Habitat for Humanity of Greater Cincinnati, Inc.

Financial Statements with Supplementary Information
June 30, 2025 and 2024, and
Independent Auditors' Report

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC.

June 30, 2025 and 2024

Contents

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Independent Auditors' Report

To the Board of Directors of
Habitat for Humanity of Greater Cincinnati, Inc.
Cincinnati, Ohio

Opinion

We have audited the accompanying financial statements of Habitat for Humanity of Greater Cincinnati ("HFHGC") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HFHGC as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of HFHGC 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 opinions.

Emphasis of Matter

As discussed in Note 13 to the financial statements, the 2024 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Prior Period Financial Statements

The financial statements of HFHGC as of June 30, 2024 were audited by other auditors whose report dated January 16, 2025, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

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

Independent Auditors' Report
(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Supplementary Information

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

Independent Auditors' Report
(Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2026 our consideration of HFHGC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Habitat's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering HFHGC's internal control over financial reporting and compliance.

Barnes, Dennig & Co., Ltd.

February 27, 2026
Cincinnati, Ohio

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC.

Statements of Financial Position
June 30, 2025 and 2024

	2025	2024 (Restated)
Assets		
Cash and cash equivalents	$ 1,599,484	$ 734,600
Grants receivable	1,274,679	1,769,564
Pledges and other receivables, net	278,178	350,259
Investments	1,970,396	5,575,285
Inventory	1,689,882	1,435,689
Prepaid expenses and other assets	147,258	130,991
Homes available for sale	143,560	42,276
Construction in progress	2,511,938	2,532,184
Land for development	904,395	573,931
Mortgage loans receivable, net	7,998,317	6,656,072
Restricted cash - loss reserve	520,732	516,853
Restricted cash - escrow deposits	445,742	378,972
Property and equipment, net	483,574	667,681
Right of use assets	2,253,511	2,120,228
NMTC investment in leverage lender	1,729,577	-
Total assets	$ 23,951,223	$ 23,484,585
Liabilities and Net Assets		
Liabilities		
Accounts payable	$ 969,336	$ 518,228
Accrued payroll and other	427,806	449,827
Line of credit	50,000	400,000
Loan pool obligations	5,910,731	4,174,473
Escrow liability	175,609	261,564
Agency liability	109,804	39,580
Lease liabilities	2,391,405	2,212,079
NMTC note payable and other liabilities	2,263,433	-
Total liabilities	12,298,124	8,055,751
Net Assets		
Without donor restrictions	11,409,624	15,256,097
With donor restrictions	243,475	172,737
Total net assets	11,653,099	15,428,834
Total Liabilities and Net Assets	$ 23,951,223	$ 23,484,585

See accompanying notes to financial statements

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC.

Statements of Activities
For the Years Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Government grants	$ 5,669,492	$ -	$ 5,669,492
Contributions	1,041,079	-	1,041,079
Other grants and contributions	2,006,052	453,475	2,459,527
Home sales, net of discount	1,799,782	-	1,799,782
ReStore sales	4,071,953	-	4,071,953
Non-cash contributions - ReStore	2,867,718	-	2,867,718
Non-cash contributions - construction	273,700	-	273,700
Mortgage loan discount amortization	745,990	-	745,990
Other	225,693	-	225,693
Investment return, net	170,314	-	170,314
Net assets released from restrictions	382,737	(382,737)	-
Total support and revenue	19,254,510	70,738	19,325,248
Expenses			
Program services	21,144,629	-	21,144,629
Fundraising	1,399,340	-	1,399,340
Management and general	557,014	-	557,014
Total expenses	23,100,983	-	23,100,983
Change in net assets	(3,846,473)	70,738	(3,775,735)
Net assets, beginning of year	15,256,097	172,737	15,428,834
Net assets, end of year	$ 11,409,624	$ 243,475	$ 11,653,099

See accompanying notes to financial statements

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC.

Statements of Activities
For the Years Ended June 30, 2024
(Restated)

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Government grants	$ 2,610,628	$ -	$ 2,610,628
Contributions	1,546,291	-	1,546,291
Other grants and contributions	934,506	60,003	994,509
Home sales, net of discount	939,003	-	939,003
ReStore sales	3,589,860	-	3,589,860
Non-cash contributions - ReStore	3,245,973	-	3,245,973
Non-cash contributions - construction	245,047	-	245,047
Mortgage loan discount amortization	531,261	-	531,261
Other	266,010	-	266,010
Investment return, net	412,922	-	412,922
Net assets released from restrictions	228,000	(228,000)	-
Total support and revenue	14,549,501	(167,997)	14,381,504
Expenses			
Program services	15,712,304	-	15,712,304
Fundraising	887,405	-	887,405
Management and general	511,120	-	511,120
Total expenses	17,110,829	-	17,110,829
Change in net assets	(2,561,328)	(167,997)	(2,729,325)
Net assets, beginning of year, as originally stated	18,830,530	340,734	19,171,264
Restatement of prior period financials	(1,013,105)	-	(1,013,105)
Net assets, beginning of year, as restated	17,817,425	340,734	18,158,159
Net assets, end of year	$ 15,256,097	$ 172,737	$ 15,428,834

See accompanying notes to financial statements

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC.

Statements of Functional Expenses
For the Year Ended June 30, 2025

	Program Services	Supporting Services: Fundraising	Supporting Services: Management and General	Total
Salaries and benefits	$ 4,791,719	$ 770,721	$ 318,035	$ 5,880,475
Cost of homes transferred	4,710,820	-	-	4,710,820
Repair program	4,572,556	-	-	4,572,556
ReStore cost of sales - donated	2,681,143	-	-	2,681,143
ReStore cost of sales - purchased	1,204,540	-	-	1,204,540
Rent	753,187	67	1,980	755,234
Office and administration	520,581	70,343	26,835	617,759
Publicity and promotion	41,343	467,994	-	509,337
Building services and supplies	366,984	-	-	366,984
Interest	239,577	-	17,392	256,969
Utilities	241,639	-	6,309	247,948
Insurance	119,372	-	79,582	198,954
Professional fees	149,363	-	38,000	187,363
Habitat International support	174,400	-	-	174,400
Vehicles	166,947	1,786	448	169,181
Other	82,325	67,141	5,667	155,133
Depreciation	134,073	3,246	3,246	140,565
Family selection and services	70,693	-	-	70,693
Repairs and maintenance	60,303	-	-	60,303
Amortization	-	-	50,730	50,730
Travel and entertainment	27,311	5,263	800	33,374
Training and education	11,694	12,779	7,990	32,463
Volunteer support	24,059	-	-	24,059
	$ 21,144,629	$ 1,399,340	$ 557,014	$ 23,100,983

See accompanying notes to financial statements

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC.

Statements of Functional Expenses
For the Year Ended June 30, 2024
(Restated)

		Supporting Services		
	Program Services	Fundraising	Management and General	Total
Salaries and benefits	$ 4,218,603	$ 669,004	$ 296,965	$ 5,184,572
Cost of homes transferred	3,941,401	-	-	3,941,401
Repair program	1,447,037	-	-	1,447,037
ReStore cost of sales - donated	2,653,760	-	-	2,653,760
ReStore cost of sales - purchased	722,584	-	-	722,584
Rent	590,263	-	1,980	592,243
Office and administration	428,739	57,238	23,484	509,461
Publicity and promotion	29,322	70,764	-	100,086
Building services and supplies	308,241	-	-	308,241
Interest	162,126	-	11,715	173,841
Utilities	189,312	-	8,309	197,621
Insurance	88,029	-	58,686	146,715
Professional fees	151,884	-	39,925	191,809
Habitat International support	171,500	-	-	171,500
Vehicles	148,738	2,141	992	151,871
Other	21,844	59,544	9,559	90,947
Depreciation	96,587	2,109	2,109	100,805
Family selection and services	60,130	-	-	60,130
Repairs and maintenance	65,018	-	-	65,018
Amortization	-	-	39,064	39,064
Travel and entertainment	15,022	3,492	6,627	25,141
Training and education	37,176	23,113	11,705	71,994
Volunteer support	14,193	-	-	14,193
ReStore preopening costs	150,795	-	-	150,795
	$ 15,712,304	$ 887,405	$ 511,120	$ 17,110,829

See accompanying notes to financial statements

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC.

Statements of Cash Flows
For the Year Ended June 30, 2025 and 2024

	2025	2024 (Restated)
Cash flows from operating activities		
Change in net assets	$ (3,775,735)	$ (2,729,325)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Home sales, net of discount	(1,799,782)	(939,003)
Depreciation	140,565	100,805
Change in donated inventory	(186,575)	(618,191)
Amortization of mortgage loan discount	(745,990)	(531,261)
Noncash lease expense	46,043	115,406
Loss on disposal of fixed assets	14,542	4,201
Net realized and unrealized gains on investments	(3,946)	(36,318)
Amortization of debt issuance and closing costs	8,418	-
Noncash donations - other	-	(210,890)
Changes in assets and liabilities:		
Pledges and other receivables, net	494,885	312,910
Grants receivable	72,081	(1,187,651)
Prepaid expenses and other assets	(16,267)	(50,042)
Inventory	(67,618)	21,839
Construction in progress	20,246	(254,264)
Homes available for sale	(101,284)	(4,207)
Land for development	(330,464)	217,105
Accounts payable	451,108	116,107
Accrued payroll and other	(22,021)	42,079
Escrow liability	(85,955)	-
Agency liability	70,224	(6,819)
Other NMTC liabilities	(7,289)	-
Net cash used in operating activities	(5,824,814)	(5,637,519)
Cash flows from investing activities		
Principal payments of mortgage loans receivable	1,203,527	515,173
Purchase of property and equipment	(12,000)	(451,956)
Proceeds from sale of property and equipment	41,000	3,600
Purchase of investments	(1,017,390)	(3,008,469)
Proceeds from sale of investments	4,626,225	5,445,447
Purchase of NMTC investment in leverage lender	(1,729,577)	-
Net cash provided by investing activities	3,111,785	2,503,795

(Continued)

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC.

Statements of Cash Flows
For the Year Ended June 30, 2025 and 2024
(Continued)

	2025	2024 (Restated)
Cash flows from financing activities		
Net proceeds from issuance of NMTC note payable	2,262,304	-
Proceeds from issuance of loan pool obligations	1,887,058	1,717,500
Principal payments on loan pool obligations	(150,800)	(133,616)
Borrowings on line of credit	50,000	400,000
Repayments of line of credit	(400,000)	(49,255)
Net cash provided by financing activities	3,648,562	1,934,629
Net change in cash and cash equivalents and restricted cash	935,533	(1,199,095)
Cash and cash equivalents and restricted cash - beginning of year	1,630,425	2,829,520
Cash and cash equivalents and restricted cash - end of year	$ 2,565,958	$ 1,630,425
Supplemental Cash Flow Information:		
Origination of mortgage loans for home sales	$ 4,101,772	$ 2,909,930

See accompanying notes to financial statements

HABITAT FOR HUMANITY OF GREATER CINCINNATI, INC

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Habitat for Humanity of Greater Cincinnati, Inc. (“HFHGC”) (a nonprofit corporation) is an affiliate of Habitat for Humanity International, Inc. (“HFHI”), a nondenominational Christian non-profit organization whose purpose is to create decent, affordable housing for those in need, and to make decent shelter a matter of conscience with people everywhere. Although HFHI assists with information resources, training, publications, prayer support, and in other ways, Habitat is primarily and directly responsible for its own operations. HFHGC serves families in the Greater Cincinnati Tristate area and is primarily supported through grants, donor contributions, home sales and retail sales at its ReStore location.

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). HFHGC is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which are available for use in general operations and not subject to donor restrictions; and net assets with donor restrictions, which are either temporary in nature, such as those that will be met by the passage of time or other events specified by the donor, or are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Fair Value Measurements

GAAP has a three-level hierarchy for fair value measurements based on transparency of valuation inputs as of the measurement date. The hierarchy is based on the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows: Level 1 inputs are unadjusted quoted prices for identical assets in active markets; Level 2 inputs are observable quoted prices for similar assets in active markets; Level 3 inputs are unobservable and reflect management’s best estimate of what market participants would use as fair value.

Cash and Cash Equivalents and Restricted Cash

HFHGC considers all liquid investments with an original maturity of three months or less to be cash equivalents. Cash equivalents consist primarily of money market accounts. HFHGC maintains its cash in bank accounts which, at times, may exceed federally insured limits. HFHGC has not experienced any losses in its accounts and management believes it is not exposed to any significant credit risks on cash and cash equivalents.

A third-party mortgage servicer, AmeriNat, maintains a deposit on account for HFHGC in order to pay insurance and property taxes for homeowners and to cover delinquent payments. The deposit amount is based on payments processed. The balance of the deposits at AmeriNat at June 30, 2025 and 2024 was $445,742 and $378,972, respectively.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value. Other investments are valued at the lower of cost or fair value. Investment return includes dividends, interest and realized and unrealized gains and losses on investments. Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is recorded as revenues with donor restrictions and then released from restriction. Other investment return is reflected in the statements of activities as revenues with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions. HFHGD's investments do not have a significant concentration of credit or market risk within any industry, specific institution or group of investments.

Mortgage Loans Receivable

Mortgage loans receivable consist of non-interest bearing mortgages, which are secured by real estate and payable in monthly installments. Most of the mortgages mature in 20 to 30 years. The receivable has been discounted using an imputed interest rate ranging from 7.00% to 9.00% based upon HFHI averages for low-income housing. Interest income is recorded over the lives of the mortgages using the effective interest method. No amounts have been recognized as an allowance for loan losses. HFHGC has had historical success in collecting and makes every effort for homebuyers to arrange repayment even when experiencing financial difficulties. HFHGC also believes the homes securing the notes are sufficient collateral to not experience loan losses.

Assets Held for Development

Assets held for development are reported at cost or if donated, at fair market value at the date of donation. Once development is complete, the properties are sold to arranged buyers with the selling price based upon a budgeted formula with excess basis expensed as program costs.

Property and Equipment

Property and equipment are recorded at cost or, if donated or impaired, at fair value at the time of the gift or determination. Depreciation is calculated on a straight-line basis over the estimated useful lives of the respective assets. Major improvements are capitalized, while maintenance and repairs are expensed as incurred.

HFHGC assesses the recoverability of the carrying amount of property and equipment if certain events or changes occur, such as significant decrease in market value of the assets or a significant change in operating conditions. Based on its most recent analysis, HFHGC believes no impairments existed at June 30, 2025 and 2024.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

HFHGC determines if an arrangement is a lease at inception. Right of use (ROU) assets represent HFHGC's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. HFHGC uses rates implicit in the lease, if readily available. For leases that do not provide an implicit rate, a risk-free rate based on information available at commencement date is used in determining the present value of lease payments. HFHGC's lease terms may include options to extend or terminate the lease when it is reasonably certain that it will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

HFHGC accounts for lease and non-lease components as a single lease component. There may be variability in future lease payments as the amount of the non-lease component is typically revised from one period to the next. These variable lease payments are recognized in operating expenses in the period in which the obligation for those payments was incurred. HFHGC's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

HFHGC made an accounting policy election that payments under agreements with an initial term of 12 months or less will not be included on the statement of financial position but will be recognized in the statement of activities on a straight-line basis over the term of the agreement. HFHGC has elected to apply the short-term lease exception on all classes of underlying assets.

Contributions

HFHGC records gifts of cash and other assets at their fair value as of the date of contribution. Such donations are recorded as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. A gift that is originally restricted by the donor and for which the restriction is met in the same year that the gift is received is recorded as revenue without donor restrictions.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long-lived assets must be maintained, HFHGC reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Unconditional promises to give expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized and reported as contribution revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets ad revenues when the conditions are substantially met and the gift becomes unconditional.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-Kind Donations

HFHGC records donated services revenue in the period received only if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. However, many individuals volunteer their time and perform a variety of tasks that assist HFHGC.

Home Sales

A portion of HFHGC's revenue is derived from home sales during the year. Due to the nature of contracts, there is variable consideration in the form of a soft second mortgage that is due if a home is sold within a 30-year window and reduced to zero over the 30-year timeframe and only one performance obligation. Such revenue is conditioned upon meeting the performance obligation, and amounts received are recognized as revenue once the requirement has been met. Once construction is complete on a home and closing procedures have been completed, buyers take possession of the home and the performance obligation is considered to have been met. Each house sold has a defined purchase price based on a third-party appraisal. Contracts are considered to have commercial substance as they all involve a cash down payment and a signed promissory note, which is paid in accordance with the terms of the mortgage loan agreement.

The sale of homes utilizing long-term mortgage loan agreements represents a significant financing component. As HFHGC's mortgage loan agreements have no stated interest rate, an imputed interest rate of 8.01% and 8.02% for homes sold during 2025 and 2024, respectively, has been applied based upon HFHI averages for low-income housing to adjust the sale price in consideration of the time value of money. The imputed interest applied to the mortgage loan receivable is recognized as a reduction to revenues at the time of the sale.

ReStore Sales

A portion of HFHGC's revenue is derived from ReStore sales during the year. Such revenue is conditioned upon meeting one performance obligation, the sale transaction is completed at a ReStore location, and amounts received are recognized as revenue once the sale has been made. Once the sale is made, customers take possession of the goods purchased. These transactions are considered to be contracts with customers as they have commercial substance through the transaction of cash payment in return for the goods purchased. Due to the nature of these transactions, there is no variable consideration and only one performance obligation.

Functional Allocation of Expenses

The cost of program and supporting services activities have been summarized on a functional classification basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services. Such allocations are determined by management on an equitable basis. The most significant allocations were salaries and related expenses, which were allocated based on time and effort.

Income Taxes

HFHGC is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of Ohio law. However, HFHGC is subject to federal income tax on any unrelated business taxable income.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

HFHGC's IRS Form 990 is subject to review and examination by Federal and state authorities. HFHGC believes it has appropriate support for any tax positions taken, and therefore, does not have any uncertain income tax positions that are material to the financial statements.

Subsequent Event Evaluation

Subsequent events have been evaluated through February 27, 2026, which is the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

HFHGC's financial assets available within one year of the statement of financial position date for general expenses are as follows:

	2025	2024
Cash and cash equivalents	$ 1,599,484	$ 734,600
Grants receivable	1,274,679	1,769,564
Pledges and other receivables	278,178	350,259
Investments	1,970,396	5,575,285
Estimated mortgage loans receivable expected to be collected within one year, net of loan pool obligations	850,000	378,367
Less net assets with donor restrictions	(243,475)	(172,737)
	$ 5,729,262	$ 8,635,338

Management structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. HFHGC regularly reviews the need for funds to meet operating obligations and to ensure the availability of cash or collateral to fulfill its obligations. In the event of an unanticipated liquidity need, HFHGC could also draw upon the available line of credit, as further discussed in Note 6.

NOTE 3 MORTGAGE LOANS RECEIVABLE

Mortgage loans receivable as of June 30, 2025 were $7,998,317 and were valued, net of discount for imputed interest of $8,863,243 on the statement of financial position. Mortgage loans receivable as of June 30, 2024 were $6,656,072 and were valued, net of discount for imputed interest of $7,249,257 on the statements of financial position.

HFHGC also records a second mortgage on properties sold below market value to protect the value of the sale. Second mortgages are forgiven over a specified period of time and HFHGC does not have a history of collecting cash on second mortgages. Accordingly, no value has been recognized for second mortgages as of June 30, 2025 and 2024.

NOTE 4 INVESTMENTS AT FAIR VALUE

Investments at fair value as of June 30 consisted of the following:

	2025	2024
Level 1		
Equity securities	$ -	$ 57,194
Equity and fixed income mutual funds	-	5,268,091
Level 2		
Fixed income securities	-	250,000
Money market funds	1,970,396	-
	$ 1,970,396	$ 5,575,285

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment as of June 30 consisted of the following:

	2025	2024
Vehicles	$ 562,246	$ 562,246
Leasehold improvements	335,502	323,502
Office furniture and equipment	235,216	235,216
Construction tools and equipment	123,859	123,859
Warehouse building	-	93,267
Less accumulated depreciation	(773,249)	(670,409)
	$ 483,574	$ 667,681

NOTE 6 LINE OF CREDIT

HFHGC has a $500,000 line of credit agreement with a bank which is renewable annually. The line is collateralized by substantially all of the assets of HFHGC and bears interest at a variable rate based on SOFR. The interest rate at June 30, 2025 was 7.50% and expired on August 1, 2025, but was subsequently renewed through July 26, 2026. As of June 30, 2025 and 2024, $50,000 and $400,000 was outstanding on the line of credit.

NOTE 7 LOAN POOL OBLIGATIONS

HFHGC entered into several Loan Pool Agreements in which HFHGC transferred the rights to the monthly principal payments of specific mortgage loans, which serve as collateral, to a group of banks and financial institutions (Pool Fund Lenders). In exchange for the rights to the monthly payments, the Pool Fund Lenders agreed to provide a maximum contribution amount to the loan pool which was advanced to HFHGC as the specific mortgage loans were assigned. The amount received by HFHGC represented the net present value of each assigned mortgage loan, amortized at 3% over the remaining term of the assigned mortgage loan agreements. The balance of the loan pool obligations was $5,910,731 and $4,174,473, as of June 30, 2025 and 2024, respectively. Interest paid to the Pool Fund Lenders was $222,185 and $150,411 for the years ended 2025 and 2024, respectively, and is included in interest expense on the statements of functional expenses.

NOTE 7 LOAN POOL OBLIGATIONS (CONTINUED)

In accordance with the Loan Pool Agreements, if the aggregate principal balance of the assigned loans funded under each agreement reaches a balance of less than $200,000, then HFHGC agrees to repay the Pool Fund Lenders for their remaining pro rata share in the Loan Pool and the agreements will automatically terminate.

HFHGC is also required to maintain a loss reserve fund to pay certain amounts, such as fees, loan default payments, or loan reassignments. Deposits to the loss reserve fund are made in an amount of no more than ten percent of the net proceeds received from each assignment, up to a maximum aggregate balance of $500,000. The balance of the loss reserve fund as of June 30, 2025 and 2024 was $520,732 and $516,853, respectively.

During the year ended June 30, 2025, HFHGC assigned 16 homes to Loan Pool Agreements. These mortgages were valued at $2,770,534, with a discount of $904,640. HFHGC received $1,865,894 in conjunction with the assignment.

During the year ended June 30, 2024, HFHGC assigned 17 homes to Loan Pool Agreements. These mortgages were valued at $2,514,613, with a discount of $888,288. HFHGC received $1,626,325 in conjunction with the assignment.

HFHGC is paid a servicing fee on a quarterly basis equal to the fees charged to HFHGC by their 3rd party servicer. Pool Fund Lenders are given an option to purchase one or more of the assigned loans subject to certain provisions. Any loan purchased by a Pool Fund Lender shall not be resold to any third party.

NOTE 8 LEASES

HFHGC leases its facilities and certain equipment under operating and finance leases with terms expiring through 2033. Renewal options are included in several lease agreements, but HFHGC is not reasonably certain to exercise all of them as of June 30, 2025. As of June 30, 2025 and 2024, assets recorded under finance leases, net of accumulated amortization, were $69,329 and $112,908, respectively.

The components of lease expense were as follows:

	2025	2024
Operating lease expense	$ 537,328	$ 560,353
Short-term lease expense	-	45,000
Finance lease expense		
Amortization of ROU assets	$ 43,579	$ 39,064
Interest on lease liabilities	11,516	13,194
Total finance lease expense	$ 55,095	$ 52,258

NOTE 8 LEASES (CONTINUED)

Other information related to leases is as follows:

	Operating	Finance
Operating cash flows	$ 491,132	$ 11,905
Financing cash flows	-	43,343
Weighted average remaining lease term	5.00 years	2.72 years
Weighted average discount rate	3.45%	11.84%

Future minimum lease payments under non-cancellable leases as of June 30, 2025 were as follows:

	Operating	Finance
2026	$ 543,668	$ 39,612
2027	567,979	23,976
2028	516,376	23,976
2029	357,186	5,994
2030	242,760	-
Thereafter	286,668	-
Total future minimum lease payments	2,514,637	93,558
Less imputed interest	(205,173)	(11,617)
Total	$ 2,309,464	$ 81,941

NOTE 9 NEW MARKET TAX CREDIT (NMTC) TRANSACTION

During 2025, HFHGC financed the construction and development of several new home builds through the New Market Tax Credit (NMTC) program facilitated by HFHI. In conjunction with this transaction, HFHGC and three other affiliates each made individual equity investments of $1,729,577 to HFHI NMTC Leverage Lender 2024-4, LLC (the “Leverage Lender”) who made a combined leverage loan of $6,919,000 to Twain Investment Fund 847, LLC (the “Fund”) who was allocated $3,081,000 of equity from U.S. Bancorp Community Development Corporation, representing $3,900,000 of Federal New Market Tax Credits. In turn, the Fund made four Qualifying Equity Investments (QEIs) of $2,500,000 to Habitat for Humanity NMTC sub-CDE IX, LLC (sub-CDE) which then made individual loans to HFHGC and the three other affiliates of $2,450,000 each which were used to finance the construction and development of several new home builds.

HFHGC’s promissory note payable has an interest rate of 1.29% and is payable to Habitat for Humanity NMTC sub-CDE IX, LLC. Interest-only payments are due semi-annually in May and November beginning in May 2025 through November 2032. Beginning in May 2032, HFHGC begins to make semi-annual principal and interest payments of $61,722 through maturity February 13, 2055.

NOTE 9 NEW MARKET TAX CREDIT (NMTC) TRANSACTION (CONTINUED)

Debt issuance and closing costs of $187,696 have been recognized as a reduction to the face amount of the promissory note payable and will be amortized over a period of 35 years. Amortization of debt issuance and closing costs of $8,418 has been reported as interest expense in 2025.

HFHGC has also recognized a reserve of $120,125 to cover transaction fees associated with the NMTC transaction. HFHGC released $7,289 during 2025 to cover affiliated expenses.

After the seven-year NMTC compliance period expires, it is anticipated that U.S. Bancorp Community Development Corporation will exercise its put option to sell its ownership in the Fund to HFHI for a predetermined amount, or HFHI will exercise its call option to buy U.S. Bancorp Community Development's ownership interest, at fair market value, and the Fund will be liquidated and its assets distributed to HFHI. In conjunction with this event, the sub-CDE will be liquidated and its assets will be distributed to the Fund. Immediately after the exit transactions are completed, HFHI will be the holder of the promissory notes payable from HFHGC and the three other affiliates. It is anticipated that the promissory notes payable will be discharged. At this time, the unamortized debt issuance costs specific to these loans would be expensed in full.

The promissory note agreement has various affirmative and negative covenants, including certain reporting requirements. HFHGC has pledges various assets as collateral for the loan.

NOTE 10 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were restricted for the following purposes or periods at June 30:

	2025	2024
Restricted for future periods	$ 243,475	$ 125,000
Specific home build events	-	47,737
	$ 243,475	$ 172,737

NOTE 11 CONTRIBUTED NONFINANCIAL ASSETS

HFHGC recognizes contributed nonfinancial assets within revenue, including donated furniture, home goods and building supplies and construction services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed furniture, home goods and building supplies were utilized in ReStore operations. HFHGC estimated the fair value on the basis of estimates for wholesale values that would be received for selling similar products in the United States.

Contributed construction services recognized comprise professional services for building and repair programs. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar professional services.

NOTE 12 RETIREMENT PLAN

HFHGC has a Savings Incentive Match Plan for Employees Individual Retirement Account (SIMPLE IRA) Plan under Section 408(p) of the Internal Revenue Code. Employees contribute to the SIMPLE IRA Plan through payroll deduction. For the years ended June 30, 2025 and 2024, HFHGC contributed $71,160 and $63,749, respectively.

NOTE 13 RESTATEMENT OF PRIOR PERIOD FINANCIALS

The 2024 financial statements were restated to properly reflect HFHGC's obligations under the loan pool agreements entered into with certain banks and financial institutions (Note 7) in order to account for these agreements as secured borrowings and pledged collateral in accordance with Accounting Standards Codification (ASC) 860, *Transfer of Financial Assets*. The impact of this restatement on the 2024 financial statements was as follows:

	As originally stated	Restatement	As restated
Mortgage loans receivable, net	$ 4,113,299	$ 2,542,773	$ 6,656,072
Loan pool obligations	-	4,174,473	4,174,473
Net assets without donor restrictions	16,887,797	(1,631,700)	15,256,097
Home sales, net of discount	1,587,490	(648,487)	939,003
Mortgage loan discount amortization	350,958	180,303	531,261
Interest	23,430	150,411	173,841
Change in net assets without donor restrictions	(1,942,733)	(618,595)	(2,561,328)
Change in net assets	(2,110,730)	(618,595)	(2,729,325)

The net effect on beginning net assets as of June 30, 2023 was a decrease of $1,013,105 and an increase to loan pool obligations (liability) on the statement of financial position.

SUPPLEMENTARY INFORMATION

HABITAT FOR HUMANITY OF GREATER CINCINNATI

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Agency / Pass-Through Entity	Assistance Listing Number	Pass-Through Grant Number	Passed Through to Subrecipients	Amount Expended
U.S. Department of the Treasury				
Passed through the Ohio Department of Development				
Coronavirus State and Local Fiscal Recovery Funds	21.027	23HFHH-7XY-1120	$ 495,000	$ 750,000
Passed through the Habitat for Humanity Ohio				
Coronavirus State and Local Fiscal Recovery Funds	21.027	23HFHH-7LP-1120	-	911,317
Coronavirus State and Local Fiscal Recovery Funds	21.027	23HFHH-7LP-1120	-	240,000
Passed through the Local Initiatives Support Corporation				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	469,167
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	2,915,391
Passed through the Cincinnati Development Fund				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	118,684
Total U.S. Department of the Treasury			495,000	5,404,559
U.S. Department of Housing and Urban Development				
Passed through Hamilton County, Ohio				
Community Development Block Grant	14.228	None	-	50,000
Passed-through Hamilton County				
Home Investment Partnership Program	14.239	None	-	290,000
Home Investment Partnership Program	14.239	None	-	106,690
Passed-through Butler County				
Home Investment Partnership Program	14.239	None	-	100,000
Total Home Investment Partnership Program			-	496,690
Total U.S. Department of Housing and Urban Development			-	546,690
Total Expenditures of Federal Awards			$ 495,000	$5,951,249

See independent auditor’s report

HABITAT FOR HUMANITY OF GREATER CINCINNATI

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

NOTE 1 BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In accordance with grant award budgets approved by funding sources, equipment is charged to expense in the period during which it is purchased instead of being recognized as an asset and depreciated over its useful life for grant reporting purposes. As a result, the expenses reflected on the schedule of expenditures of federal awards include the costs of equipment purchased or leased during the year, rather than a provision for depreciation.

NOTE 2 DE MINIMIS COST RATE

The Organization has not elected to use the 10% de minimis cost rate.

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

To the Board of Trustees of
Habitat for Humanity of Greater Cincinnati

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Habitat for Humanity of Greater Cincinnati (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 27, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (CONTINUED)

Purpose of this Report

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

Barnes, Dennig & Co., Ltd.

February 27, 2026
Cincinnati, Ohio

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

To the Board of Trustees of
Habitat for Humanity of Greater Cincinnati

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Habitat for Humanity of Greater Cincinnati compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Habitat for Humanity of Greater Cincinnati major federal programs for the year ended June 30, 2025. Habitat for Humanity of Greater Cincinnati major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Habitat for Humanity of Greater Cincinnati complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Habitat for Humanity of Greater Cincinnati's federal programs.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Habitat for Humanity of Greater Cincinnati's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Habitat for Humanity of Greater Cincinnati's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Habitat for Humanity of Greater Cincinnati's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Habitat for Humanity of Greater Cincinnati's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Habitat for Humanity of Greater Cincinnati's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

Report on Internal Control Over Compliance (Continued)

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

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

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

Barnes, Dennig & Co., Ltd.

February 27, 2026
Cincinnati, Ohio

HABITAT FOR HUMANITY OF GREATER CINCINNATI

Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Consolidated Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	X	Yes		No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes	X	None noted
Noncompliance material to consolidated financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs

• Material weakness(es) identified?		Yes	X	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes	X	None noted

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

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR Section 200.516 (a)?		Yes	X	No

Identification of Major Programs

Assistance Listing Number	Name of Federal Programs or Clusters
21.027	Coronavirus State and Local Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee?		Yes	X	No

HABITAT FOR HUMANITY OF GREATER CINCINNATI

Schedule of Findings and Questioned Costs
Year Ended June 30, 2025
(Continued)

Section II – Financial Statement Findings

Finding No:	2025-001
Questioned Costs:	N/A
Information on Universe and Population Size:	N/A
Sample Size Information:	N/A
Noncompliance Information:	N/A
Statement of Condition:	Misstatements in the financial statements were not identified by the Organization's internal controls. Material audit adjustments related to Loan Pool activity were necessary to correct misstatements in order for the financial statements to be presented in accordance with GAAP.
Criteria:	The Organization is responsible for establishing and maintaining effective internal control over financial reporting.
Cause:	General oversight over financial reporting. Obligations under Loan Pool Agreements and related activity were not properly recognized in accordance with GAAP.
Effect:	The financial statements were materially misstated prior to audit entries proposed to management.
Recommendation:	Management should review significant agreements to ensure all obligations and related activity are properly accounted for in accordance with GAAP.
Management Response:	Management agrees with the finding and recommendations. The Finance office will complete monthly reviews of the financial information.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable

HABITAT FOR HUMANITY OF GREATER CINCINNATI

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2025

Reference Number	Summary of Finding	Status
	No matters are reportable	

Habitat for Humanity® Greater Cincinnati

We build strength, stability, and self-reliance through shelter.

Habitat for Humanity of Greater Cincinnati respectfully submits the following corrective action plan for the year ended June 30, 2025.

FINANCIAL STATEMENT FINDINGS

2025-001 – Material Prior Period Adjustment

Recommendation:	We recommend that HFHGC review significant agreements to ensure all obligations and related activity are properly accounted for in accordance with GAAP.
Corrective Action Taken:	Management agrees with the findings and recommendations, has corrected the misstatement and will properly account for this contract going forward. Future agreement will also be evaluated to ensure all obligations and related activity are properly recognized in accordance with GAAP.

Questions regarding this plan should be directed to Tait Paul, Director of Finance & Accounting.

Tait Paul, Director of Finance & Accounting
Habitat for Humanity of Greater Cincinnati