstances.

RESOLUTIONS

NOW, THEREFORE, BE IT RESOLVED, that Craig W. Welch, Executive Director, is hereby authorized and empowered to execute, deliver, and submit, on behalf of the Corporation, any and all applications, certifications, contracts, agreements, assurances, amendments, modifications, and related documents required by or in connection with programs, funding, grants, or other matters administered by the United States Department of Energy, and any of its offices, agencies, or designated representatives.

RESOLVED FURTHER, that the Executive Director is authorized to take any and all actions he deems necessary or advisable to carry out the intent of this authorization, and that such actions shall be binding upon the Corporation.

RESOLVED FURTHER, that all actions previously taken by the Executive Director consistent with the foregoing authority are hereby ratified, confirmed, and approved in all respects.

RESOLVED FURTHER, that this authorization shall remain in full force and effect until modified or rescinded by subsequent action of the Board of Directors of the Corporation.

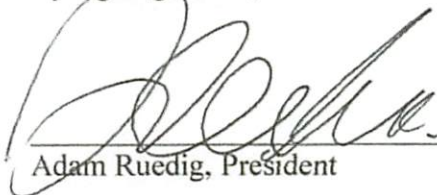
CERTIFICATION

The undersigned Directors hereby certify that this Unanimous Written Consent has not been amended, modified, or rescinded, and that it remains in effect as of the date of execution of any document to which it relates. It is further certified that the United States Department of Energy and any other governmental entity may rely upon this consent as conclusive evidence of the authority of the above-named Executive Director to bind the Corporation.

This Unanimous Written Consent shall be filed with the minutes and records of the Corporation and shall have the same force and effect as if adopted at a duly called meeting of the Board of Directors at which a quorum was present and voting.

DIRECTORS' SIGNATURES

By signing below, each Director approves and consents to the foregoing resolutions.



Adam Ruedig, President

4.13.26
Date



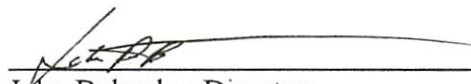
Katherine Kane, Vice President

4/13/26
Date



Kathleen Bergeron, Treasurer

4/10/26
Date



John Bohenko, Director

4/3/26
Date



Ernie Carrier, Director

4-13-26
Date

NONPROFIT COVER SHEET

A. Entity Name: PHA Housing Development, Ltd.

B. Entity’s Contact Information for Records Requests (e.g., resumes of key personnel; audited financial statements):

Craig Welch, Executive Director: craigwelch@nh-pha.com 603-957-2322
 245 Middle Street, Portsmouth, NH 03801

C. List Board of Directors and Affiliations

<u>Name (Identify any additional role(s) in Parentheses)</u> E.g., John Doe (President)	<u>Affiliations</u>
Adam Ruedig (President)	Financial Advisor, <i>The Ruedig Group at UBS</i>
Katherine Kane (Vice President)	Director of Real Estate, <i>Resolute Capital Partners</i>
Kathleen Bergeron (Treasurer)	Licensed Certified General Appraiser, <i>Bergeron Commercial Appraisal</i>
John Bohenko (Director)	Community Leader & Past City Manager, <i>City of Portsmouth</i>
Ernie Carrier (Director)	Retired – Construction Consulting Work Throughout New England

D. List Key Personnel (Resumes must be available upon request to the person(s) listed in section B or may be attached):

<u>Name</u>	<u>Role</u>	<u>Annual Salary</u>	<u>Amount Paid From This Contract</u>
Craig Welch	Executive Director	\$228,107.00	\$0
Valerie Labrie	Finance Director	\$145,146.00	\$0
Mark Lentz	Facilities Director	\$117,337.00	\$0
Andrea Pickett	Director of Outreach	\$87,840.00	\$0

DISCLOSURE OF LEGAL ACTIVITIES INVOLVING THE STATE OF NEW HAMPSHIRE OR ANOTHER GOVERNMENT ENTITY

E. Check one of the following:

- [X] The entity is **not currently or has not been** party to any legal proceeding involving the State of New Hampshire (or any agency or subdivision thereof) or any other state/federal government entity before any adjudicative body in any jurisdiction **OR**
- [] The entity is or has been party to one or more legal proceedings as set forth above. Identify the jurisdiction, court or other adjudicative body, case number, and briefly describe the nature of the proceeding (Attached extra sheet if necessary).
-
-
-

CHARITABLE TRUSTS UNIT COMPLIANCE CERTIFICATION

F. Check one of the following:

- [X] is registered and in good standing with the New Hampshire Department of Justice Charitable Trusts Unit (** see note below) **or** has submitted a complete application for registration to the Charitable Trusts Unit and is awaiting a registration determination **OR**
- [] is not required to register with the Charitable Trusts Unit because it is neither tax-exempt under section 501(c)(3) of the Internal Revenue Code nor engages in charitable solicitations in the State of New Hampshire **OR**
- [] is exempt from registration with the Charitable Trusts Unit because it is a federal or state government, agency, or subdivision or is a religious organization, an integrated auxiliary of a religious organization, or is a convention or association of churches.

** Note: Attached screen shot from the DOJ Registered Charities List found at:

<https://mm.nh.gov/files/uploads/doj/remote-docs/registered-charities.pdf>

FINANCIAL DISCLOSURES

G. Check one the following:

- [X] The organization hired an outside firm to audit its financial statements or to prepare GAAP-compliant financial statements for its most recently completed fiscal year. If so, please ensure that the financial statements and audit results are available to be requested from the contact listed on Page 1 (audited financials may be attached) **OR**
- [] The above does not apply, but the organization filed an IRS Form 990 or Form 990-EZ for its most recently completed fiscal year. Please attach that IRS Form 990 or Form 990-EZ to the submission. (Form 990 Schedule B is not required) **OR**
- [] ***If neither of the above apply***, complete the Income Statement and Balance Sheet below with the following basic financial information from the organization’s most recently completed fiscal year:

1. INCOME STATEMENT

	<u>Revenue</u>		<u>Expenses</u>
<i>Grants</i>	\$	<i>Compensation of officers, directors, and key personnel</i>	\$
<i>Donations</i>	\$		
<i>Program Services Revenue</i>	\$	<i>Other salaries & wages</i>	\$
<i>Interest & Dividends</i>	\$	<i>Payroll taxes & employee benefits</i>	\$
<i>All other Revenue</i>	\$	<i>Occupancy, rent, utilities, and insurance</i>	\$
<u>Total Revenue</u>	\$	<i>Printing, publications, postage, office supplies, and IT</i>	\$
		<i>All other expenses</i>	\$
		<u>Total Expenses</u>	\$

2. BALANCE SHEET

<u>Assets</u>		<u>Liabilities</u>	
<i>Cash & Equivalents</i>	\$	<i>Accounts Payable</i>	\$
<i>Investments</i>	\$	<i>Loans Payable</i>	\$
<i>Real Estate (less any depreciation)</i>	\$	<i>All other liabilities</i>	\$
<i>Other Property & Equipment (less any depreciation)</i>	\$	<u>Total Liabilities</u>	\$
<i>Pledges, grants, accounts receivable</i>	\$		
<i>All other assets</i>	\$		
<u>Total Assets</u>	\$		

PHA Housing Development, Ltd.

Purpose Statement

The purpose of the Corporation is to organize, develop, financially assist, or manage, on a non-profit basis, projects or programs dedicated to the housing, social, health and/or welfare of its participants, such Corporation being organized and operated to carry out the purposes of the Portsmouth Housing Authority.

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024 and 2023

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
PHA Housing Development LTD

Opinion

We have audited the accompanying consolidated financial statements of PHA Housing Development LTD (Non-Profit Organization), 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, functional expenses, 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 PHA Housing Development LTD as of December 31, 2024 and 2023, and the results of its operations 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. 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 PHA Housing Development LTD 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 PHA Housing Development LTD's 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 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, 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 PHA Housing Development LTD's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PHA Housing Development LTD's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Certified Public Accountants

August 25, 2025
South Portland, Maine

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash - Operations	\$ 4,114,753	\$ 4,419,321
Total Cash	4,114,753	4,419,321
Other Current Assets		
Accounts Receivable - Tenants	91,124	100,182
Accounts Receivable - Subsidy	212,985	-
Accounts Receivable - Other	31,278	26,690
Prepaid Expenses	96,281	80,218
Total Current Assets	<u>4,546,421</u>	<u>4,626,411</u>
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Restricted Reserves and Escrows (Note 6)	2,288,871	2,075,774
Tenant Security Deposits	158,817	140,548
Total Restricted Deposits and Funded Reserves	<u>2,447,688</u>	<u>2,216,322</u>
PROPERTY AND EQUIPMENT (Notes 2 and 4)		
Finance Lease Right-of-Use Asset (Note 15)	825,566	825,566
Land and Land Improvements	3,173,334	2,906,201
Building and Improvements	32,507,504	32,110,217
Building Equipment and Furnishings	1,496,464	1,345,649
Construction in Progress (Note 2)	51,701	1,996
Total	38,054,569	37,189,629
Less Accumulated Depreciation	<u>9,205,548</u>	<u>8,191,392</u>
Net Property and Equipment	<u>28,849,021</u>	<u>28,998,237</u>
OTHER ASSETS		
Tax Credit Fees	86,716	100,055
Projects in Development (Note 2)	502,447	145,936
Total Other Assets	<u>589,163</u>	<u>245,991</u>
TOTAL ASSETS	<u><u>\$ 36,432,293</u></u>	<u><u>\$ 36,086,961</u></u>

See accompanying notes to the consolidated financial statements.

PHA HOUSING DEVELOPMENT LTD

CONSOLIDATED STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
REVENUE FROM OPERATIONS		
Tenant Rent	\$ 2,070,643	\$ 2,001,689
Subsidy Rent	2,412,208	1,799,714
Interest Income	198,169	88,652
Service Income	103,654	115,341
Contributions - Fundraising	46,123	30,273
Contributions - Donations and Grants (Note 13)	62,629	41,376
Miscellaneous Income	18,828	14,876
Total Revenue	<u>4,912,254</u>	<u>4,091,921</u>
OPERATING EXPENSES		
Administrative	1,072,647	876,395
Utilities	586,154	518,845
Maintenance	793,252	892,322
Other Expenses	925,599	881,916
Depreciation and Amortization	1,030,669	1,015,835
Total Operating Expenses	<u>4,408,321</u>	<u>4,185,313</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>503,933</u>	<u>(93,392)</u>
NON-OPERATING ACTIVITY		
Incentive Management Fees	9,257	8,635
Investor Service Fees	8,529	9,459
Loss on Disposal of Real Property	1,837	-
Total Non-Operating Expenses	<u>19,623</u>	<u>18,094</u>
FUNDRAISING EXPENSES	<u>4,718</u>	<u>9,183</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>\$ 479,592</u>	<u>\$ (120,669)</u>

See accompanying notes to the consolidated financial statements.

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

For the Years Ended December 31, 2024 and 2023

	<u>Net Assets Controlling</u>	<u>Net Assets Non-Controlling</u>	<u>Total</u>
	<u>Without Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>Total Net Assets</u>
Net Assets December 31, 2022	\$ 10,334,057	\$ 9,298,891	\$ 19,632,948
Distributions	-	(12,458)	(12,458)
Capital Contributions (Note 2)	-	548,745	548,745
Net Increase (Decrease) in Net Assets	203,075	(323,744)	(120,669)
Reclassification of Controlling Interest (Note 16)	<u>(860,174)</u>	<u>860,174</u>	<u>-</u>
Net Assets December 31, 2023	9,676,958	10,371,608	20,048,566
Distributions	-	(8,844)	(8,844)
Net Increase in Net Assets	<u>288,829</u>	<u>190,763</u>	<u>479,592</u>
Net Assets December 31, 2024	<u><u>\$ 9,965,787</u></u>	<u><u>\$ 10,553,527</u></u>	<u><u>\$ 20,519,314</u></u>

See accompanying notes to the consolidated financial statements.

PHA HOUSING DEVELOPMENT LTD

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2024

	Rental Housing Program	Management and General Administrative	Fundraising	Total
Management Fees	\$ -	\$ 276,723	\$ -	\$ 276,723
Administrative Salaries	226,153	-	-	226,153
Audit	-	49,350	-	49,350
Tenant Services	115,579	-	-	115,579
Legal	9,085	-	-	9,085
Miscellaneous	394,860	-	-	394,860
Education and Training	897	-	-	897
Electricity	218,810	-	-	218,810
Gas	130,577	-	-	130,577
Telephone	4,522	-	-	4,522
Water and Sewer	205,256	-	-	205,256
Cable TV	26,989	-	-	26,989
Maintenance Labor	415,851	-	-	415,851
Maintenance Contract	276,064	-	-	276,064
Maintenance Materials	78,713	-	-	78,713
Vehicle and Maintenance Expense	11,944	-	-	11,944
Miscellaneous Operating	10,680	-	-	10,680
Interest	623,296	-	-	623,296
Real Estate Taxes	150,366	-	-	150,366
Insurance	148,915	-	-	148,915
State Tax Expense	2,744	-	-	2,744
Other General Expenses	278	-	-	278
Depreciation and Amortization	1,030,669	-	-	1,030,669
Incentive Management Fee	9,257	-	-	9,257
Investor Service Fee	8,529	-	-	8,529
Loss on Disposal of Real Property	1,837	-	-	1,837
Fundraising	-	-	4,718	4,718
Total	<u>\$ 4,101,871</u>	<u>\$ 326,073</u>	<u>\$ 4,718</u>	<u>\$ 4,432,662</u>

See accompanying notes to the consolidated financial statements.

PHA HOUSING DEVELOPMENT LTD

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
(Continued)

For the Year Ended December 31, 2023

	Rental Housing Program	Management and General Administrative	Fundraising	Total
Management Fees	\$ -	\$ 240,259	\$ -	\$ 240,259
Administrative Salaries	232,331	-	-	232,331
Audit	-	48,850	-	48,850
Tenant Services	17,424	-	-	17,424
Legal	11,693	-	-	11,693
Miscellaneous	323,840	-	-	323,840
Education and Training	1,998	-	-	1,998
Electricity	159,869	-	-	159,869
Gas	110,301	-	-	110,301
Telephone	3,668	-	-	3,668
Water and Sewer	216,482	-	-	216,482
Cable TV	28,525	-	-	28,525
Maintenance Labor	459,325	-	-	459,325
Maintenance Contract	239,145	-	-	239,145
Maintenance Materials	105,786	-	-	105,786
Appliance Replacements	5,812	-	-	5,812
Vehicle and Maintenance Expense	12,722	-	-	12,722
Miscellaneous Operating	69,532	-	-	69,532
Interest	611,551	-	-	611,551
Real Estate Taxes	146,463	-	-	146,463
Insurance	120,996	-	-	120,996
State Tax Expense	2,562	-	-	2,562
Other General Expenses	344	-	-	344
Depreciation and Amortization	1,015,835	-	-	1,015,835
Incentive Management Fee	8,635	-	-	8,635
Investor Service Fee	9,459	-	-	9,459
Fundraising	-	-	9,183	9,183
Total	<u>\$ 3,914,298</u>	<u>\$ 289,109</u>	<u>\$ 9,183</u>	<u>\$ 4,212,590</u>

See accompanying notes to the consolidated financial statements.

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:		
Increase (Decrease) in Net Assets	\$ 479,592	\$ (120,669)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	1,017,330	1,002,498
Amortization	13,339	13,337
Amortization of Debt Issuance Costs	3,657	3,657
Accrued Investor Service Fees	17,786	18,094
Loss on Disposal of Fixed Assets	1,837	-
Changes in Operating Assets and Liabilities:		
Accounts Receivable - Tenants	9,058	(38,314)
Accounts Receivable - Subsidy	(212,985)	-
Accounts Receivable - Other	(4,588)	(24,269)
Projects in Development	(356,511)	(128,436)
Prepaid Expenses	(16,063)	(13,377)
Accounts Payable	73,389	58,105
Prepaid Rent	39,589	(1,831)
Accrued Interest	10,792	(1,246)
Accrued Liabilities	4,281	49,966
Refundable Advance	(29,791)	282,127
Deferred Interest	(11,005)	28,940
Tenant Security Deposits Liability and Interest	18,575	1,590
Net Cash Provided by Operating Activities	<u>1,058,282</u>	<u>1,130,172</u>
Cash Flows from Investing Activities:		
Purchases of Property, Plant and Equipment	<u>(869,951)</u>	<u>(131,362)</u>
Net Cash Used by Investing Activities	<u>(869,951)</u>	<u>(131,362)</u>
Cash Flows from Financing Activities:		
Repayment of Long-term Debt	(228,903)	(263,160)
Capital Contributions	-	548,745
Distributions	(8,844)	(12,458)
Payment of Investor Service Fees	<u>(23,786)</u>	<u>(17,094)</u>
Net Cash Provided (Used) by Financing Activities	<u>(261,533)</u>	<u>256,033</u>
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	(73,202)	1,254,843
Cash, Cash Equivalents and Restricted Cash at Beginning of Year	<u>6,635,643</u>	<u>5,380,800</u>
Cash, Cash Equivalents and Restricted Cash at End of Year	<u>\$ 6,562,441</u>	<u>\$ 6,635,643</u>
Supplemental Disclosure of Cash Flows Information:		
Cash Paid During the Year for:		
Interest	<u>\$ 619,852</u>	<u>\$ 580,200</u>

See accompanying notes to the consolidated financial statements.

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - PHA Housing Development LTD (The "Organization") is a nonprofit organization that was organized and operated to develop and maintain affordable housing in Portsmouth, New Hampshire.

Basis of Consolidation - The accompanying consolidated financial statements include the accounts of PHA Housing Development LTD, including the rental properties Atlantic Heights and 200 Greenleaf, which it wholly owns. In conformity with the Consolidation Topic of the FASB Accounting Standards Codification, the Organization consolidates limited partnerships in which PHA Housing Development LTD is the sole general partner with controlling interest, regardless of ownership interest. One hundred percent of the assets, liabilities and equity and operating results of the limited partnerships are included. All significant intercompany transactions and balances are eliminated in consolidation. The consolidated financial statements include the statements of financial position and results of operations of the following limited partnerships, all of which have been presented as of and for the year ended December 31, 2024:

Cottage Senior Housing Limited Partnership
Lafayette School Senior Apartments Limited Partnership
Court Street Workforce Housing Limited Partnership

During 2019, New Hampshire Housing Equity Fund 2002 LP transferred their limited partner interest in Cottage Senior Housing Limited Partnership to Portsmouth Housing Authority ("PHA"), a related party of the General Partner.

During 2024, Community Capital 2007 Limited Partnership transferred their limited partner interest in Lafayette School Senior Apartments Limited Partnership to PHA

The consolidated financial statements also include the statement of financial position and result of operations of Wamesit Place Family Housing Limited Partnership which has been presented as of and for the year ended October 31, 2024, its reporting year end. Adjustments will be made if significant activity occurred subsequent to October 31 and prior to December 31. No adjustments were made in 2024 or 2023.

Method of Accounting - The consolidated financial statements of the Organization are prepared on the accrual basis of accounting, and include only those assets, liabilities and results of operations which relate to the business of PHA Housing Development LTD.

Residential Rental Leases - The Organization's rental revenue consists of rent earned from leasing residential units to tenants for terms of up to twelve months for a fixed base rent, due on the first of the month. The leases may contain the option to renew for successive terms of up to 12 months. The Organization assesses whether a contract contains a lease at inception. All residential rental leases have been classified as operating leases. Rental revenue is recognized on the straight-line basis over the lease term. Advance receipts of lease payments are deferred until earned.

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Lease Receivables - Management reviews lease receivables periodically for collectability. If management determines that collection of any lease receivable balance is not probable, it is recognized as an adjustment against rental revenue in the period in which the determination is made.

Contributions - The Organization recognizes gifts of cash and other assets as revenue without donor restrictions unless they are received with donor restrictions. Gifts with restrictions are reported as revenue with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Donor-restricted conditions whose restrictions are met in the same reporting period are reported as revenue without donor restrictions in the period of receipt.

Property and Equipment - Property and equipment are stated at cost. Buildings, improvements, and equipment are being depreciated using the straight-line method over their estimated useful lives. Repairs and maintenance are expensed and betterments and renewals are capitalized as incurred. When assets are retired or disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains and losses are reflected in income.

Debt Issuance Costs - Debt issuance costs incurred in connection with the issuance of long-term debt are capitalized and amortized to interest expense over the term of the debt using the straight-line method, which approximates the effective interest method. The unamortized amount is presented as a reduction of long-term debt on the statement of financial position.

Tax Credit Fees - Tax credit fees are being amortized over the low income housing tax credit compliance period using the straight-line method.

Income Taxes - No provision for taxes on income is made since PHA Housing Development LTD, as a non-profit Organization under Section 501(c)(3) of the Internal Revenue Code, is exempt from federal and state income taxes.

In accordance with accounting principles generally accepted in the United States of America, management has evaluated its exposure to material tax positions and determined that there are no such tax positions requiring accounting recognition. Informational returns filed by the Organization are subject to examination by the Internal Revenue Service for a period of three years. While no informational returns are currently being examined by the Internal Revenue Service, the three previous tax years remain open. No interest or penalties from federal or state tax authorities were recorded in the accompanying consolidated financial statements.

The Partnerships do not incur federal taxes; instead their earnings are included in the partners' income tax returns and taxed depending on their respective tax situations. However, the Partnerships are subject to state income taxes in New Hampshire.

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization complies with the Accounting for Uncertainty in Income Taxes standard, as required by generally accepted accounting principles (FASB ASC 740-10), which requires it to report uncertain tax positions, related interest and penalties, and to adjust its assets and liabilities related to unrecognized tax benefits and accrued interest and penalties accordingly. As of December 31, 2024, the Organization determined that there were no material unrecognized tax benefits or liabilities to report. The Organization does not expect that the amounts of unrecognized tax transactions will change significantly within the next twelve months.

Classification of Net Assets - The Organization's net assets are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions - Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets with Donor Restrictions - Net assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may need to be maintained in perpetuity.

Cash - For the purposes of reporting cash flows, cash, cash equivalents and restricted cash includes cash on hand and amounts due from banks.

Advertising - The Organization expenses advertising costs as they incur.

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

Impairment of Long-Lived Assets - In accordance with the provisions of accounting for the impairment or disposal of long-lived assets, management reviews long-lived assets for impairment when circumstances indicate the carrying amount of an asset may not be recoverable based on the undiscounted future cash flows of the asset. If the carrying amount of an asset may not be recoverable, a write-down to fair value is recorded. Fair values are determined based on the discounted cash flows, quoted market values, or external appraisals, as applicable. Long-lived assets are reviewed for impairment at the individual asset or the asset group level for which the lowest level of independent cash flows can be identified.

Subsequent Events - Subsequent events have been evaluated through August 25, 2025, the date the consolidated financial statements were available to be issued.

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 2 - PROPERTY AND EQUIPMENT

Property descriptions are as follows:

200 Green Leaf - Thirteen unit apartment complex located in Portsmouth, New Hampshire, purchased in 2024. PHA has contracted with the Organization under the PHA's Tenant-Based Housing Choice Voucher Program to make housing assistance payments to the Organization on behalf of qualified tenants.

Atlantic Heights - Thirty unit elderly apartment complex located in Portsmouth, New Hampshire. PHA has contracted with the Organization under the PHA's Project-Based Housing Choice Voucher Program to make housing assistance payments to the project on behalf of qualified tenants.

Cottage Senior Housing Limited Partnership - Twenty unit elderly apartment complex located in Portsmouth, New Hampshire. The tenants need to meet income eligibility requirements as set by the New Hampshire Housing Finance Authority ("NHHFA"). NHHFA has contracted with the Partnership under Section 8 Title II of the Housing and Community Development Act of 1974, to make housing assistance payments to the Partnership on behalf of qualified tenants.

Court Street Workforce Housing Limited Partnership - Sixty-four unit apartment complex located in Portsmouth, New Hampshire. The United States Department of Housing and Urban Development ("HUD") has contracted with the Partnership, under Section 8 of Title II of the Housing and Community Development Act of 1974, to make housing assistance payments to the Partnership on behalf of qualified tenants.

Lafayette School Senior Apartments Limited Partnership - Ten unit apartment complex located in Portsmouth, New Hampshire. PHA has contracted with the Partnership under the PHA's Project-Based Housing Choice Voucher Program to make housing assistance payments to the Partnership on behalf of qualified tenants.

Wamesit Place Family Housing Limited Partnership - One hundred unit apartment complex located in Portsmouth, New Hampshire. HUD has contracted with the Partnership under Section 8 of Title II of the Housing and Community Development Act of 1974 to make housing assistance payments to the Partnership on behalf of qualified tenants.

Projects in Development - As of December 31, 2024 and 2023, the Organization had incurred costs of \$127,136 and \$98,936, respectively, related to the predevelopment of the Sherburne School Property.

As of December 31, 2024 and 2023, the Organization had incurred costs of \$357,611 and \$17,550, respectively, related to the predevelopment of the Christ Church Property.

As of December 31, 2024 and 2023, the Organization had incurred costs of \$17,700 and \$9,450, respectively, related to the predevelopment of the Service Credit Union Property.

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 3 - PARTNERSHIP INTERESTS

Cottage Senior Housing Limited Partnership - The Organization is the general partner in Cottage Senior Housing Limited Partnership, which was organized to acquire, construct, develop, own and operate a twenty unit elderly apartment complex located in Portsmouth, New Hampshire. A low income housing tax credit has been allocated to the Partnership. The project had to be maintained as a low-income rental project over the compliance period of fifteen years in order to realize the full tax credit. The compliance period for the Partnership ended on December 31, 2018.

Court Street Workforce Housing Limited Partnership - The Organization is related to the general partner in Court Street Workforce Housing Limited Partnership, which was organized to acquire, construct, develop, own and operate a sixty-four unit apartment complex in Portsmouth, New Hampshire. A low income housing tax credit has been allocated to the Partnership. The project must be maintained as a low-income rental project over the compliance period of fifteen years in order to realize the full tax credit. The compliance period for the Partnership is expected to end on December 31, 2036.

Lafayette School Senior Apartments Limited Partnership - The Organization is the general partner in Lafayette School Senior Apartments Limited Partnership, which was organized to acquire, construct, develop, own and operate a ten unit apartment complex in Portsmouth, New Hampshire. A low income housing tax credit has been allocated to the Partnership. The project had to be maintained as a low-income rental project over the compliance period of fifteen years in order to realize the full tax credit. The compliance period for the Partnership ended on December 31, 2023.

Wamesit Place Family Housing Limited Partnership - The Organization is the general partner in Wamesit Place Family Housing Limited Partnership, which was organized to acquire, construct, develop, own and operate a one hundred unit apartment complex in Portsmouth, New Hampshire. A low income housing tax credit has been allocated to the Partnership. The project must be maintained as a low-income rental project over the compliance period of fifteen years in order to realize the full tax credit. The compliance period for the Partnership ends on October 31, 2026.

NOTE 4 - LONG-TERM DEBT

Long-term debt at December 31, 2024 and 2023 consisted of the following:

	2024	2023
<u>Atlantic Heights</u>		
5.99% in 2024 and 3.68% in 2023 mortgage note payable to TD Bank, due June 23, 2033, secured by real estate and personal property. Requires monthly payments of principal and interest of \$6,092 in 2024 and \$5,154 in 2023.	\$ 718,652	\$ 747,003

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 4 - LONG-TERM DEBT (Continued)

	2024	2023
<u>Cottage Senior Housing Limited Partnership</u>		
0% mortgage note payable to NHHFA, due July 1, 2034, secured by real estate and personal property. Requires annual payments equal to 50% of surplus cash as defined by the regulatory agreement.	122,501	143,074
0% mortgage note payable to M&T Bank, due June 5, 2033, secured by real estate and personal property.	310,000	310,000
5.8% mortgage note payable to NHHFA, due November 1, 2054, secured by real estate and personal property. Requires monthly payments of principal and interest of \$4,382.	746,027	755,054
1% mortgage note payable to the City of Portsmouth, due March 30, 2034, secured by the assignment of tenant leases and rents. Requires annual payments equal to 25% of surplus cash as defined by the regulatory agreement.	79,812	89,229
<u>Lafayette School Senior Apartments Limited Partnership</u>		
5.5% mortgage note payable to TD Bank, due December 29, 2030, secured by real estate and personal property. Requires monthly payments of principal and interest of \$1,002.	122,753	127,760
1% mortgage note payable to the City of Portsmouth, due December 29, 2029, secured by assignment of tenant leases and rents. Requires annual payments that are 25% of an authorized amount of surplus cash as defined the regulatory agreement.	143,554	144,186
0% mortgage note payable to the Federal Home Loan Bank of Boston through TD Bank, due September 30, 2038, limited to the underlying value of the real estate collateral.	400,000	400,000
<u>Wamesit Place Family Housing Limited Partnership</u>		
7.17% mortgage note payable to NHHFA, due June 30, 2052, secured by real estate and personal property. Requires monthly payments of principal and interest of \$32,768.	4,725,367	4,777,723
0% note payable to NHHFA, due June 1, 2041, secured by real estate and personal property.	300,000	300,000
2% deferred mortgage payable to the City of Portsmouth for a Community Development Block Grant, due May 4, 2041, secured by real estate and personal property.	297,000	297,000

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 4 - LONG-TERM DEBT (Continued)

	2024	2023
<u>Court Street Workforce Housing Limited Partnership</u>		
1% deferred mortgage note payable to NHHFA, due December 1, 2050, secured by real estate and personal property.	2,300,000	2,300,000
2.97% mortgage note payable to BankProv, due in November 2040, secured by real estate and personal property. Requires monthly payments of principal and interest of \$20,440.	4,637,545	4,741,085
Total Long-term Debt	\$14,903,211	\$15,132,114

The aggregate maturities of long-term debt subsequent to December 31, 2024 are as follows:

Year ending December 31,	
2025	\$ 208,473
2026	218,670
2027	229,443
2028	240,359
2029	252,849
Thereafter	13,753,417
	\$14,903,211

At December 31, 2024 and 2023, deferred interest payable on the City of Portsmouth note payable for Wamesit Place Family Housing Limited Partnership was \$65,343 and \$59,403, respectively. At December 31, 2024 and 2023, deferred interest payable on the NHHFA note payable for Court Street Workforce Housing Limited Partnership was \$50,398 and \$67,343, respectively.

NOTE 5 - NET ASSETS, NON-CONTROLLING

Net Assets, Non-controlling represents the aggregate balance of Limited Partner equity interests in the limited partnerships that are included in the consolidated financial statements.

NOTE 6 - COMMITMENTS

Restricted Reserves and Escrows - Under the terms of the various Regulatory and Partnership Agreements, the rental properties are required to make deposits to escrow accounts to fund expected future costs.

Debt Service Coverage Ratio - Under the terms of the TD Bank, N.A. loan covenant agreement, Atlantic Heights is required to maintain a minimum debt service coverage ratio of 1.15. The ratio is calculated as change in net assets before interest, depreciation, amortization, plus/minus any non-recurring items divided by required annual principal and interest payments. The Project was in compliance with the ratio as of December 31, 2024.

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 6 - COMMITMENTS (Continued)

Construction Contract - During 2024, Atlantic Heights entered into a construction contract with ReVision Energy Inc for an energy system installation. Including change orders, the total contracted amount was \$196,748. The contract required an initial deposit of \$39,850 prior to the start date. At December 31, 2024, \$39,850 of the costs related to the contract had been incurred and paid. The contract was complete as of January 31, 2025. See also Note 13.

NOTE 7 - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist primarily of deposits with banks and financial institutions. These balances fluctuate during the year and can exceed the \$250,000 limit of FDIC coverage, however, the Organization has not experienced any losses with respect to its bank balances in excess of government provided insurance. At December 31, 2024, the Organization had cash on deposits with banks and financial institutions totaling \$6,529,653, all of which was insured by FDIC coverage, Depositors Insurance Fund coverage, or backed by a letter of credit.

NOTE 8 - METHOD USED FOR ALLOCATION OF EXPENSES AMONG PROGRAMS AND SUPPORTING SERVICES

The costs of providing various program and supporting activities have been included on a functional and natural basis. These expenses require allocation on a reasonable basis that is consistently applied. Based on an analysis of the costs and the operation of the Organization, it has been determined that all costs related to providing rental housing with the exception of audit and management fees are considered program expenses.

NOTE 9 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's working capital and cash flows are mainly derived from monthly revenue consisting of rent revenue and housing assistance payments from the rental projects that it controls. The Organization is regulated by entities including NHHFA. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of donor or contractual restrictions within one year of the statement of financial position date. Amounts not available include cash set-aside for long-term investing in capital reserves that could be drawn upon if approved by NHHFA.

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due.

	2024	2023
Cash	\$6,403,624	\$6,495,095
Accounts Receivable	335,387	126,872
Total Financial Assets	6,739,011	6,621,967
Contractual (Regulatory) Restrictions:		
Restricted Deposits:		
Restricted Reserves	(2,073,372)	(1,959,733)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$4,665,639</u>	<u>\$4,662,234</u>

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 10 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The operations of the Organization are subject to the administrative directives of federal, state and local agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by the agencies or other situation. Such changes may occur with little notice or with inadequate funding to pay for the related cost, including the additional burden to comply with the change.

NOTE 11 - CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The following provides a reconciliation of cash, cash equivalents and restricted cash reported within the Statements of Financial Position that sum to the total of the same such amounts shown in the Statements of Cash Flows. The Statements of Cash Flows include the following accounts:

	2024	2023
Cash - Operations	\$ 4,114,753	\$ 4,419,321
Restricted Reserves and Escrows	2,288,871	2,075,774
Tenant Security Deposits	158,817	140,548
Total Cash, Cash Equivalents and Restricted Cash Accounts	\$ 6,562,441	\$ 6,635,643

NOTE 12 - RELATED PARTY TRANSACTIONS

Management, Maintenance, Resident, and Administrative Services

During 2024 and 2023, PHA provided management, maintenance, resident, and administrative services as follows:

	2024	2023
Wamesit Place Family Housing		
Management Fees	\$ 107,669	\$ 97,896
Maintenance Fees	192,647	209,428
Resident Fees	92,266	76,796
Administrative Fees	127,349	131,912
Lafayette School Senior Apartments		
Management Fees	14,886	12,364
Maintenance Fees	32,872	45,806
Administrative Fees	5,854	5,793

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 12 - RELATED PARTY TRANSACTIONS (Continued)

	2024	2023
Cottage Senior Housing		
Management Fees	26,632	22,445
Maintenance Fees	34,080	52,111
Administrative Fees	7,000	7,948
Atlantic Heights		
Management Fees	60,754	51,768
Maintenance Fees	70,247	74,810
Administrative Fees	35,177	32,882
Court Street Workforce Housing		
Management Fee	61,745	55,786
Maintenance Fees	73,957	73,089
Administrative Fees	85,424	66,619
200 Greenleaf		
Management Fee	5,037	-
Maintenance Fees	7,729	-
Administrative Fees	3,744	-

At December 31, 2024 and 2023, Atlantic Heights owed PHA \$17,801 and \$13,221 for these services, respectively.

At December 31, 2024 and 2023, Cottage Senior Housing owed PHA \$6,239 and \$9,857 for these services, respectively.

At December 31, 2024 and 2023, Court Street owed PHA \$13,693 and \$23,792 for these services, respectively.

At December 31, 2024 and 2023, Lafayette School Senior Apartments owed PHA \$4,176 and \$7,876 for these services, respectively.

At December 31, 2024, Wamesit Place Family Housing owed PHA \$60,535 for these services. At December 31, 2023, Wamesit Place Family Housing was owed \$13,988 from PHA for various reimbursements due.

Leasing Transactions - See Note 15.

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 13 - GRANTS AND REFUNDABLE ADVANCES

During 2024, the Organization received a grant in the amount of \$15,000 from the Foundation for Seacoast Health, all of which was restricted for the specific purpose outlined in the grant agreement. As of December 31, 2024, nothing had been expended or recorded as income.

During 2023, the Organization received grants from the Foundation for Seacoast Health in the amounts of \$10,000, \$15,000, and \$25,000, all of which was restricted for the specific purpose outlined in the grant agreements. As of December 31, 2024 and 2023, \$38,791 and \$1,318, respectively, had been expended and recorded as income.

During 2023, the Organization received a grant in the amount of \$250,000 from NHHFA, all of which was restricted for the specific purpose outlined in the grant agreement. As of December 31, 2024 and 2023, \$6,000 and \$4,400, respectively, had been expended and recorded as income.

Any funds not spent for the purposes of these grants must be returned to the grantors. Revenue is only recognized as the grant funds are expended. Any unspent grant funds are recorded as refundable advances.

In a letter dated June 12, 2024, Atlantic Heights was awarded a non-federal grant from the State of New Hampshire Department of Energy, in the amount of \$140,000, to install and operate a roof-mount solar system that will benefit low and moderate income residents located in Portsmouth, New Hampshire. At December 31, 2024, no grant funds were received.

During 2024, the Project entered into a construction contract that required an initial deposit of \$39,850 prior to the start date. The deposit was paid in 2024 and was reimbursed by the energy grant in 2025. At December 31, 2024, \$17,219 of the contract was earned and was recorded in Accounts Receivable - Other and recognized as Grant Income.

The Project is also expecting \$56,748 in solar tax credits in 2025 for the additional funding necessary to cover the remaining balance of the construction contract. See also Note 6.

NOTE 14 - PILOT (PAYMENT IN LIEU OF TAX)

Pursuant to the PILOT agreements, Atlantic Heights and Court Street Workforce Housing Limited Partnership have elected to pay property taxes at a lesser value than assessed property value (termed a PILOT for this financial statement).

PHA HOUSING DEVELOPMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 15 - LEASING ACTIVITIES

Finance Lease - Lessee - During 2020, the Court Street Workforce Housing Limited Partnership executed a ground lease with PHA. Pursuant to the lease, the Partnership has agreed to lease land for the construction and operation of affordable housing. The lease term is ninety-eight years; it terminates on November 5, 2118. The lease does not include an option to renew the lease or purchase the leased property. Upfront lease payments and initial direct costs of \$825,566 were paid at lease inception. The lease agreement does not contain a residual value guarantee or material restrictive covenants.

The following summarizes the Partnership's leasing activities as a lessee for the years ending December 31, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Finance Lease Cost:		
Depreciation of Right-of-Use Asset	<u>\$ 8,424</u>	<u>\$ 8,424</u>
Finance Lease Right-of-Use Asset:		
Land	\$ 825,566	\$ 825,566
Less Accumulated Depreciation	<u>(35,100)</u>	<u>(26,676)</u>
Total	<u>\$ 790,466</u>	<u>\$ 798,890</u>
Weighted Average Remaining Lease Term	<u>94 years</u>	<u>95 years</u>

NOTE 16 - RECLASSIFICATION OF CONTROLLING INTEREST

A certain reclassification has been made to the 2023 financial statement presentation to correspond to the current year's format. \$860,174 in net assets have been reclassified from net assets controlling to net assets non-controlling. Total net assets and changes in net assets are unchanged due to this reclassification.

SUPPLEMENTARY INFORMATION

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
December 31, 2024

ASSETS

	PHA Housing Development	200 Greenleaf	Atlantic Heights	Cottage	Court Street	Lafayette	Wamesit	Intercompany Eliminations	Total
CURRENT ASSETS									
Cash									
Without Donor Restrictions	\$ 2,352,557	\$ 35,747	\$ 451,860	\$ 124,358	\$ 540,428	\$ 51,010	\$ 558,793	\$ -	\$ 4,114,753
Total Cash	2,352,557	35,747	451,860	124,358	540,428	51,010	558,793	-	4,114,753
Other Current Assets									
Accounts Receivable - Tenants	-	1,823	326	218	29,890	276	58,591	-	91,124
Accounts Receivable - Subsidy	-	-	-	-	212,985	-	-	-	212,985
Accounts Receivable - Other	1,025	-	17,219	22	13,003	9	-	-	31,278
Note Receivable - Related Party	2,811,847	-	-	-	-	-	-	(2,811,847)	-
Interest Receivable - Related Party	99,662	-	-	-	-	-	-	(99,662)	-
Prepaid Expenses	60	2,314	19,416	16,362	18,155	9,254	30,720	-	96,281
Total Current Assets	5,265,151	39,884	488,821	140,960	814,461	60,549	648,104	(2,911,509)	4,546,421
RESTRICTED DEPOSITS AND FUNDED RESERVES									
Restricted Reserves and Escrows	-	57,300	477,117	203,384	421,193	95,789	1,034,088	-	2,288,871
Tenant Security Deposits	-	7,754	13,493	7,849	81,294	3,916	44,511	-	158,817
Total Restricted Deposits and Funded Reserves	-	65,054	490,610	211,233	502,487	99,705	1,078,599	-	2,447,688
PROPERTY AND EQUIPMENT									
Finance Lease Right-of-Use Asset	-	-	-	-	825,566	-	-	-	825,566
Land and Land Improvements	-	267,133	135,457	50,000	281,200	243,516	2,196,028	-	3,173,334
Building and Improvements	-	333,220	526,748	3,831,779	13,804,239	2,332,082	11,840,807	(161,371)	32,507,504
Building Equipment and Furnishings	103,903	78,975	119,565	152,279	638,266	81,469	322,007	-	1,496,464
Construction in Progress	-	-	39,850	11,851	-	-	-	-	51,701
Total	103,903	679,328	821,620	4,045,909	15,549,271	2,657,067	14,358,842	(161,371)	38,054,569
Less Accumulated Depreciation	60,650	11,060	271,857	1,962,967	1,137,293	1,190,415	4,581,795	(10,489)	9,205,548
Net Property and Equipment	43,253	668,268	549,763	2,082,942	14,411,978	1,466,652	9,777,047	(150,882)	28,849,021
OTHER ASSETS									
Tax Credit Fees	-	-	-	-	75,521	-	11,195	-	86,716
Investments in Limited Partnerships	3,840,080	-	-	-	-	-	-	(3,840,080)	-
Projects in Development	502,447	-	-	-	-	-	-	-	502,447
Total Other Assets	4,342,527	-	-	-	75,521	-	11,195	(3,840,080)	589,163
TOTAL ASSETS	\$ 9,650,931	\$ 773,206	\$ 1,529,194	\$ 2,435,135	\$ 15,804,447	\$ 1,626,906	\$ 11,514,945	\$ (6,902,471)	\$ 36,432,293

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
(Continued)

December 31, 2024

LIABILITIES AND NET ASSETS

LIABILITIES

	PHA Housing Development	200 Greenleaf	Atlantic Heights	Cottage	Court Street	Lafayette	Wamesit	Intercompany Eliminations	Total
CURRENT LIABILITIES									
Accounts Payable	\$ 42,296	\$ 5,330	\$ 24,634	\$ 17,892	\$ 31,021	\$ 7,316	\$ 111,519	\$ -	\$ 240,008
Prepaid Rent	-	2,274	6,601	10,512	62,087	1,966	21,020	-	104,460
Accrued Interest	-	-	2,515	4,206	20,118	1,661	28,234	-	56,734
Accrued Liabilities	-	3,392	1,481	2,457	81,086	139	47,395	-	135,950
Accrued Investor Service Fees	-	-	-	-	-	-	7,500	-	7,500
Refundable Advance	277,336	-	-	-	-	-	-	-	277,336
Mortgage Notes Payable - Current Portion	-	-	30,108	9,564	107,102	5,463	56,236	-	208,473
Total Current Liabilities	<u>319,632</u>	<u>10,996</u>	<u>65,339</u>	<u>44,631</u>	<u>301,414</u>	<u>16,545</u>	<u>271,904</u>	<u>-</u>	<u>1,030,461</u>
DEPOSIT LIABILITIES									
Tenant Security Deposits and Interest	-	7,753	12,829	7,849	81,294	3,916	44,818	-	158,459
LONG-TERM LIABILITIES									
Notes Payable - Related Party	-	-	-	-	1,047,364	20,823	1,743,660	(2,811,847)	-
Mortgage Notes Payable	-	-	718,652	1,258,340	6,937,545	666,307	5,322,367	-	14,903,211
Debt Issuance Costs	-	-	-	(11,077)	(10,921)	-	(64,422)	-	(86,420)
Deferred Interest	-	-	-	-	111,527	-	103,876	(99,662)	115,741
Less Current Portion	-	-	718,652	1,247,263	8,085,515	687,130	7,105,481	(2,911,509)	14,932,532
Total Long-term Liabilities	<u>-</u>	<u>-</u>	<u>30,108</u>	<u>9,564</u>	<u>107,102</u>	<u>5,463</u>	<u>56,236</u>	<u>-</u>	<u>208,473</u>
TOTAL LIABILITIES	<u>319,632</u>	<u>18,749</u>	<u>766,712</u>	<u>1,290,179</u>	<u>8,361,121</u>	<u>702,128</u>	<u>7,365,967</u>	<u>(2,911,509)</u>	<u>15,912,979</u>
NET ASSETS									
Net Assets Without Donor Restrictions	<u>9,331,299</u>	<u>754,457</u>	<u>762,482</u>	<u>1,144,956</u>	<u>7,443,326</u>	<u>924,778</u>	<u>4,148,978</u>	<u>(3,990,962)</u>	<u>20,519,314</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 9,650,931</u>	<u>\$ 773,206</u>	<u>\$ 1,529,194</u>	<u>\$ 2,435,135</u>	<u>\$ 15,804,447</u>	<u>\$ 1,626,906</u>	<u>\$ 11,514,945</u>	<u>\$ (6,902,471)</u>	<u>\$ 36,432,293</u>

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

December 31, 2023

	ASSETS							
	PHA Housing Development	Atlantic Heights	Cottage	Court Street	Lafayette	Wamesit	Intercompany Eliminations	Total
CURRENT ASSETS								
Cash								
Without Donor Restrictions	\$ 3,155,395	\$ 340,160	\$ 78,493	\$ 583,697	\$ 28,214	\$ 233,362	\$ -	\$ 4,419,321
Total Cash	3,155,395	340,160	78,493	583,697	28,214	233,362	-	4,419,321
Other Current Assets								
Accounts Receivable - Tenants	-	1,090	688	25,156	438	72,810	-	100,182
Accounts Receivable - Other	89	-	19	12,594	-	13,988	-	26,690
Note Receivable - Related Party	2,992,748	-	-	-	-	-	(2,992,748)	-
Interest Receivable - Related Party	112,897	-	-	-	-	-	(112,897)	-
Prepaid Expenses	54	15,985	14,888	16,520	7,793	24,978	-	80,218
Total Current Assets	6,261,183	357,235	94,088	637,967	36,445	345,138	(3,105,645)	4,626,411
RESTRICTED DEPOSITS AND FUNDED RESERVES								
Restricted Reserves and Escrows	-	402,915	179,371	378,682	84,907	1,029,899	-	2,075,774
Tenant Security Deposits	-	12,907	7,274	79,608	3,098	37,661	-	140,548
Total Restricted Deposits and Funded Reserves	-	415,822	186,645	458,290	88,005	1,067,560	-	2,216,322
PROPERTY AND EQUIPMENT								
Finance Lease Right-of-Use Asset	-	-	-	825,566	-	-	-	825,566
Land and Land Improvements	-	135,457	50,000	281,200	243,516	2,196,028	-	2,906,201
Building and Improvements	-	526,748	3,831,779	13,804,239	2,332,082	11,776,740	(161,371)	32,110,217
Building Equipment and Furnishings	103,903	119,565	135,099	626,930	81,469	278,683	-	1,345,649
Construction in Progress	-	-	1,996	-	-	-	-	1,996
Total	103,903	781,770	4,018,874	15,537,935	2,657,067	14,251,451	(161,371)	37,189,629
Less Accumulated Depreciation	40,889	243,326	1,856,536	702,040	1,117,613	4,237,443	(6,455)	8,191,392
Net Property and Equipment	63,014	538,444	2,162,338	14,835,895	1,539,454	10,014,008	(154,916)	28,998,237
OTHER ASSETS								
Tax Credit Fees	-	-	-	81,814	1,451	16,790	-	100,055
Investments in Limited Partnerships Projects in Development	3,183,888 145,936	- -	- -	- -	- -	- -	(3,183,888) -	- 145,936
Total Other Assets	3,329,824	-	-	81,814	1,451	16,790	(3,183,888)	245,991
TOTAL ASSETS	\$ 9,654,021	\$ 1,311,501	\$ 2,443,071	\$ 16,013,966	\$ 1,665,355	\$ 11,443,496	\$ (6,444,449)	\$ 36,086,961

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATING SCHEDULE OF ACTIVITIES
For the Year Ended December 31, 2024

	PHA Housing Development	200 Greenleaf	Atlantic Heights	Cottage	Court Street	Lafayette	Wamesit	Intercompany Eliminations	Total
REVENUE									
Tenant Rent	\$ 5,100	\$ 34,153	\$ 182,952	\$ 124,385	\$ 870,678	\$ 48,051	\$ 805,324	\$ -	\$ 2,070,643
Subsidy Rent	-	56,471	420,633	237,537	254,898	128,691	1,313,978	-	2,412,208
Interest Income	196,515	1,736	30,476	8,523	21,107	4,579	30,335	(95,102)	198,169
Service Income	-	953	20,381	13,323	46,049	7,117	15,831	-	103,654
Contributions - Fundraising	46,123	-	-	-	-	-	-	-	46,123
Contributions - Donations and Grants	45,410	-	17,219	-	-	-	-	-	62,629
Miscellaneous Income	-	5	826	-	-	79	17,918	-	18,828
Total Revenue	293,148	93,318	672,487	383,768	1,192,732	188,517	2,183,386	(95,102)	4,912,254
OPERATING EXPENSES									
Management Fees	-	5,037	60,754	26,632	61,745	14,886	107,669	-	276,723
Administrative Salaries	-	3,744	21,816	7,000	62,744	3,500	127,349	-	226,153
Audit	12,350	-	6,700	7,500	8,000	6,700	8,100	-	49,350
Legal	473	-	1,390	-	1,450	-	5,772	-	9,085
Education and Training	-	-	-	-	897	-	-	-	897
Tenant Services	-	-	-	-	22,858	-	92,721	-	115,579
Miscellaneous	240,492	6,520	20,688	6,006	13,903	2,940	104,311	-	394,860
Total Administrative	253,315	15,301	111,348	47,138	171,597	28,026	445,922	-	1,072,647
Electricity	-	4,984	25,272	22,635	40,081	11,739	114,099	-	218,810
Gas	-	1,733	16,741	20,358	16,225	5,944	69,576	-	130,577
Telephone	-	32	1,714	1,597	-	1,179	-	-	4,522
Water and Sewer	-	4,341	16,785	12,818	28,793	8,106	134,413	-	205,256
Cable TV	-	-	13,363	9,283	-	4,343	-	-	26,989
Total Utilities	-	11,090	73,875	66,691	85,099	31,311	318,088	-	586,154
Maintenance Labor	-	7,729	74,566	34,080	73,957	32,872	192,647	-	415,851
Maintenance Contract	-	13,444	54,948	18,484	41,626	16,721	130,841	-	276,064
Maintenance Materials	-	3,799	8,132	5,219	12,946	2,372	46,245	-	78,713
Vehicle and Maintenance Expense	-	-	-	-	-	-	11,944	-	11,944
Miscellaneous Operating	-	-	-	-	-	-	10,680	-	10,680
Total Maintenance	-	24,972	137,646	57,783	128,529	51,965	392,357	-	793,252
Interest	-	-	45,693	44,941	197,435	8,435	421,894	(95,102)	623,296
Real Estate Taxes	-	3,176	12,886	4,724	80,649	1,536	47,395	-	150,366
Insurance	118	4,363	16,046	20,420	41,003	11,270	55,695	-	148,915
State Tax Expense	-	-	-	426	-	-	2,318	-	2,744
Other General Expenses	278	-	-	-	-	-	-	-	278
Total Other Expenses	396	7,539	74,625	70,511	319,087	21,241	527,302	(95,102)	925,599
Depreciation and Amortization	19,761	11,060	28,531	106,431	441,546	74,253	353,121	(4,034)	1,030,669
Total Operating Expenses	273,472	69,962	426,025	348,554	1,145,858	206,796	2,036,790	(99,136)	4,408,321
CHANGE IN NET ASSETS FROM OPERATIONS	19,676	23,356	246,462	35,214	46,874	(18,279)	146,596	4,034	503,933
NON-OPERATING ACTIVITY									
Incentive Management Fee	-	-	-	9,257	-	-	-	-	9,257
Investor Service Fee	-	-	-	1,029	-	-	7,500	-	8,529
Loss on Disposal of Real Property	-	-	-	-	-	-	1,837	-	1,837
Total Non-Operating Expenses	-	-	-	10,286	-	-	9,337	-	19,623
FUNDRAISING EXPENSES	4,718	-	-	-	-	-	-	-	4,718
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	14,958	23,356	246,462	24,928	46,874	(18,279)	137,259	4,034	479,592
Net Assets Without Donor Restrictions, Beginning of Year	9,316,341	-	516,020	1,120,028	7,396,452	943,578	4,094,951	(3,338,804)	20,048,566
Capital Contributions	-	731,101	-	-	-	-	-	(731,101)	-
Distributions	-	-	-	-	-	(521)	(83,232)	74,909	(8,844)
Net Assets Without Donor Restrictions, End of Year	\$ 9,331,299	\$ 754,457	\$ 762,482	\$ 1,144,956	\$ 7,443,326	\$ 924,778	\$ 4,148,978	\$ (3,990,962)	\$ 20,519,314

PHA HOUSING DEVELOPMENT LTD
CONSOLIDATING SCHEDULE OF ACTIVITIES
For the Year Ended December 31, 2023

	Atlantic Heights	Cottage	Court Street	Lafayette	PHA Housing Development	Wamesit	Intercompany Eliminations	Total
REVENUE								
Tenant Rent	\$ 184,425	\$ 110,468	\$ 907,854	\$ 37,757	\$ 5,100	\$ 756,085	\$ -	\$ 2,001,689
Subsidy Rent	328,696	189,379	19,369	105,503	-	1,156,767	-	1,799,714
Interest Revenue	9,612	5,611	7,488	735	147,833	25,897	(108,524)	88,652
Service Income	22,057	15,003	58,891	7,853	-	11,537	-	115,341
Contributions - Fundraising	-	-	-	-	30,273	-	-	30,273
Contributions - Donations and Grants	-	-	-	-	41,376	-	-	41,376
Miscellaneous Income	148	-	-	516	4,690	9,522	-	14,876
Total Revenue	544,938	320,461	993,602	152,364	229,272	1,959,808	(108,524)	4,091,921
OPERATING EXPENSES								
Management Fees	51,768	22,445	55,786	12,364	-	97,896	-	240,259
Administrative Salaries	21,881	7,948	66,619	3,971	-	131,912	-	232,331
Audit	6,300	7,300	10,000	6,300	10,950	8,000	-	48,850
Legal	1,349	-	868	1,650	1,458	6,368	-	11,693
Education and Training	-	-	1,998	-	-	-	-	1,998
Tenant Services	-	-	17,424	-	-	-	-	17,424
Miscellaneous	20,294	5,151	23,644	2,500	96,181	176,070	-	323,840
Total Administrative	101,592	42,844	176,339	26,785	108,589	420,246	-	876,395
Electricity	18,933	17,479	28,307	9,038	-	86,112	-	159,869
Gas	15,360	17,269	10,934	4,846	-	61,892	-	110,301
Telephone	1,452	1,293	-	923	-	-	-	3,668
Water and Sewer	13,986	12,763	24,956	6,635	-	158,142	-	216,482
Cable TV	14,262	9,509	-	4,754	-	-	-	28,525
Total Utilities	63,993	58,313	64,197	26,196	-	306,146	-	518,845
Maintenance Labor	78,891	52,111	73,089	45,806	-	209,428	-	459,325
Maintenance Contract	38,281	22,049	30,241	9,521	-	139,053	-	239,145
Maintenance Materials	6,967	4,937	6,061	3,245	-	84,576	-	105,786
Appliance Replacements	5,812	-	-	-	-	-	-	5,812
Vehicle and Maintenance Expense	-	-	-	-	-	12,722	-	12,722
Miscellaneous Operating	-	-	-	-	-	69,532	-	69,532
Total Maintenance	129,951	79,097	109,391	58,572	-	515,311	-	892,322
Interest	35,703	45,540	191,636	8,692	-	426,504	(96,524)	611,551
Real Estate Taxes	11,637	4,922	88,715	1,396	-	39,793	-	146,463
Insurance	12,728	15,704	38,049	9,324	102	45,089	-	120,996
State Tax Expense	-	207	-	-	-	2,355	-	2,562
Other General Expenses	-	-	-	-	344	-	-	344
Total Other Expenses	60,068	66,373	318,400	19,412	446	513,741	(96,524)	881,916
Depreciation and Amortization	28,471	105,322	441,262	76,930	19,761	348,123	(4,034)	1,015,835
Total Operating Expenses	384,075	351,949	1,109,589	207,895	128,796	2,103,567	(100,558)	4,185,313
CHANGE IN NET ASSETS FROM OPERATIONS	160,863	(31,488)	(115,987)	(55,531)	100,476	(143,759)	(7,966)	(93,392)
NON-OPERATING ACTIVITY								
Incentive Management Fee	-	8,635	-	-	-	-	-	8,635
Investor Service Fee	-	959	-	1,000	-	7,500	-	9,459
Total Non-Operating Expenses	-	9,594	-	1,000	-	7,500	-	18,094
FUNDRAISING EXPENSES	-	-	-	-	9,183	-	-	9,183
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	160,863	(41,082)	(115,987)	(56,531)	91,293	(151,259)	(7,966)	(120,669)
Net Assets Without Donor Restrictions, Beginning of Year	355,157	1,161,110	6,963,694	977,297	9,225,048	4,357,381	(3,406,739)	19,632,948
Capital Contributions	-	-	548,745	24,153	-	-	(24,153)	548,745
Distributions	-	-	-	(1,341)	-	(111,171)	100,054	(12,458)
Net Assets Without Donor Restrictions, End of Year	\$ 516,020	\$ 1,120,028	\$ 7,396,452	\$ 943,578	\$ 9,316,341	\$ 4,094,951	\$ (3,338,804)	\$ 20,048,566

PHA Housing Development, Ltd.

List of Directors
4/15/2026

<u>Name (Identify any additional role(s) in Parentheses)</u>	<u>Affiliations</u>
E.g., John Doe (President)	
Adam Ruedig (President)	Financial Advisor, <i>The Ruedig Group at UBS</i>
Katherine Kane (Vice President)	Director of Real Estate, <i>Resolute Capital Partners</i>
Kathleen Bergeron (Treasurer)	Licensed Certified General Appraiser, <i>Bergeron Commercial Appraisal</i>
John Bohenko (Director)	Community Leader & Past City Manager, <i>City of Portsmouth</i>
Ernie Carrier (Director)	Retired – Construction Consulting Work Throughout New England

CRAIG WYATT WELCH

HIGHLIGHTS

- Accomplished executive with diverse experience in real estate development, finance, public policy, and human services.
- Respected leader in the State of New Hampshire and City of Portsmouth throughout public and private sectors.
- Extensive communications background including public, media, board, and member relations.
- Hard working and persistent in pursuit of organizational goals.
- Passionate about improving social equity, justice, and quality of life for people in our communities.

PROFESSIONAL EXPERIENCE

Portsmouth Housing Authority & PHA Housing Development Ltd., Executive Director 2013 – Present

- Operate 668 affordable housing units in the City of Portsmouth, home to more than 1,000 residents.
- Led the development and occupancy of an award winning, LEED Gold Certified, affordable workforce housing project in the heart of Portsmouth's historic downtown.
- Created an after-school program, seniors aging in place program, early education center and resident services coordination program in collaboration with various community partners.
- Provide strategic communications with a broad array of national, state, and local partners, regulatory agencies, media outlets, law enforcement, elected officials, and the general public.

New Hampshire Community Loan Fund Inc., Vice President of Housing 2009 – 2013

- Manage \$55 million lending portfolio of single family and multifamily low-income housing.
- Create and manage new lending, education, and energy efficiency programs for low-income homeowners.
- Represent the organization with local and national partners including industry associations.
- Collaborate with philanthropy staff to raise investments and permanent capital.

Craig Welch Group, LLC., Owner and Managing Director 2006 - 2009

- Established firm to specialize in commercial property acquisition and tenant representation throughout New England.

Grubb & Ellis | Coldstream Real Estate Advisors, Broker/Advisor 2002 - 2005

- Provided buying, selling, leasing, and consulting services for developers, syndicates, and Fortune 500 companies.

Wunderkind Studios, Principal and Vice President of Business Development 1998 - 2001

- Developed on-line communication strategies for high technology, healthcare, financial, and education organizations.

Office of Governor Jeanne Shaheen, Special Assistant 1997-1999

- Member of administration and staff for historic 1996 Gubernatorial campaign electing the first woman Governor of NH.

AmeriCorps USA, Corporation for National Service, National Leader 1995-1996

- Served as an advocate, ambassador, and liaison to 130 AmeriCorps Members in New Hampshire.
- Designed and implemented leadership, career development, and service-learning programs around NH.

EDUCATION

Harvard Kennedy School of Government. State and Local Government Program NH Charitable Foundation, Caroline and Martin Gross Fellowship Award	2016
Antioch New England Graduate School. Master of Education, Organization and Management	1996
University of New Hampshire, College of Liberal Arts. Bachelor of Arts, Political Science	1993
Ikuno Senior High School, Osaka, Japan. Rotary Foundation International Exchange Student	1988

BOARDS AND COUNCILS

New Hampshire Housing Authorities Corporation, President	2016 – Present
New Hampshire Drug Court Advisory Council	2018 - 2022
Northern New England Housing Investment Fund, Board of Directors	2014 – 2019
Federal Reserve Bank of Boston, Community Development Advisory Council	2010 – 2013
NH Land and Community Heritage Investment Program, Chairman	2005-2009

RECOGNITIONS

PlanNH Merit Award of Excellence, Ruth Lewin Griffin Place	2023
US Green Building Council NH Building of the Year, Ruth Lewin Griffin Place	2022
Building a Better Community Award, Greater Seacoast Chamber Collaborative	2022
Visionary Leadership Award, Workforce Housing Coalition of the Greater Seacoast	2022
TEDx Portsmouth, Presenter. <i>Breaking the Homelessness Cycle Starts at Birth</i>	2018
2018 Distinguished Citizen Award – Great Bay Community College	2018
Caroline and Martin Gross Fellowship Award, NH Charitable Foundation	2016
Union Leader’s “40 Under 40”	2008
Leadership New Hampshire, Class of 2008	2008

Valerie Labrie

**Professional Portsmouth Housing Authority – Portsmouth, NH**

2013 - Present

Experience: *Finance Director*

- Manage all financial activities for a 1,100+ unit housing agency with a real estate portfolio of \$104 million.
- Produce, analyze and amend as necessary annual budgets with revenues in excess of \$16 million.
- Support the development of new affordable housing, including tax credit applications, construction and permanent financing closings, project and contract tracking, construction requisitions; worked closely with consultants, state agencies and tax credit investors.
- Led the Housing Authority through an organization-wide software conversion and from a paper-based record keeping system to electronic; streamlined reporting; implemented a new electronic rent payment software.
- Interpret legislative and programmatic rules and regulations to ensure compliance with all federal, state, local and contractual guidelines; oversee tax credit housing program compliance
- Maintain an efficient management control and reporting system; maintain various financial records and prepare periodic reports for internal use and to ensure compliance with HUD requirements.
- Make appropriate ledger adjustments and estimate available funds; interpret, implement and monitor accounting systems to insure compliance with federal regulations.
- Ensure adequate internal controls are installed and that substantiating documentation is approved and available for independent and governmental audits.
- Ensure that the cash position, cash needs and anticipated receipts from all sources are known at all times.
- Oversee the year-end process; close out revenues and expense accounts at year-end.
- Communicate with and assist auditors; prepare audit materials; review audit reports.
- Lead the Accounting Department team; ensure department personnel are in compliance with the Portsmouth Housing Authority policies and generally accepted accounting principles.
- Report to and meet regularly with the Executive Director; attend monthly Board meetings of the Housing Authority to report financial status to the Board.

Other roles at Portsmouth Housing Authority:*Accounting Supervisor*

2012-2013

Accounting Assistant

2008-2012

Education: **Southern New Hampshire University****Manchester, NH***Bachelor of Science, Major in Accounting***2008-2010**

- Honors: *Delta Mu Delta, Alpha Sigma Lambda*

New Hampshire Community Technical College**Stratham, NH***Associate of Science, Major in Accounting***2006-2008**

Additional Information: Technical Skills: Budget Management, Financial Accounting, Financial Statements, Risk Management, Internal Controls, Accounts Payable, Accounts Reconciliation, General Ledger, Payroll, Leadership, P&L Analysis, Accounts Receivable
 Software: Yardi Voyager, MRI/Tenmast Software, ADP/Trivantus Payroll, Advanced Microsoft Excel
 Certifications: LIHTC Certified Credit Compliance Professional (C3P), IRS Volunteer Income Tax Assistance Program/TCE

Mark Lentz

WORK EXPERIENCE

Facilities Director

Portsmouth Housing Authority, NH

May 2020 – Present

- Oversee 13 Facilities in PHA portfolio.
- Plan and budget for capital improvements. Acquire bids for projects/negotiating and award contracts.
- Apply for capital grants to meet funding goals.
- Meet with architects for approval and review of materials, sign off on drawings.
- Coordinate project schedules with building managers and required safety measures.
- Oversee all new development projects and building acquisitions.
- Approve all payment requisitions and change orders.
- Daily contact with contractors as projects and new buildings are constructed.
- Utilize MS Word, MS Excel, MS PowerPoint, MS Access, MS Outlook.

Senior Project Manager

The Woodworks-Londonderry, NH

September 2017 – Present

- Supervise multiple projects from bid through installation and completion.
- Review estimate and acquire bids for projects/ negotiating and award contracts.
- Review and approve engineered AutoCad drawings for production release.
- Meet with client and architects for approval and review of materials.
- Coordinate project schedules with production schedules and material deadlines.
- Make job site visits to review conditions & make measurements for production.
- Coordinate the purchase of raw materials for production.
- Follow project through production & schedule installation and deliveries.
- Utilize MS Word, MS Excel, MS PowerPoint, MS Access, MS Outlook.
- Process change orders and billing.

Senior Process Engineering Technician

Osram Sylvania - Exeter, NH - May 2006 to 2017

Responsibilities

- Oversee all new product development, working side by side with Engineers to test new products and production designs.
- Develop and design new process engineering tools and procedures to increase production efficiency and lower cost as well as material usage.
- Supervise production employees to ensure these new products succeed in quality as well as track and record any and all problems or concerns.
- Responsible for R&D testing laboratory and equipment used in testing and developing of new products. Calibrate production and test equipment for quality and accurate results.
- Organize and document all findings and prepare reports for weekly meetings to discuss progress with new products as well as existing production. Troubleshoot production complaints and product quality issues through various test equipment and microscopes to diagnose these problems. Provide action plans to eliminate these problems.

Mark Lentz – Page 2

Accomplishments

- Brought online an entirely new mixing process for production, reducing both material and labor cost for production by more than one million dollars a year. Successfully had this new process qualified for production with our vendors prior to bringing it into production. Managed multiple projects from idea through completion with organization and efficient leadership.
- Instrumental in bringing a completely new product line of LED lighting to the plant, setting it up and turning it over to production.

Skills Used

- Project management, time management, profit and loss, machine and tool design, Auto Cad drafting, Microsoft Office, Excel, Word. Supervisor of production personnel as well as organized tracking and report creating. Excellent hands-on skills and vision for mechanical engineering. New product line development, new process tooling start up and Project Management. Lean manufacturing as well as Six Sigma, 5S, and Hosin principals.

Owner/Operator/Manager

Albacore Home Services - South Berwick, ME - November 2003 to May 2006

Responsibilities

- Operational responsibility for running small remodeling business, Job procurement, estimating, scheduling, Project Management.
- material acquisition. Client meetings, subcontractor contracts and supervision, code enforcement regulations, Architect appointments, billing and Payment schedules.

Accomplishments

- I offered a great service at a reasonable price, the indicator of a job well done, was the fact that I no longer operate my business and still get prior customers calling and asking if I would do more work, even going so far as asking to work off hours and weekends knowing that I work in a different field. I dissolved my business at a time when the economy was failing, and I wanted more security for my family.
- I am very proud of the fact that people still think to call.

Project Manager

C.W. Keller Fine Woodworking - Plaistow, NH - August 1996 to October 2003

Responsibilities

- Supervise multiple projects from bid format through installation
- Review client requirements vs. production processes & cost
- Provide cost estimates
- Coordinate subcontractor bids for required work
- Develop material lists and secure contract buyouts
- Direct flow of information and distribute properly
- Provide accurate CAD drawings using Auto Cad 2000 / Macintosh Vellum software
- Coordinate critical/path schedules vs. production schedules
- Oversee production and set billing cycle / Prepare profit and loss statements
- Meet w/ architects for spec writing and ideal materials vs. conditions vs. job cost
- Daily interaction with contractors w/ site visits ensuring current progress scheduling
- Travel for on-site field dimensioning / meetings with clients / contractors / architects
- Utilize MS Word, MS Excel, MS PowerPoint, MS Access, MS Outlook, Netscape and MS Internet Explorer

Mark Lentz – Page 3

Accomplishments

- Continuously brought jobs under budget and delivered on time with great success.
- Developed relationships with subcontractors and Architects promoting business future.

Skills Used

- Traveled across the eastern seaboard for meetings with clients, architects and general contractors.
- Negotiate contracts for projects and suppliers. Kept tight timelines for scheduling and manufacturing with end goals in mind.

Project Manager

Ritter & Smith, millwork manufacturing - Allentown, PA - 1990 to 1996

EDUCATION

A.S. in Machine and Tool design, & Drafting and Design in Engineering

L.C.C.C Lehigh County Community College - Schnecksville, PA.

SKILLS

- Machine and tool design, drafting Auto Cad, Project Management, Supervisor, detailed oriented, machine.
- Troubleshooting, tool & die changeovers, injection molding, Twin Screw mixing, new product line development, new process tooling start up and Project Management. Lean manufacturing as well as Six Sigma, 5S, and Hosin principals.

ANDREA PICKETT

DIRECTOR OF OUTREACH & ENGAGEMENT | STRATEGIC HOUSING & COMMUNITY DEVELOPMENT LEADER



SUMMARY

Housing and community development leader who works at the intersection of resident insight, municipal priorities, and capital strategy. Advances complex housing initiatives by aligning community realities with public and private funding, reducing structural barriers and strengthening long-term stability.

CORE STRENGTHS

- Affordable & Workforce Housing Finance (LIHTC, CDFA, CDBG, AHP, InvestNH, etc.)
- Capital Alignment & Funding Strategy
- Public-Private Partnership Development
- Barrier-Reduction Program Design
- Municipal & Stakeholder Coordination
- Strategic Communications & Development Positioning

PROFESSIONAL EXPERIENCE

Portsmouth Housing Authority (PHA) Portsmouth, NH

Director of Outreach and Engagement | 2022-Present

- **Sherburne School Redevelopment (127 units, two phases):** Co-developed redevelopment vision and financing narrative for a mixed-income redevelopment selected over national developers through a competitive RFP process.
- **Christ Church Workforce Housing (44 units, \$15M):** Led outreach and development positioning for adaptive reuse workforce housing in downtown Portsmouth.
- **Ruth Lewin Griffin Place (64 units):** Contributed to early-stage development strategy for PHA's first workforce housing initiative, completed in 2022.
- Works across layered public and private financing structures to support competitive positioning, capital alignment, and project implementation.
- Financing experience includes: LIHTC • CDFA Tax Credits • FHLBB • CDBG • Section 108 • InvestNH • Congressionally Directed Spending • Municipal Capital Improvement Planning.
- Oversees stakeholder communications and municipal coordination supporting approvals, funding alignment, and sustained public confidence.

Resident Services Coordinator | 2018-2022

- Designed and implemented resident-centered initiatives addressing structural barriers to housing stability and economic mobility.
- Education Incentive Program: Developed an internal funding model providing structured planning support and a \$200/month rental subsidy (up to 24 months) for residents pursuing postsecondary education.

- Onsite Preschool Feasibility Initiative: Conducted resident needs assessment and initiated partnership exploration for co-located childcare aligned with workforce participation goals.
- Resident Mobility Initiative: Founded and scaled a Resident Mobility Initiative that addressed critical transportation gaps, successfully offboarding it to a nonprofit partner for long-term sustainability.
- Coordinated wraparound services supporting employment, education, and financial stability.

Public Leadership: Delivered TEDx Talk, *“To Eradicate Poverty, Listen to the People Who’ve Experienced It,”* contributing to regional dialogue on equitable housing and community resilience.

Civic Engagement: Candidate for Portsmouth City Council, 2023, running on a platform advocating for income diversity in municipal leadership and expanded housing access.

EDUCATION AND TRAINING

B.A. in Sociology, Psychology, and Public Policy, Southern New Hampshire University – 4.0 GPA Leadership Seacoast Graduate

Professional development in affordable housing finance, community engagement, and emotional intelligence (Goleman and Bradberry frameworks)

COMMUNITY ENGAGEMENT

- Member, Workforce Housing Coalition of the Greater Seacoast – Storytelling and Local Advocacy Groups
- Active collaborator with the Chamber Collaborative of the Greater Seacoast
- Advocate for housing policy reform and equitable access to community resources

PERSONAL BRAND STATEMENT

I navigate complexity with composure and purpose, aligning finance, policy, and human experience to create systems that work for people. My leadership is grounded in emotional intelligence, clear self-awareness, authentic empathy, and a steady belief in collaborative progress.

PHA Housing Development, Ltd.

Key Personnel
4/15/2026

<u>Name</u>	<u>Role</u>	<u>Annual Salary</u>	<u>Amount Paid From This Contract</u>
Craig Welch	Executive Director	\$228,107.00	\$0
Valerie Labrie	Finance Director	\$145,146.00	\$0
Mark Lentz	Facilities Director	\$117,337.00	\$0
Andrea Pickett	Director of Outreach	\$87,840.00	\$0